# Articles of Association

## of

## CHINA EUROPE CREATIVE. Vienna & Beijing GmbH

having its registered office in Vienna,

**dated May 21, 2012**

## Article 1
## Company Name and Registered Office of the Company

1. The name of the Company shall be:
CHINA EUROPE CREATIVE. Vienna & Beijing GmbH
2. The place of the Company's registered office shall be Vienna.

## Article 2
## Objects of the Company's Business

The objects of the Company's business shall be:
(1) Promotion of cultural exchange between Beijing and China on the one hand and Vienna, Austria and Europe on the other hand.
(2) Development, implementation and commercialization of cultural events above all theatrical, musical, acrobatic and artistic performances and shows as well as related educational offerings, exhibitions and concerts.
(3) Licensing of associated rights (including film, video, DVD, internet and other new media) including production, manufacturing, merchandising, import and export as well as trading of products.
(4) Provision of services in the above fields.
(5) Management consulting, in particular with respect to quality management of cultural events, performing arts and education, summer universities etc.
(6) Acquisition of interests in and taking on management of other enterprises and companies/partnerships having the same or similar objects of business and acquisition and renting of such enterprises.
(7) Carrying on all businesses and engaging in all activities and measures which are necessary and useful for furthering the Company's objects of business, except for banking transactions.

## Article 3
## Registered Capital

1. The Company's registered capital amounts to EUR 100,000 (one hundred thousand Euros). The registered capital has been fully paid up in cash.
2. The registered capital was subscribed for by the following:
2.1 China Arts and Entertainment Group („CAEG") has made a capital contribution in the amount of EUR 50,000 (fifty thousand Euros), which has been fully paid up in cash.
2.2 Wien Holding GmbH ("Wien Holding") has made a capital contribution in the amount of EUR 50,000 (fifty thousand Euros), which has been fully paid up in cash.

## Article 4
## Business Year

The business year of the Company shall commence on 1 January of every year and shall end on 31 December of every year.

## Article 5
## Duration of the Company

The Company shall be established for an indefinite period of time.

## Article 6
## Management and Representation

1. The Company shall have two or more managing directors, who shall carry out their tasks in accordance with the law, their respective employment agreement, resolutions of the advisory board and the shareholders' resolutions.
2. The Company shall be represented by two managing directors jointly. Every managing director may be granted sole power of representation by shareholders' resolution. Any legal document shall be signed jointly by the two managing directors.
3. The managing directors shall be appointed and dismissed by the shareholders. When concluding, amending or terminating employment contracts with managing directors, the Company shall be represented by the shareholders.
4. The management shall pass its resolutions on the basis of unanimous decisions. If such cannot be reached the matter in question shall be referred to the advisory board and if no decision can be reached there either, the matter shall be referred for decision making to the shareholders' meeting.
5. The managing directors shall be obliged to comply with internal rules of procedure set up by the shareholders and to take actions which go beyond the ordinary business only with the shareholders' or the advisory board's approval (as per § 7).
6. In accordance with Article 7 paragraph 2 the following transactions shall require prior approval from the advisory board:
(a) business planning, namely sales planning, cost planning, profit planning, investment planning and financial planning as well as staff planning;
(b) adoption of annual financial statements of the company and its subsidiaries;
(c) filling of management positions of the first management level below the management of the company as well as appointment and dismissal of

Prokuristen (translator's note: authorized signatories as defined in Austrian commercial law);
(d) acquisition, sale, encumbrance or disencumbrance of real property or rights equivalent to real property;
(e) establishment and closing down of branches and plants whether domestic, foreign or international;
(f) acquisition or disposal of participating interests in other enterprises;
(g) extension of the business to new lines of business and/or giving up existing lines of business;
(h) conclusion, amendments to and termination of affiliation agreements and co-operation agreements outside the usual course of business;
(i) conclusion of patent agreements, licence agreements and co-operation agreements;
(j) assumption of liabilities having a term of more than one year;
(k) assumption of suretyships, guarantees and bills payable and similar liabilities for third parties and for the Company as well as issuing letters of comfort and similar legal instruments;
(l) borrowing and lending which is not effected in day-to-day business and/or for which no security exists, as well as borrowing and lending transactions which in a specific case exceed EUR 20,000 (twenty thousand Euros) or which in the aggregate exceed EUR 100,000 (one hundred thousand Euros), and pledging and transfers by way of security of movable objects of any kind;
(m) conclusion of tenancy agreements and leasing contracts which exceed a rent of EUR 20,000 (twenty thousand Euros) p.a. and/or having a term of more than three years;
(n) legal transactions of any kind between the Company and the managing directors;
(o) pension commitments of any kind as well as important changes to company pension plans;
(p) granting of profit shares or percentages in turnover to staff (royalties or bonuses) if such profit shares or percentages in turnover exceed EUR 10,000 (ten thousand Euros) per year;
(q) discontinuation, letting or sale of the entire business operation of the Company;
(r) recruitment of staff with an annual remuneration exceeding EUR 35,000 (thirty-five thousand Euros);
(s) investments exceeding EUR 50,000 (fifty thousand Euros);
(t) conclusion of purchasing contracts with a total amount exceeding EUR 20,000 (twenty thousand Euros) or supply contracts with a total amount of EUR 20,000 (twenty thousand Euros) and other long-term contracts with a business volume exceeding EUR 20,000 (twenty thousand Euros); and
(u) conclusion of futures contracts and option contracts.

