



Jason,

We are in receipt of your e-mail as of today and please find attached the final Press Release with the removal on the amount of the purchase price of the Arrowhead Film Library.

We are comfortable and make the "Representations" regarding the Salter Group in regards to the statements made in the press release on behalf of The Movie Studio Inc. and acknowledge that Arrowhead Target Fund Ltd. et al. are not party to the representations made regarding the Salter Group.

We look forward to receiving the final Agreement dated April 11th for execution.

Sincerely,

Gordon Scott Venters

President & Chief Executive Officer

2040 Sherman Street | Hollywood | FL | 33020

The Movie Studio, Inc. | A Publicly Traded Company

www.themoviestudio.com | gsv@themoviestudio.com

Telephone: 954-332-6600 | Fax: 954-440-7818

From: Jason Vanacour [mailto:jvanacour@vanacourperkins.com]

Sent: Saturday, April 9, 2016 4:27 PM

To: Gordon Scott Venters <gsv@themoviestudio.com>

Cc: 'Lenny Tucker' <lenny@themoviestudio.com>; Kevin Perkins <kperkins@vanacourperkins.com>

Subject: Re: MVES - Arrowhead

Just following up on this to finalize the press release so we are ready to go.

Thanks,

Jason

From: Jason Vanacour <jvanacour@vanacourperkins.com>

Date: Friday, April 8, 2016 at 9:06 AM

To: Gordon Scott Venters <gsv@themoviestudio.com>

Cc: 'Lenny Tucker' <lenny@themoviestudio.com>, Kevin Perkins <kperkins@vanacourperkins.com>

Subject: Re: MVES - Arrowhead

Gordon,

As an update, the liquidators are set on the terms as stated before and are finalizing the exhibit A that I will forward to you as soon as we get it. So we should be good for a Monday signing.

As for the press release, the liquidators would prefer to keep the amount of the purchase out of this release. Also, they had questions about the reference to the Salter Group. That was something given to them by Seven Arts and they cannot say it is or is not accurate. Are you comfortable referencing the Salter Group and making those statements?

Thanks,
Jason

From: Gordon Scott Venters <gsv@themoviestudio.com>

Organization: The Movie Studio

Reply-To: Gordon Scott Venters <gsv@themoviestudio.com>

Date: Tuesday, April 5, 2016 at 2:02 PM

To: Jason Vanacour <jvanacour@vanacourperkins.com>

Cc: 'Lenny Tucker' <lenny@themoviestudio.com>, 'Norman Gross' <global222@aol.com>

Subject: MVES - Arrowhead



Jason,

Yes, we are in agreement with the terms of execution and please find attached a copy of the Draft Press Release for your approval.

Sincerely,

Gordon Scott Venters

President & Chief Executive Officer

2040 Sherman Street | Hollywood | FL | 33020

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Telephone: 954-332-6600 | Fax: 954-440-7818

From: Jason Vanacour [<mailto:jvanacour@vanacourperkins.com>]

Sent: Tuesday, April 5, 2016 4:41 PM

To: Lenny Tucker <lenny@themoviestudio.com>

Cc: Gordon Scott Venters <gsv@themoviestudio.com>; Kevin Perkins <kperkins@vanacourperkins.com>

Subject: Re: MVES - Arrowhead

Gordon,

Per our conversation, I will revise the agreement with a signing date of April 11th and send over a final agreement when I get the Exhibit A from the liquidators on Thursday. Also, do you have a copy of the press release you want to issue that we can include?

Thanks,
Jason

From: Jason Vanacour <jvanacour@vanacourperkins.com>
Date: Tuesday, April 5, 2016 at 3:25 PM
To: Lenny Tucker <lenny@themoviestudio.com>
Cc: Gordon Scott Venters <gsv@themoviestudio.com>
Subject: Re: MVES - Arrowhead

Lenny,

The issue the liquidators are going to have is that this is a "here we go again" scenario. They got down this road with the movie studio before and then nothing ever happened. They are going to be very reluctant to do anything that extends this out again, especially since I have been telling them you are ready to close and now I look like I was leading them on. This is what led me to the question a while back about actually having the money to close as I had the same exact concern and had to be confident I was telling the liquidators you were ready to go and apparently that was not true.

