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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **May 31, 2008**

**DIGICORP, INC.**  
(Exact name of registrant as specified in its charter)

Commission file number: **000-33067**

**Delaware**  
(State or Other Jurisdiction  
of Incorporation or Organization)

**87-0398271**  
(I.R.S. Employer  
Identification No.)

**4143 Glencoe Ave**  
**Marina Del Rey, CA**  
(Address of Principal Executive Offices)

**90292**  
(Zip Code)

**(310) 728-1450**  
(Issuer's Telephone Number, Including Area Code)

**Not Applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 1.01 Entry into a Material Definitive Agreement.**

On June 2, 2008, Digicorp, Inc. (the "Company") entered into a Content License Agreement with New China Media, LLC ("New China Media"), YGP, LLC ("YGP") and TWK Holdings, LLC ("TWK") (New China Media, YGP and TWK collectively referred to as "Content Providers") providing for (i) the assignment by Content Providers and the assumption by the Company of certain rights of Content Providers for the territory of the People's Republic of China ("PRC") to use, transmit and publicly display via the internet certain content; and (ii) the purchase by YGP, New China Media and TWK of 16,200 shares, 3,000 shares and 12,000 shares of Series A Convertible Preferred Stock of the Company for \$16,200, \$3,000 and \$12,000, respectively.





**CERTIFICATE OF THE VOTING POWERS, DESIGNATIONS,  
PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL  
OR OTHER SPECIAL RIGHTS, AND THE QUALIFICATIONS,  
LIMITATIONS AND RESTRICTIONS THEREOF, WHICH  
HAVE NOT BEEN SET FORTH IN THE CERTIFICATE OF  
INCORPORATION OR IN ANY AMENDMENT THERETO, OF THE**

**SERIES A CONVERTIBLE PREFERRED STOCK**

**OF  
DIGICORP, INC.**

Pursuant to Section 151 of the General  
Corporation Law of the State of Delaware

We, the undersigned, the President and Secretary, respectively, of Digicorp, Inc., a Delaware corporation (the "Company"), DO HEREBY CERTIFY that the following resolution was duly adopted by the Board of Directors of the Company by unanimous written consent of its members:

RESOLVED, that, pursuant to the authority expressly granted to and vested in the Board of Directors by the Certificate of Incorporation of the Company, as amended, the Board of Directors hereby creates a series of the Preferred Stock of the Company to consist of Five Hundred Thousand (500,000) shares, each of \$.001 par value, and the Board of Directors hereby fixes the voting powers, designations, preferences and relative participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of the shares of such series, as follows:

1. Designation.

The designation of the said series of Preferred Stock created by this Resolution shall be "Series A Convertible Preferred Stock".

2. Dividends.

The holders of shares of the Series A Convertible Preferred Stock shall be entitled to receive out of funds legally available for such purpose, cash dividends in an amount per share equal the amount of dividends that would have been payable in respect of each such share had such share been converted into shares of Common Stock pursuant to Section 4 hereof immediately prior to the payment of such dividend, when and as any dividends shall be declared by the Board of Directors of the Company in respect of the shares of Common Stock. The Series A Convertible Preferred Stock shall rank pari passu with the Common Stock with respect to the right to receive dividends.

3. Rights upon Liquidation, Dissolution or Winding Up.

(a) With respect to rights on liquidation, dissolution or winding up, the Series A Convertible Preferred Stock shall rank prior to the Common Stock. In the event of any liquidation, dissolution or winding up of the Company, the holders of shares of Series A Convertible Preferred Stock then outstanding shall be entitled to be paid, out of the assets of the Company available for distribution to its stockholders, whether from capital, surplus or earnings, before

any payment shall be made to the holders of any stock ranking on liquidation junior to the Series A Convertible Preferred Stock, an amount equal to \$.001 per share, plus all accrued but unpaid dividends, if any, to the date of payment (the "Liquidation Value").

- (b) If, upon any liquidation, dissolution or winding up of the Company, the assets of the Company available for distribution to its stockholders shall be insufficient to pay each holder of shares of Series A Convertible Preferred Stock the Liquidation Value of the shares so held, such amount to be appropriately adjusted upon the occurrence of any of the events specified in Section 4(a) (ii) and (iii) hereof, the holders of shares of Series A Convertible Preferred Stock shall receive ratably all of the assets of the Company then available for distribution to its stockholders.
- (c) In the event of any liquidation, dissolution or winding up of the Company after payment shall have been made to the holders of shares of Series A Convertible Preferred Stock of the Liquidation Value of each share of Series A Convertible Preferred Stock so held, holders of any class or classes of stock ranking on liquidation junior to the Series A Convertible Preferred Stock shall be entitled, to the exclusion of the holders of shares of Series A Convertible Preferred Stock, to share, according to their respective rights and preferences, in all remaining assets of the Company available for distribution to its stockholders.
- (d) The merger or consolidation of the Company into or with another corporation or the merger or consolidation of any other corporation into or with the Company (in which consolidation or merger the stockholders of the Company receive cash or securities in exchange for disposition of all the assets of the Company), shall not be deemed to be a liquidation, dissolution or winding up of the Company.

#### 4. Conversion.

The holders of the Series A Convertible Preferred Stock shall have the right to convert to shares of Common Stock as follows:

(a) Right to Convert.

The holder of any such shares of Series A Convertible Preferred Stock shall have the right, at any time subsequent to the filing of an amendment to the Company's certificate of incorporation with the Secretary of State of the State of Delaware whereby the authorized Common Stock is increased to a minimum of 200,000,000 shares, to convert any of such shares of Series A Convertible Preferred Stock into shares of Common Stock at a rate of One Thousand (1,000) shares of Common Stock for every one share of Series A Convertible Preferred Stock (the "Conversion Ratio"), which shall be adjusted as follows:

(i) No Fractional Shares Upon Conversion.

No fractional shares of Common Stock will be issued upon conversion of Series A Convertible Preferred Stock nor shall the Company pay any cash value on any fractional shares.

(ii) Adjustment For Combination or Consolidations of Common Stock.

In the event the Company at any time or from time to time after the effective date of the initial issuance of the Series A Convertible Preferred Stock (hereafter referred to as the "Original Issue Date") effects a subdivision or combination of its outstanding Common Stock into a greater or lesser number of shares without a proportionate and corresponding subdivision or combination of its outstanding Series A Convertible Preferred Stock, than the existing Conversion Ratio for the Series A Convertible Preferred Stock will be increased or decreased proportionately.

(iii) Adjustment For Dividends, Distributions and Common Stock Equivalents.

