

2.16B

The Insolvency Act 1986

Notice of statement of affairs

Name of Company
Arise Capital Limited

Company number
08038304

In the High Court of Justice, Chancery Division, Leeds District Registry
(full name of court)

Court case number
711 of 2014

We, Phillip Sykes
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Neville Side
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

attach a copy of -

Delete as
applicable

- *the statement(s) of affairs,
- *the statement(s) of concurrence,
- *a copy of the court order limiting disclosure in respect of the statement of affairs

in respect of the administration of the above company

Signed Neville Side
Joint Administrator

Dated 06/11/14

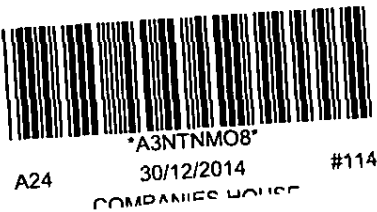
Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public register

Phillip Sykes Moore Stephens LLP, 150 Aldersgate Street London EC1A 4AB
DX Number
020 7334 9191 DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



STATEMENT OF AFFAIRS

Name of Company

Arise Capital Limited

Company Number

06038304

In the

High Court of Justice Chancery Division Leeds District Registry

Court case number

711 / 2014

Statement as to the affairs of

Arise Capital Limited

5 Keble House

Manor Fields

Putney

London

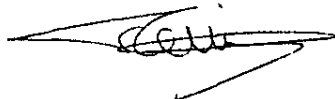
on the 29 August 2014 the date that the company entered administration

Statement of Truth

I believe the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 29 August 2014 the date that the company entered administration

Full Name CHRISTOPHER PETTIT

Signed



Dated

01.11.14

Insolvency Act 1986

Arise Capital Limited
Statement Of Affairs as at 29 August 2014

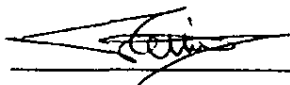
A - SUMMARY OF ASSETS

	Cost or Book Value £	Estimated to Realise £
Assets subject to fixed charge -	0	0
Assets subject to floating charge -	0	0
Uncharged assets -		
Cash at Bank - £753	753	753
Cash at Bank - US\$977,204 (Note D)	599,512	599,512
Sin City 2' & Machete Kills - Deferred Revenue (Note E)		0

Estimated total assets available for preferential creditors

600,265

Signature



Date

01 11 14

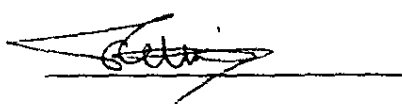
Insolvency Act 1986

Arise Capital Limited
Statement Of Affairs as at 29 August 2014

A1 - SUMMARY OF LIABILITIES

	Estimated to Realise £
Estimated total assets available for preferential creditors (carried from Page A)	600,265
Liabilities	
Preferential Creditors -	0
Estimated (deficiency) / surplus as regards preferential creditors	600 265
Debts secured by floating charge pre 15 September 2003	0
Estimated prescribed part of net property where applicable (to carry forward)	0
Estimated total assets available for floating charge holders	600 265
Debts secured by floating charge post 15 September 2003	0
Estimated (deficiency) / surplus of assets after floating charge holders	600,265
Estimated prescribed part of net property where applicable (brought down)	0
Total assets available to unsecured creditors	600 265
Unsecured non preferential claims (excluding any shortfall to floating charge holders)	(530 181)
Estimated (deficiency) / surplus of assets after non-preferential creditors	70 084
Estimated deficiency after floating charge where applicable (brought down)	0
Estimated (deficiency) / surplus as regards creditors	70,084
Issued and called up capital	(1 000)
Estimated total (deficiency) / surplus as regards members	69,084

Signature



Date

01 11 14

Arise Capital Limited
Statement Of Affairs as at 29 August 2014

B COMPANY CREDITORS

Note: You must identify creditors under hire purchase, conditional sale agreements AND customers claiming amounts paid in advance of the supply of goods or services AND creditors claiming retention of title over property in the company's possession

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Garrier Adrian	Flat 16 12 Pavley Drive Battersea London, SW11 3TP	351 452	Claims to have floating charge fixed charge over Company's assets The validity of the claim is disputed		
APFB Services Limited	75 28 Ransome's Dock 35 37 Parkgate Road London SW11 4NP	75 847	None		
Robbins Stephen	62 Main Street Storrall, Walsall West Midlands WS9 9DX	40 082	None		
Farrer & Co LLP	66 Lincoln's Inn Fields London WC2A 3LH	18 840	None		
Mauke And sons	Grove House 25 Upper Mulgrave Road Chesham Surrey SM2 7BE	4 656	None		
HMRC		37 804	None		
Companies House		1 500	None		
		530 181.00			

Signed

Date 01/11/14

C - COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	Type of shares held	Nominal amount of share £	Number of shares held	Amount per share called up £	Total amount called up £
Gayler Adrian	Fiat B, 12 Paveley Drive Battersea London SW11 3TP	Ordinary	1	400	1	400
Gayler Adrian (as trustee for Mukherjee Abir)	Fiat B 12 Paveley Drive, Battersea London SW11 3TP	Ordinary	1	110	1	110
APFB Holdings Limited	25-28 Ransome's Dock 35-37 Parkgate Road London, SW11 4NP	Ordinary	1	295	1	295
Robbins, Stephen	62 Main Street Stonnall Walsall West Midlands, WS9 9DX	Ordinary	1	195	1	195
					TOTAL	1,000

Signature 

Date 6-11-14

Arise Capital Limited
Statement Of Affairs as at 29 August 2014
D - NOTES TO STATEMENT OF AFFAIRS

A	Costs in the administration (incl those relating to Adrian Gayler's Application for an administration order / referenced in the Administration Order dated 29.08.14) are NOT included in the Statement of Affairs
B	Moore Stephens LLP fees and expenses are NOT included in the Statement of Affairs
C	Potential amounts (interest fees and expenses) which Adnan Gayler claims are owed to him are disputed are NOT included in the Statement of Affairs
D	The Company has US\$977,204.37 in bank accounts at Coutts & Co. An exchange rate of US\$1.630 £1 has been used to prepare the Statement of Affairs. It is subject to change.
E	The poor performance of 'Sin City 2' & 'Machete Kills' at the box office vs the cost of production and distribution of the films combined with Company's position in the recoupment waterfall means it is unlikely Company will receive any deferred revenues from these films.

