

THE RULEBOOK

OTC DEBT MARKETS - MOVIE & FILM DEBT SECURITIES MARKET

JANUARY 2nd, 2025

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CHAPTER I
ADOPTION, INTERPRETATION AND APPLICATION OF RULES

1.1.0 – Adoption of Exchange Rules

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is operated by the Members and Employees of *Syndicate Subscription Legal Plans* (www.SyndicateLegalPlans.com) & *Syndicate Legal Support Services* (www.SyndicateLegalSupport.com) as listed in the most recent **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET LOAN MEMORANDUM**.

1.2.0 – Interpretation

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Rules shall be interpreted in such a manner to comply with State and Federal Lending Laws, and to effectuate the purposes and business of the **OTC DEBT MARKET – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, and to require that all practices in connection with the lending / investing business be just, reasonable and not unfairly discriminatory.

1.3.0 – Applicability

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Rules shall apply to all Members and persons associated with a Member.

1.4.0 – Effective Time

All **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Rules shall be effective on the date of this Rulebook.

CHAPTER II
MEMBERS OF THE OTC DEBT MARKETS –
MOVIE & FILM ASSET BACKED CERTIFICATES MARKET

2.1.0 – Rights, Privileges and Duties of OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Members

Unless otherwise stated in the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules**, each Member of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall have the same rights, privileges and duties of any other Member of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

2.2.0 – Obligations of the Members of the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET

In addition to all other obligations imposed by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, in the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules**, all Members of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, as a condition of effecting approved *Movie & Film Asset Backed Certificate (“MFABC”)* transactions on of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, shall agree to be regulated by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, and shall recognize that the members of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** are obligated to undertake, and to enforce compliance with the provisions of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules**, its Operating Agreement, its interpretations and policies with the provisions of the provisions of Lending Laws (both State and Federal), and regulations thereunder, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is required to discipline Members and persons associated with Members for violations of the provisions of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, its Operating Agreement, its interpretations of Federal and State Lending Laws by expulsion, suspension, limitation of activities, functions, and operations, fines, censure, being suspended or barred from being associated with a Member, or any other fitting sanction.

2.3.0 – Eligibility to be a Member of the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET

Except as herein after provided, any Member:

- a. Accredited Investor –
 - i. United States:
 1. A natural person who has individual net worth, or joint net worth with the Person’s spouse, that exceeds \$1 Million USD at the time of the purchase, or has assets under management of \$1 Million USD or above, excluding the value of their primary residence; or
 2. A natural person with income exceeding \$200,000 USD in each of the two most recent years or joint income with a spouse exceeding \$300,000

- for those years and a reasonable expectation of the same income level in the current years; or
3. A trust with assets in excess of \$5 Million USD, not formed to acquire the securities offered, whose purchases a sophisticated person makes; or
 4. A bank, insurance company, registered investment company, business development company, or small business investment company; or
 5. An employee benefit plan, with the meaning of the Employee Retirement Income Securities Act, if a bank, insurance company, or registered investment advisor makes the investment decisions, or if the plan has total assets in excess of \$5 Million USD; or
 6. A charitable organization, corporation, or partnership with assets exceeding \$5 Million USD; or
 7. A director, executive officer, or general partners of the company selling the securities; or
 8. A business in which all the equity owners are accredited investors.
- ii. Canada:
1. A person under the securities legislation of a jurisdiction of Canada, as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the Securities Act (Ontario) or the Securities (Newfoundland or Labrador); or
 2. An individual registered or formerly registered under the securities legislation of Canada as a representative of a person referred to in paragraph (a); or
 3. An individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000 USD; or
 4. An individual whose net income before taxes exceeds \$200,000 USD in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 USD in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; or
 5. An individual who, either alone or with a spouse, has net assets of at least \$5,000,000 USD; or
 6. A person, other than an individual investment fund, that has net assets of at least \$5,000,000 USD as shown on its most recently prepared financial statements; or
 7. A trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be; or
 8. An investment fund that distributes or has distributed its securities to (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 of the “National Instrument (Canada)” 45 106 (Minimum amount investment) or 2.19 of the “National Instrument (Canada)” 45 106 (Additional investment in investment funds), or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities to in section 2.18 of the “National Instrument (Canada)” 45 106 (Investment fund reinvestment).
 9. A person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an advisor or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction; or
 10. A person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned

by directors, are persons that are accredited investors (as defined in the “National Instrument (Canada)” 45 106); or

11. An investment fund that is advised by a person registered as an advisor or a person that is exempt from registration as an advisor.

iii. Australia

1. S708(8) of the Corporations Act 2001 (Australia) is found in Chapter 6D (Fundraising). It defines “sophisticated investor” so as to exclude them from certain disclosure requirements.
2. S708(8) of the Corporations Act 2001 (Australia) provides for an accountant to issue a certificate stating that an individual meets the criteria prescribed in the Corporations Regulations 2001 (Australia), namely net assets of at least \$2.5 Million USD, or a gross income for each of the last two financial years of at least \$250,000 USD.
3. Any Investor with a “Sophisticated Investor Certificate” issued by the Australian Securities and Investment Commission.

iv. European Union

1. European Investors meeting the term “accredited” must satisfy at least two of the following quantitative criteria in assessing the Investor’s expertise, experience and knowledge.
 - a. The Investor has carried out investment related transactions, in significant size (at least EUR 50,000), on a relevant securities market at an average frequency of ten transactions per quarter over the previous four quarters;
 - b. The size of the Investor’s financial instrument portfolio, defined as including cash deposits and financial instruments, exceeds EUR 500,000;
 - c. The Investor works or has worked in the financial sector for at least one year in a professional position which requires knowledge of the transactions or services envisaged.

v. Israel

1. An investment trust or fund manager
2. A management company or Provident fund as defined in the Israeli fund law
3. An insurance company
4. A banking corporation and auxiliary corporation as defined in the Israeli Banking Law (Licensing), other than a joint services company
5. A registered (licensed) investment advisor
6. An exchange member
7. A underwriter qualified under Section 506(c) of the Israeli Securities Act
8. Corporation (except a corporation incorporated for the purpose of receiving investment advisory services, investment marketing or portfolio management) with equity of more than ILS50 Million.
9. A natural person that gave consent in writing to be considered eligible and that meets at least two of the criterion below:
 - a. Owns a total value of cash, deposits, financial assets and securities as defined in Section 52 of the Israel Securities Act which exceeds ILS12 Million;
 - b. Has expertise and skills in capital markets or was employed at least one year in a professional position that requires expertise in capital markets;
 - c. Has made at least 30 transactions per quarter for the last four quarters. This does not include transactions made by the person’s portfolio manager on a non-discretionary basis.
10. A corporation which is wholly owned by accredited investors based on the criteria above

11. A corporation incorporated abroad whose activities are similar to those of the corporation set out above
- vi. Singapore
 1. As defined in Section 4A(1)(a) of the Securities and Futures Act (SFSA), Chapter 2899.
 - a. Net Personal assets exceeding SGD 2 Million (or equivalent in foreign currency); or
 - b. Income in preceding 12 months of not less than SGD 300,000 (or equivalent in foreign currency); or
 - c. A corporation with net assets exceeding \$10 Million USD in value (or its equivalent in foreign currency) or such other amount as the Authority may prescribe, in place of the first amount, as determined by – (a) the most recent audited balance-sheet of the corporation; or (b) where the corporation is not required to prepare audited accounts regularly, a balance-sheet of the corporation certified by the corporation as giving a true and fair view of the state of affairs of the corporation as of the date of the balance-sheet, which date shall be within the preceding 12 months;
 - d. The trustee of such trust as the Authority may prescribe, when acting in that capacity; or
 - e. Such other person as the Authority may prescribe.
 - b. Qualified Investor – As defined by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** to be “an Individual who is, Individuals who are, or a corporation, company or fund comprised of sophisticated investors, each capable of protecting themselves in making any investment decisions, and make investments only through the advisement of a FINRA or SEC Registered Investment Advisor or Broker Dealer, or an Attorney.”
 - i. Qualified Purchaser –
 1. Also, a “Qualified Investor”
 2. A resident of the State of California
 3. a natural person who, either individually or jointly with his/or her spouse, has a minimum net worth of \$500,000, or a minimum net worth of \$250,000, and, during the last taxable year had, and during the current year expects to have, a minimum gross income of \$100,000 (net worth shall be determined exclusive of home, home furnishings and automobiles);
 4. a self-employed individual retirement plan or an individual retirement account (IRA), if the investment decisions are made solely by persons who are qualified purchasers; or
 5. any organization described in section 501(c)(3) of the Internal Revenue Code, a corporation, Massachusetts or similar business trust, or a partnership, not formed for a specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000.