Further, the longer this goes, the more money Sony will send to the liquidators and not you. Further, there was never a guarantee there was \$100,000 waiting, as I told you that was what had been paid in the past in royalties and it is unknown what is currently there. It is my understanding from Scott from previous conversations, these movies alone are worth the purchase price and much more.

I would recommend closing the deal after inspection of the items at Modern Video if the Movie Studio wants these assets and then the movies are there for Scott to sell and promote as he sees fit.

Jason

From: Lenny Tucker <lenny@themoviestudio.com>
Date: Tuesday, April 5, 2016 at 3:19 PM
To: Jason Vanacour <jvanacour@vanacourperkins.com>
Cc: Gordon Scott Venters <gsv@themoviestudio.com>
Subject: Fwd: RE: MVES - Arrowhead

Dear Jason,

Please see Scott's email below

Best,

Lenny

Leonard Tucker
The Movie Studio, Inc.
2040 Sherman Street

Hollywood, FL 33020
(P) 561-414-0456
(F) 305-359-5116
www.themoviestudio.com



===== Forwarded message =====
From : Gordon Scott Venters<gsv@themoviestudio.com>
To : "'Lenny Tucker'"<lenny@themoviestudio.com>
Cc : <gsv@themoviestudio.com>
Date : Tue, 05 Apr 2016 16:16:50 -0400
Subject : RE: MVES - Arrowhead
===== Forwarded message =====



Hi Len,

Please let Jason know we would "NOT" be "pre-selling the films" moreover would like to "make sure" we can execute on the agreement once and for all.

While we at Cannes allows us the opportunity to galvanize the transaction if it's not done sooner.

Sincerely,

Gordon Scott Venters

President & Chief Executive Officer

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Telephone: 954-332-6600 | Fax: 954-440-7818

From: Lenny Tucker [<mailto:lenny@themoviestudio.com>]

Sent: Tuesday, April 5, 2016 4:12 PM

To: Jason Vanacour <jvanacour@vanacourperkins.com>

Cc: Gordon Scott Venters <gsv@themoviestudio.com>

Subject: MVES - Arrowhead

Dear Jason,

Per my conversation with Scott, there was an anticipation of \$ 100,000 with a reality of \$ 12,000. That said, Scott is ready to sign subject to closing within 60 days instead of 30. Reason being the Cannes Film Festival is May 11th and Scott wants to be able to pre-sell the films

Best,

Lenny

Leonard Tucker

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----- On Tue, 05 Apr 2016 15:19:31 -0400 **Jason Vanacour** <jvanacour@vanacourperkins.com> wrote -----

I can ask for the contact again, however, this should not be a deal breaker as I thought you guys were interested in the movies even before this.

Are you good with the documents as they are?

From: Lenny Tucker <lenny@themoviestudio.com>
Date: Tuesday, April 5, 2016 at 2:17 PM
To: Jason Vanacour <jvanacour@vanacourperkins.com>, Gordon Scott Venters <gsv@themoviestudio.com>
Subject: Re: Seven Arts

We need to find out. How can we do that?

Best,

Leonard Tucker

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Hollywood, FL 33020

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(F) 305-359-5116

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---- On Tue, 05 Apr 2016 15:08:22 -0400 jvanacour@vanacourperkins.com wrote ----

They have indicated they are getting the 12k per the liquidators email I sent for the time they have waited to close this deal overall. They believe there is more there, but they are unsure how much more.

From: Lenny Tucker <lenny@themoviestudio.com>

Date: Tuesday, April 5, 2016 at 2:05 PM

To: Jason Vanacour <jvanacour@vanacourperkins.com>

Cc: Kevin Perkins <kperkins@vanacourperkins.com>, Gordon Scott Venters <gsv@themoviestudio.com>

Subject: Re:FW: Seven Arts

We were under the impression it was more like \$ 100k outstanding from Sony. Now it appears to be \$ 12k and maybe more. How do we find out how much more and how do we go about getting the \$ 12k and maybe more ?

