

# EXHIBIT 8

Incentive Capital LLC  
2755 E. Cottonwood Parkway  
Suite 100  
Salt Lake City, UT 84121

As of April 7, 2010

Re: Escrow Agreement ("Escrow Agreement") between Camelot Film Group, Inc. ("CFG") and Incentive Capital LLC (the "Lender")

Dear Sirs:

Reference is made to Camelot Entertainment Group's ("CEG") guarantee (the "CEG Guarantee") of CFG'S obligations as defined in the loan documents of even date between the Lender and CFG ("Loan Documents") relating to the acquisition by Camelot of the Liberation Entertainment Library assets.

Please confirm your agreement to the terms of this Escrow Agreement by signing and returning to us the enclosed copy:

1. Undertakings

- (a) CEG shall forthwith deliver to the undersigned escrow agent ("Escrow Agent") a Certificate of Designation (the "Certificate") in the form annexed hereto as Exhibit A, authorizing the issuance of Six Hundred Fifty Thousand Dollars (\$650,000.00) worth of CEG Class F Convertible Preferred shares (the "Pledged Shares"), which shall be held in accordance with, and subject to, the terms of this Escrow Agreement.
- (b) CEG shall also forthwith deliver to the Escrow Agent a certificate constituting the Pledged Shares (made out to the Lender) (the "Certificate"), which shall be convertible into fully paid and non-assessable shares of CEG common stock ("Common Stock") at a price based on the ninety (90) day average price of the Common Stock immediately prior to the conversion of the Stock. While in escrow, none of CEG or its affiliates shall transfer, assign or encumber any of the Pledged Shares or the Certificate.
- (c) If the total consideration received by the Lender from loan payments, distribution revenues generated by Camelot Distribution Group, Inc. and/or CFG, and all other sources as more fully discussed and agreed to in the Loan Documents, is less than Six Hundred Fifty Thousand Dollars (\$650,000.00), plus applicable interest, in the aggregate, by the time all of said Common Stock has been delivered and is eligible for sale, then CEG shall issue additional shares of CEG Common Stock to the Lender until the Lender has received Common Stock that has a fair market value in an amount not less than Six Hundred Fifty Thousand Dollars (\$650,000.00), plus applicable interest.
- (d) Escrow Agent will hold the Pledged Shares and the Certificate in accordance with the terms of this Escrow Letter.



- (e) If the Escrow Agent receives written notice from CEG and the Lender on or before the expiration of the Loan Documents that the Lender has been fully paid pursuant to the Loan Documents, the Escrow Agent will transfer the Pledged Shares to Camelot unencumbered within five (5) business days of such notification; or
- (f) If the Lender notifies the Escrow Agent in writing (but such notification cannot occur before the maturity date of loan set forth in the Loan Documents), with a copy to CEG, that Lender has not been fully paid pursuant to the Loan Documents, and such notification is not objected to by CEG in writing within five (5) business days after its receipt of such notice, the Escrow Agent shall transfer to the Lender the Pledged Shares and the Certificate in an amount equal to the remaining balance, plus accrued and unpaid interest, of the Note, unencumbered, within five (5) business days of such notification.
- (g) In the event that such notification from the Lender is disputed by CEG in writing, then the Escrow Agent shall hold the Pledged Shares, subject to parties resolving the dispute either voluntarily or through mutually-acceptable dispute resolution in the State of Utah. Notwithstanding the foregoing, unless CEG produces to the Escrow Agent (at the same time it provides the Escrow Agent its written objection) evidence of a money transfer (i.e. wire, check or cash) in an amount that would completely pay off the loan discussed herein and prior to or on the maturity date set forth in the Loan Documents, Escrow Agent shall release the Pledged Shares and the Certificate to the Lender.
- (h) All notices shall be in writing by email and fax to the addresses set forth in the Loan Documents, with a hard copy delivered personally as to addresses in the Los Angeles metropolitan area or sent by Federal Express or UPS as to addresses outside of the Los Angeles metropolitan area, to the respective addresses set forth below.

