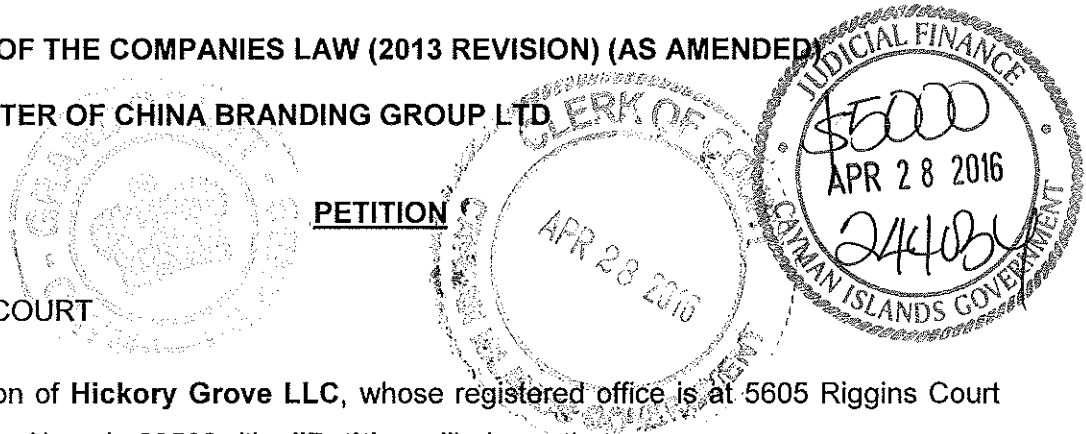


IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO: 0052 OF 2016 -

IN THE MATTER OF THE COMPANIES LAW (2013 REVISION) (AS AMENDED)
AND IN THE MATTER OF CHINA BRANDING GROUP LTD



PETITION

TO THE GRAND COURT

The humble petition of **Hickory Grove LLC**, whose registered office is at 5605 Riggins Court Second Floor Reno, Nevada 89502, (the "**Petitioner**") shows that:

Preamble

1. The Petitioner presents this petition for the winding up of China Branding Group Limited (the "**Company**") and the appointment of joint official liquidators.
2. The Petitioner is a creditor of the Company and seeks the winding up of the Company pursuant to Sections 92 and 93 of the Companies Law (2013 Revision) (as amended) (the "**Companies Law**") on the grounds that the Company is unable to pay its debts.

Background

3. The Company is an exempted company limited by shares under the Companies Law, and was incorporated on 2 February 2012 with registration number 266041.
4. The registered office of the Company is situated at Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands. The Company's directors are Adam Roseman, Robert Roche, David Lande and Jacob Fisch.
5. The authorised share capital of the Company is US\$50,000,000 divided into 5,000,000,000 shares of a nominal or par value of US\$0.01 each, comprising of (i) 200,000,000 Series A Preferred Shares of a nominal or par value of US\$0.01 each ("**Series A Preferred Shares**"); (ii) 200,000,000 Series B Preferred Shares of a nominal

- (a) an A Loan to the Company in the amount of US\$750,000, subsequently amended to reflect an increase of US\$150,000, to US\$900,000, pursuant to two Senior Secured Convertible Promissory Note instruments dated 30 April 2015 and 10 July 2015, as amended (the latter, the "**A Note**"); and
- (b) a B Loan to the Company in the amount of US\$3,594,167.51 pursuant to two Secured Convertible Promissory Note instruments dated 30 April 2015 (the "**B Note**"),

(together, the "**Notes**" and/or the "**Debt**").

- 12. The A Note is secured by corresponding pledge agreements dated 30 April 2015 and 10 July 2015 (the latter, the "**A Note Pledge Agreement**") and the B Note is secured by a pledge agreement dated 30 April 2015 (the "**B Note Pledge Agreement**", together the "**Pledge Agreements**").
- 13. In addition to reflecting the increase in the loan amount provided by the Petitioner to the Company, the amendments to the A Note and to the A Note Pledge Agreement, inter alia, correct an error concerning the ranking of the Petitioner's loan and security, and confirm that the A Note constitutes the entire contract between the parties, superseding the Note of 30 April 2015.
- 14. All of the Notes and Pledge Agreements are governed by the laws of the State of California.