No person or entity shall be admitted as, or be entitled to continue as, a Member unless such person or entity meets the standards of financial competence and experience as the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may prescribe. Each **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator shall have the responsibility and duty to ascertain by investigation the good character, personal or business repute, qualifications, investment experience and financial competence of any person or entity applying for registration as a Member with the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

2.4.0 - Restriction

No person, or Entity, may become a Member, or continue as a Member, in any capacity on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** where:

- Such person does not, or no longer meets the eligibility requirements stated in Rule 2.3.0; or
- Such person is subject to a statutory disqualification; or
- Any Registered Entity that becomes unregistered, or has its Registration become suspended, revoked, terminated, disqualified, surrendered, vacated, abandoned, or dissolved; or
- Any person or entity that fails to demonstrate to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** adequate financial or investment capability, capacity, integrity and security necessary to conduct business on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**; or
- Any person or entity that is subject to any unsatisfied liens, judgments or unsecured credit claims of a material nature, which, in the absence of a reasonable explanation therefore, remain outstanding for more than six months; or
- Any person or entity that has been subject to any bankruptcy proceedings, receivership or arrangement for the benefit of creditors within the past three years; or
- Any person or entity in an established pattern of failure to pay just debts or has defaulted, without a reasonable explanation, on any obligation, and has been left unsatisfied for more than six months; or
- No person or entity shall be admitted as a Member of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** if it is determined by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator that the person or entity has engaged, and there is a reasonable likelihood that such person again may engage, in acts or practices inconsistent with just and equitable principles of investing / lending on ventures detailed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

No person or entity shall be admitted as a Member of **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** unless such person or entity:

- Each person has completed the appropriate investor suitability questionnaire and supplied copies of the appropriate documents as required; or
- Each person or entity has completed the appropriate institutional suitability questionnaire and supplied copies of the appropriate documents as required.
- Each person or entity must agree to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** examination of such person's or entity's books and records as required by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, and to agree to allow the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** to verify the accuracy of any information so supplied; and
- Each person or entity must agree to be regulated by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** and to recognize that the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is obligated to undertake to enforce compliance with the provisions of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** Rules, the Company's Operating Agreement, the interpretations and policies of the **OTC DEBT MARKETS – MOVIE & FILM**

ASSET BACKED CERTIFICATES MARKET, and the provisions of all State and Federal Lending Rules and Laws.

2.5.0 – Investment and Financial Proficiency & Professional Examinations

1. The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** requires each Person or Entity to meet the requirements of “Accredited Investor”, or “Qualified Investor” as detailed in Rule 2.3.0. This Investor Classification is determined by each applying Member who each completes an “Investor Suitability Questionnaire” and supplying the required documents as detailed in Rule 2.4.0.
2. The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** does not require the successful completion of any written proficiency examinations for any Persons or Entities.
3. The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** does not require any continuing education courses be attended or completed by any Person or Entity.

2.6.0 – Procedures for Applying for Membership to the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET

- Application

- *Where to file:* A Person or Entity seeking admission to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** must complete the appropriate Investor Suitability Questionnaire as found at <http://www.OTCDebtMarkets.com>.

The Person or Entity seeking admission to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** must complete the appropriate “*Investor Suitability Questionnaire*” and return the completed “*Investor Suitability Questionnaire*” and all required documents to the “*Investor Coordinator Division*” of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

- *Decision:* After considering an application by an Investor for Membership, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall issue a written decision within two business days of receiving a completed “*Investor Suitability Questionnaire*”, setting forth its findings and conclusions.

Types of Conclusions:

- “*Accredited Investor*” – Able to invest in all *Movie & Film Asset Backed Certificates (“MFABC’s”)* offered to Investors on the Primary & Secondary Market. (*State Availability Restrictions may apply*).
- “*Qualified Investor*” – Able to invest in all *Movie & Film Asset Backed Certificates (“MFABC’s”)* under the advisement of a FINRA or SEC Registered Investment Advisor or Broker Dealer, or an Attorney. (*State Availability Restrictions may apply*).
- “*Application Incomplete*” – The Applicant will not be granted Membership or Access to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, and the Application review is suspended until the time that the application is completed, or the required documents are fully submitted to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** for review and consideration.

- “*Application Denied*” – Upon review and consideration by a **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator, the Coordinator determines that the Applicant does not meet the standards required for “Accredited Investor”, or “Qualified Investor”.
- *Appeal*: Decisions by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator may be appealed to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** for reconsideration. Requests for Appeals are required to be in writing, and submitted to the Management of **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** by:

By Email:
Legal@SyndicateAPC.com

Appeals submitted to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will be reviewed by the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, and a written decision will be issued within 30 days of receipt of the request for Appeal.

2.7.0 – Revocation of OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Membership of a Member

Members may invest in approved *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Primary Market and Secondary Market per the Member’s Investor classification (“*Accredited Investor*” or “*Qualified Investor*”). The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall assume the responsibility to monitor the continued qualifications of a Member on an annual basis. The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** reserves the right to suspend or revoke a Member’s Membership to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** at any time the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has reason to believe that the Member fails to meet the qualifications of Membership of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. In connection with any suspension or revocation of rights as a Member, or the voluntary termination of rights as a Member pursuant to Rule 2.8 below, the Member’s Membership in the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall be cancelled.

2.8.0 – Voluntary Termination of Rights as a Member

A Member of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may voluntarily terminate its rights as a Member only by a written resignation addressed to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Coordinator.

By Email:
Legal@SyndicateAPC.com

Such resignation shall not take effect until 30 days after all of the following considerations have been satisfied: (i) receipt of such written resignation; (ii) all indebtedness due the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**; (iii) any **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** investigation or disciplinary action brought against the Member has reached a final disposition; and (iv) any examination of such Member in process is completed and all exceptions noted have been reasonably resolved; provided, *however, that the*

Management of the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET may declare a resignation effective at any time.

2.9.0 – Dues and Assessments paid by Members

The OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET charges no Members any Dues or Assessments.

CHAPTER III
MOVIE & FILM ASSET BACKED CERTIFICATES (“MFABC’s”)

3.1.0 – Rights, Privileges and Duties of Borrowers & Brokers associated with MOVIE & FILM ASSET BACKED CERTIFICATES (“MFABC’s”) Listed on the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET

Movie & Film Asset Backed Certificates (“MFABC’s”) are an investment product that is secured to Assets of a Business, that offers a competitive yield to an investor with the added safety of Real Property, or Assets containing “real value” (accounts receivable, machinery, automobiles, stocks, and other assets). *Movie & Film Asset Backed Certificate* (“MFABC”) Holders make an investment in the *Movie & Film Asset Backed Certificates* (“MFABC’s”) to earn a guaranteed rate of return for a predetermined amount of time.

