

Document 1419

[21419001]

Qintex Australia Ltd. encountered another setback Friday when its Los Angeles-based affiliate, Qintex Entertainment Inc., filed for protection under Chapter 11 of the U.S. Bankruptcy Code.

[21419002]

Qintex Entertainment also said David Evans, its president and chief executive, and Roger Kimmel, a director, both resigned.

[21419003]

Neither could be reached for comment.

[21419005]

Mr. Evans had been the de facto head of MGM/UA for months.

[21419007]

Qintex Entertainment is 43% owned by Qintex Australia and said it relies on the Australian company for funding its working capital requirements.

[21419008]

After the announcement of the bankruptcy filing, Qintex Entertainment stock sank \$ 2.625 in over-the-counter trading to close at \$ 1.50 on heavy volume of more than 1.4 million shares.

[21419009]

The stock traded as high as \$ 10 this past summer.

[21419010]

Jonathan Lloyd, executive vice president and chief financial officer of Qintex Entertainment, said Qintex Entertainment was forced to file for protection to avoid going into default under its agreement with MCA.

[21419011]

The \$ 5.9 million payment was due Oct. 1 and the deadline for default was Oct. 19.

[21419012]

Mr. Lloyd said if Qintex had defaulted it could have been required to repay \$ 92 million in debt under its loan agreements.