Signature



Date

31.11.14

Rule 2.29

Statement of Concurrence

Name of Company Arise Capital Limited	Company number 08038304
In the High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	Court case number 711 of 2014

(a) Insert full name and address of registered office of company to which statement of affairs relates

(b) Insert date statement of truth on the statement of affairs was made

(c) Insert full name of person who made the statement of truth on the statement of affairs being concurred with

With regards to the Statement of Affairs of (a)
Arise Capital Limited
(the company)

made on (b) 17 SEPTEMBER AND CALCULATED AS AT
29th AUGUST 2014

by (c)

CHRISTOPHER PETTIT

Statement of Truth

(d) Insert full name and address of person making statement

Delete as applicable

(d) STEPHEN CHARLES BEVAN ROSS JS
62, MAIN STREET, STONALL, WALDALL WS9 9DX

~~*concur with the Statement of Affairs of the above company and I believe that the facts stated in the Statement of Affairs are a full, true and complete statement of the affairs of the company on the date that it entered administration~~

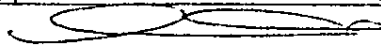
OR

*concur with the Statement of Affairs of the above company, subject to the following qualifications

(e) Please list matters in the statement of affairs which you are not in agreement with, or which you consider to be erroneous or misleading or matters to which you have no direct knowledge and indicate reason for listing them

(e) PLEASE SEE ATTACHED

and believe that, subject to these qualifications, the facts stated in the statement of affairs are a full, true and complete statement of the affairs of the company on the date that it entered administration

Full name STEPHEN CHARLES BEVAN ROSS JS
Signed 
Dated 8th OCTOBER 2014



ARISE CAPITAL LIMITED IN ADMINISTRATION ('COMPANY')

STATEMENT OF NON-CONCURRENCE- STEPHEN CHARLES BEVAN ROBBINS

8TH OCTOBER 2014

SUMMARY

I WOULD REFER YOU FIRST TO THE SUBHEADINGS 'SUMMARY' AND 'PROPOSED DISBURSEMENTS' WHICH APPEAR AT THE END OF THIS STATEMENT AND AHEAD OF THE EXHIBITS THERETO.

Roles & Responsibilities/Directorial Consideration to the Company

- 1 I was required to assign 100% of my time to the Company and to have no other active business interests outside the Company
- 2 API B was required to assign 50% of Mr Pettit's time (in lieu of those services to be provided by him in his capacity as 'General Counsel' as defined and recorded in the last draft of those Organisation Guidelines and Regulations dated 12 March 2013 the relevant exerts of which are attached as part of Exhibit A) and that of Mr Ashwin Desai, to the Company in line with and as agreed by all shareholders of the Company This in return for a 50% contractual financial contribution by the Company to the overhead of APFB Services Limited including the costs of engaging Mr Ashwin Desai
- 3 Mr Gayler was required to assign 0 % of his time to the Company for those reasons detailed in Paragraph 19 below
- 4 Between 1 March 2013 and 2 May 2013, Mr Gayler attended to Company matters only either remotely by email or by sporadic attendance at the Company's offices

cu

Any physical attendance at the Company's office by Mr Gayler was solely to meet and discuss with Mr Pettit those of their other interests outside of the Company as detailed in paragraphs 11 – 16 below (**'Other Interests'**) in which Mr Gayler was involved. Neither Mr Gayler nor Mr Pettit, nor any entity associated with or established for and in connection with the Other Interests, made any contribution to the overhead of Arise Pictures Limited in lieu of such Other Interests notwithstanding the Company's contribution to same

- 5 From 2 May 2013 to date Mr Gayler has not attended to any of the Gayler Duties, as defined in Paragraph 19, or attended the Company offices on a single occasion. Despite repeated requests, by both myself and Mr Pettit, Mr Gayler was unwilling to engage in the Gayler Duties or any other matter during such period either verbally, in writing or in person, for and on behalf of the Company except in relation to the Disputed Gayler Costs as defined in paragraph 32 below. Furthermore, even with regard to both the Disputed Gayler Costs and the Company Dispute, also as defined below, at no point between 2 May 2013 and 23 June 2014 was Mr Gayler willing either to meet or speak with Mr Pettit and myself, Stephen Robbins, both of whom made themselves, with notice, consistently available.
- 6 Mr Mukhera was required to assign 0% of his time to the Company prior to being appointed, if ever, Chief Financial Officer of the Company.
- 7 I introduced the SC2 Facility, as defined in paragraph 20 below, to the Company.
- 8 I was given sole authority, by all of Mr Gayler, Mr Pettit and the Company to (a) liaise, without consultation with the other directors and shareholders of the Company with all parties to the SC2 Facility and (b) oversee repayment of the SC2 Facility. See Exhibit B.
- 9 On 19 March 2013 I wrote to Mr Gayler asking *Do we also need to sort out job specs for you (Mr Gayler) and Chris? (Mr Pettit)*. Mr Gayler responded stating *Steve, Critical stuff is to sort your JD (Job Description) & consulting agreement resolved & get your feet under the desk. I'll sort a BoD roles & responsibilities doc for Chris & I*.)