2. Miscellaneous

- (a) The transfer of the Pledged Shares to the Lender, or back to Camelot, hereunder shall be made to the applicable party via Federal Express at Camelot's expense upon five (5) business days prior notice, unless the parties agree in writing on a different manner of transfer of the Pledged Shares.
- (b) Upon receipt of the Pledged Shares and the Certificate from the Escrow Agent, whether to Camelot (upon payoff of the loan discussed herein) or to the Lender (if the Lender is not fully paid in accordance with the Loan Documents), the Escrow Agent shall be discharged from any other obligations to the Lender, and this Escrow Agreement shall terminate.

At all times after the date of this Escrow Agreement the parties shall execute all such documents and do all such acts and things as may reasonably be required for the purpose of giving full effect to this Escrow Agreement.

All rights under this Escrow Agreement are personal to the Parties and may not be assigned by either Party without the prior written consent of the other Party.


This Escrow Agreement and any documents referred to in it, constitute the whole agreement between the Parties and supersede any previous arrangement, understanding or agreement between them relating to the subject matter they cover, and may not be modified and/or amended without the prior written consent of both Parties.

Except as expressly provided in this Escrow Agreement, a person who is not a party to this Escrow Agreement shall not have any right to enforce any term of this Escrow Agreement.


These Escrow Instructions and this Escrow Agreement shall be governed by the Internal laws of the State of Utah applicable to contracts negotiated and entered into and performed wholly within the State of Utah.

Accepted and Agreed:

CAMELOT ENTERTAINMENT GROUP, INC.

BY:   
Name: Robert P. Andrews  
Title: Chairman

INCENTIVE CAPITAL LLC

BY:   
Name: James K. Melnam  
Title: Manager

Yours faithfully PIA ANDERSON DORIS REYNARD MOSS

  
.....  
ESCROW AGENT





**CAMELOT ENTERTAINMENT GROUP, INC.**

**CERTIFICATE OF DESIGNATION  
OF CLASS F CONVERTIBLE PREFERRED STOCK**

Pursuant to Section 151 of the  
General Corporation Law of the State of Delaware

Camelot Entertainment Group, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, DOES HEREBY CERTIFY:

That pursuant to the authority invested to the Board of Directors of the Corporation in accordance with the provisions of the Certificate of Incorporation of said Corporation, as amended, (the "Certificate of Incorporation"), and Article 5 of the Corporation's By-Laws, as amended, (the "By-Laws"), the said Board of Directors on April 27, 2010, adopted the following resolution creating a class of five million (5,000,000) shares of Preferred Stock designated as "Class F Convertible Preferred Stock."

RESOLVED that, pursuant to the authority vested in the Board of Directors of this Corporation in accordance with the provisions of the Certificate of Incorporation and the By-Laws, a class of Preferred Stock, par value \$.0001 per share, of the Corporation be and hereby is created and that the designation and number of shares thereof and the voting and other powers, preferences, limitations, restrictions and relative rights thereof are as follows:

**Class F Convertible Preferred Stock**

1. **Designation and Amount; Additional Restrictions.** There shall be a class of Preferred Stock that shall be designated as "Class F Convertible Preferred Stock," and the number of shares constituting such class shall be 5,000,000. Such number of shares may be increased or decreased by resolution of the Board of Directors; provided, however, that no decrease shall reduce the number of shares of Class F Convertible Preferred Stock to less than the number of shares then issued and outstanding plus the number of shares issuable upon exercise of outstanding rights, options or warrants or upon conversion of outstanding securities issued by the Corporation. It is hereby acknowledged by the Corporation and its undersigned officers below that the primary reason for the authorization and creation of the particular class of stock described in this Section is to pledge a sufficient number of shares of Class F Convertible Preferred Stock to more fully collateralize a loan being made by Incentive Capital, LLC ("Lender") to Camelot Film Group, Inc. ("CFG"), an affiliate company to the Corporation. Therefore, the Corporation shall immediately upon execution of this document along with that certain Escrow Agreement between Lender and CFG of even date herewith, issue the prescribed number of shares of Class F Convertible Preferred Stock to Lender, which shares shall be immediately placed in escrow pending the full payment of the loan described herein and the full compliance of CFG with the terms and conditions of said escrow agreement. In order to preserve and protect the value of such shares, the Corporation hereby declares that it shall not (i) encumber, (ii) issue, transfer or assign to anyone other than Lender, or (iii)

otherwise compromise any of the authorized shares of the Class F Convertible Preferred Stock, whether issued or unissued, until the loan contemplated herein is completely satisfied.