In the event the Company at any time or from time to time after the Original Issue Date makes or issues a dividend payable in Common Stock to holders of record of its Common Stock, or fixes a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or other securities or rights ("Common Stock Equivalents"), convertible into or entitling the holder thereof to receive additional shares of Common Stock without payment of any consideration by such holder for Common Stock Equivalents or the additional shares of Common Stock, then and in such event, for the purpose of protecting the holders of Series A Convertible Preferred Stock from any dilution in connection therewith, the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein for a subsequent adjustment of such number) of Common Stock issuable in payment of such dividends or distribution or upon conversion or exercise of such Common Stock Equivalents will be deemed to be issued and outstanding as of the time of such issuance or, in the event such a record date has been fixed, as of the close of business on such a record date. In each such event the then existing Conversion Ratio for the Series A Convertible Preferred Stock will be increased as of the time of such issuance or, in the event such a record date has been fixed, as of the close of business on such record date, by multiplying the Conversion Ratio for the Series A Convertible Preferred Stock by a fraction, the numerator of which will be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution or upon conversion or exercise of such Common Stock Equivalents, and the denominator of which will be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close business on such record date; provided, however, if such record date has been fixed and such dividend is not fully paid or if such distribution is not made on the date fixed therefor, the Conversion Ratio for the Series A Convertible Preferred Stock will be recomputed accordingly as of the close of business on such record date and thereafter the Conversion Ratio for the Series A Convertible Preferred Stock will be adjusted pursuant to this Section 4(a)(iii) as of the date of actual payment of such dividends or distributions.

(b) Mechanics of Conversion.

Before any holder of Series A Convertible Preferred Stock will be entitled to receive a certificate or certificates for the number of shares of Common Stock to be issued upon conversion, he will surrender the certificate or certificates representing the Series A Convertible Preferred Stock, duly endorsed, at the office of the Company or of any transfer agent for the Series A Convertible Preferred Stock and he will give written notice to the Company stating the name or names in which he wishes the certificate or certificates for shares of Common Stock to be issued. The Company, as soon as practicable thereafter, will issue and deliver to such holder of Series A Convertible Preferred Stock or to his nominee or nominees, a certificate or certificates for the number of shares of Common Stock to which he will be entitled as aforesaid.

(c) No Impairment.

The Company, whether by amendment of its Certificate of Incorporation or through any reorganization, transfer of assets, merger, dissolution, issue or sale of securities or any other voluntary action, will not avoid or seek to avoid the observance or performance of any of the terms to be observed hereunder by the Company, but at all times in good faith will assist in the carrying out of all of such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the Series A Convertible Preferred Stock against impairment.

5. Redemption.

The Series A Convertible Preferred Stock shall not be subject to redemption by the Company.

6. Voting Rights.

Except as required under the General Corporation Law of the State of Delaware, the Series A Convertible Preferred Stock shall not be entitled to any voting rights.

7. No Preemptive Rights.

No stockholders of the Company, including, without limitation, the holders of the Series A Convertible Preferred Stock, shall have preemptive rights.

IN WITNESS WHEREOF, said DIGICORP, INC. has caused this certificate to be signed by Jay Rifkin, its President, and attested by Jay Rifkin, its Secretary, this 23rd day of May, 2008.

/s/ Jay Rifkin

\_\_\_\_\_  
JAY RIFKIN, President

ATTEST:

/s/ Jay Rifkin

\_\_\_\_\_  
JAY RIFKIN, Secretary

**Dated this 31st day of May 2008**

**Yes Television (Hong Kong) Limited**

and

**New China Media LLC**

and

**Youth Media "HKG" Limited**

## **Supply Agreement for Content**

**THIS AGREEMENT** is made the 31st day of May 2008

### **BETWEEN:**

- (1) **Yes Television (H.K.) Limited**, a company registered in Hong Kong whose registered office is at 11th Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong ("**Yes TV**"); and
- (2) **NEW CHINA MEDIA LLC**, a company registered in USA and Hong Kong, China whose registered office is at 400 Alton Road, Penthouse 7, Miami Beach, Florida, 33139 ("**NCM**")
- (3) **YOUTH MEDIA "HKG" Limited**, c/o Digicorp, Inc., whose registered office is at 4143 Glencoe Avenue, Marina Del Ray, California, 90292 ("**YOUTH**")

(Collectively **NCM** and **YOUTH** shall be referred to as "**LICENSEES**")

### **WHEREAS**

- A.** **Yes TV** is a content aggregator providing, amongst other things, live and delay broadcast for distribution and transmission via telecommunications networks.
- B.** **NCM** and **YOUTH** (collectively "Licensees") wish to source certain content from **Yes TV** so that **LICENSEES** may in turn redistribute the same on its affiliates internet platforms

C. **Yes TV** has agreed to supply certain content to LICENSEES based on the terms set out in this Agreement and listed in Schedule 1.

**NOW IT IS HEREBY AGREED** as follows;

## 1. Definitions and Interpretation

1.1 The following words and expressions shall have the following meanings, unless the context otherwise requires:

<b>"Agreement"</b>	means this agreement between the Parties;
<b>"Business Day"</b>	means a day (excluding Saturdays) on which banks in Hong Kong generally are open for the transaction of normal banking business;
<b>"Subscribers"</b>	means subscribers of LICENSEES subscribing for the Subscriber Content pursuant to the Subscriber Agreements, and "Subscriber" means any of them;
<b>"Subscriber Agreements"</b>	means the agreements between LICENSEES and the subscribers for the provision of the Subscriber Content, and "Subscriber Agreement", means any of them;
<b>"Subscriber Content"</b>	means any part of or combination of the Included Content the Subscribers subscribed from LICENSEES pursuant to their respective Subscriber Agreements;
<b>"Included Content"</b>	means the content set out in Schedule 1, which maybe updated by Yes TV from time to time;
<b>"License"</b>	as defined under Clause 4.1;
<b>"Net Revenue"</b>	means the net revenue actually received by LICENSEES from any form of advertisement in relation to the Included Content by Yes TV less any agency fees, commission and sales tax
<b>"Parties"</b>	means Yes TV and LICENSEES and " <b>Party</b> " means any of them;
<b>"Services"</b>	means the provision of any part of or combination of the Included Content by Yes TV to LICENSEES for its delivery to the Subscribers to perform its obligations under the Subscriber Agreements and the operation and maintenance of the systems necessary to allow LICENSEES to deliver such part of or combination of the Included Content to the Subscribers;
<b>"Territory"</b>	means the People's Republic of China (excluding Hong Kong, Macau, and Taiwan);

- 1.2 Except where the context otherwise requires the masculine gender shall include the feminine and neuter and singular shall include the plural and vice versa and reference to persons include body corporate or unincorporated.

## **2. Term**

- 2.1 This Agreement shall commence on signing and shall continue until 30th April, 2010 unless extended as agreed in writing between the Parties.

## **3. Scope**

- 3.1 Yes TV shall provide to LICENSEES the agreed Services ordered pursuant to Clause 3.2 below. Yes TV shall notify LICENSEES on an ongoing basis what Content and Services are available to LICENSEES, and subject to prior discussions and understanding/agreement between the Parties on the details of a particular order, including but not limited to the items set out in the P.O. (as defined below), LICENSEES may from time to time during the Term of this Agreement place orders (in the form substantially similar to the Placement of Order Form ("P.O.") appended as Schedule 2 hereto) with Yes TV for the Services. For the avoidance of doubt, LICENSEES can only order Services that has been made available by Yes TV to LICENSEES. Within thirty (30) days from the placing of the relevant order by LICENSEES, Yes TV shall make the said ordered Services available to LICENSEES in such format as may be agreed between the Parties pursuant the P.O.
- 3.2 LICENSEES must make the ordered Services available to it's affiliates internet platforms no later than 30 days after Yes TV has provided the ordered Services, otherwise Yes TV has the right to cancel the agreed Services.
- 3.3 Any P.O. placed during the Term of this Agreement and is operating on the date of expiry or termination of this Agreement shall survive the expiry or termination of this Agreement and remain in full force and effect until the expiry or termination of the term of such P.O.. The term for any included Content shall be negotiated on an individual basis specific to that content. If no term is specified on a P.O. then by default the term shall be deemed to be one (1) year from the commencement date as set out in such P.O.. LICENSEES acknowledge and agree that they will not enter into Subscriber Agreements in excess of the term licensed from Yes TV for each piece of Included Content.
- 3.4 For the avoidance of doubt, it shall always be the sole and full discretion of Yes TV on the type of Services Yes TV will offer to LICENSEES while LICENSEES shall have the full and sole discretion to accept or reject the terms and conditions of the Services as offered by Yes TV.