Best,

Leonard Tucker

The Movie Studio, Inc.

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Hollywood, FL 33020

(P) 561-414-0456

(F) 305-359-5116

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---- On Tue, 05 Apr 2016 13:39:44 -0400 jvanacour@vanacourperkins.com wrote ----

Lenny,

Latest from Hoffman.

Just wanted to follow up on terms of agreement too. Are we all good? Currently just waiting on final Exhibit A from liquidators and should have final agreement.

Jason

From: Peter Hoffman <peter@7artsent.com>
Date: Tuesday, April 5, 2016 at 12:36 PM
To: Jason Vanacour <jvanacour@vanacourperkins.com>
Cc: Kate Hoffman <kate@7artsent.com>, Naiel Kanno <nkanno@shaw.ca>
Subject: RE: Seven Arts

Good morning. Waiting on Modern Video to confirm all elements and what we need to do for MVES.

From: Jason Vanacour [<mailto:jvanacour@vanacourperkins.com>]
Sent: Monday, April 04, 2016 8:09 AM
To: Peter Hoffman
Cc: Kate Hoffman; Naiel Kanno
Subject: Re: Seven Arts

Peter,

Just following up. Is everything set for The Movie Studio to contact Modern Video and review the files? Also, do you have a list of what you have for the Arrowhead library similar to what you sent last time for the previous library of films?

Thank you,

Jason

From: Peter Hoffman <peter@7artsent.com>
Date: Thursday, March 31, 2016 at 3:22 PM
To: Jason Vanacour <jvanacour@vanacourperkins.com>
Cc: Kate Hoffman <kate@7artsent.com>, Naiel Kanno <nkanno@shaw.ca>
Subject: FW: Seven Arts

See below correspondence and contact info for Modern Video. Kate is pulling together some additional directions to Modern Video so MVES can inspect the materials of the Arrowhead titles.

From: Kate Hoffman
Sent: Thursday, March 31, 2016 11:54 AM
To: Peter Hoffman
Subject: FW: Seven Arts

And the correspondence regarding the physical materials

Best regards,

Kate Hoffman

President

SEVEN ARTS FILMED ENTERTAINMENT

T: +1 310 963 2500

T: +44 7917 186 853

E: kate@7artsent.com

*****PLEASE NOTE THAT WE HAVE CHANGED OUR E-MAIL ADDRESS. PLEASE
DIRECT ALL FUTURE CORRESPONDENCE TO kate@7artsent.com*****

From: Brandon Hansel [<mailto:BHansel@mvf.com>]
Sent: Tuesday, January 19, 2016 4:45 PM
To: Kate Hoffman
Cc: 'Lenny Tucker'
Subject: RE: Seven Arts

Hi Kate,

Please see attached for inventory and let me know if there is anything else I can do.

Thanks,

Brandon

From: Kate Hoffman [<mailto:kate@7artsent.com>]
Sent: Tuesday, January 19, 2016 12:45 PM
To: Brandon Hansel
Cc: 'Lenny Tucker'
Subject: Seven Artshttp://

Hi Brandon:

I hope this finds you well. Seven Arts has recently completed a deal with The Movie Studio whereby they will handle distribution of the following of our films:

-A Broken Life

-Deal

-Cemetery Gates

-Drunkboat

-Back in the Day

-Boo

-Autopsy

-Night of the Demons

-Knife Edge

-Nine Miles Down

-Fractured aka Schism

-Noise

-Shooting Gallery

-The Pool Boys aka American Summer

I was hoping you could provide us with a current inventory of all materials you hold in relation to these titles. In addition, we would like to ensure that The Movie Studio has full access to duplicate (but not remove) any materials you do hold in relation to these titles. I have copied Lenny Tucker at TMS who will be responsible for the day-to-day operations on these titles for ease.

