
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K/A

(Amendment No. 1)

CURRENT REPORT PURSUANT TO
SECTION 13 OF 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 21, 2017

Carolco Pictures, Inc.

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction
of incorporation)

000-55353

(Commission
File Number)

26-4330545

(IRS Employer
Identification No.)

1395 Brickell Avenue, Suite 800

Miami, Florida

(Address of principal executive offices)

33131

(Zip Code)

Registrant's telephone number, including area code: **(877) 535-1400**

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Explanatory Note

The registrant is filing this Amendment No. 1 to the registrant's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on June 21, 2017, to (i) include the "emerging growth company" check boxes on the cover sheet of the Current Report on Form 8-K, (ii) correct a typographical error on the signature block of the Current Report on Form 8-K, (iii) provide the required pro forma financial statements pursuant to Item 9.01 hereof, and (iv) separately file copies of Exhibit 10.2 and 10.3 to the Current Report on Form 8-K. The disclosure set forth herein otherwise remains unchanged from the disclosure as originally set forth in the Current Report on Form 8-K, as filed.

Item 1.01 Entry into a Material Definitive Agreement.

Purchase and Sale Agreement

On June 15, 2017, Carolco Pictures, Inc. (the "Company") entered into a Purchase and Sale Agreement (the "Agreement") with Metropolitan Sound + Vision LLC, a South Carolina limited liability company ("Metro"). Pursuant to the Agreement, the Company agreed to sell to Metro all of the shares of common stock of S&G Holdings, Inc., a Tennessee corporation doing business as High Five Entertainment ("S&G") owned by the Company, which constitute 75% of the issued and outstanding shares of S&G, for a total purchase price of \$600,000 (the "Transaction"). The Company had acquired the shares of S&G from Martin Fischer in 2013, and Mr. Fisher subsequently served as the President of S&G, and is a stockholder of the Company.

S&G's minority shareholders have agreed to the sale and the delivery of their shares to Metro.

Pursuant to the Agreement, at the closing of the Transaction, the Company was to deliver to Metro 100% of the issued and outstanding shares of common stock of S&G owned by the Company, and Metro was required to pay for such stock as follows: An initial payment of \$10,000 was required to be made at the closing, and thereafter, at the end of each fiscal quarter, beginning at the end the third fiscal quarter of 2017, Metro shall pay the Company 5% of gross revenues collected during the quarter by Metro via the exploitation of S&G's assets, up to a lifetime maximum of \$590,000.

Metro is also required to provide documentation and accounting of all exploitation of such assets to the Company along with its quarterly payments. Metro is not required to make any payments in any quarter in which no revenues are collected from the exploitation of S&G's assets.

Pursuant to the Agreement, the Company agreed that the Company would (i) repay or settle the sum of \$33,334 which was due from S&G to S&G's former landlord, Colliers International by July 31, 2017; and (ii) repay or settle the sum of \$6,591 which was due from S&G to the State of Tennessee by July 1, 2017. In addition, the Company also forgave \$5,000 which remained owed by S&G to the Company pursuant to a promissory note, originally in the amount of \$25,000, of which S&G had previously repaid \$20,000. The Agreement provided that S&G would retain the obligation for a \$75,000 line of credit with SunTrust Bank. In addition, the sum of \$39,656, which was due and payable to Martin Fischer by S&G has been fully and irrevocably settled and resolved by the Settlement and Mutual Release described below. In addition, Metro was entitled to deduct from the purchase price all taxes that the Company or S&G owe to any federal or state entity as they relate to the assets of S&G.

In the Agreement, the Company provided Metro with standard representations and warranties related to the organization of the Company and S&G, the capitalization of S&G, S&G's liabilities and financial statements, the absence of certain changes to the operations of S&G, accounts receivable of S&G, S&G's title to its assets and properties, legal proceedings, insurance, compliance with laws, employment matters, and taxes and tax returns of S&G.

The Company also agreed to indemnify and defend each of Metro and its affiliates (including S&G) and their respective representatives against, and to hold each of them harmless from and against, and to pay and reimburse each of them for, any and all losses incurred or sustained by, or imposed upon, such persons or entities based upon, arising out of, with respect to or by reason of any inaccuracy in or breach of any of the representations or warranties of the Company in the Agreement or in any certificate or instrument delivered by or on behalf of the Company pursuant to the Agreement; or any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Company pursuant to the Agreement. Metro similarly agreed to indemnify Carolco and its affiliates for breaches of Metro's representations, warranties or covenants.