Unless otherwise stated in the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules**, each listed *Movie & Film Asset Backed Certificate* (“MFABC”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall have the same rights, privileges and duties of any other listed *Movie & Film Asset Backed Certificate* (“MFABC”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

3.2.0 – Procedures for Applying for Listing of Movie & Film Asset Backed Certificates (“MFABC’s”).

- Application

- *Where to file:* A Borrower / Broker seeking Primary Market or Secondary Market Admission to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** must complete the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Application** for listing on the Primary Market and/or the Secondary Market found at <http://www.OTCDebtMarkets.com>.

The Borrower / Broker seeking Primary Market or Secondary Market Admission to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** must complete the appropriate “*OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Listing Application and Agreement*” and all required documents to the “*OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET – Market Coordinator*”.

By Email:
Legal@SyndicateAPC.com

- *Decision:* After considering an application by a Borrower / Broker for the Listing of *Movie & Film Asset Backed Certificates* (“MFABC’s”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall issue a written decision within ten business days of receiving a completed “*OTC DEBT CERTIFICATES MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Listing Application & Agreement*”, setting forth its findings and conclusions.

Types of Conclusions:

- “*Admitted for Listing and Trade Pending Receipt of Conditional Commitment Items*” – Able to list *Movie & Film Asset Backed Certificates* (“MFABC’s”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

- “*Application Incomplete*” – The Listing Applicant will not be approved or denied as additional information is required for the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** to make a decision for listing and trade.
 - “*Application Denied*” – Upon review and consideration by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, the Market Coordinator has determined that the Applicant does not meet the standards required for listing and trade on the **OTC DEBT CERTIFICATES MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
- *Appeal*: Decisions by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator may be appealed to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** for re-consideration. Requests for Appeals are required to be in writing, and submitted to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Board of Directors by:

By Email:
Legal@SyndicateAPC.com

Appeals submitted to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will be reviewed by all members of the Board of Directors, and a decision will be issued within 60 days of receipt of the request for re-consideration.

3.3.0 – Revocation of *Movie & Film Asset Backed Certificates* (“MFABC’s”) on the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET (Primary or Secondary Market).

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall assume the responsibility to monitor the continued qualifications of all *Movie & Film Asset Backed Certificates* (“MFABC’s”), including its Borrower(s) / Broker(s), on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** on a daily basis. The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** reserves the right to suspend or revoke any *Movie & Film Asset Backed Certificates* (“MFABC’s”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** at any time that the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has reason to believe that the Borrower / Broker fails to meet the qualifications of listing on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. In connection with any suspension or revocation of rights of a Listed Borrower / Broker, or the voluntary termination of rights as a Listed Broker / Borrower, all Listed *Movie & Film Asset Backed Certificates* (“MFABC’s”) for the Listed Borrower / Broker on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall be canceled.

3.4.0 – Voluntary Termination of Rights as a Listing Borrower / Broker:

A Borrower / Broker associated with any listed *Movie & Film Asset Backed Certificates* (“MFABC’s”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may voluntarily terminate their rights as a Listing Borrower / Broker only by a written “*Voluntary Delisting Request*” addressed to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator.

By Email:
Legal@SyndicateAPC.com

Such Voluntary Delisting Request shall immediately take effect following the receipt of such written Voluntary Delisting Request.

Any Voluntary Delisting Request as a Listing Borrower / Broker does not relieve the Borrower / Broker from:

- Any and all indebtedness due to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**;
- Any **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** investigation or disciplinary action brought against the Listing Borrower / Broker Issuer; and
- Any examination of such Listing Borrower / Broker that may be processed.

CHAPTER IV ***RULES OF FAIR PRACTICE***

4.1.0 – Business Conduct of Members and Listing Borrowers / Brokers

All Members & Listing Borrower / Brokers, in the conduct of their business, shall observe high standard of commercial honor and just and equitable principles of trade.

4.2.0 – Violations Prohibited

No Member, Market Professional or Listing Borrower / Broker shall engage in conduct in violation of any State of Federal Lending Law(s), the Operating Agreement, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules** or any policy or written interpretation of the Company's Operating Agreement or the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules**, or any Committee of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. Every Member and Listing Borrower / Broker shall so supervise persons associated with them as to assure compliance with those requirements.

4.3.0 – Use of Fraudulent Devices

No Member, Market Professional or Listing Borrower / Broker shall affect any transaction in, or induce the purchase or sale of, any *Movie & Film Asset Backed Certificates* ("MFABC's") by means of any manipulative, deceptive or other fraudulent device or contrivance.

4.4.0 – False Statements

No Member, Market Professional or Listing Borrower / Broker, either approved or pending approval, or any person associated with a Member, Market Professional or a Listing Borrower / Broker, shall make any false statements or misrepresentations in any application, report or other communications to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. No Member, Market Professional or Listing Borrower / Broker, either approved or pending approval, or any person associated with a Member, Market Professional or a Listing Borrower / Broker, shall make any false statement or misrepresentation to any **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Committee, Officer, the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** or any Designated Self-Regulatory organization in connection with any matter within the jurisdiction of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

4.5.0 – Advertising Practices

- a) No Member, Market Professional or Listing Borrower / Broker, directly or indirectly, in connection with *Movie & Film Asset Backed Certificates* ("MFABC's") listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, shall publish, circulate or distribute any advertisement, sales literature or market letter, or make oral or presentations which the Member or Listing Borrower / Broker knows, or in the exercise of reasonable know, contain any untrue statement of material fact or which is otherwise false or misleading. Exaggerated or misleading statements or claims are prohibited.
- b) Advertisements, sales literature and market letters shall contain the name of the Member, Market Professional / Coordinator and/or Listing Borrower / Broker, the person or firm preparing the

material, if other than the Member, Market Professional / Coordinator or the Listing Borrower / Broker, and the date on which it was first published, circulated or distributed (*except that in advertisements, only the name of the Member or the Listing Borrower / Broker Issuer need to be stated*).

- c) No cautionary statements or caveats, often called “*hedge clauses*”, may be used if they could mislead the reader or are inconsistent with the content of the material.
- d) Each item of advertising and sales literature, including any mailers or letters, utilizing the term, or any reference to, “**OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**” or “**MOVIE & FILM Asset Backed Certificates**” shall be approved by signature or initial, prior to use, by an Officer of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

4.6.0 – Charges for Services Performed

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall be reasonable and not unfairly discriminatory among Members or Borrowers / Brokers.

4.7.0 – Use of Information

A Member, or an Agent for the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, who in their capacity, has received information as to the ownership of that is subject to Movie & Film Asset Backed Certificates (“*MFABC’s*”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, shall not make use of such information for soliciting purchases, sales or exchanges except at the request, and on behalf, of the Borrower / Broker.

4.8.0 – Prohibition Against Guarantees

No Member, Market Professional or Borrower shall guarantee, directly or indirectly, a Member against loss in any Movie & Film Asset Backed Certificates (“*MFABC’s*”).

CHAPTER V
BOOKS AND RECORDS

5.1.0 – Requirements

Each Member, Listing Borrower / Broker and Market Coordinator shall make and keep books, accounts, records, memoranda and correspondence **FOR A PERIOD OF THREE YEARS.**

5.2.0 – Furnishing of Records

Every Member, Listing Borrower / Broker and Market Coordinator shall furnish to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, upon request and in a time and manner required by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, current copies of any records, files, or financial information pertaining to transactions executed through the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. Further, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall be allowed access, at any time, to the books and records of any Member or Listing Borrower / Broker in order to obtain or verify information related to transactions executed through the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** or activities relating to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

Consistent with the responsibility of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** to provide for timely regulatory investigations, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has adopted the following general time parameters within which the Members and Listing Borrowers / Brokers are required to respond to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** requests for any **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Transaction Data:

First Request Ten Business Days
Second Request Five Business Days
Third Request Five Business Days

The second and third request letter will be sent to the Member or the Listing Borrower / Broker via certified mail. Notwithstanding, the parameters listed above, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** reserves the right, in its sole discretion, to require information to be provided more quickly than described above.

