

TERMS OF SERVICE OF CHARMING CHINA IPTV

This is an agreement between Hanya Star Company, Inc. (Hereinafter referred to as (“Hanya Star”) and the Customer (the “Agreement”), to provide access to Charming China IPTV broadcasts, Video on Demand and video related services (the “Services”). By (i) the Customer’s submission of an online order or a paper submission form; (ii) Customer’s acceptance of the Terms of Service electronically during registration, you agree to be bound by this Agreement, including future revisions and to use the Services in compliance with the following Hanya Star Authorized Use Policy.

1. Authorized User, Use, and Responsibility: Customer acknowledges that he or she has the legal authority to enter into this Agreement and affirms that the information Customer supplied is correct and complete. Customer understands that Hanya Star relies on the information Customer supplies and that providing false or incorrect information may result in provisioning or delivery delays or the suspension or termination of Customer’s Services. Hanya Star is not responsible for such delays, suspension or termination. Hanya Star has no duty to verify the information that Customer supplies. Customer agrees to promptly notify Hanya Star whenever Customer’s personal or billing information changes (including for example, Customer name, address, telephone number, and credit card number and expiration date).

2. Term: Customer starts to use Charming China IPTV from . This Agreement goes into effect upon Customer’s acceptance of this Agreement and shall continue in the term of the Agreement.

3. Service:

A. After registration of the membership of Charming China and the activation of service, customer will use the free Chinese TV package. Customer also can choose to use some channels and VOD service which need to be paid per view. An activation fee will be charged and the Service will be activated immediately after successful charge of the activation fee.

Customer will receive a Set-top Box and relevant equipments. Customer should pay rents and deposit fees for such equipments and shipping fees. Upon return of these equipments, in good working order, for which a deposit fee was charged to Customer’s designated credit card, Hanya Star shall credit the Customer’s credit card account for the amount of the original deposit fee.

Customer will provide Hanya Star with a valid major credit card as the designated form of payment at initial sign-up, and will maintain the validity of the credit card information while Customer’s membership is active. Hanya Star will automatically charge Customer’s

designated credit card for activation fee, subscription fee of paid channels (including, but not limited to Monthly or Yearly subscription fee of paid channels), VOD fee, equipment rents, one-time equipment deposits, applicable service, activation, shipping and handling fees as may occur during the course of Customer's membership and any additional charges for failure to return any Hanya Star Equipment. Types of fees for which credit card payment will be utilized include:

i. Activation Fee. After successful registration of Charming China, Customer should be charged an activation fee by his or her credit card to use the Services of Charming China.

ii. For Monthly Subscriptions (including, but not limited to Charming China IPTV Paying Channels, Super Value packages and Premium Channels Option) Hanya Star will automatically charge the Customer's designated credit card each month for the balance of relevant fees. Hanya Star will automatically charge the Customer's designated credit card the Monthly Subscription Fee at the time the monthly subscription is received. If Customer orders such services in the middle of the calendar month, Customer will be charged the full monthly fee at the beginning of the next calendar month and a pro-rated fee for the partial calendar month subscription. In addition, Customer will be billed monthly at the beginning of each calendar month for the Monthly Subscription Fee and Video on Demand (VOD) viewing fees as applicable based on actual usage or orders placed during the previous calendar month, however, each title of VOD will be charged only once within next 24 hours since it is ordered. Applicable sales, usage, and other taxes may apply to these transactions and will be charged in accordance with applicable state and local law. Customer agrees to pay any such taxes, in addition to the monthly balance for Services and Equipment provided. Customer must pay all undisputed monthly charges as itemized on the Hanya Star monthly statement and/or notify Hanya Star of disputed items within thirty (30) days of receipt, or such greater amount of time as permitted by law. Customer authorizes Hanya Star to automatically debit the Customer's credit card on record each month for the balance of that service month's subscription fee, any additional VOD usage fees, taxes and any other fees.