10 On 10 April 2013 Mr Gayler wrote to me, copying Mr Pettit, with regard to the CEO consultancy agreement for myself stating 'I've accept all changes' Please feel free to highlight the few remaining points that you want to clarify and/or discuss which we'll address this week Chris (Pettit) will then conduct a final review next Monday then we should be in good shape to have a brief conversation regarding the commercial aspects of the Agreement as previously agreed and then sign the final document My role as CEO/Head of Lending of the Company, as drafted by Farrel & Co and approved by Mr Gayler and Mr Pettit is set out in part of Exhibit A

'Other Interests'

- 11 APFB Holdings Limited maintains a significant, I believe 100%, interest in Arise Pictures Limited Mr Pettit was entitled to a monthly fee of £3,125 plus expenses in consideration for such provision of his services to Arise Pictures Limited
- 12 Mr Pettit retained an interest, in a percentage unknown to myself and without the authority of either the Company or the shareholders of APFB Holdings Limited, in a sports agency business whose offices were maintained at the premises of the Company
- 13 Mr Pettit and Mr Gayler were joint promoters and prospective shareholders in percentages unknown to myself and without the authority of either the Company or the shareholders of APFB Holdings Limited, in a US\$1 billion vintage car museum, Formula 1 racetrack and hotel funding venture to be based either in Singapore or Hong Kong Flight tickets had already been purchased by Mr Gayler on a non-refundable basis for himself and Mr Pettit to promote such funding venture I refer you to all emails between Mr Gayler Mr Pettit and Matthew Chew
- 14 Mr Pettit and Mr Gayler were joint promoters and prospective shareholders, in percentages unknown to myself and without the authority of either the Company or the shareholders of APFB Holdings Limited in a US based gold exploration and exploitation funding venture



for the administration of the Company claiming, inter alia, costs in the amount of £116,574 ("**Disputed Gayler Costs**") purportedly incurred in the enforcement of repayment of the Gayler Loan Principal and then outstanding Coupon for which Mr Gayler had already been offered full payment from available funds of the Company. No timesheets of any nature have at any time been provided to the Company by Mr Gayler with regard to such Disputed Gayler Costs.

- 33 On 10 July 2014 on a conference call with Farrer & Co at 10.15 am (who I understand had already approached Moore Stephens LLP 8 July 2014), Mr Pettit confirmed that APFB Holdings Limited and its primary shareholder Mr Peter Aitken and not the Company, would be responsible for and liable for the costs incurred after such conference call, of any barristers and Queen's counsel engaged by APFB Holdings Limited and/or APFB Services Limited in connection with the Disputed Gayler Costs.
- 34 On 10 July 2014 I advised APFB Holdings Limited that I was in no way supportive of the Company engaging either Manleys Solicitors Limited or Stephen Schaw Miller of 12 New Square in connection with the submission of a witness statement ("**Pettit Witness Statement**") to the court in response to the Application. Any costs of APFB Holdings Limited in the preparation of the Pettit Witness Statement ("**APFB Disputed Costs**") other than those to Farrer & Co (in the amount of £23,840 plus VAT inclusive of the costs of Hannah Thornley of 3-4 South Square) ("**Farrer Costs**") and South Square incurred prior to 10 July 2014 were specifically not approved by myself.
- 35 On 11 July 2014 the Pettit Witness Statement was submitted to the Court for and on behalf of myself, Stephen Robbins to the extent it incorporated advice pursuant to the Farrer Costs and not, for the avoidance of doubt, the APFB Disputed Costs, citing inter alia *"in essence, to the extent that Mr Gayler has an undisputed claim he refuses to permit the company to pay him. To the extent of his disputed claim, he is using the administration process as a dispute resolution mechanism"*. Also included in the Pettit Witness Statement were, inter alia, (i) details of APFB Holdings Limited disputing the Gayler Disputed Costs and (ii) reference to a loss of £4,147.85 ("**FX Loss**") incurred by the Company further to exchange rate movements between (a) the

dates of Mr Gayler's refusal to accept repayment of the Gayler Loan Principal plus all then outstanding Coupon and (b) 11 July 2014

- 36 The Company has no liability for the Disputed Gayler Costs which instead are for the account of Mr Gayler (a) on the grounds that Mr Gayler rejected all offers by the Company to repay the Gayler Loan Principal and then outstanding Coupon (b) in accordance with the arguments contained within the Pettit Witness Statement (c) on the further basis that the Disputed Gayler Costs were not pre-agreed by the Company and (d) as the Disputed Gayler Costs are neither potential liabilities of the Company nor legitimate. This effectively means that the Company is not insolvent
- 37 The Company has no liability for the APFB Disputed Costs, which are for the account of APFB Holdings Limited in accordance with paragraph 34 above
- 38 Mr Gayler disputes the Farrer Costs which were however only incurred and approved by the Company as a direct result of Mr Gayler instigating the Company Dispute
- 39 Pursuant to Exhibit G, which prohibited any possibility of the financial position of the Company deteriorating or the cumulative liabilities of the Company (potential or actual) increasing further, I dispute all penalties and interest accrued ('Third Party Disputed Costs') after 7 August 2014 with all of Her Majesty's Revenue and Customs, Farrer & Co and Maurice Andrews

SUMMARY

On the basis that

- I have been solely responsible within the Company for the introduction and repayment of the SC2 Facility which in turn generated 79.68% of the total revenues of the Company. None of Mr Gayler, Mr Pettit, Mr Mukhera or APFB Services Limited had either the experience to provide such a role and, as such, were in no way required to perform such a role. Any input into such matters by either Mr Gayler or Mr Pettit, albeit both negligible and, invariably inaccurate, was proffered on a pro bono basis.



- I am the only individual or entity whose time was 100% allocated (**'SR Allocation'**) to the Company with no entitlement to pursue any other interests (including for the avoidance of doubt the Other Interests none of which I had any involvement in) or associated Coupon entitlement or compensation entitlement For the avoidance of doubt my 50% interest in Perpetual Media Holdings Limited and, indirectly, 20% interest in Perpetual Media Capital Limited, both as detailed in Form 2 15B, extend only to ongoing litigation both such companies having ceased their film bridge lending activities in January 2011
- I am the only individual or entity within the Company whose consultancy agreement the Company sought to have reviewed, solely from a legal perspective the commercial terms having already been pre-agreed as per Paragraph 10 above by external counsel (Farrer & Co)
- The allocation of Mr Pettit's time and that of APFB Services Limited to the Company was 50% (**'APFB Allocation'**)
- I am de facto Chief Executive Officer of the Company
- My actual market value as at March 2009 was £125,000 per annum See Exhibit H
- My internal value to the Company, based upon a lending capacity of US\$6,000,000 (**'Target Capacity'**) was, as per Paragraph 18 above, £140 000 per annum (**'SR Entitlement'**) and that of Mr Pettit, for the ultimate benefit of Arise Pictures Limited was £95,000 per annum (**'APFB Entitlement'**)
- The actual lending capacity of the Company (**'Actual Capacity'**) was US\$2 560 000 (US\$2,000,000 from BAI and US\$560 000 (assuming £1 = US\$1.6 which was the relevant exchange rate at the time of Mr Gayler investing in the Company) from Mr Gayler)
- Mr Gayler's investment in the Company coincided with the drawdown date of the ADFI Facility namely 20 April 2012