5.3.0 – Record of Written Complaints

- A. Each Member, Listing Borrower / Broker and the Market Coordinator shall keep and preserve for a period of not less than five years, a file of all written complaints of Members, Listing Borrower / Broker and/or Market Coordinator, and action taken by the Member, Listing Borrower / Broker or Market Coordinator in respect thereof, if any. Further, for the first two years of the five-year period, the Member, Listing Borrower / Broker or Market Coordinator shall keep such file in a place readily accessible to examination.
- B. A “*complaint*” shall mean any written statement of a Member, Listing Borrower / Broker or Market Coordinator, or any person acting on behalf of a Member, Listing Borrower / Broker or Market Coordinator, alleging a grievance involving the activities of a Member, Listing Borrower / Broker

or a Market Coordinator, or persons under the control of a Member, Listing Borrower / Broker or a Market Professional.

CHAPTER VI **SUPERVISION**

6.1.0 – Supervisory Procedures

Each Member, Listing Borrower / Broker, and the Market Coordinator, shall maintain and enforce all written **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules and Procedures**, as well as properly supervise the activities of any associated persons of the Member, Listing Borrower / Broker and/or the Market Coordinator, to assure their compliance with applicable State & Federal Lending laws, rules, regulations and statements of policy promulgated thereunder, and where appropriate, with the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

6.2.0 – Responsibilities of Members, Listing Borrowers / Brokers and the Market Coordinator

Final responsibility for proper supervision shall rest with the Member, Listing Borrower / Broker or the Market Coordinator. Those Members, Listing Borrower / Broker and any Market Coordinator who utilize services of “*Associated Persons*” shall establish, maintain and enforce written procedures which will enable the Member, Listing Borrower / Broker or Market Coordinator to properly supervise the activities of its Associated Persons. The Member, Listing Borrower / Broker, and /or Market Coordinator is responsible to ensure that their Associated Person acts in full compliance with applicable State & Federal Lending Laws, and with all Rules and Regulation of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

6.3.0 – Records

Each Member, Listing Borrower / Broker or Market Coordinator with Associated Persons(s) shall be responsible for keeping appropriate records for carrying out the Member’s, Listing Borrower’s / Broker’s or Market Coordinator’s Supervisory Procedures.

6.4.0 – Review of Activities

Each Member, Listing Borrower / Broker or Market Coordinator with Associated Person(s) shall review the activities of each Associated Person, which shall include the periodic examination of any accounts and transactions, to detect, prevent irregularities, and safeguard any non-public information.

CHAPTER VII ***TRADING RULES***

7.1.0 – Hours of Trading and Trading Days

A. Primary Market:

- a. Investing / Lending Members may enter a “*buy side Investment / Lending Agreement*” to Invest in Movie & Film Asset Backed Certificates (“*MFABC’s*”), 24 hours a day, 7 days a week, 365 days a year.
- b. Borrowers / Brokers (Primary Market) may only “*accept*” a Buy Side Offer to Invest / Lend during Regular Market Hours on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Business Days.
 - i. Regular Market Hours – The term “*Regular Market Hours*” means the time between 9:00:00 AM and 4:00:00 PM Eastern Standard Time (New York) / 6:00:00 AM and 1:00:00 PM Pacific Standard Time (Los Angeles)
 - ii. Business Days are Monday through Friday, except for the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** recognized Holidays:
 1. New Year’s Day
 2. Dr. Martin Luther King Day
 3. Presidents Day
 4. Good Friday
 5. Memorial Day
 6. Independence Day
 7. Labor Day
 8. Thanksgiving Day
 9. Christmas Day
 - iii. When any holiday observed by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** falls on a Saturday, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will not be open for business on the preceding Friday. When any holiday observed by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** falls on a Sunday, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will not be open for business on the following Monday, unless otherwise indicated by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

B. Secondary Market:

- a. Buying Members may enter a “*bid*” to purchase Movie & Film Asset Backed Certificates (“*MFABC’s*”) listed for sale by on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** by a Selling Members 24 hours a day, 7 days a week, 365 days a year.
- b. Selling Members may only “*accept*” or “*decline*” a Buying Members “*Bid*” During Regular Market Hours on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Business Days.

- i. Regular Market Hours – The term “Regular Market Hours” means the time between 9:00:00 AM and 4:00:00 PM Eastern Standard Time (New York) / 6:00:00 AM and 1:00:00 PM Pacific Standard Time (Los Angeles)
- ii. Business Days are Monday through Friday, except for **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** recognized Holidays:
 1. New Year’s Day
 2. Dr. Martin Luther King Day
 3. Presidents Day
 4. Good Friday
 5. Memorial Day
 6. Independence Day
 7. Labor Day
 8. Thanksgiving Day
 9. Christmas Day
- iii. When any holiday observed by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** falls on a Saturday, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will not be open for business on the preceding Friday. When any holiday observed by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** falls on a Sunday, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will not be open for business on the following Monday, unless otherwise indicated by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

7.2.0 – Powers of the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Management to Halt Trading

The Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall have the power to halt or suspend trading in any and any *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, to close some or all *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) facilities, and to determine the duration of any such halt, suspension, or closing, when Management deems such action necessary for the maintenance of a fair and orderly market, the protection of Investors, or otherwise in the public’s best interest, including special circumstances such as:

- Actual or threatened physical danger, severe climatic conditions, civil unrest, terrorism, acts of war, or loss of interruption of facilities utilized by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, or
- A request by a Governmental Agency or Official, or
- A period of mourning or recognition for a person or event.

No such action shall continue longer than a period of two days, unless the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** approves the continuation of such suspension.

7.3.0 – OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Continuity Plan

The Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has developed a Business Continuity Plan outlining how the Company will respond to events that significantly disrupt the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** business. Since the timing and impact of disasters and disruption is unpredictable, each entity is flexible in responding to actual events as they occur.

Contacting the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET – During a significant business disruption, you should be able to contact the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** as you usually do via phone, email or any other means. Additional contact information for all **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Professionals will be continually posted at www.OTCDebtMarkets.com. If unable to contact the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, you should call any of the firms listed for instruction on how they can provide prompt access to any required information.

The OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S Business Continuity Plan – The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** plans to quickly recover and resume business operations after a significant business disruption by safeguarding the Company's Employees and Property, making a financial and operational assessment, protecting the Company's Books and Records, and allowing our Members, Listing Borrower / Broker, and the Market Coordinator to transact business. In short, the Company's Business Continuity Plan is designed to permit the Company to resume operations as quickly as possible, subject to the scope and severity of the significant business disruption.

Each Company's Business Continuity Plan addresses data back-up and recovery; all mission critical systems, financial and operational assessments; alternative communications with customers, employees, and any regulators; alternative location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our Members, Listing Borrowers / Brokers and the Market Coordinator prompt access to any information if the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is unable to continue business.

While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** objective is to restore operations and be able to complete existing transactions and accept new transactions within a timely manner.

Varying Disruptions – Significant business disruptions can vary in their scope, whether it affects only the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, a single building housing the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, the business district where the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is located, the City where the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is located, or an entire region. Within each of these areas, the severity of the disruption can vary from minimal to severe. In a disruption to only the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** or a building housing the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**

MARKET, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** Management will transfer its operations to a local site when needed and expect to recover and resume the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** business within one day. In a disruption affecting the Business District where the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is located, or a city or region, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** Management will transfer operations to a site outside of the affected area and recover and resume the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** business within one day. In both cases, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** plans to continue in business and post pertinent information on its website at www.OTCDebtMarkets.com. If the significant business disruption is so severe that it prevents the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** from remaining in business, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will facilitate all Members', Listing Borrowers' / Brokers' and any Agents' prompt access to their information as necessary.