iii. For Annual Subscriptions (including, but not limited to Charming China IPTV Paying Channels, Super Value packages and Premium Channels Option) Hanya Star will automatically charge the Customer's designated credit card the Annual Subscription Fee at the time the order is received. Hanya Star will provide Customer access to the Services for the 12 consecutive month period beginning from the Annual Subscription Fee paying date. At the end of the Annual Subscription period, Customer has the option to: (a) prepay for another Annual Subscription; (b) change to a Monthly Subscription; or (c) cancel the service. If Customer does not specifically elect one of the aforementioned options at least thirty (30) days

before the expiration of the Annual Subscription period, Customer's subscription will automatically renew for another Annual Subscription of the same package and Customer authorizes Hanya Star to automatically debit Customer's credit card for all fees under the Annual Subscription for that package. Customers will be billed monthly for any applicable VOD fees for VOD orders placed during the previous calendar month in addition to the initial Annual Subscription Fee as described above in Section 3 (A) (ii). Super Value Packages and Premium Channels Option Customers not under annual billing for same will be billed monthly, as described above in Section 3 (A) (ii), for this additional service in addition to the Initial Annual Subscription Fee.

iv. Others

a. Equipment Deposit Fees, Hanya Star will automatically charge the Customer's designated credit card all Hanya Star Equipment deposit fees for all equipments provided by Hanya Star. Deposit fees shall be pre-approved by Customer. Upon return of Hanya Star equipments, in good working order, for which a deposit fee was charged to Customer's designated credit card, Hanya Star shall credit the Customer's credit card account for the amount of the original deposit fee. Failure to timely return all Hanya Star equipments at the end of Customer's subscription will result in forfeiture of Customer's deposit fee charged for the Hanya Star Equipment not returned.

b. Equipment Rents, Customer should pay equipment rents for use of STB and other equipments. Customer will be charged the equipment rents through credit card on the last day of one-year service. If Customer terminates the Service prior to the expiration of one-year service, Customer will be charged the relevant equipment rents for the actual use. Customer will receive a favorable price of equipment rents if he or she chooses to pay the equipment rents at the beginning of the Service.

c. Shipping and Handling Fees, Hanya Star will automatically charge the Customer's designated credit card for actual shipping and handling fees. Customer acknowledges and agrees that ALL shipping and handling fees are non-refundable.

B. Hanya Star is not responsible for any charges or expenses (e.g., for overdrawn accounts, exceeding credit card limits, etc.) resulting from charges billed by Hanya Star. If the charge transaction against the credit card is refused by the merchant account for any reason (card expired, insufficient credit limit, etc.), Hanya Star will reject any Customer's applications and disable access to VOD service until Customer pays all amounts due upon demand by Hanya Star. However, the service which is prepaid will be maintained. Customer may access and view monthly statements online through his or her Charming China IPTV account. Every time Customer uses a Charming China IPTV Service, Customer reaffirms that (i) Hanya Star is

authorized to charge Customer's designated credit card; (ii) Hanya Star may submit charges incurred under Customer's account for payment; and (iii) Customer will be responsible for such charges.

4. Renewal: Unless cancelled the service at the end of the service period: Monthly Subscriptions will automatically renew each service month at the then prevailing subscription fee for the same package and Annual Subscriptions will automatically renew at the completion of the pre-paid Annual Subscription period as calculated from that period's Annual Subscription Fee paying date at the then prevailing subscription fee for the same package.

5. Subscription Plan Changes:

A. Changing from Monthly Subscription Plan to Annual Subscription Plan or Cancelling of Monthly Subscription Plan can be done any time upon Customer's request. The application will be effected on the first day of the next calendar month after Hanya Star approves.

B. Changing from Annual Subscription Plan to Monthly Subscription Plan or Cancelling of Annual Subscription Plan requires notification from Customer at least thirty (30) days prior to the expiration of the existing Annual Subscription. The application will be effected on the first day at the expiration of the existing Annual Subscription after Hanya Star approves. If Customer changes the Annual Subscription to Monthly Subscription, Customer will be billed according to the Monthly Subscription Payment of Charges as described above under Section 3 (A) (ii). Otherwise Customer will be billed according to the Annual Subscription Payment of Charges as described above under Section 3 (A) (iii).

