

TRANSACTION PROCEDURES

November 2010

Transaction Process Summary

1. New transaction is presented to Lender's Representative for consideration. Lender's Rep. is a commercial client of Boston Private (www.bostonprivate.com) and an agent for entertainment industry proposals for private lenders, one of which has several billion dollars in verifiable closings with Fortune 500 companies. Lender's Rep. can use a VP/Private Banker of the Santa Monica branch of Boston Private to confirm he has the lending relationships with the capacity to fund according to the following conditions:
2. Lender's Representative analyzes the underlying transaction
 - a. Summary of the transaction
 - b. Transaction size and terms desired
 - c. Identification of all principals in the transaction
 - d. Identification of borrowing entity's U.S. law firm
 - e. Minimum transaction size: \$5 million; maximum possible: \$100 million+
 - f. Two year minimum loan term
 - g. Annual interest rate range is approximately 7% to 9% fixed
 - h. It is possible to do a full deferment of principal and interest payments for up to 10 years if necessary
3. Identification of the financial institution issuing the bank instrument or guarantee
 - a. Guarantor must have a confirming bank in the United States
 - b. Must have an investment grade rating (BBB+ or better, according to S&P)
 - c. Contact information of bank officer or corporate executive behind the guarantee
 - d. We must have full disclosure as to origin and owner of the underlying funds/assets backing the financial instrument/guarantee
4. Lender contacts bank officer or corporate executive for initial discussion of the transaction
 - a. Guarantor is notified that Lender is to be the lender against the instrument
 - b. Guarantor to send Lender sample instrument
 - c. Negotiation begins on the required language on instrument
5. Finalize Due Diligence and terms of the loan agreement with the Borrower
6. Loan agreement and other legal documentation is drawn
 - a. Submitted to Borrower with conditional approval
 - b. All closing document drafts and legal opinions will be presented for review
7. When all closing document drafts and legal opinions are received and accepted by counsel, transaction closing will occur
8. Closing process (simultaneous escrow)
 - a. Instrument is drawn in favor of escrow agent with lender or its assigns as beneficiary
 - b. Lender funds borrower's escrow account

"If the credit is there, we can bring the cash."