7.4.0 – Instrument Eligible for Trading on the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has designated the following Finance Instruments for Trading on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

- Movie & Film Asset Backed Certificates (“MFABC’s”) are the only Finance Instruments eligible for trade on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. Movie & Film Asset Backed Certificates (“MFABC’s”) are an investment product that is secured to Real Assets of an Existing Business, that offers a competitive yield to an investor with the added safety of securitization of their principal. Movie & Film Asset Backed Certificate (“MFABC”) Holders make an investment in the Certificates to earn a guaranteed rate of return for a predetermined amount of time.

Unless otherwise stated in the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules**, each listed Movie & Film Asset Backed Certificate (“MFABC”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall have the same rights, privileges and duties of any other listed Movie & Film Asset Backed Certificates (“MFABC’s”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

7.5.0 – Registration of Members, Market Professionals & Associated Persons

Registration of Members and Market Professionals –

- Access by Application:
 - Each person has completed the appropriate investor suitability questionnaire and supplied copies of the appropriate documents as required; or
 - Each entity has completed the appropriate institutional suitability questionnaire and supplied copies of the appropriate documents as required.
 - Each person or entity must agree to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET'S** examination of such person's or

entity's books and records as required by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** and to agree to allow the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** to verify the accuracy of any information so supplied; and

- Each person or entity must agree to be regulated by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** and to recognize that the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is obligated to undertake and enforce compliance with the provisions of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules**, the Company's Operating Agreement, the interpretations and policies of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Rules** and the provisions of State & Federal Lending Laws.
- Access Granted *without* Application:
 - Family Office Managers
 - Investment Banking Companies
 - FINRA & SEC Registered Investment Advisors & Broker Dealers
 - Life Insurance Company Asset Managers
 - Pension Fund Asset Managers
 - Select Hedge Fund Managers
 - Select Foundation & Endowment Asset Managers
 - Select Venture Capital Firm Professionals
 - Select Qualified Investors

7.6.0 – Three Types of Access to the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET

- *General Access* – the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Website shall NOT be open for general browsing and reviewing of information to all browsers.
- *Limited Access* – allows for Individuals to have limited access as a “*Non-Investing Party*” to access information on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. Limited Access will have no ability to complete a bid on *Movie & Film Asset Backed Certificates* (“*MFABC's*”).
 - General Parties granted this type of Access:
 - Borrowers
 - Title Companies
 - Escrow Agents
 - Agents for the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**
 - Transfer Agents
 - Regulatory & Compliance Professionals
- *Member Portal Access* – allows Members and Select Market Professionals “Access to Bid Portals”

Member Access means that a Member qualified as an “*Accredited Investor*” or a “*Qualified Investor*” and has been issued the rights to have access to “*Bid*” to any *Movie & Film Asset Backed Certificates* (“*MFABC's*”) that are offered to Accredited Investors, or Qualified Investors.

NOTE: Qualified Investors are required to have an SEC / FINRA Registered Investment Advisor or Broker Dealer, or an Attorney advising them for all bid access. Qualified Investors are granted access by an SEC / FINRA Registered Investment Advisor or Broker, or by an Attorney that is an ACTIVE MEMBER of the OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET.

Member Portal Access:

- a. Accredited Investor –
 - ii. *Primary Market (Buy Side)* – Able to complete Investor Side of a Bid for Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
 - iii. *Secondary Market (Buy Side)* – Able to post “Bids” for Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
 - iv. *Secondary Market (Sell Side)* – Able to post “Asks” for the sale of Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
- b. Qualified Investor –
 - i. *Primary Market (Buy Side)* – Able to complete Investor Side of a Bid for Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
 - ii. *Secondary Market (Buy Side)* – Able to post “Bids” for Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
 - iii. *Secondary Market (Sell Side)* – Able to post “Asks” for the sale of Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
- c. Agents & Associated Persons –
 - i. Access to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will be granted on an “as-needed” basis to Agents (Transfer Agents, Escrow Agents, etc.) and Associated Persons (generally an advisor to a Member / Accredited Investor / Qualified Investor):
 - a. *Primary Market (Buy Side)* – Un-able to complete Investor Side of a Bid for Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
 - b. *Secondary Market (Buy Side)* – Un-able to post “Bids” for Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
 - c. *Secondary Market (Sell Side)* – Unable to post “Asks” for the sale of Movie & Film Asset Backed Certificates (“MFABC’s”) listed on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

7.7.0 – Execution of Investments

A. Primary Market:

- a. All Movie & Film Asset Backed Certificate (“*MFABC*”) Transactions on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Primary Market are between the “Selling Member” and an “Investing Member” (“Member”).
 - i. A Borrower may engage, or have engaged, the services of a Coordinator with the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, or an Approved Broker who may list Movie & Film Asset Backed Certificates (“*MFABC’s*”) on behalf of a Borrower on the Primary Market of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
 - ii. After completion of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** due diligence of a Borrower and the Investment Opportunity, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will post the information about the Movie & Film Asset Backed Certificates (“*MFABC’s*”) and the Corresponding Loan on the Primary Market of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
- b. An Investing Member wishing to BID to Invest / Lend in Movie & Film Asset Backed Certificates (“*MFABC’s*”), can click on one of the “BID” tabs associated with the Movie & Film Asset Backed Certificates (“*MFABC’s*”) in which the Member is seeking to invest in.
- c. After Clicking on the “BID” tab, the Investing Member will be prompted supply the following information:
 - i. Contact Name (*Broker or Investing / Lending Member*)
 - ii. Firm Name (*if applicable*)
 - iii. Contact Phone Number (*for the Broker or Investing / Lending Member*)
 - iv. Your Role (*Select the One that Best Applies*)
 1. Family Office (Investor)
 2. FINRA / SEC Registered Investment Advisor (Investor)
 3. FINRA / SEC Registered Investment Advisor (Broker / Advisor)
 4. FINRA / SEC Broker Dealer (Investor)
 5. FINRA / SEC Broker Dealer (Broker / Advisor)
 6. Investment Banking Firm (Investor)
 7. Hedge Fund Manager (Investor)
 8. Pension Fund Asset Manager (Investor)
 9. Insurance Company Asset Manager (Investor)
 10. Private Equity Firm Asset Manager (Investor)
 11. Venture Capital Firm Asset Manager (Investor)
 12. Foundation or Endowment Asset Manager (Investor)
 13. Other Qualified Investor / Accredited Investor
 - v. Number of Movie & Film Asset Backed Certificates (“*MFABC’s*”) the Investing Member is seeking to purchase:
- d. After completion of a BID, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will share the information with the Selling Broker / Borrower.

B. Secondary Market:

- a. All Sales of Movie & Film Asset Backed Certificates (“*MFABC’s*”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Secondary Market are between a “Selling Member” (*seller*) and a “Buying Member” (*buyer*).
 - i. A Member (Sell Side) may engage, or have engaged, the services of a Coordinator with the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED**

CERTIFICATES MARKET who may list the Movie & Film Asset Backed Certificates (“MFABC’s”) on behalf of a Selling Member on the Secondary Market of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