## **4. Obligations of Yes TV**

- 4.1 In consideration of LICENSEES's payment of the fees as set out under Clause 6 in accordance with the terms of this Agreement and the P.O., Yes TV grants LICENSEES an exclusive and right to broadcast and distribute the Included Content to the Subscribers in the Territory ("License"). For the avoidance of doubt, Subscribers should only be limited to Universities and College students restricted to access the said content in the Territory. Furthermore, for content can be on an exclusive or non-exclusive basis all subject to the final terms set out in the P.O. related to the specific content agreed to be supplied by Yes TV and carried by LICENSEES on its platform.
- 4.2 The License shall cover the original language and any languages as may be requested by LICENSEES subject to availability and the payment of any additional fees to be agreed between the Parties for providing the extra language or localization

- 4.3 Included Content may contain Yes TV logo at the beginning or appear on screen at all time. By delivering such Included Content to LICENSEES, Yes TV grants to LICENSEES a non-exclusive and right to use, license, deliver, distribute and broadcast the Yes TV logo together with such Included Content.
- 4.4 Yes TV shall provide the Included Content in format to be agreed between the Parties.
- 4.5 Yes TV shall notify LICENSEES in writing and set out the P.O. all the specific conditions provided in relation to relevant content supplier to Yes TV before the conclusion of a particular P.O.. In the event a content supplier wishes to impose further conditions on the Included Content it provides in the course of the term of a particular P.O., Yes TV shall notify LICENSEES in writing details of such new conditions within ten (10) Business Days upon its notification of the same from content provider and shall liaise with such content supplier the terms, scope and other details of the proposed new conditions in the interests of Yes TV, LICENSEES and the relevant Subscriber as a whole.

## **5. Obligations of LICENSEES**

- 5.1 LICENSEES shall not cut, edit, change, add to, delete from or revise any of the Included Content provided without the prior written consent of Yes TV.
- 5.2 Subject to Yes TV performing this Agreement and the transactions contemplated hereunder, LICENSEES shall pay the fees for the Services provided in a timely manner and in accordance with the terms of this Agreement.
- 5.3 LICENSEES shall ensure that the use, delivery, broadcast and distribution of the Included Content in the Territory by LICENSEES as contemplated by this Agreement shall at all times comply with all application laws and regulations. LICENSEES are also responsible for all required licenses to distribute the content to its Subscribers in the Territory.
- 5.4 LICENSEES shall ensure that the use, delivery, broadcast and distribution of the Included Content in the Territory by LICENSEES as contemplated by this Agreement shall at all times comply with the specific conditions, including but not limited to any applicable license periods, black out periods and any other conditions of use, as may be imposed by the relevant content supplier and notified by Yes TV to LICENSEES in writing/set out in the P.O. (as appropriate) in accordance with Clause 4.7.

## **6. Fees**

- 6.1 LICENSEES shall pay to Yes TV the fees set out in Schedule 1 for Yes TV's provision of the Services. The Parties shall agree on terms for the Services to be ordered by LICENSEES with Yes TV.
- 6.2 Yes TV will issue invoices in relation to the Services ordered. All payment by LICENSEES to Yes TV shall be made within thirty (14) Business Days from the date of receipt of the said invoice(s). A 10% per annum of interest will be charged by Yes TV for the late payment.
- 6.3 All payments to Yes TV shall be made in full without any set-off or deduction in respect of any withholding and other taxes (if any). In the event that any withholding tax is imposed on any amount of the Fee required to be paid by LICENSEES, the Fee shall be increased by the amount of such withholding tax. LICENSEES shall pay all such taxes to the appropriate authorities in the Territory.

## **7. Representations and Warranties**

- 7.1 Each of the Parties hereto represents and warrants to the other Party that it has the capacity and all necessary authority to enter into this Agreement and to perform its obligations hereunder.
- 7.2 Yes TV represents and warrants that it has and shall maintain at all times all the necessary consents, approvals, right (include but not limited to intellectual property rights but excluding the public performing and broadcasting rights in and to the musical elements contained in the Included Content) for the granting to LICENSEES and the Subscribers (where appropriate) all the rights hereby and which shall be granted under or in connection with this Agreement.

## **8. Limitation of Liability**

- 8.1 No Party shall be liable to the other Party for loss of profits, goodwill, business opportunity, data or revenue or any type of special indirect or consequential loss (including without limitation loss or damage suffered by LICENSEES as a result of an action brought by a third party) even if such loss was reasonably foreseeable or a Party had been advised of the possibility of the other Party incurring the same.
- 8.2 Nothing in this clause shall confer any right or remedy upon either Party to which it would not otherwise be legally entitled.
- 8.3 Yes TV's total liability under this Agreement shall be restricted to the aggregate Fee paid by LICENSEES to Yes TV under this Agreement, prior to the claim brought by LICENSEES.

## **9. Confidentiality**

- 9.1 The Parties each agree to keep the contents of this document and the matters contemplated herein confidential, and not to disclose the same to any person whatsoever (save to the extent required by law, an order of a relevant court of law, any regulation or requirement of any regulatory authority or a recognized stock exchange) without the prior written consent of the other Parties. Each Party undertakes that it will not disclose or make use of, for its own benefit other than for the performance of this Agreement, any of the information of a confidential nature disclosed to it by any other Party. The provisions of this Clause 9 do not apply to any information which is publicly available at the time of disclosure, any information obtained from a third party which is not under any confidentiality undertaking, nor does it apply to any information disclosed by the Parties to the extent that disclosure is required by law, an order of a relevant court of law, any regulation or requirement of any regulatory authority or a recognized stock exchange.
- 9.2 Nothing in this Clause 9 shall be construed so as to prevent a Party from disclosing confidential information to any of its associates, employees, officers, agents, sub-contractors, or advisers to the extent that such disclosure is necessary for the performance of its rights and obligations hereunder, in which case such Party shall take all reasonable steps to ensure that such confidential information is treated as confidential by person to whom it is disclosed and such Party shall remain liable for any breach by the person to whom such information is disclosed.
- 9.3 Nothing herein shall be construed so as to prevent a Party from using data processing techniques, ideas and other know-how gained without the use of confidential information obtained from the other Parties during the performance of this Agreement in furtherance of its business to the extent that this does not result in the disclosure of confidential information.

## **10. Publicity**

Subject to Clause 9, each Party shall consult with the other Party before making any press announcement or otherwise publicizing this Agreement or any part of it in any way. Notwithstanding the provisions of Clauses 9 and 10, it is agreed that both Parties shall be entitled, for the purposes of written marketing materials prepared for their respective fundraising activities only, to disclose each other's identity and the existence of this Agreement.