The Agreement requires Metro to use its best professional efforts to generate revenue from the exploitation of S&G's assets, and if the Company has not received a total of at least \$265,000 of the \$590,000 lifetime maximum purchase price from Metro before July 1, 2022, the Company has the right to repurchase the stock and assets of the S&G from Metro for \$10,000.

The Company did not utilize a broker in connection with the Agreement or the Transaction.

Waiver and Release

In addition, in connection with the Agreement and the Transaction, on June 15, 2017, the Company and Metro entered into a Waiver and Release (the "Waiver and Release"), pursuant to which the Company waived and released Metro and Metro's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, and upon execution by Mr. Fisher of the Settlement and Release (as described below), Metro and Metro's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, from any claims of any kind by S&G or the Company and their successors and assigns, other than specific contractual claims between the signatory parties to the Agreement, and any claims of any kind by any of S&G's and the Company's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators or their successors or assigns.

Settlement and Mutual Release

In addition, in connection with the Agreement and the Transaction, on June 15, 2017, the Company and Mr. Fischer entered into a Settlement and Mutual Release (the "Settlement and Release"), pursuant to which each of the parties agreed that all issues between them were settled and the Company waived and released Mr. Fischer, S&G, and S&G's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, and Metro and Metro's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, from any claims of any kind by S&G or the Company and their successors and assigns, other than specific contractual claims between the signatory parties to the Agreement, provided, however that if any of Mr. Fischer's attestations regarding any outstanding debts, liabilities, obligations, liens or other encumbrances beyond those specified in the Agreement are shown to be incomplete, false or incorrect and directly result in Metro seeking in writing to collect any sums of money from the Company and/or its successors and assigns based upon such attestations, the Company and/or its successors and assigns may seek a judgment from Mr. Fischer in the amount Metro seeks to collect from them.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The Transaction as described in Item 1.01 closed on June 20, 2017. On that date, the Company sold all of the shares of S&G owned by the Company to Metro, for a purchase price of \$10,000 and the right to receive the additional contingent consideration as described in Item 1.01, pursuant to the terms and conditions of the Agreement as described in Item 1.01.

The disclosure set forth in Item 1.01 is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(b) Pro forma financial information

The pro forma financial required by this Item 9.01 is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

(d) Exhibits

Exhibit	Description
10.1	Purchase and Sale Agreement, dated as of June 15, 2017, by and between the Company and Metropolitan Sound + Vision LLC (incorporated by reference to Exhibit 10.1 to the registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 21, 2017).
10.2	Waiver and Release, dated as of June 15, 2017, by and between the Company and Metropolitan Sound + Vision LLC.
10.3	Settlement and Mutual Release, dated as of June 15, 2017, by and between the Company and Metropolitan Sound + Vision LLC.
99.1	Unaudited pro forma financial information.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Carolco Pictures, Inc.

Date: July 6, 2017

By: /s/ Alexander Bafer

Alexander Bafer, Chief Executive Officer

WAIVER AND RELEASE

THIS WAIVER AND RELEASE, dated June 15, 2017, is hereby attached to and made part of the Purchase and Sale Agreement (hereinafter sometimes referred to as the "Agreement") between Carolco Pictures, Inc., a Florida corporation ("Carolco"), and Metropolitan Sound + Vision LLC, a South Carolina corporation ("Metro"), dated June 15, 2017.

WHEREAS, Carolco and Metro have executed the Purchase and Sale Agreement regarding the Purchase and Sale of S & G Holdings, Inc. d/b/a High Five Entertainment ("the Company" and "High Five"), a Tennessee corporation,

WHEREAS, Carolco and Metro have agreed to insulate and protect Metro from any extant or future liabilities and from involvement in any legal issues which may exist or arise between and among S & G Holdings d/b/a High Five Entertainment ("the Company"), Brick Top Productions ("Brick Top") and Carolco Pictures, Inc. ("Carolco"), and/or any other interested parties and/or individuals,

NOW, THEREFORE, Carolco hereby issues a binding, unconditional and irrevocable blanket Waiver and Release (a) to Metro and to Metro's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, and (b) upon the execution by Martin Fischer and Carolco of Exhibit B (attached), to the Company and to the Company's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, such Waiver and Release shall remain in force in perpetuity and shall cover but not be limited to:

1. Any claims of any kind whatsoever by the Company, Brick Top and Carolco and their successors or assigns, other than specific contractual claims between the signatory parties to the Purchase and Sale Agreement, which must be resolved per the terms specified in 7.13 of the Agreement;
2. Any claims of any kind whatsoever by any of the Company's, Brick Top's and Carolco's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators or their successors or assigns, and

IN WITNESS WHEREOF, Carolco hereto has caused this Waiver and Release to be executed as of the date first written above by its duly authorized officer:

For CAROLCO PICTURES, INC

/s/ Alexander Bafer

Alexander Bafer
Chairman Of The Board/CEO
Carolco Pictures, Inc.