The Notes

- 15. The A Note, as amended, provides that the Company promises to pay to the order of the Petitioner the principal amount of the Principal Loan Amount, up to US\$750,000, as amended to up to US\$900,000 (the "**Loan**"), subject to the terms and conditions provided therein.
- 16. The A Note, as amended, further provides, at Clause 4, that the Borrower's performance of its obligations thereunder is secured by a first priority security interest in the collateral specified in its corresponding Pledge Agreement. It represents and warrants (at Clause 6.4) that the Borrower has not permitted to exist or otherwise become directly or

The Pledge Agreements

22. Section 2 of the A Note Pledge Agreement, as amended, provides the Petitioner with a first priority security interest in and to all of the Company's right, title, benefit and interest in and to all of its tangible and intangible assets, wherever located, as follows:

"The Pledgor hereby pledges, assigns and grants to the Secured Party as primary obligor and not merely as surety, and hereby creates a continuing lien and security interest, first in priority over all other lenders of the Pledgor in favour of the Secured Party in and to all of its right, title, benefit and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "Collateral"):

all assets (including intangible assets) of the Pledgor in the United States, including without limitation its content library, license agreements, and physical assets, such as production equipment."

23. Section 2 of the B Note Pledge Agreement provides the Petitioner with a similar security interest, save that it is first in priority over all of the Company's other lenders other than the A Loan Noteholders whose loans have priority, as follows:

"The Pledgor hereby pledges, assigns and grants to the Secured Party as primary obligor and not merely as surety, and hereby creates a continuing lien and security interest, first in priority over all other lenders of the Pledgor other than lenders of the New Loans, whose loans shall have priority over the Secured Party (provided that the Restructured Debt will rank pari passu among each other), in favour of the Secured Party in and to all of its right, title, benefit and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "Collateral"):

all assets (including intangible assets) of the Pledgor in the United States, including without limitation its content library, license agreements, and physical assets, such as production equipment."

24. The Collateral is expressed in section 3 of the Pledge Agreements to secure the due and prompt payment and performance of (i) the Company's obligations arising under the

YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT:

- (1) The Company be wound up in accordance with the Companies Law.
- (2) Mr Hugh Dickson of Grant Thornton Specialist Services Ltd, 10 Market Street #765, Camana Bay, Grand Cayman, Cayman Islands KY1 9006, and Mr David Bennett of Grant Thornton Recovery & Reorganisation Ltd, 12th floor, 28 Hennessy Road, Wanchai, Hong Kong, be appointed as joint official liquidators of the Company (the "JOLs").
- (3) The JOLs be authorised to exercise any of the powers listed in the Third Schedule to the Companies Law without further sanction or intervention of the Court.
- (4) The JOLs be authorised to do any act or thing considered by them to be necessary or desirable in connection with the liquidation of the Company and the winding up of its affairs.
- (5) The JOLs do file with the Clerk of the Court a report in writing of the position of the Company and the progress which the liquidators have made with the winding up of the Company, with the realisation of its assets and in relation to any other matters connected to the winding up of the Company, at such time and in such manner as the Court may direct.
- (6) The JOLs be at liberty to appoint such counsel, attorneys, professional advisors, whether in the Cayman Islands or elsewhere, as they may consider necessary to advise and assist them in the performance of their duties and on such terms as they may think fit and to remunerate them out of the assets of the Company.
- (7) No disposition of the Company's property by or with the authority of the JOLs in carrying out their duties and functions and exercise of their powers under this Order shall be voided by virtue of section 99 of the Companies Law.
- (8) The JOLs and their staff be remunerated for their professional services and time in accordance with Part III of the Insolvency Practitioners Regulations 2008 (as amended).
- (9) The JOLs be at liberty to apply generally.

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts, George
Town, Grand Cayman on 2016 at am/pm.

Any correspondence or communication with the Court relating to the hearing of this Petition
should be addressed to the Registrar of the Financial Services Division of the Grand Court at
PO Box 495, Grand Cayman, KY1-1106, telephone no. 349 949 4296.