## **11. Termination**

11.1 This Agreement may be terminated:

- (a) forthwith by either Party if the other Party commits breach of any term of this Agreement and fails (in the case of a breach capable of being remedied) to remedy such breach with 30 days of a written request from the non-defaulting Party to remedy the same; or
- (b) forthwith by either Party if the other Party shall convene a meeting of its creditors, if a proposal shall be made by the other Party for a voluntary arrangement or any other composition scheme or arrangement with (or assignment for the benefit of) its creditors, if the other Party shall be unable to pay its debts, if trustee receiver administrative receiver or similar officer is appointed in respect of all or any party of the business or assets of the other Party or if a petition is presented or a meeting is convened for the purpose of considering a resolution or other steps are taken for the winding up of the other Party or for the making of an administration order (otherwise than for the purpose of an amalgamation or reconstruction) or an event analogous to this occurs under the laws of any applicable jurisdiction.

11.2 Termination or expiry of this Agreement shall be without prejudice to any rights or obligations which shall have accrued prior to such termination or expiry. For this avoidance of doubt, the Parties agree that the termination or expiry of this Agreement shall not affect the obligation of any Party to perform its outstanding obligations accrued prior to such termination or expiry date.

11.3 Subject to Clause 11.2 on termination of this Agreement or the termination or expiry of all Subscriber Agreement entered into by LICENSEES prior to such date (whichever is the later), all licenses granted hereunder by Yes TV shall immediately be terminated.

11.4 Subject to Clause 11.2, within 10 Business days of the termination of this Agreement, LICENSEES shall at Yes TV's sole option return all copies of the Included Content in its possession or control and duly authorized officer of LICENSEES shall certify in writing to Yes TV that LICENSEES has complied with this obligation.

11.5 Notwithstanding anything contained herein, this Agreement shall be terminated if Yes TV no longer holds the right to the agreed offered Services.

## **12. Force Majeure**

12.1 Neither Party hereto shall be liable for any breach of its obligations under this Agreement resulting from causes beyond its reasonable control including but not limited to fires, strikes (of its own employees), delays or interruption affecting telecommunications services or Internet service providers, insurrection or riots, embargoes, wrecks or delays in transportation other than due to that Party's fault or negligence, requirements or regulations of any civil or military authority (an "Event of Force Majeure")

12.2 Each of the Parties hereto agrees to give notice forthwith to the other upon becoming aware of an Event of Force Majeure, such notice shall contain details of the circumstances giving rise to the Event of Force Majeure.

12.3 If a default due to an Event of Force Majeure shall continue for more than 4 weeks, the Party not in default shall be entitled to terminate this Agreement. Neither Party shall have any liability to the other in respect of the termination of this Agreement as a result of an Event of Force Majeure.

## **13. Waiver**

- 13.1 A waiver of any term, provision or condition of, or consent granted under this Agreement shall be effective only if given in writing and signed by the waiving or consenting Party and then only in the instance and for the purpose for which it is given.
- 13.2 No failure or delay on the part of any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right of the Parties.
- 13.3 No breach of any provision of this Agreement shall be waived or discharged except with the express written consent of the Parties.
- 13.4 The rights and remedies provided in this Agreement are cumulative with and not exclusive of any rights or remedies provided by law.

#### 14. Notices

Any notice, demand or other communication given or made under or in connection with the matter contemplated by this Agreement shall be in writing and shall be personally delivered or sent by fax or prepaid first class post to the address (or air mail if posted to or from a place outside Hong Kong):

Notice to Yes TV:

Address: 11/F Sunning Plaza  
10 Hysan Avenue  
Causeway Bay  
Hong Kong  
Fax: (852) 2289 0599  
Attention: Mr. Thomas Kressner – CEO

Notice to NCM:

Address: 400 Alton Road  
Penthouse 7  
Miami Beach,  
Florida, 33139  
Fax: 1 (856) 494 3492  
Attention: Mr. Dennis Pelino

Notice to YOUTH:

Address: c/o Digicorp, Inc.  
4143 Glencoe Avenue  
Marina Del Rey,  
California, 90292  
Fax: 1 (310) 651 9629  
Attention: Jay Rifkin

and shall be deemed to have been duly given or made as follows:

- (a) if personally delivered, upon delivery at the address of the relevant Party;
- (b) if sent by air mail or prepaid first class post, 4 Business Days after the date of posting; and
- (c) if sent by fax, when dispatched;

provided that if, in accordance with the above provision, any such notice, demand or other communication would otherwise be deemed to be given or made after 5.00 p.m. such notice, demand or other communication shall be deemed to be given or made at 9.00 a.m. on the next Business Day.

## **15. Invalidity And Severability**

15.1 If any provision of this Agreement is or becomes (whether or not pursuant to any judgment or otherwise) invalid, illegal or unenforceable in any respect under the law of any jurisdiction:

- (a) the validity, legality and enforceability under the law of the jurisdiction of any other provision; and
- (b) the validity, legality and enforceability under the law of any other jurisdiction of that or any other provision.

Shall not be affected or impaired in any way thereby.

15.2 If any provision of this Agreement shall be held to be void or declared illegal, invalid or unenforceable for any reason whatsoever, such provision shall be divisible from this Agreement and shall be deemed to be deleted from this Agreement and the validity of the remaining provisions shall not be affected. In the event that any such deletion materially affects the interpretation of this Agreement, the Parties shall negotiate good faith with a view to agreeing a substitute provision which as closely as possible reflects the commercial intention of the Parties.

## **16. Entire Agreement And Variation**

16.1 This Agreement embody and set forth the entire agreement and understanding of the Parties and supersedes all prior oral or written representations, agreements, understandings or arrangements relating to the subject matter thereof. Save in the case of fraud or fraudulent concealment, neither Party shall be liable to the other for any representation, agreement, understanding or arrangement which is not expressly set forth in this Agreement.

16.2 This Agreement may be varied only by a document signed by all Parties.

## **17. Assignment and Sub-Licensing**

17.1 Neither this Agreement nor any rights or interests in relation to it may be assigned by and Party without the prior written consent of the other Parties, save that LICENSEES may, with the written consent of Yes TV, assign any of its rights or interests hereunder to any of its subsidiary companies, its parent company or any subsidiary company of such parent company or any contractual agreement of LICENSEES's with a specific internet distribution platform.

## **18. Governing Law and Jurisdiction**

The Agreement (and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to or its formation) shall be governed by and construed in accordance with Hong Kong law and for these purposes, the parties irrevocably submit to the exclusive

jurisdiction of the courts of Hong Kong.

IN WITNESS whereof this agreement has been executed by the duly authorized representatives of the parties on the date first above written.

