

## OPERATING AGREEMENT

OF

### AXN HOLDINGS, LLC a Delaware limited liability company

THIS OPERATING AGREEMENT (the "**Agreement**") is adopted as of May 8, 1997, by CPT HOLDINGS, INC., a Delaware corporation ("**CPT**") and the sole member of AXN Holdings, LLC (hereinafter referred to as the "**Member**"), with reference to the following facts:

A. On May 8, 1997, a Certificate of Formation (the "**Certificate**") for AXN Holdings, LLC (the "**Company**"), a limited liability company organized under the laws of the State of Delaware, was filed with the Secretary of State of the State of Delaware.

B. Member desires to adopt and approve this Agreement as the operating agreement for the Company.

NOW, THEREFORE, Member by this Agreement sets forth the operating agreement for the Company under the laws of the State of Delaware upon the terms and subject to the conditions of this Agreement.

## ARTICLE 1 FORMATION OF LIMITED LIABILITY COMPANY

1.1 Formation of the Company. Member has formed the Company pursuant to the provisions of the Delaware Limited Liability Company Act (the "**Act**") by filing the Certificate with the Secretary of State of the State of Delaware.

1.2 Delaware Registered Office and Agent for Service of Process. The Company shall maintain a Delaware registered office and agent for service of process as required by Section 18-104 of the Act. The initial Delaware registered office and agent for service of process shall be National Registered Agents, Inc., 9 East Loockerman Street, Suite 214, Dover, Delaware 19901, and thereafter shall be such or such other place and person as the Managers (as defined in ¶10.1) may designate.

## ARTICLE 2 NAME

2.1 Name. The name of the Company is "**AXN Holdings, LLC.**" Member shall operate the business of the Company under such name or use such other or additional names as Member may deem necessary or desirable provided that such use is permissible.

2.1.1 Member shall register such name under assumed or fictitious name statutes or similar laws of the states in which the Company operates.

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### ARTICLE 3 NATURE OF BUSINESS

3.1 Company Business. The purpose of the Company (the "Company Business") is the development, ownership, management, programming, promoting, selling and marketing of a general entertainment encrypted (to the extent delivered by cable, MMDS or satellite) television service (*i.e.*, a television program service exhibiting a variety of types of programming (*e.g.*, television series, motion pictures, talk shows, game shows, etc.), with a focus on airing action/adventure product) (the "Service") for distribution throughout the territory of Bangladesh, Brunei, Burma (Myanmar), Cambodia, China, Hong Kong, India, Indonesia, Japan, Korea, Laos, Macao, Malaysia, Papua New Guinea, Philippines, Singapore, Solomon Islands, Taiwan, Thailand, and Vietnam. Notwithstanding the foregoing, the Member intends initial delivery of the Service to occur in China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, Taiwan and Thailand, with possible expansion into the other countries of the Territory, in particular, into Japan and Korea. The Company Business may be conducted directly by the Company or through one or more wholly- or partially-owned subsidiaries as the Managers may determine. Notwithstanding the foregoing, the Company shall not conduct any banking, insurance or trust company business.

### ARTICLE 4 TERM

Term. The term of the Company shall commence on the date hereof and shall be perpetual unless terminated by unanimous vote of the Managers or by final, nonappealable court or other governmental order.

### ARTICLE 5 PRINCIPAL PLACE OF BUSINESS

The principal business office of the Company shall be located at 10202 West Washington Boulevard, Culver City, California 90232, or at such other place as may be designated by Member from time to time.

### ARTICLE 6 CAPITAL AND CONTRIBUTIONS

6.1 Capital Contributions. Member will be required to make capital contributions at the times and in the amounts called for by the Managers.

6.2 Withdrawals of Capital. Member will not be entitled to any withdrawal of capital except upon dissolution of the Company.

### ARTICLE 7 DISTRIBUTIONS

Distributions of distributable cash will be determined and made at the discretion and approval of the Managers.

## ARTICLE 8 ALLOCATIONS OF PROFITS AND LOSSES

Each item of the Company's income, gain, loss, deduction or credit shall be allocated to Member as determined by the Managers or otherwise as required by the Internal Revenue Code of 1986 as amended (the "Code").

## ARTICLE 9 BOOKS AND RECORDS

9.1 There shall be maintained and kept at all times during the continuation of the Company proper and usual books of account which shall accurately reflect the condition of the Company and shall account for all matters concerning the management thereof; and which books shall be maintained and kept at the principal office of the Company or at such other place or places as the Managers may from time to time determine. The Company's books and records shall be maintained on the basis selected by the Managers.

9.2 The fiscal year of the Company shall end on December 31 of each year.

9.3 The Managers shall elect partnership treatment of the Company as provided under the rules of the Internal Revenue Service.

## ARTICLE 10 MANAGEMENT

10.1 Exclusive Management by Managers. Subject to the provisions of the Certificate and this Agreement relating to actions required to be approved by Member, the business, property and affairs of the Company shall be managed and all powers of the Company shall be exercised by or under the direction of Member who shall act through its designated representatives (the "Managers").