6. Communication Charges: Customer is responsible for obtaining and maintaining at Customer's expense all equipment and services needed to access Charming China IPTV Services. Customer is also responsible for any communication charges incurred by accessing Charming China IPTV Services through a third-party network, such as a cable or wireless carrier.

7. Hanya Star Property: All non-purchased equipments (refer to the equipments which are deposited and rented), including but not limited to cables, wires, amplifiers, STB/receivers and remotes delivered to and/or installed in the Customer's home by Hanya Star ("Equipment") remains the property of Hanya Star. Customer must return all Equipment upon termination of Services. Failure to do so will result in a charge to be determined with reference to Hanya Star's then current penalty schedule, which amount shall be due immediately. Customer agrees to pay such charges whether the Equipment is lost (through theft or otherwise) or destroyed.

8. Disruption of Service: In no event shall Hanya Star be liable for any failure or interruption of program transmissions or Services resulting in part or entirely from circumstances beyond Hanya Star's reasonable control. Subject to applicable law, credit will be given for qualifying

outages. In any event, if there is a known program or service interruption in excess of 24 consecutive hours (or in excess of such lesser time period pursuant to state law), Hanya Star, upon prompt notification of such failure or interruption from Customer, will either provide Customer with a pro-rata credit relating to such failure or interruption or, extend the corresponding service term or, at its discretion, in lieu of the credit provide alternative programming during any program interruption. Hanya Star shall not be liable for any incidental or consequential damages.

9. Repair of Equipment: Hanya Star will repair and/or replace defective Hanya Star Equipment as long as such damage was not caused by misuse or other improper operations or handling (intentionally or negligently) by Customer. Hanya Star is not responsible for the maintenance or repair of Customer-provided equipment, including but not limited to television sets, VCRs or other video equipment, remote controls, wireless cards, and stereos or other audio equipment. A service charge of repairing and/or replacing may be imposed if damage to Hanya Star Equipment is due to negligent use or abuse or if no fault is discovered in Hanya Star's system or Equipment. In addition, an Equipment charge may be imposed for the repair or replacement of any lost, stolen or damaged Hanya Star Equipment. Hanya Star makes no warranties, with respect to Hanya Star Equipment or Services provided by Hanya Star or with respect to the Equipment's compatibility with any Customer-owned equipment.

10. Customer Property: Hanya Star assumes no responsibility for the condition or repair of any Customer-provided equipment. Customer is responsible for the repair and maintenance of any Customer-provided equipment.

11. Customer Information: Hanya Star will not, under any condition, reveal the Customer-supplied personal information to any third party without permission from the customer. In this way, Hanya Star maintains Customer-supplied personal identification information for the purpose of account management, billing and collections, and customer support and service management only. Hanya Star may also aggregate anonymous, non-personal information for reporting and analysis purposes related to your viewing and usage of Charming China IPTV Services.

12. Reproduction of Programs: Customer agrees that the programs provided by Hanya Star will be utilized solely for Customer's personal, non-commercial use and will not be duplicated or distributed under any condition.

13. Hanya Star's Rights:

A. Hanya Star has no obligation to monitor content or Services accessible by means of the Hanya Star STB or wireless card. However, Customer acknowledges and agrees that Hanya Star has the right to monitor content from time to time and to disclose any information as

necessary to satisfy any law or regulation to operate its programming properly, or to protect itself or its Customers.

B. Hanya Star shall have the right to determine in its sole discretion what constitutes an “inappropriate” or “commercial use” of Hanya Star’s Equipment and Services.

14. Care of Hanya Star Property: Customer agrees that neither Customer nor any other person (except Hanya Star’s authorized personnel) will open, tamper with, service, make any alterations to, or remove any Equipment from its point of initial installation. Any alteration, tampering, removal, etc., or the use of Equipment which permits the receipt of Services without authorization or the receipt of Services to an unauthorized number of outlets, or to unauthorized locations constitutes theft of Services and is prohibited.