Signed by )  
**Mr. Thomas Kressner** ) /s/ Thomas Kressner  
For and on behalf of )  
**Yes TV** )  
in the presence of )

Signed by )  
**Mr. Dennis Pelino** ) /s/ Dennis Pelino  
For and on behalf of )  
**NCM** )  
in the presence of )

Signed by )  
**Mr. Jay Rifkin** ) /s/ Jay Rifkin  
For and on behalf of )  
**YOUTH** )  
in the presence of )

## Schedule 1

### Included Content

#### 1. Sports Content

- 1.1 Yes TV shall supply LICENSEES with Services on terms agreed by the parties. The list will be revised and updated from time to time by Yes TV.
- 1.2 The fees payable by LICENSEES to Yes TV for the provision of the selected content shall include:
  - a. A (50%/50%) sharing of NET Revenue on all advertising and sponsorship revenue generated from the LICENSEES platform in relation to the Included Content, or a license fee calculated on time basis by reference to the length of the content, to be agreed between the Parties; and

#### 2. Other Content

- 2.1 Where available, Yes TV shall give LICENSEES the first right of refusal for all other content subject to terms to be agreed between the parties.

**Schedule 2**

**Placement of Order Form**

**[On LICENSEES letterhead]**

**Placement of Order Form**

**P.O. Number: [insert #]**

**Date: [date]**

**To: Yes Television (Hong Kong) Limited  
11/F Sunning Plaza  
10 Hysan Avenue  
Causeway Bay, Hong Kong  
Attn: Mr. Thomas Kressner**

**Dear Sir,**

**Pursuant to Clause 3 of the Supply Agreement for Content (the "Agreement") dated [date] by and between Yes Television (Hong Kong) Limited and New China Media Limited, we, New China Media Limited, are placing order for the Included Content (s) at the Fee(s) as set out under Section (A) hereof:**

**(A) Included Content(s) and Fee(s):**

<b>Included Content(s)</b>	<b>Revenue Share</b>	<b>License Fee(s)/US\$</b>	<b>Technical Fee(s)/US\$</b>	<b>Term and Commencement Date</b>

**(B) Delivery of the Included Content(s): Via Satellite**

<b>Order placed by: For and on behalf of</b>	<b>Order received by: For and on behalf of</b>
--	--

<b>New China Media Limited</b>	<b>Yes Television (Hong Kong) Ltd.</b>
<b>Name:</b>	<b>Name:</b>
<b>Title:</b>	<b>Title:</b>
<b>Date:</b>	<b>Date:</b>

## CONTENT LICENSE AGREEMENT

**THIS AGREEMENT** is made as of this 2nd day of June, 2008 by and among Digicorp, Inc., a corporation organized under the laws of the State of Delaware, United States of America with offices at 4143 Glencoe Avenue, Unit B, Marina Del Rey, California 90291, U.S.A. ("**COMPANY**") and New China Media LLC, a Florida limited liability company (a/k/a New China Media Limited) with offices at 400 Alton Road, Penthouse 7, Miami Beach, Florida 33139 ("**NCM**"); YGP, LLC, a Florida limited liability company with offices at 4000 Hollywood Blvd, Suite 485 South, Hollywood, Florida, 33021 ("**YGP**") and TWK Holdings, LLC with offices at Room 4301, 43/F, Jardine House, One Connaught Place, Central, Hong Kong ("**TWK**") (NCM, YGP and TWK shall be individually and collectively referred to as "**CONTENT PROVIDER**") (COMPANY and CONTENT PROVIDER are hereinafter sometimes collectively referred to as the "**Parties**").

### WITNESSETH:

WHEREAS, COMPANY intends to build and maintain web sites based in the People's Republic of China which will include content provided to COMPANY by third parties for the purpose of providing information to users of the web site, and providing access to the products and/or services of such third parties;

WHEREAS, CONTENT PROVIDER has acquired from one or more third parties (individually a "**Licensor**" and collectively the "**Licensors**") the right to distribute by means of the internet certain content described more fully in the attached Exhibit A (the "**Current Content**") and intends to acquire from Licensors in the future the right to distribute by means of the internet additional content (the "**Future Content**") (the Current Content and the Future Content are hereinafter sometimes collectively referred to as the "**Content**"); and,

WHEREAS, COMPANY and CONTENT PROVIDER wish to distribute the Content through the web sites referred to above.

NOW, THEREFORE, in consideration of the promises and the mutual covenants of this Agreement, the parties hereto agree as follows:

#### 1. LICENSE

- A. Subject to the terms and conditions of this Agreement, CONTENT PROVIDER hereby grants and assigns by means of present assignment to COMPANY and COMPANY hereby assumes for the Term of this Agreement (as set forth in paragraph 8, below), CONTENT PROVIDER'S rights and obligations regarding the Content from Licensors as set forth in Exhibit A with respect to the right and license for the territory of the People Republic of China to use, reproduce, distribute, transmit and publicly display the Current Content and the Future Content by means of the internet in accordance with Exhibit A and this Agreement. In this regard, it is specifically understood and agreed that CONTENT PROVIDER will not during the Term of this Agreement take any action to exploit or otherwise use, reproduce, distribute, transmit and publicly display any of the Content via the internet to Universities and College students in the People's Republic of China except for the benefit of the COMPANY.
- B. CONTENT PROVIDER further grants to COMPANY (i) the right to sublicense the Content to COMPANY'S wholly-owned subsidiaries or to joint ventures in which COMPANY participates for the sole purpose of using, reproducing, distributing, transmitting and publicly

displaying the Content in accordance with this Agreement; and, (ii) the right, in COMPANY'S discretion, to use and exploit the Content at one or more other web sites in addition to or in lieu of the web sites referred to in the recital above (the web sites referred to above and any other web sites in addition to or in lieu thereof where COMPANY, its subsidiaries or joint ventures in which it might participate might use or exploit the Content are hereinafter collectively referred to as the "**Web site**").

## **2. CONSIDERATION**

- A. In consideration for the license of rights granted hereunder in the Current Content, COMPANY hereby agrees to issue to YGP 16,200 shares of its Series A Convertible Preferred Stock for which YGP will pay COMPANY the sum of \$1.00 per share or \$16,200 in the aggregate; NCM 3,000 of its Series A Convertible Preferred Stock for which NCM will pay COMPANY the sum of \$1.00 per share or \$3,000 in the aggregate and TWK 12,000 of its Series A Convertible Preferred Stock for which TWK will pay COMPANY the sum of \$1.00 per share or \$12,000 in the aggregate. Prior to the execution hereof, CONTENT PROVIDER has been furnished with a copy of the Certificate of Designation for the Series A Convertible Preferred Stock and is fully familiar with the terms and conditions thereof.
- B. In addition to the foregoing, and subject to the terms and conditions of the applicable content agreement with such Licensor, COMPANY agrees to pay directly to each Licensor from whom CONTENT PROVIDER might obtain Content which CONTENT PROVIDER licenses to COMPANY pursuant hereto a royalty equal to that royalty which CONTENT PROVIDER might be obligated to pay to that Licensor with respect to the use and exploitation of that Content in the manner licensed to and actually used by COMPANY pursuant hereto provided, however, unless the Parties might agree in writing to the contrary, in no event will COMPANY be obligated to pay such Licensor for the use of such Content more than fifty percent (50.0%) of all revenues generated during the Term of this Agreement from banner advertising that appears on Web site pages that display that Content or any portion thereof and with respect to which at least a majority of the content (excluding advertisements) on such pages is composed of the Content (the "**Net Advertising Revenue**").
- C. Subject to the terms and conditions of the applicable content agreement with such Licensor, the Net Advertising Revenue shall be calculated on a quarterly calendar basis (the "**Net Advertising Revenue Period**") and shall be payable no later than sixty (60) days after the termination of the preceding full quarter-annual period, i.e., commencing on the first (1st) day of January, April, July and October except that the first and last calendar periods may be "short," depending on the effective date of this Agreement.
- D. For each Net Advertising Revenue Period, COMPANY shall provide the Licensor of such Content with a written statement of account setting out the actual number of visits to the Web Site during the applicable Net Advertising Revenue Period. Such statement shall be furnished to the Licensor of such Content regardless of whether any visits to the Web site were made during the applicable period.
- E. COMPANY'S obligation for the payment of the Net Advertising Revenue shall survive expiration or termination of this Agreement and will continue for as long as COMPANY continues to use the Content.
- F. For the avoidance of doubt or confusion, the sole consideration paid or payable to CONTENT PROVIDER pursuant to this Agreement is that provided for in paragraph 2A hereof and in no event will CONTENT PROVIDER be entitled to receive any participation in any of the revenues which COMPANY might derive from the Content.