- The Company was effectively dormant, operationally incapacitated, unable to undertake any future business and unable to generate further revenues, with effect from 4 September 2013 namely the date of the freezing of the Company accounts by Coutts & Company pursuant to Mr Gayler's sole, and ultra vires in my opinion, actions as detailed in paragraphs 28 and 29 above
- The Company was therefore active for the period 20 April 2012 through 4 September 2013 equating to 504 calendar days ('Term') This notwithstanding the supposed later commitment by Mr Gayler of the Gayler Loan Principal through 19 October 2013

Entitlements to the capital of the Company may, I would respectfully suggest, be calculable as follows:

To myself Stephen Robbins

Term/365 (1/38) X (Actual Capacity/Target Capacity (42.66%)) X SR Entitlement (£140,000) X SR Allocation (100%) = £82,431.99 ('**SR Gross Capital Distribution Entitlement**')

SR Gross Capital Distribution Entitlement (£82,431.99) less £16,000 already received (see paragraph 25 above), equals £66,431.99 ('**SR Net Capital Distribution**')

To APFB Services Limited

Term/365 X (1/38) X (Actual Capacity/Target Capacity (42.66%)) X APFB Entitlement (£95,000) X APFB Allocation (50%) = £27,968.00 ('**APFB Gross Capital Distribution Entitlement**')

APFB Gross Capital Distribution Entitlement (£27,968.00) less £24,000 already received (see paragraph 25 above), equals £3,968.00 ('**APFB Net Capital Distribution**')

PROPOSED DISBURSEMENTS

A

Firstly, to the administrators of the Company Moore Stephens I LP, their costs and fees incurred with their administration of the Company

B

Thereafter, on a pari passu basis

- (i) To Mr Gayler the sum of (i) the Gayler Loan Principal **PLUS** (ii) any unpaid Coupon due as at 19 October 2013 **LESS** (iii) the FX Loss
- (ii) To Farrer & Co the Farrer Costs
- (iii) To Maurice Andrews the sum of £4 656 plus VAT
- (iv) To Her Majesty's Revenues and Customs all amounts due as at 7 August 2014 including outstanding withholding tax due on the Coupon
- (v) To APFB Services Limited the APFB Net Capital Distribution
- (vi) To myself, Stephen Robbins, the SR Net Capital Distribution
- (vii) To APFB Services Limited expenses of £32,782.77
- (viii) To myself, Stephen Robbins, expenses of £4,194.77

C

Thereafter, on a pari passu basis a capital distribution to shareholders in accordance with that Shareholder's Agreement dated 23 October 2012

Notes:

- Mr Gayler to pay the Gayler Disputed Costs inter alia as applicable, from his share of B and C above
- API B Holdings Limited and/or Mr Peter Aitken to settle the APFB Disputed Costs inter alia as applicable, from their share of B and C above



- Mr Gayler and APFB Holdings Limited and/or Mr Peter Aitken to settle, on a 50/50 basis, the Third Party Disputed Costs, inter alia as applicable from their respective shares of B and C above
- Except as approved by myself herein I dispute any and all Administration Expenses, as exhibited to the Statement of Affairs, in respect of Mr Adrian Gayler APFB Holdings Limited, Manleys Solicitors Limited, Stephen Schaw Miller of 12 New Square, Hannah Thornley of 3-4 South Square, Maurice Andrews, Gateley LLP and Ben Harding at Kings Chambers all of which were incurred only as a result of the Company Dispute instigated solely by Mr Gayler Further, I dispute all Administration Expenses (as exhibited to the Statement of Affairs) in respect of 1975 Consulting Limited which, as is the case of my own not insubstantial expenses, over and above those detailed herein, are personal to Mr Pettit and are not for the account of the Company
- None of the above accounts for the opportunity cost of myself, Stephen Robbins, and APFB Services Limited being limited from pursuing business transactions and associated revenues outside the Company pursuant to them being required to defend the Company Dispute instigated solely by Mr Gayler



EXHIBITS

Exhibit A

'General Counsel' ('GC') role as defined and recorded in the last draft of those Organisation Guidelines and Regulations dated 12 March 2013:

- 12.1 The GC shall be appointed by the BoD. He shall report directly to the CEO.
- 12.2 The GC shall have all necessary authorities for legal and compliance matters within the Company. In particular, he shall have the following authorities and responsibilities ('GC Duties') with the right to delegate the performance and implementation of such GC Duties further:
 - 12.2.1 establish an organisational basis for the management of all legal and compliance matters independent from any business line
 - 12.2.2 ensure together with the CFO that all license requirements are continuously observed and that all regulatory reports are filed on a timely basis
 - 12.2.3 be responsible for the representation of the Company vis-a-vis the lead regulator (excluding matters related to the Credit Charter, see section [18.2.3a]) and co-ordinate with the CEO the representation of the Company vis-a-vis other regulators and governmental authorities
 - 12.2.4 establish a policy as to the approval authorities and the monitoring of outside business activities of employees

Role of the CEO/Head of Lending of the Company, as drafted by Farrer & Co, and as approved by Mr. Gayler and Mr. Pettit.

The Consultant is responsible for the strategic leadership and direction of the Client to ensure its success today and future relevance, credibility and viability. The Consultant is responsible for establishing the Client's organisational objectives and priorities and for reviewing and evaluating the progress and work towards attaining its objectives and performance goals. The Consultant reports directly to the Board of Directors ('BoD').

Working Relationships: To ensure the best results for the Client, the Consultant actively facilitates collaboration and partnerships throughout the film and television community and by personally promoting the Client's participation.

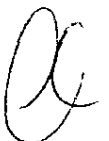
Internal Relationships: Working directly with the BoD to develop the Client's organisational objectives, priorities and policies in support of the Client's objectives and performance goals. As the leader of the senior management team, the Consultant guides the development of the Client's strategic and operational plans for management.