1. *Ask* – The term “*Ask*” is a written indication by a Selling Member (or Broker for a Selling Member) of a willingness to sell Movie & Film Asset Backed Certificates (“MFABC’s”), and the price at which the Selling Member is willing to sell the Movie & Film Asset Backed Certificates (“MFABC’s”) for.
 2. *Bid* – The term “*Bid*” is an indication by a Buying Member (or Broker for a Selling Member) of a willingness to buy Movie & Film Asset Backed Certificates (“MFABC’s”), and the price at which the Buying Member is willing to buy the Movie & Film Asset Backed Certificates (“MFABC’s”) for.
 - ii. **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Secondary Market is an “*Auction Market*” – The term “*Auction Market*”, is a market in which Buying Members (or their Broker) enter competitive bids, and Selling Members (or their Broker) enter competitive offers simultaneously.
- b. Posting an ASK –
- i. A Selling Member (or their broker) logs into the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Secondary Market.
 - ii. A Selling Member (or their broker) clicks on “*Post an Ask*”
 - iii. A Selling Member (or their broker) inputs the mandatory fields required to Post and Ask
 1. Name of the Selling Member
 2. Name and Contact of any Broker representing the Selling Member (*none is required, but is recommended*)
 3. Information regarding the Movie & Film Asset Backed Certificates (“MFABC’s”) Listed for sale, including (but not limited to):
 - a. Original Loan / Note Amount of the Corresponding Loan
 - b. Details about the Collateral
 - c. Details about the Borrower
 - d. Performing / Non-Performing Information (as verified by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**)
 - e. A “*Minimum Bid Price*” is the cash selling price the Selling Member will accept for the Movie & Film Asset Backed Certificates (“MFABC’s”) being listed for sale (*the Minimum Bid Price is not published for view*), and the “*Listed Ask Price*” is the cash selling price the Selling Member will sell the Movie & Film Asset Backed Certificates (“MFABC’s”) if a Buying Member is willing to purchase the Movie & Film Asset Backed Certificates (“MFABC’s”) for (*the Listed Ask Price is published and viewable to all Secondary Market Members*).
 4. NOTE: Any Selling Member (or their broker) may choose “*No Listed Ask Price*” and will not have a cash price at which Bids are automatically accepted, and all bids will be compiled during the Auction, and the Movie & Film Asset Backed Certificates (“MFABC’s”) will be sold to the “*Highest Bidders above the Minimum Bid Price*”. All Bids below the “*Minimum Bid Price*” will not be accepted by the Selling Member.
 - iv. After inputting the information for the “*Ask*”, the Selling Member (or their broker) will be required to present information to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** that the Selling Member is the rightful owner of the Movie & Film Asset Backed

- Certificates* (“*MFABC’s*”) being offered for sale, and that the *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) are free to be offered for sale.
- v. After verifying the Marketability of the *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) and the Performance History of the *Movie & Film Asset Backed Certificates* (“*MFABC’s*”), the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will “*Accept the Ask*”, and it will be put in the “*Ask*” in Queue for the Start of the Next Secondary Market Auction.
 - vi. Secondary Market Auctions:
 1. All Auctions start at 11:00:00 AM EST / 8:00:00 AM PST each **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Business Day.
 2. All Auctions end at 10:59:59 AM EST / 7:59:59 AM PST the NEXT **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Business Day (*some auctions last 24 hours, some auctions can last for days*).
 3. Buying Members (or their broker) can post “*Bids*” for the full duration of the Auction.
 - a. All Bids entered by Buying Members (or their broker) are published for view by any Member / broker accessing the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** Secondary Market. Buying Members (or their broker) suspected of placing Bids for the purpose of creating or inducing a false, misleading or artificial appearance of activity in a Bid, or for the purpose of unduly or improperly influencing the market price for the *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) or for the purpose of establishing a price which does not reflect the true state of the market in the *Movie & Film Asset Backed Certificates* (“*MFABC’s*”), may have their Memberships Suspended, Revoked or Terminated. (*See Chapter VIII*)
 4. Bids to Sales:
 - a. All Bids for the “*Listed Ask Price*” are automatically accepted.
 - i. If during Regular Market Hours on a **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Day, all Bids for the “*Listed Ask Price*” are automatically accepted and final, and those *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) are removed from that Secondary Market Auction.
 - ii. If during After Market Hours or on Non- **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Business Days, all Bids at the “*Listed Ask Price*” are automatically accepted at the opening of the next **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Business Day. If more Listed Ask Price Bids are received than the number of *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) available, the Selling Member will accept the Listed Ask Price Bids with the earliest received time stamp.
 - b. All Bids above the “*Minimum Bid Price*”, after all “*Listed Ask Price*” for the *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) have been deducted from the *Movie & Film*

Asset Backed Certificates (“MFABC’s”) available for auction (if any):

- i. At the end of the Auction:
 1. If the number of Bids above the Minimum Bid Price exceeds the number of Movie & Film Asset Backed Certificates (“MFABC’s”) Listed for sale, then only the bids for the most money per Movie & Film Asset Backed Certificates (“MFABC’s”) will be accepted, and all other bids will be rejected. This is called “Full Lot Sale”
 2. If the number of Movie & Film Asset Backed Certificates (“MFABC’s”) available for sale is greater than the Bids above the Minimum Bid Price, all of the Bids above the Minimum Sales Price will be accepted, and all other Bids rejected. This is called “Partial Lot Sale”.
5. After completion of the Auction,
 - a. Selling Members (or their broker) receive an email from the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** on behalf of the Buying Member with the results of the Auction.
 - i. Movie & Film Asset Backed Certificates (“MFABC’s”) Sold
 - ii. Sales Price for the Movie & Film Asset Backed Certificates (“MFABC’s”)
 - iii. Buying Member’s Contact Information
 - iv. Sell Side Agreement for execution
 - b. Buying Members (or their broker) with accepted Bids receive an email from the **Selling Member (or their broker)** with details of how to complete the Purchase of the Movie & Film Asset Backed Certificates (“MFABC’s”).
 - i. Movie & Film Asset Backed Certificates (“MFABC’s”) being purchased
 - ii. Price purchasing the Movie & Film Asset Backed Certificates (“MFABC’s”) for
 - iii. Selling Member Contact Information
 - iv. Buy Side Agreement for execution
 - v. Instruction for where to wire funds or mail a check for the purchase of the Movie & Film Asset Backed Certificates (“MFABC’s”) being purchased (funds are only paid directly to the Selling Member or their Broker).
 - c. Upon receipt of “Cleared Bank Funds”, the Selling Member, or their broker, will promptly forward “Verification and Receipt of Cleared Buy Funds” and promptly forward the purchased Movie & Film Asset Backed Certificates (“MFABC’s”) to the Buying Member (or their broker).
 - d. *Failed Transaction – Buy Side* – Any transaction without Cleared Bank Funds being sent to the Selling Member (or the broker) within TEN **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET BUSINESS DAYS** shall result in the Buying Members (or the broker) **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** access being suspended or revoked. **Any illegal action will be dealt with swiftly and the violators will be reported to the appropriate authorities.**

- e. *Failed Transaction – Sell Side* – Any transaction where a Buying Member (or their broker) has sent Cleared Bank Funds to the Selling Member (or their broker) and has not received a confirmation of receipt of Cleared Bank Funds or the *Movie & Film Asset Backed Certificates (“MFABC’s”)* purchased, shall immediately have their **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** access suspended or revoked. **Any illegal action will be dealt with swiftly and the violators will be reported to the appropriate authorities.**

7.8.0 – Trade Reporting

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall cause to be disseminated for publication on the “*OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET – Market Consolidated Market Activity Report*”, the sale price of all transactions on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** pursuant to the requirements of an effective transactions reporting plan approved by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S Management**.

To facilitate the dissemination of the *OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S - Market Consolidated Market Activity Report*, each Member (or their broker) shall cause to be reported to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, as promptly as possible after completion of all transactions, all information each transaction required by the *OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S – Market Consolidated Market Activity Report*.

An Official of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall approve any corrections to reports published in any single day’s *OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S - Consolidated Market Activity Report*. Any such correction shall be made within one day after detection of any failed transaction or reporting error.

