

# **EXHIBIT C**

Page 1

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2 UNITED STATES DISTRICT COURT  
3 EASTERN DISTRICT OF NEW YORK

3

4 ENTRAL GROUP INTERNATIONAL, LLC, )  
5 Plaintiff, )  
6 vs. ) CV-05-1912  
7 YHCL VISION CORP., and JEFF )  
8 CHEN, )  
9 Defendants. )  
----- )

10 (CONTAINS ATTORNEY'S EYES ONLY PORTIONS)

11

12 VIDEOTAPED DEPOSITION OF RAY YIM  
13 New York, New York  
14 Tuesday, May 23, 2006

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Reported by:

24 Philip Rizzuti

25 JOB NO. 7392

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1	<b>Yim</b>	1	<b>Yim</b>
2	looking at earlier that you used to refresh	2	members of the karaoke business or industry.
3	your recollection and I asked for a copy?	3	<b>What types of free resources does</b>
4	A. That is correct.	4	<b>the Trade Association provide?</b>
5	<b>Q. Who prepared this document?</b>	5	A. Where to get the liquor license
6	A. You mean physically write down or	6	and if they need a lawyer for the violation,
7	a discussion for the goal?	7	and that is what is all being discussed.
8	<b>Q. Who was involved in discussing</b>	8	<b>Q. When you say where to get a liquor</b>
9	<b>this, to come up with this paper?</b>	9	<b>license, you provide information about --</b>
10	A. All the members. All the members.	10	A. The web-site and what kind of
11	<b>Q. Who actually wrote it out?</b>	11	document they need. There are several
12	A. Sam, Sam Chan.	12	members, they may not know English, so that
13	<b>Q. Are you familiar with the contents</b>	13	kind of document is helpful for them.
14	<b>of this press release?</b>	14	<b>Q. When you say a lawyer, does the</b>
15	A. Quite familiar.	15	<b>association provide a lawyer, or do you give</b>
16	<b>Q. I would like to look at the</b>	16	<b>them information about lawyers?</b>
17	heading -- withdrawn, start again.	17	A. The association will not give the
18	<b>Do you see the second paragraph</b>	18	lawyer, we just providing some assistance to
19	<b>that begins the North American Karaoke Works</b>	19	members. They are using certain lawyers to
20	<b>Trade Association is a not-for-profit</b>	20	apply the liquor license, they feel it is
21	<b>organization. The purposes for NAKWTA is to,</b>	21	good, it is kind of like a referral.
22	<b>and then there is a list of purposes?</b>	22	<b>Q. So you provide most of the</b>
23	A. Yes.	23	<b>information?</b>
24	<b>Q. I would like to look at purpose D:</b>	24	A. Excuse me.
25	<b>To provide free resources and supports to</b>	25	<b>Q. Most of the information?</b>
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1	<b>Yim</b>	1	<b>Yim</b>
2	A. Ah-ha.	2	A. Original artists means?
3	<b>Q. Any other free resources that the</b>	3	<b>Q. The well known --</b>
4	<b>association provides?</b>	4	A. The singer?
5	A. We provide the song as well.	5	<b>Q. Yes.</b>
6	<b>Q. When you say you provide the song,</b>	6	A. May not.
7	<b>what does that mean?</b>	7	<b>Q. Do some of them have the singer?</b>
8	A. We provide the songs which give	8	A. Yes.
9	those members alternative way for those	9	<b>Q. And do some of them have other</b>
10	members who cannot afford the original MTV	10	<b>scenes --</b>
11	karaoke.	11	A. Actor, yes.
12	<b>Q. Let's back up a little bit. You</b>	12	<b>Q. So when you say -- you call it a</b>
13	<b>have used the phrase MTV karaoke. Can you</b>	13	<b>MTV video because it is like --</b>
14	<b>explain what you -- when you say karaoke MTV</b>	14	A. I mean original MTV, which some --
15	<b>what do you mean?</b>	15	basically it is distributed by the record
16	A. Which people can use the music	16	company which Entral Group -- I mean -- you
17	video to sing a song in their club.	17	probably know what kind of detail about the
18	<b>Q. Can you explain what a MTV karaoke</b>	18	Entral group's work. I am trying to explain.
19	<b>music video is like?</b>	19	<b>Q. When you say MTV video, you don't</b>
20	A. It is like a motion picture, plus	20	<b>mean it comes from the television station MTV,</b>
21	the music background so you can go by the	21	<b>you mean it is that type of video?</b>
22	rhythm and to sing a song.	22	A. They might.
23	<b>Q. On this MTV karaoke video, do they</b>	23	<b>Q. They might be on MTV?</b>
24	<b>usually have the original artists displayed in</b>	24	A. Correct.
25	<b>the video?</b>	25	<b>Q. But they are not all on MTV?</b>