External Relationships: The Consultant works directly with major stakeholders, investors, banks, institutions and other lenders

The services provided to include:

- Overseeing compliance with any and all limits imposed by the shareholders and providers of debt to the Client
- Development and training of the Client's senior management, staff and consultants
- Development of future the Client's financial products
- Regularly reviewing financial performance of balance sheets, cashflow statements management accounts portfolio analysis, external reports to both existing and future investors borrowers and third party bridge lenders and compare/sensitivity analysis' of the Client's business plan to monitor compliance with or deviation from the original business plan all as prepared by the CFO
- Review the loan book credit exposure, set and approve any limits and ceilings and other appropriate measures to monitor and manage the credit risk
- Establish a management organisation that avoids the creation or appearance of conflicts of interest and enables the Client to operate its business in accordance with the strategy approved by the BoD
- Issue policies necessary for the management and operation of the Client, to the extent that this is not the responsibility of the BoD In particular establish a risk management and legal and compliance policies for the proposed business lines
- Supervise review and coordinate business activities, initiatives, projects and developments, and reconcile any issues
- Establish annually the strategic business plans, performance targets and budgets for the Client, including resource allocation, subject to approval by the BoD and implement such plans
- Responsible for the implementation of resolutions of the BoD and its committees
- Approve key policies for the Client
- Ensure that proper standards for risk management are established, and define and implement risk management strategies
- Ensure that the reporting duties to the BoD and its committees as stipulated in sections 6.3 of the Client's 'Organisational Guidelines and Regulations' are fulfilled
- Marketing of the Client to the film production, finance and investment community and to future investors providers of debt and third party bridge lenders
- Film Bridge Finance
 - Initial verification of producer bridging loan requests and producer track record including the film finance plan and liaison with key personnel of each of the parties to the permanent finance
 - Negotiation of bridging loan terms and conditions with producers
 - Collation of the permanent finance parties executed and legally binding commitments, the film's budget production schedules cashflow schedule, talent agreements and, if available initial drafts of all key multi-party long form documentation



- Highlighting of any financial or legal anomalies with the producer and all relevant parties and clarification of corrective action
 - Appointment of the Client's film lawyers, to review the Client's draft offer letter and prepare the Client's standard financing, security and provisional producer deferral documentation, and the Client's insurance advisor
 - Preparation and submission of initial credit committee proposals and conditional bridging loan offer letters, with respect to the Client's credit committee approval
 - Execution of the conditional offer letter, final resolution of financial and legal anomalies with all parties to the permanent finance and overseeing issuance and negotiation of long form loan agreement and security documentation
 - Preparation and submission of the Client's final credit committee application to review status of the Client's conditions precedent and associated waiver recommendations, if any, and finalised documentation
 - Pro-active monitoring of the production of the film and overseeing of the finalisation and execution of all documentation pertaining to permanent financial closing
- Member of the Client's BoD and representative on credit committee

KEY EXPECTATIONS OF CONSULTANT

- To deliver or exceed against the commercial targets of the Client's business plan
- To ensure compliance with the authorities and responsibilities as defined with the Client's OGR

Exhibit B

On 2 August 2013 Mr. Pettit wrote to Mr. Gayler stating *Dear Adrian Further to our call this morning (LA) and lengthy and sensitive discussions with Steve during the course of today, please confirm your acceptance to the following On behalf of the Arise Capital Limited (ACL) directors and shareholders Steve Robbins (SR) is hereby authorised to immediately commence on 02/08/13 both oral and written dialog with BCL (the mode of such communication to be at SR's sole discretion) as necessary so as to expedite the presentation of an oral proposal re SC2 by SR at a meeting of the ACL board for its review and approval (the 'Services') For the avoidance of doubt, any such oral and written dialog with BCL or any other party in connection with SC2 cannot and will not be used in conjunction with any dispute or otherwise between SR and ACL including but not limited to, any matters connected to the rescission of SR's temporary suspension from the board of ACL Whilst SR is performing the Services, the ACL directors and shareholders acknowledge*



that SR will not be required, but may elect to, attend to any other matters pertaining to ACL'

On 2 August 2013 Mr Gayler responded to Mr Pettit *'Dear Chris as a director and shareholder of ACL I hereby confirm my acceptance of your email*

On 6 August 2013 I wrote to Mr Gayler, copying Mr Pettit, asking him to confirm that he was *happy for me (Steve Robbins) to deal directly with Aldamisa, Robb Klein Greg Bernstein (parties to the SC2 film financing and the source of the Company's repayment of the SC2 Facility) and any other parties on this issue on the same basis as you have authorised me to deal with Alastair on the SC2 transaction (as per my email above of 2 August 2013) This with the additional proviso that going forwards I do NOT have to minute telephone calls with any parties, including Alastair, on the SC2 transaction Also that going forwards I need only forward you emails and not necessarily copy you in on my original email or responses to others Can you please confirm on all four points*

On 6 August 2013 Mr Gayler responded, copying Mr Pettit agreeing to and confirming my request above

Exhibit C

On 4 September 2013 Mr Gayler wrote to Mr Adrian Fairbourne advising *'Hi Adrian I trust that you are well Over the past 4 months I have been in the 'bunker' working with the Albion & Heath (A&H) team who collectively bring an extensive knowledge of the Afghan Retrograde special opportunities investments, asset management and have a strong network of industry contacts providing global coverage and sector intelligence The A&H team is composed of former senior Department of Defence (DoD) and Central Intelligence Agency officials Please take a moment to read the following Daily Mail article <http://www.dailymail.co.uk/news/article-2396811/The-biggest-yard-sale-history-U-S-military-racing-sell-scrap-50BILLION-equipment-Afghanistan.html> We are ready to submit an unsolicited proposal to the DoD, subject to the provision of a surety Bond in order to purchase assets that the US Military does not want to repatriate from the Afghan theatre Please find attached the Pitch Book and which covers three opportunities we have identified Expected timetable: Marketing Q3 2013 I know you are in fund raising mode however thought it best to keep you posted Shout if you need anything from me Adrian*