7.9.0 – Execution of Investments

- A. NEITHER THE **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, NOR ITS AGENTS, EMPLOYEES, CONTRACTORS, OFFICERS, DIRECTORS, SHAREHOLDERS, COMMITTEE MEMBERS OR AFFILIATES SHALL BE LIABLE TO ANY USER, MEMBER, LISTED ISSUER, MARKET PROFESSIONAL, OR SUCCESSORS, REPRESENTATIVES OR CUSTOMERS THEREOF, OR ANY PERSONS ASSOCIATED THEREWITH, FOR ANY LOSS, DAMAGES, CLAIM OR EXPENSE:
 - a. GROWING OUT OF THE USE OR ENJOYMENT OF ANY FACILITY OF THE **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, INCLUDING, WITHOUT LIMITATION, THE **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S SYSTEMS**; OR
 - b. ARISING FROM OR OCCASIONED BY ANY INACCURACY, ERROR OR DELAY IN, OR OMISSION OF, OR FROM THE COLLECTION, CALCULATION, COMPILATION, MAINTENANCE, REPORTING OR DISSEMINATION OF ANY INFORMATION DERIVED FROM THE SYSTEM OR ANY OTHER FACILITY OF THE **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, RESULTING EITHER FROM ANY ACT OR OMISSION BY THE **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** OR ANY **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET RELATED PERSON**, OR FROM ANY ACT CONDITION OR CAUSE BEYOND THE REASONABLE CONTROL OF THE **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**

MARKET OR ANY OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET RELATED PERSON, INCLUDING, BUT NOT LIMITED TO, FLOOD, EXTRAORDINARY WEATHER CONDITIONS, EARTHQUAKE OR OTHER ACTS OF GOD, FIRE, WAR, TERRORISM, INSURRECTION, RIOT, LABOR DISPUTE, ACCIDENT, ACTION OF GOVERNMENT, COMMUNICATIONS OR POWER FAILURE, OR EQUIPMENT OR SOFTWARE MALFUNCTION.

- B. NEITHER THE OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET NOR ANY OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET RELATED PERSON MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS TO ANY MEMBER, LISTING BORROWER OR LISTING BROKER, AS TO RESULTS THAT ANY PERSON OR PARTY MAY OBTAIN FROM THE OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET SYSTEMS FOR TRADING OR FOR ANY OTHER PURPOSE, AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, TITLE, AND NON-INFRINGEMENT WITH RESPECT TO THE OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET SYSTEMS ARE HEREBY DISCLAIMED.

CHAPTER VIII
TRADING PRACTICE RULES

8.1.0 – Dissemination of False Information

No Member, Listing Borrower / Broker or Market Coordinator shall make any statement or circulate and disseminate any information concerning any *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** which such Member, Listing Borrower / Broker or Market Coordinator knows, or has reasonable grounds for believing is false or misleading, or fraudulent.

8.2.0 – Trade / Investment / Lending Reports

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall cause to be disseminated for publication on the “*OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S – Market Consolidated Market Activity Report*”, all transactions on **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** pursuant to the requirements of an effective transactions reporting plan approved by the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

To facilitate the dissemination of the *OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S – Market Consolidated Market Activity Report*, each Member, Listing Borrower / Broker, Market Coordinator, Agent, and all associated persons shall cause to be reported to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, as promptly as possible after completion of all transactions, all information each transaction required by the *OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S – Market Consolidated Market Activity Report*.

An Official of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall approve any corrections to reports published in any single day’s *OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S – Market Consolidated Market Activity Report*. Any such correction shall be made within one day after detection of any failed transaction or reporting error.

CHAPTER IX
LISTINGS OF
MOVIE & FILM ASSET BACKED CERTIFICATES (“MFABC’s”)

9.1.0 – Use of Discretionary Authority

To further the understanding of this Rule, The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has adopted this Rule (Rule 9.1.0) as a non-exclusive description of the circumstances in which the Rule is generally invoked.

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may use its Authority to deny initial or continued listings to a Member, Borrower, or Broker when an individual with a history of regulatory misconduct is associated with the Member, Borrower and/or Broker. In making this determination, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will consider a variety of factors, including (*but not limited to*):

- The nature and severity of the conduct, taken in conjunction with the length of time since the conduct occurred;
- Whether the conduct involved fraud or dishonesty;
- Whether the conduct was Industry related;
- Whether the investing public was involved;
- How the individual has been employed since the violative conduct;
- Whether there are continuing sanctions (*either criminal or civil*) against the individual
- Whether the individual made / is making restitution;
- Whether the Member, Borrower, Broker has taken effective remedial action; and
- The totality of the individual’s relationship to the Member, Borrower, Broker, giving consideration to:
 - The individual’s current or proposed position;
 - The individual’s current or proposed scope of authority;
 - The extent to which the individual has responsibility for financial transactions;
 - The individual’s equity interest.

Based on this review, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may determine that the regulatory history rises to the level of a public interest concern but may also consider whether remedial measures proposed by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, if taken, would allay that concern. Examples of such remedial measures could include any or all of the following, as appropriate:

- The individual’s resignation from officer or directors’ position, and/or other employment with the Member, Borrower, or Broker;
- Divestiture of any equitable holdings;
- Termination of contractual arrangements between the Member, Borrower or Broker and the individual; or
- The establishment of a voting trust surrounding the individual’s interests.

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is willing to discuss with companies, on a “*case-by-case*” basis, what remedial measures may be appropriate to address public interest concerns, and for how long such remedial measures would be required. Alternatively, the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may conclude that a public interest concern is so serious that no remedial measure would be sufficient to alleviate it. In the event that the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator denies initial or continued listing based on such public interest considerations, the Member / Borrower / Broker may seek review of that determination through the filing of an appeal to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. On consideration of such appeal, the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may accept, reject or modify the Coordinator’s recommendations by imposing conditions.

Requests for Appeals are required to be in writing, and submitted to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** by:

By Email:
Legal@SyndicateAPC.com

Appeals submitted to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will be reviewed by all members of the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, and a decision will be issued within 30 days of receipt of the request for consideration.

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may also use its discretionary authority, for example, when a Member / Borrower / Broker files for protection under any provision of the Federal Bankruptcy Laws or comparable foreign laws.

Although the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has broad discretion under this Rule to impose additional or more stringent criteria, this Rule does not provide a basis for the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** to grant exemptions or exceptions from the enumerated criteria for initial or continued listing, which may be granted solely pursuant to rules explicitly providing such authority.

9.2.0 – Bankruptcy and Liquidation

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall immediately use its discretionary authority to suspend or terminate the listing of a Member / Borrower / Broker that has filed for protection under any provision of the Federal Bankruptcy Laws or comparable foreign laws, or has announced that liquidation has been authorized by the Members’ / Borrowers’ / Brokers’ board of directors and that it is committed to proceed, even though the Member / Borrower / Broker otherwise meets all enumerated criteria for continued listing on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

9.3.0 – Code of Conduct

Each Member / Borrower / Broker shall adopt a code of conduct applicable to all directors, officers and employees, which shall be publicly available on the Members’ / Borrowers’ / Brokers’ page on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. The code must provide for an enforcement mechanism. Any waivers of the code for directors or executive officers must be

approved by the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

Ethical behavior is required and expected of every corporate officer, director and employee of a Member / Borrower / Broker, whether or not a formal code of conduct exists. The requirement of a publicly available code of conduct applicable to all directors, officers and employees of a Member / Borrower / Broker is intended to demonstrate to all participants of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** that the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has carefully considered the requirements of ethical dealing of a Member / Borrower / Broker, and to ensure that each Member / Borrower / Broker has put in place a system to ensure that they become aware of and take prompt action against any questionable behavior. For Member / Borrower / Broker personnel, a code of conduct with enforcement provisions provides assurance that reporting of questionable behavior is protected and encouraged and fosters an atmosphere of self-awareness and prudent conduct.

Rule 9.7.0 requires Members / Borrowers / Brokers to adopt a code of conduct that must include such standards as are reasonably necessary to promote the ethical handling of conflicts of interest, full and fair disclosure, and compliance with all State & Federal Lending laws, and the rules of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. However, the code of conduct required by Rule 9.7.0 must apply to all directors, officers and employees of a Member / Borrower / Broker. Members / Borrowers / Brokers can satisfy this obligation by adopting one or more codes of conduct, such that all directors, officers and employees are subject to a code that satisfies the definition of a “code of ethics”.

