



## TABLE OF CONTENTS

I	ELIGIBILITY TO VOTE ON CONFIRMATION OF PLAN.....	1
II	DEBTOR’S BACKGROUND AND BUSINESS OPERATIONS .....	4
	A. Description of the Debtor and its Business.....	4
	B. New World’s Payments to the Debtor.....	5
	C. Actions of Tony Qu to Extract Money from PrediWave and PrediWave Affiliates .....	5
	D. Events Precipitating Bankruptcy Filing.....	6
	E. Postpetition Events.....	7
	F. Involuntary Petitions Against PrediWave Affiliates.....	9
III	OVERVIEW OF DISTRIBUTION TRUST MECHANISMS .....	10

# **AMENDED DISCLOSURE STATEMENT IN RESPECT OF PLAN OF LIQUIDATION**

## **INTRODUCTION**

This Second Amended Disclosure Statement is submitted by New World in connection with the solicitation of acceptance of the Plan that was filed on April 26, 2007, and as subsequently amended. The purpose of this Disclosure Statement is to provide adequate information to enable a typical holder of claims in this case to make an informed decision regarding the Plan. All capitalized terms used and not otherwise defined in this Disclosure Statement have the meanings given to them in the Plan.

### **I ELIGIBILITY TO VOTE ON CONFIRMATION OF PLAN**

As described herein, Allowed Administrative Claims, Allowed Priority Tax Claims, Class 1 Claims (Secured Claims) and Allowed Class 2 Claims (Priority Claims) are unimpaired, and Allowed Class 3 Claims (General Unsecured Claims) are impaired. All of those categories of Allowed Claims, however, will be paid in full from the Trust Accounts, except that holders of Allowed Class 3 Claims will not receive payment on account of postpetition interest to which they may be entitled. Under section 1126(f) of the Bankruptcy Code, holders Allowed Class 1 Claims and Allowed Class 2 Claims are conclusively presumed to have accepted the Plan.

Pursuant to section 1126(c) of the Bankruptcy Code, a Class of Claims entitled to vote on the Plan in this case, i.e. Class 3 and Class 4 Claims, will be deemed to have accepted the Plan if at least 2/3 in dollar amount and more than 1/2 in number of the claimants in such Class vote to accept the Plan. To the extent either Class 3 or Class 4 does not vote to accept the Plan, New World intends to request that the Bankruptcy Court (i) find that the Plan does not discriminate unfairly and is fair and equitable to the Class of Claims that has not accepted the Plan and (ii) confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code.

A summary of classification and treatment of Claims under the Plan is as follows:

<b>CLASS</b>	<b>TREATMENT</b>	<b>STATUS/ ENTITLED TO VOTE?</b>	<b>ESTIMATED AGGREGATE AMOUNT OF ALLOWED CLAIMS</b>	<b>ESTIMATED PERCENTAGE RECOVERY</b>
Administrative Claims	Each holder of an Allowed Administrative Claim will receive Cash from the Priority Claims Trust Account equal to the unpaid amount of its Allowed Administrative Claim	N/A	\$2,535,647.00	100%
Priority Tax Claims	Each holder of an Allowed Priority Tax Claim will receive Cash from the Priority Claims Trust Account equal to the amount of its Allowed Priority Tax Claim	N/A	\$3,803.00	100%
Class 1 Secured Claims	In full satisfaction of Allowed Secured Claims against the Debtor, each such Allowed Secured Claim shall be Reinstated	<b>Unimpaired</b>  Deemed to accept Plan  Not entitled to vote	\$24,426.07	100%

Class 2 Priority Claims	Each holder of an Allowed Priority Claim against the Debtor will receive Cash from the Priority Claims Trust Account equal to the amount of its Allowed Claim	<b>Unimpaired</b>  Deemed to accept Plan  Not entitled to vote	\$81,328.33	100%
Class 3 General Unsecured Claims	Each holder of an Allowed General Unsecured Claim will receive Cash from the Distribution Trust Account equal to the amount of its Allowed Claim	<b>Impaired</b>  Entitled to vote	\$925,103.00	100%
Class 4 New World Claims	On the Effective Date, the Distribution Trustee shall transfer to New World all Distribution Trust Assets, other than the amounts required under the Plan to be transferred to the Trust Accounts to fund the payment of other Allowed Claims	<b>Impaired</b>  Entitled to vote	\$2,817,075,320.20	2%
Class 5 Intercompany Claims	No property will be distributed or retained by the holders of Claims in Class 5 on account of such Claims	<b>Impaired</b>  Deemed to reject Plan  Not entitled to vote	\$8,190,388.00	0%