Exhibit D

See attached

Exhibit E

On 29th April 2013 Mr Gayler wrote to the Company attaching a job description for the Chairman of the Company (Mr Gayler) as drafted by himself. The draft job description stated *'External Relationships. As well as being chairman of the board, he (Mr Gayler) is expected to act as the company's leading representative, which will involve the presentation of the company's aims and policies to the outside world work proactively with the CEO management oversight of company activities involving current shareholders and external investors and potential futures shareholders and investors'*

Exhibit F

See attached

Exhibit G

On 7 August 2014 I wrote, inter alia, to Mr Gayler and Mr Pettit advising them *'if you so choose in my absence (on holiday) and irrespective of the contents of the attached or anything that may be perceived by you to the contrary, you have in my absence FULL AUTHORITY from me (a) to make such payments on account to HMRC, in amounts that you unanimously consider appropriate on behalf of the Company (b) to make a payment on behalf of the Company to Maurice Andrews in the amount of £4 656 excluding VAT and (c) to make a payment on behalf of the Company to Farrer & Co in the amount of £23 840 excluding VAT. I believe that these are all of the creditor liabilities that are accruing outside of the control of the Board of the Company and/or its individual directors'*

Exhibit H

See attached

ARISE PICTURES CAPITAL (APC) **Staff Costs vs Industry Benchmark**



[Handwritten signature]

ROLE	REMUNERATION (£)	INDUSTRY BENCHMARK (£)
CEO / Head of Lending	140,000	200,000+
COO / Head of Legal & Business Affairs	95,000	135,000+
CFO / Finance Director	95,000	135,000+
LA Representative & Creative Advisor	45,000	N/A (Consultant Only)
Assistant	25,000	25,000 to 35,000
TOTAL	400,000	

Exhibit A

From: Adrian Gayler <ag@monzacapital.com>

Subject: Re: AM - Consultancy Fee, AG - Coupon, SR - Expenses
Date: 18 April 2013 08:03:00 BST
To: Steve Robbins <steve.robbins@arisepictures.com>
Cc: Chris Pettit <chris.pettit@arisepictures.com>

I'm in agreement with your approach

Post SC2 we should keep 6 months of costs in clouding consultancy fees on account. If possible

Best
A

Sent from my iPhone

On 17 Apr 2013, at 20:57, "Steve Robbins" <steve.robbins@arisepictures.com> wrote

Thank you Chris

I will get you an invoice but note what you say in any event

Best wishes

Steve

Sent from my iPhone

On 17 Apr 2013, at 12:53, "Chris Pettit" <chris.pettit@arisepictures.com> wrote

Gents

Just checking you're happy for me to pay below / make transfer from US\$ to £ at c of c £10K

AM - £5K consultancy fees (due)
AG - £7K coupon (due 19 04 13)
SR - £2,818.82 expenses (invoice imminent (see attached breakdown))

As you know I haven't done expenses payable to APFB Services from AC for last 1/4 but FYI I doubt there will be sufficient monies to pay them, Cannes etc w/o either receiving SC2 monies owing or utilising some of '5%' of BAI's loan

Popping to gym back in an hour



Evans + M

This email and attachment are sent on behalf of scbrobbins@yahoo.co.uk

If you do not want to receive this email in future you may contact scbrobbins@yahoo.co.uk directly or you may consult your email application for spam or junk email filtering options

Regards
HP Team

PERPETUAL MEDIA CAPITAL ADVISORS LLP
LIMITED LIABILITY PARTNERSHIP
LLP NUMBER OC344095
REGISTERED OFFICE SUITE 14 55-56 BROADWICK STREET LONDON W1F 7AJ

Mr Stephen Charles Robin Robbins
71 St Andrew's Road
London
SE22 0RW

*Copy of 3 years before being a
board member*

29th March 2009

Dear Mr Robbins

PERPETUAL MEDIA CAPITAL ADVISORS LLP (LLP)

Following the successful completion of the arrangements in relation to the creation of the LLP and the execution of the Partnership Agreement between, inter alia, yourself and the LLP dated 20th March 2009 (LLP Agreement), we are pleased to confirm your admission to the LLP as an Ordinary and Designated Member.

A summary of the principal terms and conditions of your admission is set out below. Please note, however, that this letter only provides a summary of your rights and obligations as an Ordinary and Designated Member and is therefore not comprehensive. Consequently, you should refer to the LLP Agreement itself for the definitive terms.

1. DATE OF ADMISSION

The date of your admission to the LLP was 20th March 2009, being the date of the LLP Agreement. You will remain a Member (whether as an Ordinary or Designated Member) until such time as you retire or are expelled from the LLP in accordance with the LLP Agreement.

2. DESIGNATION

You will be an Ordinary and Designated Member of the LLP. You will not be an employee of the LLP.

3. CAPITAL CONTRIBUTIONS

You have made a capital contribution to the LLP. As an Initial Member you shall receive a share in the LLP equivalent to the amount of your capital contribution.

4. VOTING RIGHTS

As an Ordinary Member you have been allocated 20 per cent. of the voting rights in the LLP on all special resolutions. As a Designated Member your approval is required on all ordinary resolutions.

5. PROFIT SHARE

Pursuant to the LLP Agreement, you will be entitled to drawings from the LLP as follows:

- (a) **Monthly Drawings** - as a Designated Member you will be entitled to monthly drawings as determined from time to time by an ordinary resolution of the Designated Members. Such monthly drawings shall not exceed a 16.47 per cent. of the LLP's profits for the 12 months from and including 20th March 2009. You will be entitled to receive your monthly drawings on the last day of each calendar month or the previous business day where that day is not a business day; and
- (b) **Residual Drawings** - as an Ordinary Member you will also be entitled to residual drawings. The amount of your residual drawings will depend on the annual net profits of the LLP and your residual drawings will be allocated to you following deductions for the monthly drawings of the Designated Members. You will be entitled to draw your residual drawings (if any) as soon as reasonably practicable following the accounting reporting date of the LLP which is currently 30 June.

6. TAX

You will be responsible for the payment of any amounts of tax due and payable by you in relation to the profits of the LLP (including for any monthly and residual drawings).