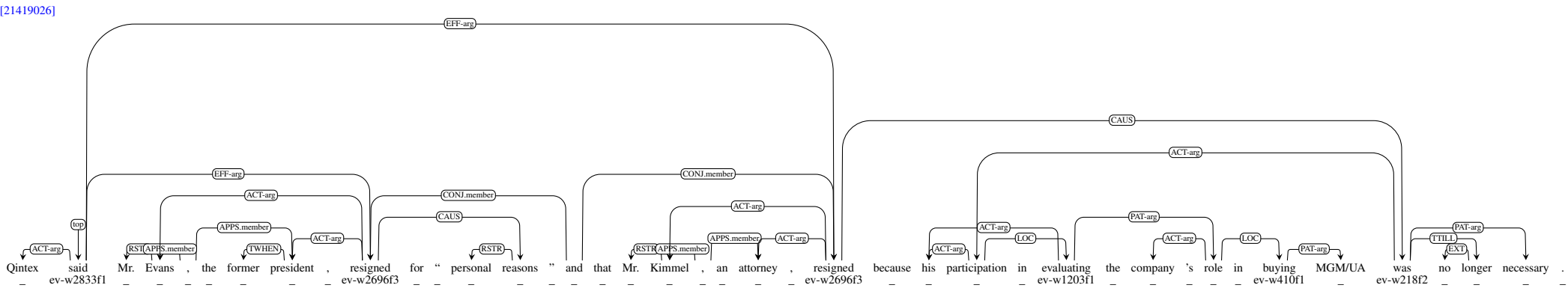
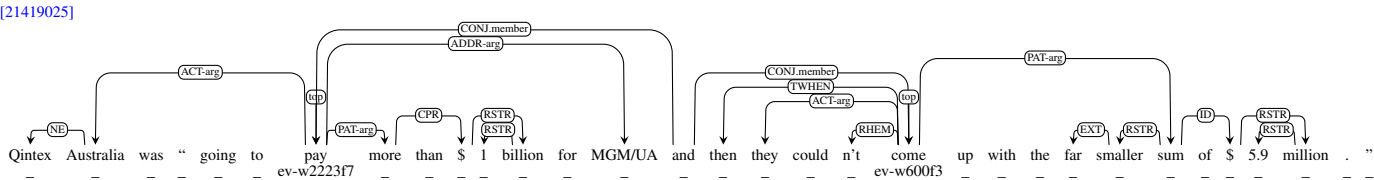
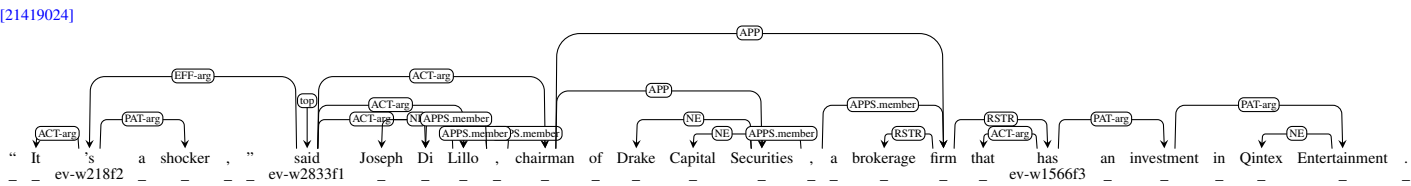
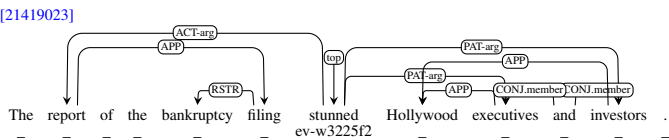
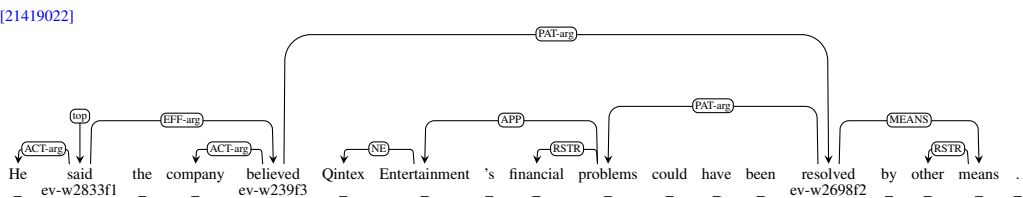
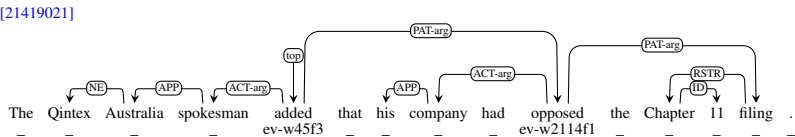
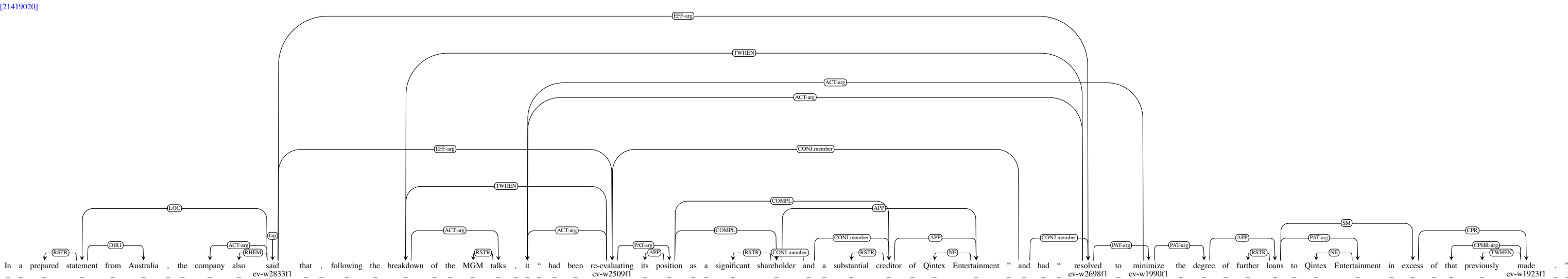
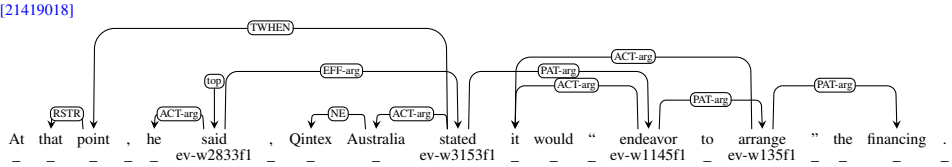
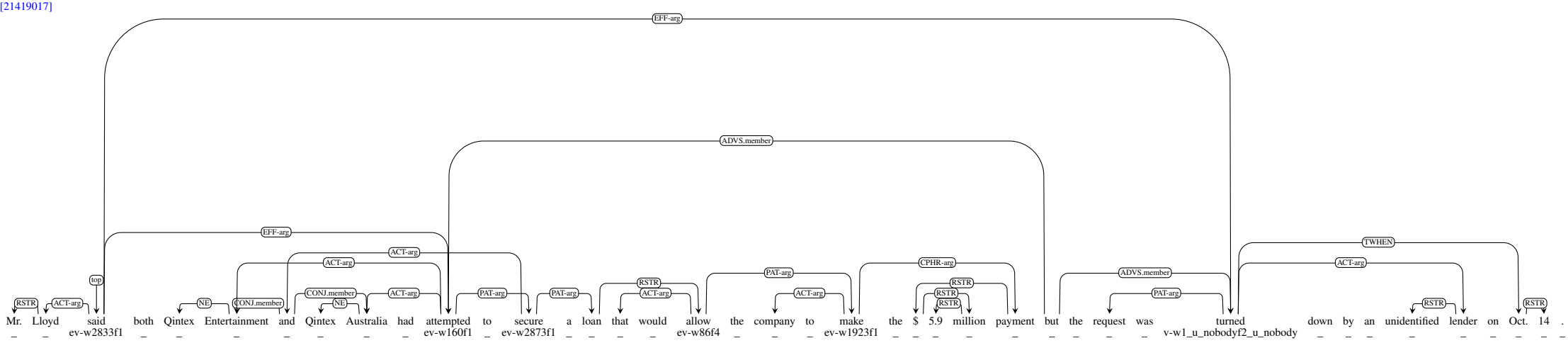
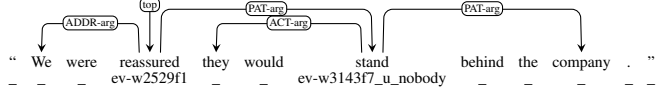
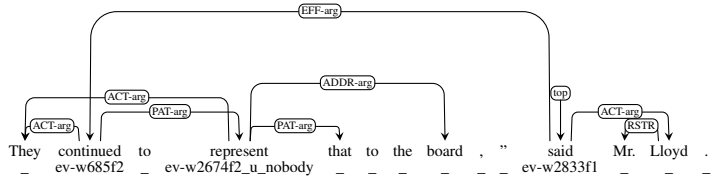
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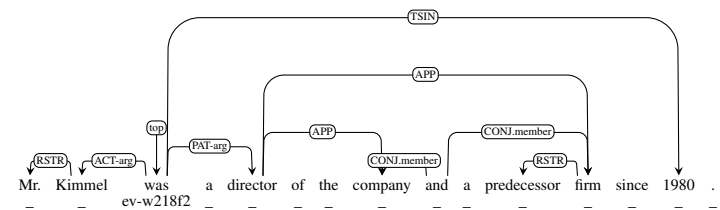
MCA on Friday said that as a result of Qintex's failure to make the required payment it was terminating the distribution agreement on "The New Leave It to Beaver" as well as other MCA properties.