2. Ranking. As to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up, the Class F Convertible Preferred Stock shall rank senior to the Corporation's Class A Convertible Preferred Stock, Class C Convertible Preferred Stock Class D Convertible Preferred Stock, Common Stock, and equal to all other classes or class of stock issued by the Corporation, including Class B and E Convertible Preferred Stock, except as otherwise approved by the affirmative vote or consent of the holders of a majority of the shares of Class F Stock.

3. Dividends and Distributions. Subject to the rights of the holders of any shares of any class or series of stock of the Corporation ranking prior and superior to the shares of Class F Convertible Preferred Stock with respect to dividends, the holders of shares of Class F Convertible Preferred Stock, in preference to the holders of shares of any class or series of stock of the Corporation ranking junior to the Class F Convertible Preferred Stock thereof, shall be entitled to receive dividends, out of funds legally available therefor. Said dividends shall be payable only when as, and if declared by the Board of Directors, and shall not be cumulative.

4. Voting Rights. The holders of shares of Class F Convertible Preferred Stock shall have the following voting rights:

(A) Each share of Class F Convertible Preferred Stock shall entitle the holder thereof to a number of votes equal to one (1) vote.

(B) Except as required by law, holders of Class F Convertible Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

5. Conversion.

(A) Right to Convert. Holders of Class F Convertible Preferred Stock shall have the right to convert any or all of their Class F Convertible Preferred Stock into Six Hundred Fifty Thousand Dollars (\$650,000.00) in shares of fully paid and nonassessable shares of Common Stock at a price based on the ninety (90) day average price of the Common Stock immediately prior to conversion on or after December 31, 2010. Holders of Class F Convertible Preferred Stock shall have the right to convert any or all of their Class F Convertible Preferred Stock into 10 shares in shares of fully paid and nonassessable shares of Common Stock for each share of Class F Convertible Preferred Stock held. In addition, holders of Class F Convertible Preferred Stock will have the right to convert, as described below, upon an initial or secondary public offering of the Common Stock by the Corporation or in the event of a change in control as defined in the Rules and Regulations of the Securities and Exchange Commission on or after December 31, 2010.



**(B) Mechanics of Conversion.**

(i) Any holder of Class F Convertible Preferred Stock may exercise the right to convert such shares into Common Stock by delivering to the Corporation during regular business hours, at the office of the Corporation or any transfer agent of the Corporation or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be converted (the "Class F Preferred Certificate"), duly endorsed or assigned in blank to the Corporation (if required by it).

(ii) Each Class F Preferred Certificate shall be accompanied by written notice stating that such holder elects to convert such shares and stating the name or names (with address) in which the certificate or certificates for the shares of Common Stock (the "Common Certificate") are to be issued. Such conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date."

(iii) As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at the place designated by such holder, a certificate or certificates for the number of shares of Common Stock to which such holder is entitled.

(iv) The person in whose name the certificate or certificates for Common Stock are to be issued shall be deemed to have become a holder of record of Common Stock on the applicable Conversion Date, unless the transfer books of the Corporation are closed on such Conversion Date, in which event the holder shall be deemed to have become the stockholder of record on the next succeeding date on which the transfer books are open, provided that the Conversion Price shall be that Conversion Price in effect on the Conversion Date.

(v) Upon conversion of only a portion of the number of shares covered by a Class F Preferred Certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such Class F Preferred Certificate, at the expense of the Corporation, a new certificate covering the number of shares of the Class F Convertible Preferred Stock representing the unconverted portion of the Class F Preferred Certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such shares.

**(C) Conversion Fees.** The Corporation shall pay all documentary, stamp or other transactional taxes (excluding income taxes) attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of Class F Convertible Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the holder of the Class F Convertible Preferred Stock in respect of which such shares of Class F Convertible Preferred Stock are being issued.