As the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** recognizes, investors are harmed when real or perceived private interest of a director, officer or employee is in conflict with the interests of the Member / Borrower / Broker, as when the individual receives improper personal benefits as a result of his or her position with the Member / Borrower / Broker, or when the individual has other duties, responsibilities or obligations that run counter to his or her duty to the Member / Borrower / Broker. Also, the disclosures a company makes to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** are the essential source of information about the Member / Borrower / Broker for regulators and investors – there can be no question about the duty to make them fairly, accurately and timely.

Finally, illegal action must be dealt with swiftly and the violators reported to the appropriate authorities. Each code of conduct must require that any waiver of the code for executive officers or directors may be made only by the board of directors and must be disclosed to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, along with the reasons for the waiver. Any waivers of the code for directors or executive officers must be approved by the Members’ / Borrowers’ / Brokers’ board of directors.

Each code of conduct must also contain an enforcement mechanism that ensures prompt and consistent enforcement of the code, protection for persons reporting questionable behavior, clear and objective standards for compliance, and a fair process by which to determine violations.

9.4.0 – Failure to Meet Listing Standards

Members / Borrowers / Brokers that do not meet the listing standards for *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) set forth in this Rulebook are subject to Delisting from, or denial of listing on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** is responsible for identifying deficiencies that may lead to Delisting or Denial of a listing application; notifying the company of the deficiency or denial; and issuing Delisting Determinations.

When the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** determines that a Member / Borrower / Broker does not meet a Listing Standard as set forth in this Rulebook,

it will immediately notify the Member / Borrower / Broker of the deficiency. As explained below in more detail, deficiency notifications are three types:

- *OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET Delisting Determination* – which are notifications of deficiencies, and unless appealed, are subject the Member’s / Borrower’s / Broker’s immediate suspension and delisting;
 - Inform the Member / Borrower / Broker of the factual bases for the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S** determination of delisting, and the quantitative standard the Member / Borrower / Broker has failed to satisfy;
 - Provides the Member / Borrower / Broker with instruction regarding its obligation to disclose the deficiency under the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET’S RULES**; and
 - Inform the Member / Borrower / Broker:
 - In the case of a Delisting Determination, the Member’s / Borrower’s / Broker’s listing of *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) will be suspended as of the date certain; the Member / Borrower / Broker has a right to appeal the Delisting Determination to the Management of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, and that a request for appeal must be received by the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** in writing within Seven Calendar Days. The Member’s / Borrower’s / Broker’s *Movie & Film Asset Backed Certificates* (“*MFABC’s*”) will remain suspended from listing pending the appeal process.

9.5.0 – Re-Listing of Movie & Film Asset Backed Certificates (“MFABC’s”):

A Member / Borrower / Broker that has been the subject of a Delisting must comply with the requirements for new listing to be considered for re-listing.

9.6.0 – Voluntary Termination of Rights as an Issuer:

A Member / Borrower / Broker of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may voluntarily terminate its rights as a Listing Borrower / Broker only by a written “*Voluntary Delisting Request*” addressed to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** Coordinator.

By Email:
Legal@SyndicateAPC.com

Such Voluntary Delisting Request shall immediately take effect following the receipt of such written Voluntary Delisting Request.

Any Voluntary Delisting Request as a Listing Borrower / Broker does not relieve the Listing Broker / Borrower from:

- Any and all indebtedness due to the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**;

- Any **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** investigation or disciplinary action brought against the Listing Borrower / Broker; and
- Any examination of such Listing Borrower / Broker that may be process.

CHAPTER X ***FEES & CHARGES***

10.1.0 – Authority to Charge Fees and Other Charges

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may prescribe such reasonable fees or other charges as it may, in its discretion, deem appropriate. Such fees and charges may include, but are not limited to:

- Valuation Fee;
- Transaction Commissions;
- Loan Servicing Fees;
- Credit Report Fees;
- Processing Fees;
- Document Preparation Fees;
- And other fees as the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may determine.

ALL SUCH FEES AND CHARGES SHALL BE EQUITABLY ALLOCATED AMONG ALL MEMBERS, AND ALL LISTING BORROWERS / BROKERS.

10.2.0 – Schedule of Fees

The **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** will provide all Members and Listing Borrowers / Brokers with notice of all relevant fees and charges of the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**. Such notice may be made available to Members and Listing Borrowers / Brokers on the **OTC DEBT MARKETS – MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** website at *<http://www.OTCDebtMarkets.com>* or through a Services Engagement Agreement.

CHAPTER XI
BUSINESS CONDUCT

11.1.0 – Adherence to Law

No Member, Listing Borrower / Broker or Market Coordinator shall engage in conduct in violation of the State of Federal Lending Laws, or the Rules of the **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.

Every Member, Listing Borrower / Broker Issuer or Market Coordinator shall supervise any “*associated person*” with that Member, Listing Borrower / Broker or Market Coordinator is associated, as to assure the associated person’s compliance therewith.

11.2.0 – Rumors

No Member, Listing Borrower / Broker, Market Coordinator or Associated Person associated with the **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall circulate, in any manner, rumors of a character which might affect **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** conditions in any market or investment opportunity; provided, however that this rule shall not prohibit discussion of unsubstantiated information, so long as its source and unverified nature are disclosed.

11.3.0 – Prevention of the Misuse of Material Non-Public Information

- A. Every Member, Listing Borrower / Broker and Market Coordinator shall establish, maintain and enforce written policies and procedures reasonably designed, taking into consideration the nature of the Member, Listing Borrower / Broker or Market Coordinator’s business, to prevent the misuse of material non-public information by a Member, Listing Borrower / Broker or Market Coordinator, or by an associated person that is associated with a Member, Listing Borrower / Broker or Market Coordinator, that is in violation of State and/or Federal Lending Laws or the Rules of the **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**.
- B. Each Member, Listing Borrower / Broker and Market Coordinator shall establish, maintain and enforce the following policies and procedures as appropriate for the nature of the Member, Listing Borrower / Broker or Market Coordinator’s business:
 - a. All associated persons must be advised in writing of the prohibition against the misuse of material non-public information.
 - b. Signed attestations from the Member, Listing Borrower / Broker, Market Coordinator and all associated persons affirming each person’s awareness of, and agreement by, the aforementioned prohibitions must be maintained for at least three (3) years, the first two (2) years in an easily accessible place.

- C. ANY MEMBER, LISTING BORROWER / BROKER, MARKET COORDINATOR OR ASSOCIATED PERSON WHO BECOMES AWARE OF ANY POSSIBLE MISUSE OF MATERIAL NON-PUBLIC INFORMATION MUST PROMPTLY NOTIFY THE OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET.

11.4.0 – Regulatory Cooperation

- A. The **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** may enter into agreements that provide for the exchange of information and other forms of mutual assistance for market surveillance, investigative enforcement and other regulatory purposes.
- B. No Member, Listing Borrower / Broker, Market Coordinator or Associated Person subject to the jurisdiction of the **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** shall refuse to appear and testify before the any self-regulatory organization in connection with a regulator investigative, examination or disciplinary proceeding, or refuse to furnish documentary materials, or other information, or otherwise impede or delay such investigation, examination or disciplinary proceeding if the **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET**, or a self-regulatory organization requests such information or testimony in connection with an inquiry resulting from an agreement entered into by the **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** pursuant to paragraph (a) of this Rule. The requirements of this paragraph B shall apply regardless whether the **OTC DEBT MARKETS - MOVIE & FILM ASSET BACKED CERTIFICATES MARKET** has itself initiated an investigation or disciplinary proceeding.