## **3. CONTENT PROVIDER'S RESPONSIBILITIES**

- A. CONTENT PROVIDER will provide to COMPANY the Content, which will comply with the description attached hereto as Exhibit A.
- B. CONTENT PROVIDER will have sole responsibility for providing, at its expense, the Content to COMPANY. CONTENT PROVIDER and COMPANY will determine mutually agreeable methods for the transmission and incorporation of updates to the Content.

#### **4. RIGHTS OF COMPANY**

- A. Subject to the terms and conditions of the applicable content agreement with such Licensor, COMPANY may incorporate the Content into certain pages in the Web Site (the "**Content Pages**") and reasonable excerpts or portions of the Content may be incorporated into the Web site at COMPANY'S discretion.
- B. COMPANY shall have sole control over the content, composition, and "look and feel" of the Web site, and will have sole responsibility for providing, hosting and maintaining, at its own expense, the Web site.

#### **5. RIGHTS OF CONTENT PROVIDER**

- A. Subject to the terms and conditions of the applicable content agreement with such Licensor, CONTENT PROVIDER will have sole control and responsibility over the data and information contained in the Content.
- B. CONTENT PROVIDER will not alter the Content without COMPANY'S prior written consent; provided, however, that, subject to the terms and conditions of the applicable content agreement with such Licensor, CONTENT PROVIDER may promptly and without prior consent of COMPANY make any changes in the Content to correct errors and the like, or to remove any defamatory materials or any other materials that CONTENT PROVIDER can demonstrate are offensive to a reasonable number of users of the Web site.

#### **6. RECORD INSPECTION, AUDIT AND INCONTESTABILITY PERIOD**

- A. COMPANY will maintain accurate books and records with respect to the calculation of all payments due under this Agreement. The Licensors shall have the right, upon reasonable notice, to inspect COMPANY'S books and records and all other documents and material in COMPANY'S possession or control with respect to the Content each has or might license to CONTENT PROVIDER which becomes the subject matter of this Agreement (and only with respect to Content each has or might license to CONTENT PROVIDER which become the subject matter hereof).
- B. All books and records relative to COMPANY'S obligations to a particular Licensor hereunder shall be maintained and made accessible to that Licensor for inspection at a location in Los Angeles, California for at least twelve (12) months after termination of this Agreement.
- C. Each report rendered by COMPANY to a Licensor hereunder shall become final and incontestable twelve (12) months following the date COMPANY might render same to that Licensor unless prior to the expiration of that twelve (12) month period that Licensor provides COMPANY with a detailed written objection thereto.

#### **7. OWNERSHIP**

- A. CONTENT PROVIDER, LICENSORS or either of them, as appropriate, shall retain all worldwide rights, title and interest in and to the Content (including, but not limited to, ownership of all copyrights and other intellectual property rights therein), as well as all right,

title and interest in and to their and each of their trademarks, service marks and trade names, worldwide, including any goodwill associated therewith, subject to the limited license granted to COMPANY hereunder.

- B. COMPANY will retain all worldwide rights, title, and interest in and to the Web Site (including, but not limited to, ownership of all copyrights, trademarks, look and feel and other intellectual property rights therein), as well as all right, title and interest in and to its trademarks, service marks and trade names worldwide, including any goodwill associated therewith, subject to the limited license granted to CONTENT PROVIDER hereunder. Any use of any such trademarks by CONTENT PROVIDER shall inure to the benefit of COMPANY and CONTENT PROVIDER shall take no action that is inconsistent with COMPANY'S ownership thereof.
- C. Each party hereby grants to the other a non-exclusive, limited royalty-free license to use its trademarks, service marks or trade names only as specifically described in this Agreement. All such use shall be in accordance with each party's reasonable policies regarding advertising and trademark usage as established from time to time.

## **8. TERM**

- A. This Agreement and the provisions hereof, except as otherwise provided, shall be in full force and effect commencing on the date of execution by both Parties and shall extend for an initial term of two (2) years. This Agreement shall be automatically renewed for additional extended terms each of two (2) years duration unless either party notifies the other in writing of its intention not to renew the Agreement, such notification to be provided at least ninety (90) days prior to the expiration of the then in-effect term. The initial two (2) year term as it might be extended herein is referred to herein as the "**Term**."
- B. Notwithstanding anything in the foregoing paragraph to the contrary, with respect to each item of Current Content or Future Content the Term during which COMPANY may use and exploit same shall commence on the date hereof and continue for that period of time which is the longer of: (i) two (2) years following the date on which CONTENT PROVIDER might make full delivery of such Content to COMPANY; and (ii) the duration of the term of the license concerning that Content between CONTENT PROVIDER and its Licensor thereof.

## **9. TERMINATION**

- A. This Agreement may be terminated by either party upon thirty (30) days written notice to the other in the event of a breach of a material provision hereof unless, during that thirty (30) day period, the party receiving the notice cures the breach.
- B. COMPANY may, in its unfettered discretion, terminate this Agreement at any time after first giving CONTENT PROVIDER ten (10) days advance notice thereof.

## **10. EFFECT OF TERMINATION**

- A. The termination or expiration of this Agreement will in no way affect COMPANY'S obligation to render reports or pay sums shown as owing thereon for periods of time prior to the termination or expiration of this Agreement;
- B. The warranties, representations and indemnity obligations of this Agreement will survive termination or expiration of this Agreement.