7. Moreover the managing directors shall be obliged to inform the shareholders and the advisory board

in the case of orders involving economic risks or losses if in a specific case

- the risk is higher than EUR 50,000 (fifty thousand Euros),
- the loss in connection with a specific transaction with a volume of more than EUR 50,000 (fifty thousand Euros) or exceeds 50% (fifty per cent) of the contract value,

before entering into such commitments or taking measures related thereto.

## Article 7
## Advisory Board

1. The Company shall have an Advisory Board which shall consist of four (4) members. CAEG and Wien Holding shall each be entitled to delegate two representatives to the Company's advisory board. Delegated members of the advisory board may be appointed or dismissed at any time by the relevant party entitled to delegate.
2. The Advisory Board shall have the right to grant approvals defined in Article 6 paragraph 6 and the information rights defined in Article 6 paragraph 7, for all other matter the advisory board shall have advisory tasks. The managing directors shall report to the Advisory Board on all matters concerning the Company, in particular as laid down in Article 6 paragraph 7.
3. The Advisory Board shall meet once to twice per year alternating in Vienna and Beijing and shall be presided over by the Chairman of the Advisory Board or in his absence by his Deputy. The first Chairman of the Advisory Board shall be nominated by CAEG, the first Deputy by Wien Holding, they shall have terms of offices of two years; thereafter Wien Holding shall nominate the Chairman and CAEG the Deputy. This two years rotation shall continue indefinitely. The Advisory Board pass its resolutions by simple majority of the votes cast, in case of a draw, the transaction shall be submitted to shareholders' meeting for resolution within 15 days.
4. The regulations on shareholders' meetings laid down in Article 8 shall apply mutatis mutandis to convening and holding of Advisory Board meetings, and resolutions may also be passed via fax, e-mail or phone, to the extent permitted by law.

## Article 8
## Shareholders' Meeting

1. An ordinary shareholders' meeting shall be convened once a year within the first 3 (three) months of a business year. The ordinary shareholders' meeting shall resolve on approval of the annual financial statements and appropriation of the profit, approval of the actions of the management and

the advisory board, and on election of the auditor for the next business year. In addition, a shareholders' meeting shall be convened if a resolution of the shareholders is required or if the convening of such a meeting is in the Company's or shareholders' interest for any other reason.
2. Shareholders' meetings shall be held at the registered office of the Company or at a different place advised in the invitation.
3. Shareholders' meetings shall be convened by the managing directors. Extraordinary shareholders' meetings may be convened by any shareholder or managing director.
4. All shareholders shall be invited to the meeting by registered letter. Invitations shall be posted at least four weeks before the meeting. They shall state the venue, time and agenda of the meeting.
5. A shareholders' meeting shall constitute a quorum if all shareholders are present. If not all of the shareholders are present or represented at a meeting, a new shareholders' meeting shall immediately be convened in compliance with the provisions of paragraph 4, which shall have the same agenda as the first one.
6. A shareholders' meeting may also take place if the above formal requirements for convening have not been complied with provided that all shareholders are represented and waive compliance with formal requirements and notice periods.
7. The advisory board and the managing directors shall each report to the shareholders' meeting unless the shareholders' have waived such reports.
8. Resolutions of the shareholders may only be passed at shareholders' meetings or pursuant to Section 34 of the Austrian Statute on Companies with Limited Liability [GmbHG] in writing, to the extent permitted by law. Minutes shall be kept in writing on the resolutions of the shareholders' meeting, which shall be signed by all shareholders present. If so required by law, the resolutions of the shareholders' meeting shall be recorded by a notary public.
9. The shareholders may have themselves represented at shareholders' meetings by authorised third parties holding a written proxy.
10. Every shareholder may, at or outside shareholders' meetings, demand information on the Company's affairs and inspect the books and records of the Company. S/He may call in persons who are subject to confidentiality obligations for inspections or instruct them to carry out such inspections.