15. Access to Customer Premises: Customer agrees to provide Hanya Star’s representatives with access at reasonable times to Customer’s premises to inspect and maintain the non-purchased Equipment supplied by Hanya Star and, upon termination of Services, to remove the same from the premises. Hanya Star’s failure to remove its property shall not be deemed abandonment thereof.

16. Assignment or Transfer: This Agreement and the non-purchased Equipment are not assignable or otherwise transferable by Customer.

17. Cancellation:

A. Customer may cancel the Charming China IPTV service at anytime. In the event that Customer’s account is cancelled, there will be no additional fees besides equipment rents. However, Hanya Star will not prorate, nor refund Customer’s prepaid Monthly Subscription Fee or Annual Subscription Fee. At the time of cancellation, all VOD movies and TV Drama Episodes viewed during that calendar month will be charged.

B. Customer must return all Hanya Star non-purchased Equipment, including, but not limited to the STB, within ten (10) days of cancellation/termination. The Customer shall remain responsible for all shipping charges in connection with the return of the STB. Failure to return all Equipment shall void Customer’s cancellation, result in re-instatement of applicable subscription fees and/or incurring a charge on their account as described above under Section 3 (A) (iv) (a).

Upon return of Hanya Star equipments, in good working order and in good condition, for which a deposit fee was charged to Customer’s designated credit card, Hanya Star shall credit the Customer’s credit card account for the amount of the original deposit fee. Hanya Star will not refund the equipment deposits if the defect or malfunction in the Equipment results from: (i) failure to follow Hanya Star’s installation, operation, or maintenance instructions; (ii) unauthorized product modification or alteration; (iii) abuse, misuse, negligent acts or

omissions of you and persons under your control; or acts of third parties, acts of God, accident, fire, lightning, power surges or outages, or other hazards.

18. Breach of Agreement: If Customer breaches this Agreement or fails to abide by Hanya Star's rates, rules and regulations, Hanya Star, at its option, may terminate the Services and remove the non-purchased Equipment. Failure of Hanya Star to remove such Equipment shall not be deemed abandonment thereof. Customer shall pay reasonable collection and/or attorney's fees to Hanya Star in the event that Hanya Star shall find it necessary to enforce collection or to preserve and protect its rights under this Agreement.

19. Programming: For the reason of program producing or other lawful reasons, Customer agrees that Hanya Star can make reasonable modification to all programming, program services, program packages, number of channels, channel allocations and broadcast channels.

20. Disclaimer: Hanya Star assumes no liability for any program or information distributed over the system unless locally produced by Hanya Star. Hanya Star shall not be responsible for any products, merchandise or prizes promoted on or purchased through the use of the system, unless such product, merchandise or prizes are provided directly by Hanya Star.

21. Limitation of Liability: Hanya Star does not warrant that the Services or Equipment provided by Hanya Star will perform at a particular speed or will be uninterrupted, or error-free. The Services can vary depending on location, line quality, inside wiring, Internet traffic, and other factors beyond the control of Hanya Star. In no event shall Hanya Star (or its officers, employees, parent, subsidiaries, or affiliates), its third party licensors, providers or suppliers, be liable for: (i) any direct, indirect, special, consequential or incidental damages, including without limitation, lost profits or loss of revenue or damage to data arising out of the use, partial use or inability to use the Services, regardless of the type of claim or the nature of the cause of action, including without limitation, those arising under contract, tort, negligence or strict liability, even if Hanya Star has been advised of the possibility of such claim or damages, or (ii) any claims against Customer by any other party.

22. Choice of Law: Hanya Star reserves the final interpretation right of the Agreement. Customer and Hanya Star agree that this Agreement, and any supplements, modifications, addendums and any other change, and the relationship it creates between Customer and Hanya Star, shall be construed by and covered under and in accordance with the laws of the residence of Hanya Star (People's Republic of China) without reference to its principles of conflicts of laws.