Class 6 Penalty Claims and Subordinated Claims	No property will be distributed or retained by the holders of Claims in Class 6 on account of such Claims	<b>Impaired</b>  Deemed to reject Plan  Not entitled to vote	\$0	0%
Class 7 Old Stock Interests	No property will be distributed or retained by the holders of Claims in Class 7 on account of such Claims	<b>Impaired</b>  Deemed to reject Plan  Not entitled to vote	Value unknown	0%

## II DEBTOR’S BACKGROUND AND BUSINESS OPERATIONS

### A. Description of the Debtor and its Business

PrediWave Corporation (“PrediWave”) is a technology company incorporated in California in 1998 (under its previous name Rainbow Video System Corporation) that maintains its headquarters in Fremont, California. Its founder, Jianping “Tony” Qu (“Qu”), owns or controls approximately 73% of its common stock. The remainder of the common stock is held by approximately 30 shareholders, largely including current and former employees. On the Petition Date, PrediWave had 32 employees. In early 2007, it laid off many of those employees. Most of PrediWave’s assets are located in Fremont, but some are located in Ontario, California, Hong Kong, China and Japan.

PrediWave designed and sold a content delivery system for use by broadband digital service providers such as cable and satellite television operators. In the United States, most cable networks have been upgraded to provide video on demand (“VOD”) and other services over a two-way cable network. In many developing countries, including many in Asia, upgrading from one-way to two-way cable has proven cost prohibitive. PrediWave claimed it had developed a technology to provide VOD services over one-way cable. PrediWave obtained patents covering its technology.

The deployment of cable and satellite television equipment involves three main components: (1) set top boxes (“STBs”) installed into users’ homes; (2) head-end equipment located at the cable operator’s technical facilities; and (3) software. STBs must be compatible with the head-end equipment and software to function properly. Because of PrediWave’s proprietary technology, its STBs, head-end equipment and software can only be used together. PrediWave’s affiliate S.T.U.B. SATertainment, Inc. (“S.T.U.B.”) operates a television satellite service offering Chinese language programming in the United States through 5000 of its STBs. PrediWave provided service and equipment to S.T.U.B.

## **B. New World's Payments to the Debtor**

New World TMT Limited ("New World") is a telecommunications, media, and technology company that invests in and commercializes technology solutions and services for high-growth telecommunications, media, and technology markets in China. In 2000, New World was seeking to compete in the newly emerging market in China for technology to deliver cable and satellite television transmissions. During this time, New World was introduced to Qu, who represented to New World that PrediWave, by itself and through soon-to-be-created companies, would be able to provide a state-of-the-art, comprehensive, VOD-compatible STB system for use in China. Qu also represented that the system would work with the existing infrastructure in China without substantial capital investments. Recognizing that early entry into the emerging technology market in China was critical for gaining significant market share, New World entered into a business relationship with PrediWave and Qu and many of PrediWave's affiliates, including CyberLancet Corporation ("CyberLancet"), CyberNova Corporation ("CyberNova"), TechStock Corporation ("TechStock"), WarpEra Corporation ("WarpEra"), Visionaire Technology Corporation ("Visionaire"), Athena Database, Inc. ("Athena"), and Pine Global Marketing Ltd. ("Pine Global") (collectively, with S.T.U.B., the "PrediWave Affiliates") (the PrediWave Affiliates with PrediWave being referred to as the "Judgment Debtors"), as an investor, purchaser, and exclusive distributor of PrediWave's products in China.

Pursuant to stock purchase agreements between New World and the Judgment Debtors, New World invested \$291 million to become the sole preferred shareholder of each company. In addition, New World entered into various sales contracts with PrediWave for STBs and related equipment totaling close to \$400 million. For instance, in December 2001, New World paid PrediWave \$87 million for the purchase of 200,000 STBs and subsequently made two additional payments totaling \$30 million as deposits on future orders of STBs.

In return for New World's \$700 million, the bulk of which included prepayments for approximately one million VOD STB units and related equipment, PrediWave delivered to New World 20,000 VOD STBs that did not function properly with the existing infrastructure in China, possessed an excessively high failure rate, and lacked the technology and features necessary to be commercially acceptable in China. The PrediWave Affiliates failed to deliver any products to New World.