[21419014]

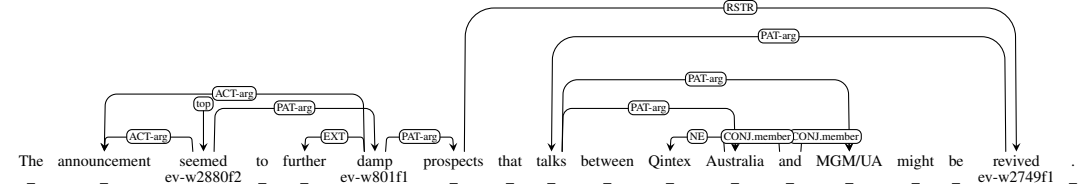
Qintex Australia was "saying as recently as last weekend that they would take care of the situation.

[21419015]

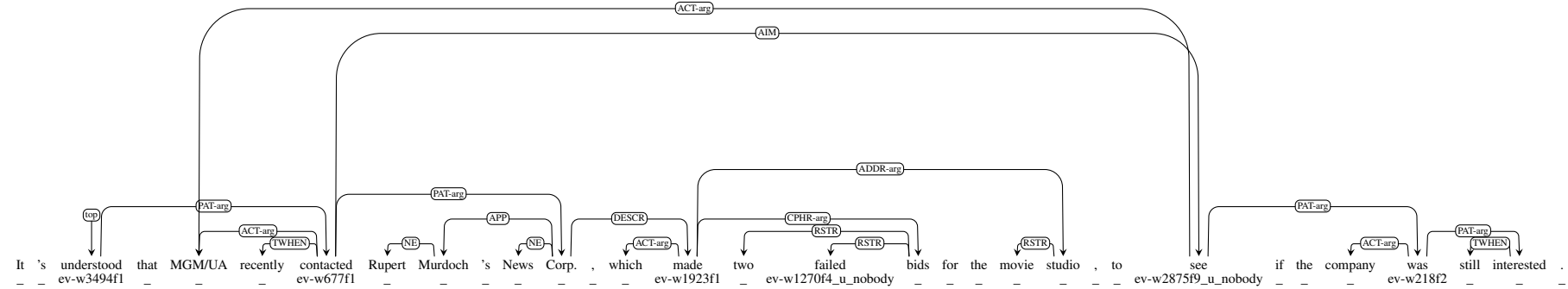




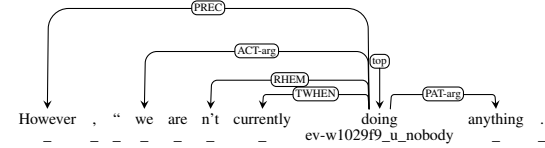
[21419028]



[21419029]



[21419030]



[21419031]