7. DUTIES TO THE LLP

Your duties as a Ordinary and Designated Member are set out in the LLP Agreement. As a Designated Member you are also subject to number of statutory duties which you must fulfil.

Perpetual Media Capital Advisors LLP is a limited liability partnership registered in England and Wales with registered number OC344095 and its registered office is at Suite 14 55-56 Broadwick Street, London W1F 7AJ.

[Handwritten signature]

This email and attachment are sent on behalf of scbrobbins@yahoo.co.uk

If you do not want to receive this email in future, you may contact scbrobbins@yahoo.co.uk directly or you may consult your email application for spam or junk email filtering options

Regards
HP Team

You are required to devote the whole of your working time and attention to the business of the LLP and must diligently employ yourself in the business of the LLP and conduct yourself in a proper manner and use your best skill and endeavour to promote the business of the LLP to the greatest advantage of the LLP. You must not directly or indirectly, carry on or be interested in any business which competes with the business of the LLP.

You must at all times comply with all legislation, regulations, professional standards and other provisions as may govern the conduct of the business or may be determined by a special resolution of the members as standards to be voluntarily applied to the LLP in its business.

As a Designated Member you will (together with the other Designated Members) manage and control the business and affairs of the LLP and will have the power and authority to undertake all such acts and to execute, modify and perform on behalf of the LLP all such contracts, deeds, cheques, mortgages, instruments or documents as may be necessary or desirable in connection with the business of the LLP.

8 HOLIDAY ENTITLEMENT

In addition to normal public holidays in England and Wales, as a Designated Member you will be entitled to 25 days' holiday in aggregate in each calendar year (which shall be calculated pro rata for any shorter periods). You can take your holiday entitlement at such times as may be reasonable.

9 INDEMNITIES AND EXPENSES

The LLP will indemnify you from and against all liabilities, costs, claims and expenses, and any liability incurred in defending proceedings arising out of payments by you or liabilities incurred by you in the proper performance by you of your duties as a Member in the normal course of operation of the business of the LLP or in respect of anything necessarily done by you for the prosecution of the business and property of the LLP.

You will be entitled to charge and be refunded all out-of-pocket expenses incurred by you in connection with the business provided that all expenses must be supported by an appropriate receipt and VAT invoice where appropriate.

10 INSURANCE

The Designated Members will have the power at the cost of the LLP to obtain and maintain insurance for or for the benefit of the Members against any liability incurred by you in respect of any act or omission in the actual or purported execution and discharge of your duties, powers and obligations under the LLP Agreement or as otherwise required by law.

11 RETIREMENT

You will be entitled to retire from the LLP upon giving 6 months' written notice to the LLP provided that your retirement is approved by a special resolution of the Ordinary Members.

The LLP will be entitled to expel you immediately by notice in writing for certain specified reasons, including, but not limited to: (a) you committing any material or persistent breaches of the LLP Agreement; (b) you becoming unable to pay your debts or becoming bankrupt; (c) you are guilty of any serious dishonesty, gross misconduct or wilful neglect of duty; (d) you are convicted of a criminal offence other than a minor road traffic or similar minor offence remediable by paying a fixed penalty charge; (e) you cease to hold any professional qualification or certification required for the normal performance of your duties as a Designated Member.

12 RESTRICTIVE COVENANTS


On the date on which you cease to be a Member of the LLP you shall become subject to a number of restrictive covenants for a period of 12 months following such cessation. Such covenants include, but are not limited to, covenants preventing you from (i) competing with the LLP and (ii) contacting or enticing away from the LLP customers, clients, agents or employees of the LLP.

13 CONFIDENTIALITY

You have undertaken that you will not at any time use divulge or communicate to any person other than to your professional advisers or as may be required by law or any legal or regulatory authority any confidential information and you shall use your reasonable endeavours to prevent the publication or disclosure of any such confidential information.

We hope you find this summary helpful and look forward to working with you.


Yours sincerely,



This email and attachment are sent on behalf of **scbrobbins@yahoo.co.uk**

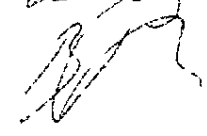
If you do not want to receive this email in future you may contact **scbrobbins@yahoo.co.uk** directly or you may consult your email application for spam or junk email filtering options

Regards
HP Team



Benjamin Tustin
FOR AND ON BEHALF OF PERPETUAL MEDIA CAPITAL ADVISORS LLP

Certified a true and accurate
copy of the original document


BENJAMIN TUSTIN
DIRECTOR
PERPETUAL LTD

Arise Capital Limited (Company)
Statement of Affairs Calculation
as at 29 08 14

US\$ 1,630,000

ASSETS

Assets subject to a fixed charge

Assets subject to a floating charge

Uncharged assets

Cash in Bank (29 08 14)

Sin City 2 & Machete #1's deferred revenues 21

SUB TOTAL

Estimated total assets available for preferential creditors

Estimated total assets available for preferential creditors (carried from page A)

LIABILITIES

Preferential creditors

Estimated deficiency/surplus as regards preferential creditors

Estimated prescribed part of net property where applicable (to carry forward)

Debt secured by floating charges

Estimated deficiency/surplus of assets after floating charges

Estimated prescribed part of net property where applicable (brought down)

Total assets available to unsecured creditors

Unsecured non preferential claims

Adrian Gayler Loan 3

Principal

Less Foreign Exchange losses (4

In interest (less Withholding Tax)

Total Repayment to Adrian Gayler

Outstanding Expenses (incl VAT)

APFB Services Limited (01 01 13 to 31 08 13)

APFB Services Limited (01 01 13 to 31 10 13)

Stephen Robbins (18 03 13 to 09 08 13)

Stephen Robbins (11 01 13 to 25 11 13)

Total Outstanding Expenses (incl VAT)

Outstanding Consultancy Fees (incl VAT)

APFB Services Limited (01 01 13 to 19 10 13)

Stephen Robbins (01 02 13 to 19 10 13)

Total Outstanding Consultancy Fees (incl VAT)

Outstanding Advisory Fees (incl VAT)

Company Legal Fees - Farrer & Co LLP

Company Accountancy Fees - Maurice Anderson

Total Outstanding Advisory Fees (incl VAT)