## **C. Actions of Tony Qu to Extract Money from PrediWave and PrediWave Affiliates**

During the time that New World was voicing concerns over the defects in the PrediWave products and Qu was assuring New World that those defects would soon be corrected, Qu was simultaneously withdrawing millions of dollars from PrediWave and the PrediWave Affiliates, including bonuses in excess of \$95 million that Qu orchestrated himself through fictitious business partners. Khoi Hoang, the purported inventor of PrediWave's technology and a purported PrediWave director, fabricated the names of these business partners in order to create the impression that there were other people besides himself behind the technology.

Qu also received a \$600,000 salary from PrediWave and each of the PrediWave Affiliates. Qu expensed through the company a fleet of luxury cars (Mercedes, BMWs, and Porsches), a \$2.4 million PrediWave mansion in Henderson, Nevada, a \$200,000 boat, and reimbursement for extravagant travel, food, and luxury goods, such as a \$5,000 bottle of wine. In 2003, V-Net Micro Systems Inc., a company founded by Qu and later run by Qu's wife, Wei Wang, received a \$2,850,000 "settlement" from PrediWave for its purported breach of a consultation agreement PrediWave had with V-Net. In addition, Wen Jun Shi, a family friend of Qu's who lived in a PrediWave-owned property, received a "bonus" of \$1,000,000 yet could not recall what she did to deserve such a large bonus. The payments to Qu alone comprise the PrediWave Affiliates' single largest category of expenditures -- well over \$100 million of the nearly \$700 million invested by New World. Because New World was the Judgment Debtors' only customer, and because New World was the Judgment Debtors' only investor, every dollar that Qu received from the Judgment Debtors came from New World.

On December 18, 2003, Qu announced that he had found a new potential target and that PrediWave would begin work on a new order for 900,000 STBs unrelated to New World's customers in Taiwan. Not coincidentally, on the same day, PrediWave Chief Technical Officer Jeff Tsai notified New World: "Please be informed due to unexplainable reasons and limited resources we are unable to fulfill all the supporting requests any longer. Please arrange your own resources for those requests."

New World pressed for assurances that its payment of hundreds of millions of dollars was not wasted; however, these proved to no avail, as Qu refused to address any of the problems outlined by New World unless New World paid PrediWave even more money. On April 23, 2004, New World exercised its right to rescind, cancel, reject or revoke each individual purchase order (and all of them collectively). On May 3, 2004 (and again on May 13) New World sent additional letters to PrediWave rejecting or revoking its acceptance of the VOD STBs and all other goods supporting the VOD STBs and notifying PrediWave that it was in breach of the parties' agreements and warranties. New World further demanded the return of all payments provided by New World to PrediWave. PrediWave refused.

#### **D. Events Precipitating Bankruptcy Filing**

On May 25, 2004 New World commenced suit (the "Santa Clara Litigation") in the Superior Court of the State of California, County of Santa Clara (the "Santa Clara Court") before the Honorable Jack Komar. New World brought the Santa Clara Litigation against Qu, PrediWave, and the PrediWave Affiliates alleging, among other things, fraud, breach of contract, negligent misrepresentation and breach of fiduciary duties. The crux of the complaint was that PrediWave's products did not, and could not, work in China and Hong Kong as represented by Qu and PrediWave. The defendants retained Latham & Watkins LLP ("Latham") as its counsel in the Santa Clara Litigation, denied these allegations in PrediWave's complaint and mounted an aggressive defense.

In March 2006, New World sought a preliminary injunction against PrediWave and some of the PrediWave Affiliates and a right to attach order against PrediWave to ensure that there would be funds available for New World to collect following a judgment. On March 29, 2006,

the Santa Clara Court granted New World's motion for preliminary injunction and issued a writ of attachment in the amount of \$117 million against PrediWave. The Santa Clara Court based its preliminary injunction and writ of attachment on findings that New World was likely to succeed on its claims and that New World's breach of contract claims had "probable validity." In ruling on the preliminary injunction, the Court expressed grave concerns about the Judgment Debtors' "very, very suspicious transactions" and the dissipation of assets. On April 16, 2006, two months prior to trial, PrediWave, unable to freely access its funds, filed a voluntary petition for relief in the United States Bankruptcy Court for the Northern District of California (the "Bankruptcy Court"), and the writ of attachment was released. On July 6, 2006, the Bankruptcy Court granted New World's Motion for Relief from the Automatic Stay so that it could prosecute its claims against the PrediWave Affiliates.