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SETTLEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AND MUTUAL RELEASE, dated June 15, 2017, is between Martin Fischer (“Fischer”) and Carolco Pictures, Inc. (“Carolco”), and is hereby attached to and made part of the Purchase and Sale Agreement (the “Agreement”) between Carolco Pictures, Inc., a Florida corporation (“Carolco”), and Metropolitan Sound + Vision LLC, a South Carolina corporation (“Metro”), dated June 15, 2017.

WHEREAS, Carolco and Metro have executed the Agreement regarding the Purchase and Sale of S & G Holdings, Inc. d/b/a High Five Entertainment (“the Company” and “High Five”), a Tennessee corporation,

WHEREAS, Carolco and Metro hereby agree that the settlement of all outstanding issues which may exist, derive or arise between and among the Company’s former president and current stockholder Martin Fischer and Carolco is in the best interests of Carolco, Metro, the Company and Fischer,

WHEREAS, Carolco and Fischer hereby agree to amicably settle all outstanding employment, financial and legal issues which may exist, derive or arise from Fischer’s time as President of the Company,

WHEREAS, Carolco, the Company and Fischer entered into an Employment Agreement on December 24, 2013 and Carolco terminated that Employment Agreement on April 21, 2017, the parties hereby agree that all terms of the Employment Agreement were met and performed satisfactorily by each of Carolco, the Company and Fischer, and that no party has any cause of action against any other party for any issue arising from the Employment Agreement or any party’s performance thereunder at any time before, during or after the period of time which the Employment Agreement was in force, and that the parties hereby individually and collectively hereby waive any rights to any actions at law against any other party for any reason,

WHEREAS, Fischer warrants and represents that the Company has no outstanding debts, liabilities, obligations, liens or other encumbrances beyond those specified in the Agreement,

WHEREAS, Fischer hereby releases Carolco and the Company from any obligation to pay him any purportedly unpaid salary, commissions and/or benefits of any kind, whatsoever,

WHEREAS, for good and valuable consideration Fischer will sign over the ownership of his common stock, representing a 10% stake in the Company, to Carolco upon execution of this Exhibit,

WHEREAS, Fischer agrees to (a) assist Metro in the accounting, inventorying, storage and shipping of the Company’s assets to Metro, and (b) assist Carolco in its preparation and completion of any of the Company’s unfiled Tax Returns,

NOW, THEREFORE, Carolco and Fischer hereby agree that all issues between them are now settled, with neither party obliged to the other for anything other than that which is specified herein; and that Carolco hereby issues a binding, unconditional and irrevocable blanket Waiver and Release (a) to Martin Fischer personally, (b) to the Company and to the Company’s former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, and (c) to Metro and to Metro’s former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators, such Waiver and Release shall remain in force in perpetuity and shall cover but not be limited to:

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1. Any claims of any kind whatsoever by the Company, Brick Top and Carolco and their successors and assigns other than specific contractual claims between the signatory parties to the Purchase and Sale Agreement, which must be resolved per the terms specified in 7.13 of the Agreement, provided, however that if any of Fischer's attestations regarding any outstanding debts, liabilities, obligations, liens or other encumbrances beyond those specified in the Agreement are shown to be incomplete, false or incorrect and directly result in Metro seeking in writing to collect any sums of money from Brick Top, Carolco and/or their successors and assigns based upon such attestations, Brick Top, Carolco and/or their successors and assigns may seek a judgment from Fischer in the amount Metro seeks to collect from them.

2. Any claims of any kind whatsoever by any of the Company's, Brick Top's and Carolco's former and current officers, stockholders, partners, employees, designees, contractors, vendors, creditors and other associates or collaborators or their successors or assigns, and

IN WITNESS WHEREOF, Carolco and Fischer hereto have caused this Waiver and Release to be executed as of the date first written above by its duly authorized officer:

For CAROLCO PICTURES, INC:

/s/ Alexander Bafer

Alexander Bafer
Chairman Of The Board/CEO
Carolco Pictures, Inc.