Thank you in advance for your assistance and we look forward to hearing from you.

Best regards,

Kate Hoffman

President

SEVEN ARTS FILMED ENTERTAINMENT

T: +1 310 963 2500

T: +44 7917 186 853

E: kate@7artsent.com

****PLEASE NOTE THAT WE HAVE CHANGED OUR E-MAIL ADDRESS. PLEASE DIRECT ALL FUTURE
CORRESPONDENCE TO kate@7artsent.com****

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This electronic mail is solely for the use of the intended recipient,
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please do not print, copy, retransmit, disseminate or otherwise use the
information
contained herein or attached hereto and notify us immediately
by replying to the electronic mail address listed above.
After notifying us, please delete the copy you received.
Thank you.

The Movie Studio, Inc. signs Agreement to acquire the Arrowhead Film Library

HOLLYWOOD, FL April 12th 2016/ The Movie Studio, Inc. (OTC Pink: MVES) signs
agreement to acquire the Arrowhead Film Library ("Film Library") from Arrowhead Target
Fund Ltd. – In Liquidation.

Under the terms of the Agreement, MVES shall acquire all rights, title and interest in the
Arrowhead Film Library. The Film Library is comprised of 12 MOVI video-audio files in the
form of digital masters including such blockbusters as "Johnny Mnemonic" with Keanu Reeves,
"Shot at Glory" with Oscar Award winner Robert Duvall, "I'll Sleep when I'm Dead" with Clive

Owens, “Never Talk to Strangers” with Antonio Banderas and Rebecca DeMornay, “No Good Deed” with Samuel L. Jackson and others.

MVES expects to start monetizing the acquisition in the 4th quarter of this year.

As recent as March 31st 2009, The Salter Group valued the Arrowhead Library between \$ 2,500,000 - \$ 3,300,000.

The Agreement is scheduled to close in April 2016.

“We are extremely excited about acquiring the Arrowhead Library and licensing new available territories, available Video On Demand (VOD) platforms and re-releases and bundling available secondary markets. These quality Pictures reflect our strategy to grow the Company by acquisition and bundling with integration of certain 1st run micro-cap new films that can increase our Net Asset Value (NAV) while minimizing downside risk.” Gordon Scott Venters, President and CEO announced today.

ABOUT SALTER GROUP

Salter Group is an independent financial and strategic advisory firm that provides financial opinions, valuations, financial and strategic analysis and transaction support to companies in the Entertainment, Media, Life Sciences and diversified industries. Salter Group was founded in 2003 by Principals Roy Salter, Patrick Russo and Eric Briggs. Based on the number of US deals completed, the Salter Group has been ranked as a # 1 financial advisor by Thomson Financial for Motion Pictures/Audio Visual deals between 2009 and 2011 as detailed below:

- The #3 financial advisor Worldwide by Thomson Reuters for Motion Pictures/Audio Visual deals based on the number of deals from 2009-2011.
- Top 20 financial advisors in the US by Thomson Reuters for all Media and Entertainment transactions based on the number of deals from 2009-2011.

The firm has completed over 1,350 projects representing over \$145 billion in asset values since its inception. The firm is not an investment bank, and therefore has no inherent conflicts of interest. See www.saltergroup.com

ABOUT THE MOVIE STUDIO, INC.

The Movie Studio, Inc. is a vertically integrated publicly traded motion picture production and distribution company based in Hollywood, Florida. See www.themoviestudio.com

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as such, may involve risks and uncertainties. These forward looking statements relate to, amongst

other things, current expectation of the business environment in which the company operates, potential future performance, projections of future performance and the perceived opportunities in the market. The company's actual performance, results and achievements may differ materially from those expressed or implied in such forward-looking statements as a result of a wide range of factors.

CONTACT: Gordon Scott Venters
President/CEO
The Movie Studio, Inc.
954- 332-6600
gsv@themoviestudio.com

SOURCE: The Movie Studio, Inc.