## **E. Postpetition Events**

### **1. Postpetition Administration**

PrediWave and the PrediWave Affiliates share many of the same creditors, books and records and personnel. PrediWave has also furnished certain administrative and other services for its affiliates. Pursuant to that certain Stipulated Order Re Expansion of Administration of Affiliate Cash and Establishment of Supplemental Bar Date, which was signed and entered by the Bankruptcy Court on October 24, 2006, the administrative and other services being performed by PrediWave and XRoads Solutions LLC ("XRoads") for the PrediWave Affiliates were expanded as set forth therein.

PrediWave sought to retain Latham as its counsel in its bankruptcy case. At a hearing on May 24, 2006, the Bankruptcy Court found that Latham had "a material adverse interest" and denied PrediWave's Application to Employ Latham & Watkins LLP as Bankruptcy Counsel and Special Litigation Counsel. PrediWave subsequently retained Klee, Tuchin, Bogdanoff and Stern LLP as its bankruptcy counsel and the Bankruptcy Court subsequently authorized the retention of Latham as PrediWave's special litigation counsel. The United States Trustee appointed the Official Committee of Creditors Holding Unsecured Claims (the "Official Committee") to include Kabir Rahman and representatives of Flash Electronics, Inc., Advanced Discovery Services, Sutter Hill Investors LLC and Computer Modules, Inc. The Official Committee retained as its counsel Pachulski Stang Ziehl Young Jones & Weintraub.

### **2. New World Judgment**

Following the Bankruptcy Court's grant of stay relief, New World's litigation against the Judgment Debtors continued in the Santa Clara Court. On December 27, 2006, the Santa Clara Court entered judgment in favor of New World for over \$2.8 billion. The circumstances leading to the judgment arose in the context of a company called Modern Office Technology ("MOT"), a "dummy" company that PrediWave used as an intermediary to artificially inflate the cost of memory chips that PrediWave sold to New World. By inflating the price of the chips, PrediWave and MOT made millions of dollars from the sales of the chips to New World, which funds were then redirected to Qu's family members and other insiders. Despite the evidence New World provided that linked the Judgment Debtors and Qu with MOT, the Judgment

Debtors, Qu and their litigation counsel (including Latham, as well as Allen & Overy, which PrediWave retained to defend its interest in blocking New World's access to MOT records) categorically denied the relationship, blaming it on a series of coincidences and swearing under oath that MOT was an independent, unrelated, legitimate chip supplier. Documents produced in the Santa Clara Litigation confirmed that MOT was a company created for the sole purpose of enriching Qu and his family at the expense of New World, and that Qu's mother, Ms. Liu Xiu Qing, was the sole shareholder of MOT. Furthermore, the documents showed that MOT transferred millions of dollars to Liu Xiu Qing and other people and entities affiliated with Qu and the Judgment Debtors, including Khoi Hoang's wife.

On October 1, 2006, Qu signed a declaration indicating that "[p]ortions of my deposition testimony, concerning a company known as Modern Office Technology, were not true." Thereafter, on October 10, 2006, New World filed a Motion for Terminating Sanctions against the Judgment Debtors on the grounds that they had perpetrated a fraud on several courts by providing false testimony in this case and by attempting to block New World's access to relevant evidence. The following day, the Santa Clara Court issued an Order for Qu to Appear for Deposition, Mandatory Settlement Conference and Trial on October 13, 2006. On October 12, 2006, Qu's counsel informed New World that Qu did not intend to appear for his deposition or for the Mandatory Settlement Conference, and in fact, Qu did not appear for his deposition or the Mandatory Settlement Conference. Qu later fled the country, and his whereabouts are unknown.

New World's Motion for Terminating Sanctions was heard on November 7, 2006. The Santa Clara Court concluded that it was not dealing with a simple discovery abuse, but a fraud on the Santa Clara Court, and misrepresentations to the Santa Clara Court and the parties. The Santa Clara Court, however, postponed ruling on New World's Motion for Terminating Sanctions until November 21, 2006. At the November 21 hearing, the Santa Clara Court noted Qu's disobedience of its Order to appear for deposition and at the Mandatory Settlement Conference, and found these failures binding upon Qu and upon all of the corporate defendants, because Qu, as the CEO and majority shareholder of each of the corporate defendants, was the only individual with settlement authority. The Santa Clara Court then held that Qu's failure to attend the Mandatory Settlement Conference constituted grounds for striking the Answer of each defendant in the case, and for striking PrediWave's Cross-Complaint against New World.