For MARTIN FISCHER:

/s/ Martin Fischer

Martin Fischer

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Carolco Pictures, Inc. and Subsidiary
Unaudited Pro Forma Condensed Consolidated Balance Sheet
For the Three Months Ended March 31, 2017

	<u>Historical</u>	<u>Pro Forma Adjustments</u>	<u>Pro Forma</u>
ASSETS			
Current Assets:			
Cash	\$ 18,000	\$ (1,000) b	\$ 27,000
		10,000 a	
Accounts receivable	1,000	(1,000) b	-
Prepaid expenses and other current assets	15,000	(3,000) b	12,000
Total current assets	<u>34,000</u>	<u>5,000</u>	<u>39,000</u>
Total Assets	<u>\$ 34,000</u>	<u>\$ 5,000</u>	<u>\$ 39,000</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 150,000	\$ (76,000) b	\$ 74,000
Accrued interest related parties	124,000	-	124,000
Accrued payroll - officers	553,000	(77,000) b	476,000
Advances from related parties	41,000	(10,000) b	31,000
Deposits on future sales of equity	55,000	-	55,000
Note payable	75,000	(75,000) b	-
Convertible notes payable related party	484,000	-	484,000
Derivative liability	3,602,000	-	3,602,000
Total current liabilities	<u>5,084,000</u>	<u>(238,000)</u>	<u>4,846,000</u>
Commitments and Contingencies			
Stockholders' Deficit:			
Series A Preferred stock, \$.0001 par value, 5,000,000 shares authorized: 5,000,000 issued and outstanding	1,000	-	1,000
Series B Preferred stock, \$.0001 par value, 1,000,000 shares authorized: 1,000,000 issued and outstanding	-	-	-
Series C Preferred stock, \$.0001 par value, 41,000,000 shares authorized: 40,511,991 issued and outstanding	4,000	-	4,000
Common stock, \$.0001 par value, 300,000,000 shares authorized: 33,940 issued and outstanding	-	-	-
Additional paid-in capital	10,201,000	(516,000) b	9,685,000
Accumulated deficit	(15,059,000)	562,000 b,d	(14,497,000)
Total stockholders Deficit Allocated to Carolco Pictures, Inc.	<u>(4,853,000)</u>	<u>46,000</u>	<u>(4,807,000)</u>
Non-controlling Interest in Subsidiaries	(197,000)	197,000 b	-
Total Stockholders' Deficit	<u>(5,050,000)</u>	<u>243,000</u>	<u>(4,807,000)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 34,000</u>	<u>\$ 5,000</u>	<u>\$ 39,000</u>

Carolco Pictures, Inc. and Subsidiary
Unaudited Pro Forma Condensed Consolidated Statements of Operations
For the Three Months Ended March 31, 2017

	<u>Historical</u>	<u>Pro Forma Adjustments</u>	<u>Proforma</u>
Revenue	\$ 53,000	\$ (48,000) c	\$ 5,000
Cost of goods sold	31,000	(31,000) c	-
Gross margin (loss)	22,000	(17,000)	5,000
Operating expenses			
Compensation	94,000	(42,000) c	52,000
General and administrative	98,000	(8,000) c	90,000
Total operating expenses	192,000	(50,000)	142,000
Loss from operations	(170,000)	33,000	(137,000)
Other (income) expense			
Interest expense	7,000	(1,000) c	6,000
Change in fair value of derivatives	(6,807,000)	-	(6,807,000)
Other (income) expense, net	(6,800,000)	(1,000)	(6,801,000)
Net income (loss)			
Income before non-controlling interest	6,630,000	34,000	6,664,000
Loss attributable to non-controlling interest	(8,000)	8,000 c	-
Net income attributable to Carolco Pictures, Inc.	\$ 6,638,000	\$ 26,000	\$ 6,664,000
Net income (loss) per common share			
Basic	\$ 195.58		\$ 196.30
Diluted	\$ 0.08		\$ 0.10
Weighted average common shares outstanding			
Basic	33,940		33,940
Diluted	87,399,072		87,399,072

Carolco Pictures, Inc. and Subsidiary
Unaudited Pro Forma Condensed Consolidated Statements of Operations
For the Year Ended December 31, 2016