**(D) Reservation of Stock.** The Corporation shall reserve out of its authorized but unissued shares of Common Stock solely for the purpose of effecting the conversion of the Class F Convertible Preferred Stock sufficient shares of Common Stock to provide for the conversion

of all outstanding shares of Class F Convertible Preferred Stock. In the event there are not sufficient shares of Common Stock available at the time of issuance to provide for the conversion of all outstanding shares of Class F Convertible Preferred Stock, the Corporation shall take whatever steps are necessary to insure that the authorized but unissued shares of Common Stock will be available as soon as practicable following any issuance of Class F Convertible Preferred Stock as provided for herein.

(E) Status of Common Stock. All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable, not subject to any preemptive or similar rights and free from all taxes, liens or charges with respect thereto created or imposed by the Corporation.

6. Reacquired Shares. Any shares of Class F Convertible Preferred Stock converted or otherwise acquired by the Corporation in any manner whatsoever shall be retired promptly after the acquisition thereof. Upon their retirement, at the sole discretion of the Corporation, all such shares shall either be (i) permanently retired, or (ii) become authorized but unissued shares of Preferred Stock that may be reissued as part of a new series of Preferred Stock (to be created by resolution or resolutions of the Board of Directors, subject to any conditions and restrictions on issuance set forth herein).

7. Merger, Consolidation, Etc. Should the Corporation enter into any merger, consolidation, combination or other transaction in which the outstanding shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then each share of Class F Convertible Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share equal to 100 shares of the Corporation's Common Stock, into which or for which each share of Common Stock is changed or exchanged.

8. Liquidation Rights.

(A) Upon any liquidation, dissolution or winding up of the Corporation, voluntary or otherwise, the holders of Class F Convertible Preferred Stock shall rank senior and prior to holders of the Corporation's Class A Convertible Preferred Stock, Class C Convertible Preferred Stock, Class D Convertible Preferred Stock, Common Stock, and equal to all other classes or class of stock issued by the Corporation, including Class B and Class E Convertible Preferred, except as otherwise approved by the affirmative vote or consent of the holders of at least a majority of Class F Stock outstanding pursuant to Section 5(A) hereof.

(B) In the event of any liquidation, dissolution or winding-up of the affairs of the Corporation, the sole participation to which the holders of shares of Class F Convertible Preferred Stock then outstanding shall be entitled, out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, to receive, before any payment shall be made to the holders of the Corporation's Class A Convertible Preferred Stock, Class C Convertible Preferred Stock, Class D Convertible Preferred Stock, Common Stock or any other class or series of stock ranking on Liquidation junior to such Class F Stock, an amount per share equal to \$1.00. If upon any such Liquidation of the Corporation, the



remaining assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Class F Stock the full amount to which they shall be entitled, the holders of shares of Class F Stock and any class or series of stock ranking on liquidation on a parity with the Class F Stock shall share pari passu in any distribution of the remaining assets and funds of the Corporation in proportion to the respective liquidation amounts of the Preferred Stock that would otherwise be payable to the holders of Preferred Stock with respect to the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(C) Neither the merger nor consolidation of the Corporation into or with another corporation nor the merger or consolidation of any other corporation into or with the Corporation shall be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Section 8.


9. Certain Covenants. Any registered holder of Class F Convertible Preferred Stock may proceed to protect and enforce its rights and the rights of such holders by any available remedy by proceeding at law or in equity to protect and enforce any such rights, whether for the specific enforcement of any provision in this Certificate of Designation or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.


10. Amendment. At any time that any shares of Class F Convertible Preferred Stock are outstanding, the Restated Certificate of Incorporation of the Corporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Class F Convertible Preferred Stock so as to affect it adversely without the affirmative vote of the holders of two-thirds of the outstanding shares of Class F Convertible Preferred Stock, voting separately as a class.

11. Notice to the Corporation. All notices and other communications required or permitted to be given to the Corporation hereunder shall be made by first-class mail, postage prepaid, to the Corporation at its principal executive offices (currently located on the date of the adoption of these resolutions) at the following address: 8001 Irvine Center Drive Suite 400 Irvine, California 92618. Any notice to the stockholders shall be made to their address as set forth on the books and records of the Corporation.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Designation to be duly executed on behalf of the Corporation effective April 27, 2010.

CAMELOT ENTERTAINMENT GROUP, INC.

  
Robert Atwell, President

  
George Jackson, Secretary