Accordingly, the Santa Clara Court granted New World's Motion for Terminating Sanctions against Qu and ordered Qu's Answer to New World's Third Amended Complaint stricken. The Santa Clara Court deferred its ruling as to PrediWave and the PrediWave Affiliates until December 4, 2006, based upon their counsel's representations that they were willing to stipulate to the entry of judgment in the amount of \$670.6 million. Ultimately, PrediWave and the PrediWave Affiliates failed to stipulate to entry of a judgment, and on December 6, 2006, the Santa Clara Court granted New World's Motion for Terminating Sanctions against the Judgment Debtors. A default was entered against the Judgment Debtors on December 20, 2006, and a hearing on damages was held on December 27, 2006.

On December 27, 2006, the Santa Clara Court entered judgment in favor of New World in the amount of \$2,817,075,320.20, awarding \$2,000,000,000 in punitive damages. On January 25, 2007, the Santa Clara Court entered a "Second Amended Judgment Against Defendants Jianping "Tony" Qu ("Qu"), PrediWave, CyberLancet, CyberNova, TechStock,

WarpEra, Visionaire, S.T.U.B. SATertainment, Inc., Athena, Pine Global Marketing, Ltd., S.T.U.B. SATertainment USA, Inc. and Pine Global Marketing (USA), Inc.,” jointly and severally against each of the defendants, in the amount of \$2,817,075,320.20.

On December 29, 2006, New World took steps to levy on or otherwise attach all of the bank accounts in the name of the PrediWave Affiliates. In some cases, it notified the relevant financial institutions of the recently-obtained judgment, which had the effect of “freezing” those accounts, including accounts which would be used to fund payroll obligations. At the time, PrediWave and the PrediWave Affiliates were in the process of laying off many of their employees.

### 3. **Qu’s Looting of PrediWave**

At the same time that PrediWave and its counsel were vigorously contesting New World’s claims in Santa Clara Court, Qu was taking longer and bolder steps to create a lucrative escape, including:

- December 5, 2005 – Qu transferred \$40,800,000 from his Merrill Lynch bank account in California to a Sumitomo Mitsui Banking Corporation account in Japan.
- July / August 2006 – Qu sold two properties, for an aggregate amount of \$6,650,000.
- September 2006 – Qu fled to Asia (following in the path of two PrediWave directors who previously had fled the United States).
- November 7, 2006 – The same day as the hearing on the New World’s Motion for Terminating Sanctions, Qu sold his last California home for \$1,000,000.

### F. **Involuntary Petitions Against PrediWave Affiliates**

On January 8, 2007, 17 employees filed involuntary petitions under chapter 11 of the Bankruptcy Code against CyberLancet, CyberNova, Visionaire, Athena, TechStock and WarpEra (collectively the “Affiliate Debtors”). On February 12, 2007, the Bankruptcy Court entered its “Order Following Hearing on Motion for Joint Administration; Motion to Dismiss and Motion to Appoint Trustee” (the “Affiliate Debtors Order”) ordering that all of the Affiliate Debtors’ cases be jointly administered under Case No. 07-40047.<sup>1</sup> In the Affiliate Debtors Order, the Bankruptcy Court also ordered that the parties could file schedules and statements of affairs for the Affiliate Debtors and a stipulation setting forth how creditors were to be paid, the order of priority for such payments, and providing for payment of the wage claimants and all other creditors of the Affiliate Debtors by February 21, 2007. The Affiliate Debtors Order provided that if the Bankruptcy Court approved the parties’ stipulation, it would dismiss the

---

<sup>1</sup> The Bankruptcy Court previously had transferred all of the Affiliate Debtors’ cases to the same judge.

Affiliate Debtors' cases upon evidence of payment to creditors. On February 21, 2007, the Debtors and New World filed a proposed Stipulated Order in accordance with the Affiliate Debtors Order. The Court entered that Stipulated Order on February 23, 2007.