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<p style="text-align: right;">Page 66</p> <p>1 Chan  2 don't go to the bar, they want to go to  3 karaoke.  4 How we can promote that, how we  5 can educate the customer, how to educate  6 people outside the karaoke business, or how to  7 educate people that doesn't know karaoke. So  8 we want to send this message to everybody that  9 we have a karaoke, and not each -- not a  10 traditional karaoke fashion, is it maybe a  11 next step of the karaoke fashion.</p> <p>12 Q. On the press release one of the  13 purposes of NAKWTA listed under item D is to  14 provide free resources and supports to members  15 of the karaoke business or industry.</p> <p>16 <b>What type of free resources?</b></p> <p>17 A. Resources, we just provide  18 something like how to apply a liquor license  19 and how to not violate any violations for the  20 Health Department and how to select better  21 server component, so to make sure that the  22 server has a more robust, that it is supposed  23 to be so the downtime will be close to zero.</p> <p>24 And also, we also provide like  25 lawyer. At that moment we tried to get a</p> <p style="text-align: right;">TSG Reporting - Worldwide 877-702-9580</p>	<p style="text-align: right;">Page 67</p> <p>1 Chan  2 legal consultant for our club. So I tell them  3 if we get one of these and everybody, if they  4 have a legal problem, they can call this legal  5 counselor to represent to our club. So that  6 is resources that we like to give. Actually  7 it is more.</p> <p>8 <b>Q. When you met with the members or  9 people who were going to become members back  10 before December did you offer to get them new  11 karaoke works from a new source?</b></p> <p>12 A. No. At that time we didn't even  13 think about how we put together with these  14 resources. All we just focussed before  15 December 8th, we just know what -- actually we  16 talk about how we can help them out in another  17 way. So that, you know, everybody would be  18 happy about, and also people also bring up the  19 questions of how can they reduce the cost.  20 That is really important to people doing  21 business, how can we reduce costs.</p> <p>22 And so first of all they thinking  23 about, is anyway that we can produce our own  24 karaoke works, and I told them there is a way,  25 but it is a very hard way to do it because</p> <p style="text-align: right;">TSG Reporting - Worldwide 877-702-9580</p>
<p style="text-align: right;">Page 68</p> <p>1 Chan  2 making a video, VCD is a very, very hard --  3 first of all you have the right skilled  4 people. Even though I know -- I know how to  5 make it, but if I make it I will be totally  6 off for the quality for a synchronization for  7 the music together.  8 So you have to have a very  9 specific skill of people, know how to make and  10 create this kind of karaoke works. And so I  11 told them it is not easy okay, but I am  12 concerned to find out. So we asked a lot of  13 people inside our members and tell them does  14 anyone have any related, you know, friends or  15 cousins, whatever, that have this specific  16 skills.  17 So we just spread the message out  18 to our members at that moment, and during a  19 couple of meeting that we talked about. And  20 also we tender in the meantime -- also in the  21 meantime during the meeting I told them saying  22 that, you know, everybody have to comply,  23 require the license to play your own video  24 works in your premises.  25 As for example EGI, okay, if you</p> <p style="text-align: right;">TSG Reporting - Worldwide 877-702-9580</p>	<p style="text-align: right;">Page 69</p> <p>1 Chan  2 don't have any alternative way to commercially  3 play this karaoke works and all you have to  4 do -- I mean I am not saying audio -- I am not  5 saying all -- let me withdraw.  6 Only for the publishing, Hong Kong  7 record -- only for the Hong Kong record  8 company publishing, and the works you guys  9 have to buy licenses from EGI. So I told  10 them, the message is really clear to my  11 members saying that don't play any  12 non-licensed copyright song in your premises,  13 okay. So make sure you guys comply with all  14 the licenses you are required.  15 And then, you know, people just  16 saying, well, this is so expensive. I said  17 well, expensive is expensive, if you cannot  18 pay for license, then you have to talk to EGI,  19 hopefully he can help you out to make an  20 installment payment plan, whatever it is, and  21 maybe EGI can help you out to give you a  22 little bit of discount, and if you signed a  23 little bit longer license agreements,  24 something like that I suggested to them.  25 They said well, then they said,</p> <p style="text-align: right;">TSG Reporting - Worldwide 877-702-9580</p>