## **11. CONFIDENTIALITY**

- A. "**Confidential Information**" shall mean any confidential technical data, trade secret, know-how or other confidential information disclosed by any party hereunder in writing, orally, by drawing or otherwise.
- B. Notwithstanding the foregoing, Confidential Information shall not include information which:
  - (i) is known to the receiving party at the time of disclosure or becomes known to the receiving party without breach of this Agreement;
  - (ii) is or becomes publicly known through no wrongful act of the receiving party or any subsidiary of the receiving party;
  - (iii) is rightfully received from a third party without restriction on disclosure;
  - (iv) is independently developed by the receiving party or any of its subsidiaries;
  - (v) is furnished to any third party by the disclosing party without restriction on its disclosure;
  - (vi) is approved for release upon a prior written consent of the disclosing party; or,
  - (vii) is disclosed pursuant to judicial order, requirement of a governmental agency or by operation of law.
- C. The receiving party agrees that it will not disclose any Confidential Information to any third party and will not use Confidential Information of the disclosing party for any purpose other than for the performance of the rights and obligations hereunder during the term of this Agreement and for a period of three (3) years thereafter, without the prior written consent of the disclosing party. The receiving party further agrees that Confidential Information shall remain the sole property of the disclosing party and that it will take all reasonable precautions to prevent any unauthorized disclosure of Confidential Information by its employees. No license shall be granted by the disclosing party to the receiving party with respect to Confidential Information disclosed hereunder unless otherwise expressly provided herein.
- D. Upon the request of the disclosing party, the receiving party will promptly return all Confidential Information furnished hereunder and all copies thereof.
- E. The Parties agree that all publicity and public announcements concerning the formation and existence of this Agreement shall be jointly planned and coordinated by and among the Parties. Neither party shall disclose any of the specific terms of this Agreement to any third party without the prior written consent of the other party, which consent shall not be withheld unreasonably. Notwithstanding the foregoing, any party may disclose information concerning this Agreement as required by the rules, orders, regulations, subpoenas or directives of a court, government or governmental agency, after giving prior notice to the other party.
- F. If a party breaches any of its obligations with respect to confidentiality and unauthorized use of Confidential Information hereunder, the non-breaching party shall be entitled to equitable relief to protect its interest therein, including but not limited to injunctive relief, as well as money damages notwithstanding anything to the contrary contained herein.
- G. Except as otherwise set forth in this Agreement, neither party will make any public statement, press release or other announcement relating to the terms of or existence of this Agreement without the prior written approval of the other, which approval shall not be unreasonably withheld.

## 12. **WARRANTIES AND REPRESENTATIONS**

- A. CONTENT PROVIDER warrants and represents that
  - (i) CONTENT PROVIDER has the full right, power, legal capacity and authority to enter into this Agreement, to carry out the terms and conditions hereof and to grant to COMPANY the rights, licenses and privileges herein granted to COMPANY. Except as otherwise provided herein, CONTENT PROVIDER does not need the consent or release of any other person, firm or entity in order for CONTENT PROVIDER to enter into this Agreement and to grant to COMPANY the rights granted pursuant to this Agreement.

- (ii) With respect to the Content and each item thereof, the execution, delivery and performance of this Agreement by CONTENT PROVIDER shall not violate or contravene any certificate of incorporation or by-laws of CONTENT PROVIDER or any agreement or other instrument to which CONTENT PROVIDER is a party. This Agreement has been duly authorized, executed and delivered by CONTENT PROVIDER.
- (iii) With respect to the Content and each item thereof, neither the Content nor anything contained therein (including, but not limited to, the title thereof and any music and sound synchronized therewith), nor any use or distribution or exploitation of the Content, nor any exercise by COMPANY of any or all of the rights granted to COMPANY pursuant to this Agreement, nor any materials delivered hereunder shall at any time during the Term as it might be extended, violate or infringe upon any right or interest of any person or entity, including, but not limited to, any copyright, literary right, dramatic right, privacy right, musical right, publicity right, artistic right, personal right, property right, civil right, trademark right, trade name, service mark or any other right or interest of any person or entity.
- (iv) With respect to the Content and each item thereof, during the Term as it might be extended, there shall not be any actual or threatened liens, claims, encumbrances, legal proceedings, restrictions, agreements or understandings which will conflict or interfere with, limit, derogate from, or be inconsistent with, or otherwise affect any of the provisions of this Agreement, any of the representations and warranties of CONTENT PROVIDER contained herein or the enjoyment by COMPANY of any or all of the rights granted to COMPANY hereunder.
- (v) With respect to the Content and each item thereof, CONTENT PROVIDER owns and controls and shall for the full Term as it might be extended own and control, any and all rights necessary to enable CONTENT PROVIDER to grant to COMPANY the rights granted pursuant to this Agreement and to enable COMPANY to exercise and enjoy the rights granted to COMPANY pursuant to this Agreement (without COMPANY incurring any obligation or liability to any person or entity) including, but not limited to, all performance rights and advertising rights and all other rights granted to COMPANY hereunder in and to all literary, dramatic, musical and other material contained in the Content and each item thereof. With respect to the Content and each item thereof, CONTENT PROVIDER has secured and obtained, and CONTENT PROVIDER shall maintain throughout the Term as it might be extended all rights as may be required for the full and unlimited exercise and enjoyment by COMPANY of each and all of the rights herein granted to COMPANY.
- (vi) All obligations and amounts payable with respect to the Content and each item thereof or with respect to the production, distribution and exploitation thereof, including, but not limited to, all salaries, royalties, license fees, laboratory charges, union obligations and the like, have been and shall be fully paid and satisfied by CONTENT PROVIDER or third parties. COMPANY shall have no obligation for past, current or future salaries, royalties, laboratory charges, or similar payments with respect to the Content and each item thereof.
- (vii) The Content and each item thereof are not in the public domain and are validly copyrighted in the territories in which CONTENT PROVIDER has licensed COMPANY rights in the Content. The Content and each item thereof will not fall into the public domain anywhere in the territories in which CONTENT PROVIDER has licensed COMPANY rights in the Content prior to the expiration of the Term as it might be extended. Each Program, as delivered, will contain all proper copyright notices required or permitted under any applicable statute, act or treaty.
- (viii) Each CONTENT PROVIDER understands that the Preferred Shares being acquired by each CONTENT PROVIDER hereunder and any underlying securities (collectively

referred to herein as the "Securities"), have not been registered under the Securities Act of 1933, as amended (the "Act"), and are being issued under an exemption from registration provided by Section 4(2) of the Act. The Securities are being acquired by each CONTENT PROVIDER solely for its own account, for investment purposes only, and have not been acquired with a view to, or in connection with, any resale, distribution, subdivision or fractionalization thereof. Each CONTENT PROVIDER has no agreement or other arrangement, formal or informal, with any person to sell, transfer or pledge any part of the Securities. Each CONTENT PROVIDER understands that CONTENT PROVIDER must bear the economic risk of the investment for an indefinite period of time because the Securities cannot be resold or otherwise transferred unless they are subsequently registered under the Act or an exemption from such registration is available.

- (ix) CONTENT PROVIDER'S warranties, representations and agreements are of the essence of this Agreement and shall survive for the full Term as it might be extended. None of CONTENT PROVIDER'S representations, warranties or agreements shall in any way be limited by reason of any investigation made by COMPANY of any documents, agreements or other materials submitted to COMPANY by CONTENT PROVIDER hereunder.