### III OVERVIEW OF DISTRIBUTION TRUST MECHANISMS

On or prior to the Effective Date, the Distribution Trust will be established pursuant to the Distribution Trust Agreement. At that time, the Distribution Trust Assets, which shall include, but not be limited to, all Cash, real and personal property (including intellectual property) and Causes of Action, will be transferred to and vest in the Distribution Trust. The estimated value of the assets that will be transferred to the Distribution Trust is \$74,619,285.00.

Among other functions, the Distribution Trust will liquidate the Distribution Trust Assets, resolve all Disputed Claims, distribute the Distribution Trust Assets to holders of Allowed Claims in accordance with the Plan and otherwise implement the Plan and administer the Debtor's Estate. The Distribution Trustee will be appointed at the sole discretion of New World and pursuant to the procedures set forth in the Distribution Trust Agreement.

The Distribution Trust will establish and maintain two accounts, the Priority Claims Trust Account and the Distribution Trust Account, into which Cash will be transferred from the Distribution Trust Assets in an amount sufficient to fund distributions to holders of certain Allowed Claims. First, the Cash in the Priority Claims Trust Account will be used to pay in full holders of Allowed Class 1 Claims (Secured Claims) (of which New World does not believe any exist), Allowed Administrative Claims, Allowed Priority Tax Claims and Allowed Class 2 Claims (Priority Claims). Subsequently, the Cash in the Distribution Trust Account will be distributed to pay in full holders of Allowed Class 3 Claims (General Unsecured Claims). New World anticipates that, pursuant to the provisions of the Plan approximately \$2,650,000.00 and \$1,390,000.00 in Cash will be deposited into the Priority Claims Trust Account and the Distribution Trust Account, respectively, on the Effective Date. The Distribution Trustee shall distribute to the Distribution Trust Account any assets remaining in the Priority Claims Trust Account after the full payment of Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Class 1 Claims (Secured Claims) and Allowed Class 2 Claims (Priority Claims). Any assets remaining in the Distribution Trust Account after the full payment of Allowed Class 3 Claims (General Unsecured Claims) shall be distributed to New World. The Distribution Trustee shall also transfer to New World all Distribution Trust Assets (or the proceeds of the liquidation thereof), other than the Cash transferred to the Trust Accounts, as and to the extent directed by New World.

Additionally, the Distribution Trust, through the Distribution Trustee, will retain and prosecute any Causes of Action that are not released pursuant to the Plan or otherwise. Such Causes of Action may include, but are not limited to claims against:

- Qu and other directors and officers of PrediWave (including, but not limited to, Khoi Hoang and Wen Jun Shi) for, *inter alia*, fraud, breach of fiduciary duty, corporate waste, usurpation of corporate opportunity, deepening insolvency and fraudulent transfer;

- Family, friends and associates of Qu (including, but not limited to, Liu Xiu Qing) for, *inter alia*, aiding and abetting fraud and fraudulent transfer;
- PrediWave's lawyers, including Latham and Allen & Overy LLP, for, *inter alia*, professional negligence, legal malpractice and aiding and abetting fraud. Latham disputes that there is any basis whatsoever for any such Causes of Action against it.

Any recovery of Cash as a result of such actions will be deposited in the Distribution Trust Account and distributed pursuant to the Plan.

Dated: April 26, 2007

Respectfully submitted,

NEW WORLD TRUST LIMITED

By: /s/ Dumas Chow Wai Sang  
Name: Dumas Chow Wai Sang  
Title: General Counsel

COUNSEL:

RONALD M. OSTER (Bar No. 57954)  
DENNIS S. ELLIS (Bar No. 178196)  
RICHARD A. CHESLEY (Ill. Bar No. 6240877)  
(pro hac)  
PAUL E. HARNER (Ill. Bar No. 6276961)  
(pro hac)  
JOSHUA HAMILTON (Bar No. 199610)  
**PAUL, HASTINGS, JANOFSKY &  
WALKER LLP**  
515 South Flower Street, 25th Floor  
Los Angeles, California 90071  
Telephone: 213-683-6000  
Facsimile: 213-627-0705

KAROL K. DENNISTON (Bar No. 141667)  
AMY WALLACE POTTER (Bar No. 213196)  
**DLA PIPER US LLP**  
550 South Hope Street, Suite 2300  
Los Angeles, California 90071  
Telephone: 213-330-7850  
Facsimile: 213-330-7701

ATTORNEYS FOR  
NEW WORLD TMT LIMITED