	<u>Historical</u>	<u>Pro Forma Adjustments</u>	<u>Proforma</u>
Revenue	\$ 208,000	\$ (184,000) c	\$ 24,000
Cost of goods sold	113,000	(107,000) c	6,000
Gross margin (loss)	95,000	(77,000)	18,000
Operating expenses			
Compensation	943,000	(187,000) c	756,000
Professional fees	272,000	-	272,000
General and administrative	94,000	(90,000) c	4,000
Research and development	161,000	-	161,000
Impairment	250,000	-	250,000
Total operating expenses	1,720,000	(277,000)	1,443,000
Loss from operations	(1,625,000)	200,000	(1,425,000)
Other (income) expense			
Interest expense	227,000	(4,000) c	223,000
Change in fair value of derivatives	8,870,000	-	8,870,000
Gain on extinguishment of debt	(28,000)	-	(28,000)
Gain on extinguishment of derivative liability	(558,000)	-	(558,000)
Other (income) expense, net	8,511,000	(4,000)	8,507,000
Net income (loss)			
Income before non-controlling interest	(10,136,000)	204,000	(9,932,000)
Loss attributable to non-controlling interest	(33,000)	33,000 c	-
Net income attributable to Carolco Pictures, Inc.	\$ (10,103,000)	\$ 171,000	\$ (9,932,000)
Net income (loss) per common share			
Basic	\$ (360.74)		\$ (354.64)
Diluted	\$ (360.74)		\$ (354.64)
Weighted average common shares outstanding			
Basic	28,006		28,006
Diluted	28,006		28,006

Carolco Pictures, Inc. and Subsidiary
Unaudited Pro Forma Condensed Consolidated Statements of Operations
For the Year Ended December 31, 2015

	<u>Historical</u>	<u>Pro Forma Adjustments</u>	<u>Proforma</u>
Revenue	\$ 964,000	\$ (964,000) c	\$ -
Cost of goods sold	792,000	(792,000) c	-
Gross margin (loss)	172,000	(172,000)	-
Operating expenses			
Compensation	1,880,000	(122,000) c	1,758,000
Professional fees	772,000	(4,000) c	768,000
General and administrative	247,000	(172,000) c	75,000
Research and development	-	-	-
Impairment	319,000	-	319,000
Total operating expenses	3,218,000	(298,000)	2,920,000
Loss from operations	(3,046,000)	126,000	(2,920,000)
Other (income) expense			
Interest expense	340,000	(2,000) c	338,000
Financing cost	530,000		530,000
Change in fair value of derivatives	2,263,000	-	2,263,000
Gain on extinguishment of derivative liability	(76,000)		(76,000)
Gain on extinguishment of debt	1,500,000		1,500,000
Other (income) expense	6,000	-	6,000
Other (income) expense, net	4,563,000	(2,000)	4,561,000
Net income (loss)			
Income (loss) before non-controlling interest	(7,609,000)	128,000	(7,481,000)
Loss attributable to non-controlling interest	(32,000)	32,000 c	-
Net income attributable to Carolco Pictures, Inc.	\$ (7,577,000)	\$ 96,000	\$ (7,481,000)
Net income (loss) per common share			
Basic	\$ (1,237.87)		\$ (1,222.19)
Diluted	\$ (1,237.87)		\$ (1,222.19)
Weighted average common shares outstanding			
Basic	6,121		6,121
Diluted	6,121		6,121

Notes to the Unaudited Pro Forma Financial Statements

The unaudited pro forma financial statements give effect to the sale of the High Five Entertainment business to be accounted for as a discontinued operation. The unaudited pro forma Statements of Operations for the three months ended March 31, 2017 and for the fiscal years ended December 31, 2016 and 2015 are presented as if the sale occurred as of January 1, 2015. The anticipated nonrecurring after-tax gain on the sale is not reflected in the pro forma statements of operations. The unaudited pro forma Balance Sheet as of March 31, 2017 is presented as if the sale occurred on that date. The nonrecurring after-tax gain is reflected in the pro forma balance sheet.

- a. The pro forma adjustment represents proceeds received from the sale of the S&G Holdings, Inc. d/b/a High Five Entertainment. The Company expects to use the proceeds for general corporate purposes.
 - b. The pro forma adjustments represent the elimination of the assets and liabilities of High Five Entertainment.
 - c. The pro forma adjustment represents the elimination of the income and expenses of High Five Entertainment.
 - d. The pro forma adjustment represents the estimated gain of \$243,000
-