## Article 9
## Shareholders' Resolutions

1. Shareholders' resolutions shall be passed by simple majority of the votes cast unless a different majority is mandatorily required by these Articles of Association or by law.

2. Votes are cast according to shares. EUR 100 (one hundred Euros) each of a share interest shall entitle the holder to one vote. However, every shareholder shall have at least one vote.
3. The shareholders shall pass resolutions with a three-fourths majority of the votes cast on the following matters:
(a) amendments to the Articles of Association;
(b) measures of raising and reducing capital;
(c) dissolution, merger, transformation or transfer of the assets of the Company.

## Article 10
## Annual Financial Statements and Appropriation of Profit

1. The balance sheet and income statement plus a management report shall be prepared by the managing directors in German, Chinese and English within two months after the end of a business year and shall be signed by all shareholders and submitted immediately to the auditor appointed by the shareholders.
2. The management shall present the annual financial statements, the management report and the auditor's report to the shareholders within 3 (three) months after the end of a business year, who shall resolve on adoption of the annual financial statements.

## Article 11
## Disposal of Shares

1. Any disposal of a share in the Company or a portion thereof, in particular assignment, pledging and granting of usufruct rights, shall be subject to a written shareholders' resolution in order to be effective.
2. In the case of dissolution of a shareholder (voluntary or involuntary), the other shareholders shall have a pro-rata pre-emptive right to acquire the share of the dissolved shareholder.
3. In case one of the shareholders wants to dispose over its shares in the Company the respective other shareholder or shareholders as the case may be have a right of first refusal with respect to the (pro rated) share interest in question. If a shareholder desires to dispose over its share interest in the JVC it shall inform the other shareholder(s) and offer its share interest for purchase. For the avoidance of doubt it is put on record that the transfer of share interests between Wien Holding and its wholly-owned subsidiaries or between CAEG and its wholly-owned subsidiaries shall not constitute a disposal as defined hereunder.

## Article 12
## Final Provisions

1. All agreements among the shareholders and between the shareholders and the Company concerning the corporate relationship shall be made in writing unless notarial recording of the same is prescribed by law; oral agreements shall be void.
2. If any provisions of these Articles of Association should be ineffective or if these Articles of Association should contain gaps, the effectiveness of the remaining provisions shall not be affected thereby. Instead of the ineffective provision the shareholders shall agree on an effective provision which corresponds to the meaning and purpose of the ineffective provision. In the case of ineffective provisions or gaps the shareholders shall agree on a provision which corresponds to that which would reasonably have been agreed according to the meaning and purpose of these Articles of Association if the matter had been considered from the beginning.
3. Announcements of the Company shall, as currently required by Austrian law, be made in the Official Journal of Wiener Zeitung.
4. The costs incurred in connection with amendments to the Articles of Association and the costs of the Business Register for registration of such amendments and announcement of the same shall be borne by the Company up to an amount of EUR 5,000 (five thousand Euros).
5. For any reason the JVC be dissolved, CAEG and Wien Holding shall respectively retrieve all rights contributed to the JVC as outlined in this clause without any compensation to the JVC. For any rights that are subsequently obtained during business operation of the JVC, the respective owning shareholder of the production shall have the right of first refusal to acquire such rights under the same condition (i.e. at arm's length).
6. The Shareholders agree that any and all disputes that may arise between or among them be settled amicably. If such settlement cannot be reached the shareholders agree that any and all such disputes be finally settled under the ICC Rules of Arbitration in Paris by one or more arbitrators appointed in accordance with these rules. The parties agree to honour awards rendered by such arbitral tribunals.
7. These Articles of Association shall be drafted in German, Chinese and English. For the purpose of incorporation and registration of the Company the German language version shall be binding, for all other purposes the English language version shall have authority among the Shareholders. In case of any discrepancy between the versions, the English version shall prevail.

## Article 13
## Miscellaneous

1. Each shareholder shall be entitled to consult and copy the articles of association, minutes of the shareholders' meetings, resolutions of the meetings of the advisory board, as well as financial reports.
Each shareholder may request to consult the accounting books of the company. Where a shareholder requests to consult the accounting books of the company, it shall submit a written request, which shall state its motives.
2. The shareholders' meeting shall exercise the following functions:
(1) Deciding the matters relating to the remuneration of the members of the advisory board and the managing directors;
(2) Deliberating and approving reports of the advisory board;
(3) Other functions as stated in the Articles of Association and Applicable Laws and Regulations.
3. Dividends shall be distributed on the basis of the percentages of capital contributions actually made by the shareholders, which shall finally be determined by the Shareholders' Meeting.