<p style="text-align: right;">Page 70</p> <p>1 Chan  2 well, it is still expensive. I said, putting  3 this way, our club, they are trying to help  4 everybody out, but in the legal way, not in an  5 illegal way. So --</p> <p>6 <b>Q. Make sure you got that.</b></p> <p>7 A. Then everybody said okay, they  8 understand. So, you know, this karaoke  9 business people is very, very -- they are not  10 really highly educated people like you, Mr.  11 Hanlon. They are very like middle class  12 people and their mind is --</p> <p>13 <b>Q. I am a pretty middle class person?</b></p> <p>14 A. You are very highly intelligent  15 people. Anyway so I am saying that when you  16 deal with these karaoke owners or managers,  17 they are not a -- normal person that you can  18 deal with. They say this is funny language, I  19 don't understand sometimes. Finally I  20 understand it, as long as we get along.</p> <p>21 So to put it in short form,  22 finally we say okay, and then eventually I  23 believe on June -- actually we tried to  24 locate -- okay, supposedly EGI can -- let me  25 withdraw, there is no suppose.</p>	<p style="text-align: right;">Page 71</p> <p>1 Chan  2 I think I tell the member if EGI  3 can go to get those license from Hong Kong  4 publishing company and he got seven of them by  5 the time that we have license agreement, I  6 believe that maybe there is some other Hong  7 Kong publishing company that have their own  8 artists, that EGI have no license agreement  9 with them. So, but I don't know who and I  10 don't know where.</p> <p>11 So we told our members, is anybody  12 knew, anyone knew about this industry, and  13 then somehow Ray --</p> <p>14 MR. HANLON: Excuse me,  15 Mr. Hoffman, please take your feet off  16 the furniture.</p> <p>17 MR. HOFFMAN: I don't have my  18 shoes on.</p> <p>19 MR. HANLON: I really don't care.  20 Please take your feet off our furniture,  21 I have asked you now three times.</p> <p>22 MR. HOFFMAN: Ask your next  23 question.</p> <p>24 MR. HANLON: Mr. Hoffman, take  25 your feet off our furniture.</p>
<p style="text-align: right;">Page 72</p> <p>1 Chan  2 MR. HOFFMAN: Ask your next  3 question. Or what; ask your next  4 question. I am bored to tears with this.</p> <p>5 MR. HANLON: You are going to  6 persist and not take your feet off the  7 furniture, is that what you are telling  8 me?</p> <p>9 MR. HOFFMAN: I don't think I am  10 doing anything wrong.</p> <p>11 MR. HANLON: This is my office and  12 you are here as a guest in our offices,  13 and it is highly inappropriate and  14 unprofessional of you to put your feet up  15 on our furniture. In the last deposition  16 you put your feet on the furniture with  17 your shoes on and I asked you to take  18 them off, and you now have your feet on  19 the furniture again. I really don't care  20 whether your shoes are on or off, your  21 feet do not belong on our furniture, and  22 I ask you to take them off.</p> <p>23 MR. HOFFMAN: If this is what you  24 want to spend your deposition time --</p> <p>25 MR. HANLON: Are you refusing to</p>	<p style="text-align: right;">Page 73</p> <p>1 Chan  2 do that, sir?</p> <p>3 MR. HOFFMAN: I am not refusing or  4 not refusing --</p> <p>5 MR. HANLON: But you are keeping  6 your feet on the furniture?</p> <p>7 MR. HOFFMAN: I am not refusing  8 or not refusing.</p> <p>9 MR. HANLON: But you are leaving  10 your feet on the furniture.</p> <p>11 MR. HOFFMAN: I am not refusing  12 or not refusing.</p> <p>13 MR. HANLON: I note for the record  14 that your feet remain on the furniture  15 and we will deal with that at a later  16 time with the court. This is really  17 outrageous behavior.</p> <p>18 <b>Q. I am sorry, Mr. Chan.</b></p> <p>19 A. So that members still complaining,  20 you know, anyway we can reduced the cost. So  21 that is the end of our discussions in one  22 session. Actually a couple of meeting that we  23 have, still going around same question, how  24 they reduce the cost for running the karaoke  25 business. And I believe in -- I think in</p>