10.2 Number and Designation of Managers. The Company shall have a board of three (3) Managers, each of which shall be appointed by Member. The initial Managers are Michael Grindon, Beth Berke and John C. McBride, Jr. A Manager may be removed or replaced at any time by Member.

10.3 Meetings of Managers.

10.3.1 Meetings. Meetings of the Managers shall be held upon two (2) days notice delivered personally or by telephone, e-mail or facsimile. Notice of a meeting need not be given to any Manager who signs a waiver of notice.

10.3.2 Action of the Managers. Except to the extent that this Agreement expressly requires otherwise, every action or resolution done or made by a majority of the Managers is the action of the Managers.

10.3.3 Action by Written Consent. Any action required or permitted to be taken by the Managers may be taken by the Managers without a meeting without prior notice and without a vote, if a consent or consents in writing shall be signed by Managers holding not less than the minimum number of votes of the Managers that would be necessary to authorize or take such action at a meeting of the Managers.

10.4 Corporate Actions. Each Manager shall have the power and authority to enter into any contract (or series of related contracts) or engage in any transaction (or series of related transactions) on behalf of the Company.

10.5 Officers.

10.5.1 Appointment of Officers. The officers of the Company shall include such officers as may be approved from time-to-time by the Managers, and may include a President and/or Chief Executive Officer, a Chief Operating Officer, one or more Vice Presidents, a Secretary, and a Chief Financial Officer, with such duties and powers as may be determined from time-to-time by the Managers. If deemed necessary by the Managers, the Company shall have such additional officers as the Managers may from time-to-time approve. The officers shall serve at the pleasure of the Managers, subject to all rights, if any, of an officer under any contract of employment with the Company. Any individual may hold any number of offices. Member's officers, directors, members or employees, as the case may be, may serve as officers of the Company if elected by the Managers. The officers shall exercise such powers and perform such duties as specified in this Agreement and as shall be determined from time to time by the Managers. The initial officers of the Company are Michael Grindon, President; Beth Berke, Senior Vice President and Secretary; and John C. McBride, Jr., Assistant Secretary, as the foregoing is set forth in the Written Consent by the Sole Member dated as of May 8, 1997.

10.5.2 Removal, Resignation and Filling of Vacancy Of Officers. Any officer may be removed, either with or without cause, by any one (1) of the Managers at any time. Any officer may resign at any time by giving written notice to the Managers. Any resignation shall take effect at the date of the receipt of such notice or at any later time specified in such notice; and, unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which such officer is a party. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in this Agreement for regular appointments to that office.

## ARTICLE 11

### TRANSFERS OF MEMBERSHIP INTERESTS AND CHANGES OF CONTROL

Membership interests may only be transferred with the approval of the Managers.

**ARTICLE 12**  
**DISSOLUTION OF THE COMPANY**

12.1 Winding Up. Upon any dissolution of the Company, the Company shall immediately commence to wind up its affairs and the Managers shall proceed with reasonable promptness to liquidate the business of the Company.

12.2 Managers Rights During Winding Up. During the period of the winding up of the affairs of the Company, the Managers shall by unanimous vote make all decisions relating to the conduct of any business or operations during the winding up period and to the sale or other disposition of Company assets.

**ARTICLE 13**  
**ADMISSION OF NEW MEMBERS; AMENDMENT**

13.1 New members may be admitted to the Company only upon the approval of Member, and shall be admitted upon such terms and conditions as the Managers may determine, consistent with this Agreement, the Company's Certificate and any applicable provision of law or rule of a governmental agency or self-regulating organization which has jurisdiction over the business of the Company.

13.2 This Agreement and the Certificate may not be amended except with the consent of Member.

**ARTICLE 14**  
**MISCELLANEOUS**

14.1 Entire Agreement. Except as herein provided, this Agreement constitutes the entire agreement relating to the subject matter hereof. It may not be modified or amended in any manner other than as set forth herein.

14.2 Governing Law. THE PROVISIONS OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE IN, AND TO BE PERFORMED WITHIN, SAID STATE.

14.3 Successors. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their legal representatives, heirs, administrators, executors, successors and assigns.


14.4 Construction. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provision thereof. All pronouns shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person, firm or corporation may require in the context thereof.

14.5 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement, or the application of such provision shall be held invalid, the remainder of this Agreement, or the application of such provision other than those to which it is held invalid, shall not be affected hereby.

14.6 Investment Representation. Member, by executing this Agreement, represents and warrants that its interest in the Company has been acquired by it for its own account for investment and not with a view to resale or distribution thereof and that it is fully aware that in agreeing to admit it as a Member, the Company is relying upon the truth and accuracy of this representation and warranty.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first set forth above.

CPT HOLDINGS, INC., Sole Member

By:   
Beth Berke,  
Senior Vice President and  
Assistant Secretary