
From: Jatedbaer@aol.com
Sent: Thursday, April 01, 2010 9:25 PM
To: Nathan Dorius; Joseph Pia
Cc: bob@camelotfilms.com; plevoff@aol.com; pmjarowey2@aol.com; jamie@camelotfilms.com; Jatedbaer@aol.com
Subject: Re: Loan Documentation INFORMATION REQUESTED
Attachments: CDG-Projections-Liberation.xls; CDG-SalesProjections03012010.xls March 19, 2010.xls; EvaluationToExclude TITLES NO LONGER PART OF LIBRARY.xls; LibraryValuationReportandSupportingSchedules-FINAL061708.pdf

Nathan -

I am attaching four files that cover the unencumbered assets of the two borrowing entities: Camelot Film Group and Camelot Distribution Group:

- 1 - the Camelot Distribution Group Sales Revenue Projections on Liberation Library titles to be purchased
- 2 - the Up-dated 2010 valuation of the Liberation Library prepared by the Liberation management (i.e. an update from the Salter report enclosed)
- 3 - the Camelot Distribution Group Sales Revenue Projections for the new film titles licensed by CDG over the last number of months
- 4 - the Salter Library valuation report of the Liberation Library

Together these assets have a significantly higher value than the amount of the Loan and the interest thereon.

Also, of particular note, I should point out that the parent company, Camelot Entertainment Group, Inc., is a public company, and, as such, has substantial value that is far more secure than personal guarantees. For example, the company would consider placing into escrow \$650,000 in convertible preferred stock in the publicly-traded entity in order to give your lender additional comfort of a substantial guarantee. The escrow would only be released upon satisfaction of the loan.

We look forward to reviewing and finalizing the documentation with you tomorrow.

best

Ted

J. A. Ted Baer