### **13. INDEMNIFICATION**

- A. CONTENT PROVIDER shall, at its sole cost and expense, indemnify, save and hold harmless COMPANY and its successors, subdistributors, sublicensees, assigns, agents, representatives and affiliates from and against any and all claims, demands, causes of action, liability, loss, damage, cost and expense (including reasonable attorney's fees and court costs) incurred or sustained by reason of or arising out of any breach or alleged breach of any of the warranties, representations or agreements herein made by CONTENT PROVIDER, or by reason of any action, claim or proceeding related to or arising out of such breach or alleged breach by CONTENT PROVIDER. In the event that any person or entity shall make any claim or institute any suit or proceeding, COMPANY shall notify CONTENT PROVIDER in writing, and CONTENT PROVIDER must assume, at its own cost and expense, the defense thereof; provided, however, that COMPANY'S failure to provide such notice shall not affect this indemnity unless CONTENT PROVIDER has been materially prejudiced by such failure. COMPANY may, at its sole discretion, engage its own counsel in connection with any such suit, claim or proceeding, and the cost thereof (including reasonable fees and expenses) shall be borne by CONTENT PROVIDER provided that CONTENT PROVIDER shall in any event fulfill its obligation to undertake COMPANY'S defense. The final control and disposition of any claim, whether by settlement, compromise or otherwise, shall remain with COMPANY pursuant to the terms of this indemnification paragraph. In the event that CONTENT PROVIDER fails to promptly make any required payment to COMPANY, COMPANY shall have the right to withhold for its own account any royalties or other monies payable to CONTENT PROVIDER by COMPANY pursuant to this Agreement or any other agreement between CONTENT PROVIDER and COMPANY.
- B. COMPANY shall, at its sole cost and expense, indemnify, save and hold harmless CONTENT PROVIDER and its successors, subdistributors, sublicensees, assigns, agents, representatives and affiliates from and against any and all claims, demands, causes of action, liability, loss, damage, cost and expense (including reasonable attorney's fees and court costs) incurred or sustained by reason of or arising out of any breach or alleged breach of any of the warranties, representations or agreements herein made by COMPANY, or by reason of any action, claim or proceeding related to or arising out of such breach or alleged breach by COMPANY. In the event that any person or entity shall make any claim or institute any suit or proceeding, CONTENT PROVIDER shall notify COMPANY in writing, and COMPANY must assume, at its own cost and expense, the defense thereof; provided, however, that CONTENT PROVIDER'S failure to provide such notice shall not affect this indemnity unless COMPANY has been materially prejudiced by such failure. CONTENT PROVIDER may, at its sole discretion, engage its own counsel in connection with any such suit, claim or

proceeding, and the cost thereof (including reasonable fees and expenses) shall be borne by COMPANY provided that COMPANY shall in any event fulfill its obligation to undertake CONTENT PROVIDER'S defense. The final control and disposition of any claim, whether by settlement, compromise or otherwise, shall remain with CONTENT PROVIDER pursuant to the terms of this indemnification paragraph. In the event that COMPANY fails to promptly make any required payment to CONTENT PROVIDER, CONTENT PROVIDER shall have the right to withhold for its own account any royalties or other monies payable to COMPANY by CONTENT PROVIDER pursuant to this Agreement or any other agreement between COMPANY and CONTENT PROVIDER.

- C. IN NO EVENT WILL CONTENT PROVIDER BE LIABLE TO COMPANY NOR WILL COMPANY BE LIABLE TO CONTENT PROVIDER FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, WHETHER OR NOT THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THE LIABILITY OF CONTENT PROVIDER FOR DAMAGES HEREUNDER, WHETHER IN CONTRACT, TORT OR ANY OTHER LEGAL THEORY, IS LIMITED TO, AND SHALL NOT EXCEED \$31,200.00.

#### **14. NOTICE AND PAYMENT**

All notices, requests and other communications hereunder shall be in writing and shall be delivered by courier or other means of personal service (including by means of a nationally recognized courier service or professional messenger service), or sent by telex or telecopy or mailed first class, postage prepaid, by certified mail, return receipt requested, in all cases, addressed as indicated in the introductory recital of this Agreement. All notices, requests and other communications shall be deemed given on the date of actual receipt or delivery as evidenced by written receipt, acknowledgment or other evidence of actual receipt or delivery to the address specified above. In case of service by telecopy, a copy of such notice shall be personally delivered or sent by registered or certified mail, in the manner set forth above, within three (3) business days thereafter. Any party hereto may from time to time by notice in writing served as set forth above designate a different address or a different or additional Person to which all such notices or communications thereafter are to be given.

#### **15. GOVERNING LAW AND VENUE**

This Agreement is to be governed by and construed in accordance with the Laws of the State of California applicable to contracts made and to be performed wholly within such State, and without regard to the conflicts of laws principles thereof. Any suit brought hereon, whether in contract, tort, equity or otherwise, shall be brought in the state or federal courts sitting in Los Angeles County, California, the parties hereto hereby waiving any claim or defense that such forum is not convenient or proper. Each party hereby agrees that any such court shall have in personam jurisdiction over it, consents to service of process in any manner prescribed or authorized by California Law, and agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner specified by Law.

#### **16. ARBITRATION**

Any controversy or claim arising out of or relating to this Agreement, or any agreements or instruments relating hereto or delivered in connection herewith or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, will at the request of any party be determined by arbitration in Los Angeles, California before three (3) arbitrators under the rules of the JAMS. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief in pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration.

**17. ATTORNEYS' FEES**

In any suit, action, arbitration or other proceeding to interpret or enforce this Agreement, the prevailing party therein shall, in addition to any other award of damage or other remedy, be entitled to recover its reasonable attorneys' fees and costs.

**18. AGREEMENT BINDING ON SUCCESSORS**

The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties hereto, their heirs, administrators, successors and assigns.

**19. WAIVER**

No waiver by either party of any default shall be deemed as a waiver of prior or subsequent default of the same of other provisions of this Agreement.

**20. SEVERABILITY**

If any term, clause or provision hereof is held invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be deemed severed from this Agreement.

**21. FURTHER ACTION**

Each of COMPANY and CONTENT PROVIDER agrees to execute and deliver such other documents or agreements and take such other action as may be reasonably necessary or desirable for the implementation of this Agreement and the consummation of the transactions contemplated hereby.

**22. INTEGRATION**

This Agreement constitutes the entire understanding of the Parties, and revokes and supersedes all prior agreements between the Parties and is intended as a final expression of their Agreement. It shall not be modified or amended except in writing signed by the Parties hereto and specifically referring to this Agreement. This Agreement shall take precedence over any other documents which may conflict with this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto, intending to be legally bound hereby, have each caused to be affixed hereto his or its hand the day indicated.

"CONTENT PROVIDER"

"COMPANY"

New China Media, LLC

Digicorp, Inc.

By /s/ Dennis Pelino

By /s/ Jay Rifkin

Name: Dennis Pelino

Name: Jay Rifkin

Title: Chairman

Title: CEO

"CONTENT PROVIDER":

YGP, LLC

By /s/ Dennis Pelino

Name: Dennis Pelino

Title: Managing Partner

"CONTENT PROVIDER":

TWK Holdings, LLC

By /s/ Beh Chong Wah

Name: Beh Chong Wah

Title: Managing Member

EXHIBIT A  
TO  
CONTENT LICENSE AGREEMENT  
BY AND AMONG  
DIGICORP, INC.  
AND  
NEW CHINA MEDIA, LLC; YGP, LLC and TWK HOLDINGS, LLC  
DATED June 2, 2008

DESCRIPTION OF CONTENT

Supply Agreement for Content dated May 31, 2008 among Yes Television (Hong Kong) Limited, New China Media Limited and Youth Media "HKG" Limited, a copy of which is annexed hereto.

Content derived from AVP, Inc. and other film content on a non-exclusive basis