Estimated Owing to HMRC & Companies House

Withholding Tax Liability - BAT Co (MTIUS) Ltd 61

Withholding Tax Liability - Adrian Gayler 151

Corporation Tax Liability 01 01 13 to 31 03 13

Corporation Tax Liability 01 04 13 to 29 08 14 ES

Outstanding interest on the Filing Penalty Etc

Withholding Tax Interest Etc

VAT Reclaim 191

Total Estimated Owing to HMRC & Companies House

SUB TOTAL unsecured non preferential claims

Estimated deficiency after floating charge where applicable (brought down)

Estimated deficiency/surplus as regards creditors

Issued and called up capital

Estimated total deficiency/surplus as regards members

NOTES TO STATEMENT OF AFFAIRS

- (A) Costs in the administration (incl those relating to Adrian Gayler's Application for an administration order / referenced in the Administration Order dated 29 08 14) are NOT included in the Statement of Affairs. See schedule Arise Capital Limited - Creditors 29 08 14 attached.
- (B) Moore Stephens LLP fees and expenses are NOT included in the Statement of Affairs.
- (C) Potential amounts (interest, fees and expenses) which Adrian Gayler claims are owed to him are unknown and disputed are NOT included in the Statement of Affairs.
- 1 The Company has US\$977,204.17 in bank accounts at Citicorp & Co. This exchange rate has been used to prepare the Statement of Affairs. It is subject to change.
- 2 The poor performance of Sin City 2 & Machete #1's at the box office vs the cost of production and distribution of the films combined with Company's position in the reorganisation waterfall means it is unlikely Company will receive any deferred revenues from these films.
- 3 The liability of Adrian Gayler's floating charge over accounts dated 08 02 13 (which he converted to a fixed charge on 04 09 13) is disputed pursuant to s245 Insolvency Act 1986 and with it his status as a secured creditor.
- 4 Foreign exchange losses incurred by Company as a result of Adrian Gayler's refusal to accept repayment of his loan on or before its maturity date (19 10 13). GBP value of balance in Company US\$ accounts as at the maturity date (£1, US\$1,618,250.63). Less GBP value of balance in Company US\$ accounts as at 17 09 14 (£1, US\$1,631,631.63).
- 5 Calculated on maturity date of Adrian Gayler's Loan (19 10 13).
- 6 Calculated using spot rate on 09 10 13 (£1 US\$ 1.6067) being the date BAT's interest was paid.
- 7 As per Form statutory accounts for period 01 04 12 to 31 03 13.
- 8 Company's management accounts prepared as at 30 06 14 showed a potential corporation tax liability of £16,950. This assumed that no VAT charged would be recovered by the Company and that VAT redeemed/recovered by Company would be repayable to HMRC (see [9] below). In the event that the VAT charged is recoverable, Company's corporation tax liability will increase to this estimated amount.
- 9 VAT treatment of Company's supplies means Company's entitlement to be VAT registered and its right to VAT recovery on expenses may be questioned by HMRC. If successfully challenged, Company will have to repay VAT recovered (£16,822.07) and will not be able to recover the included VAT (£8,605.56). If the £16,822.07 has to be repaid to HMRC, interest and penalties will also be payable. The level of such penalties will depend on HMRC's attitude following arguments put forward in mitigation. In Company's management accounts prepared as at 30 06 14 a penalty of 30% (£5,648.72) and interest (£1,000) was included.

Exhibit A

'General Counsel' ('GC') role as defined and recorded in the last draft of those Organisation Guidelines and Regulations dated 12 March 2013:

- 12.1 The GC shall be appointed by the BoD. He shall report directly to the CEO.
- 12.2 The GC shall have all necessary authorities for legal and compliance matters within the Company. In particular, he shall have the following authorities and responsibilities ('GC Duties') with the right to delegate the performance and implementation of such GC Duties further:
 - 12.2.1 establish an organisational basis for the management of all legal and compliance matters independent from any business line
 - 12.2.2 ensure together with the CFO that all license requirements are continuously observed and that all regulatory reports are filed on a timely basis.
 - 12.2.3 be responsible for the representation of the Company vis-a-vis the lead regulator (excluding matters related to the Credit Charter see section [18.2.3a]) and co-ordinate with the CEO the representation of the Company vis-a-vis other regulators and governmental authorities.
 - 12.2.4 establish a policy as to the approval authorities and the monitoring of outside business activities of employees

Role of the CEO of the Company, as drafted by Farrer & Co, and as approved by Mr. Gayler and Mr. Pettit.

The Consultant is responsible for the strategic leadership and direction of the Client to ensure its success today and future relevance, credibility and viability. The Consultant is responsible for establishing the Client's organisational objectives and priorities and for reviewing and evaluating the progress and work towards attaining its objectives and performance goals. The Consultant reports directly to the Board of Directors ('BoD').

Working Relationships: To ensure the best results for the Client, the Consultant actively facilitates collaboration and partnerships throughout the film and television community and by personally promoting the Client's participation.

Internal Relationships: Working directly with the BoD to develop the Client's organisational objectives, priorities and policies in support of the Client's objectives and performance goals. As the leader of the senior management team, the Consultant guides the development of the Client's strategic and operational plans for



management

External Relationships: The Consultant works directly with major stakeholders investors banks, institutions and other lenders

The services provided to include:

- Overseeing compliance with any and all limits imposed by the shareholders and providers of debt to the Client
- Development and training of the Client's senior management staff and consultants
- Development of future the Client's financial products
- Regularly reviewing financial performance of balance sheets cashflow statements, management accounts portfolio analysis, external reports to both existing and future investors borrowers and third party bridge lenders and compare/sensitivity analysis of the Client's business plan to monitor compliance with or deviation from the original business plan all as prepared by the CFO
- Review the loan book credit exposure, set and approve any limits and ceilings and other appropriate measures to monitor and manage the credit risk
- Establish a management organisation that avoids the creation or appearance of conflicts of interest and enables the Client to operate its business in accordance with the strategy approved by the BoD
- Issue policies necessary for the management and operation of the Client to the extent that this is not the responsibility of the BoD In particular establish a risk management and legal and compliance policies for the proposed business lines
- Supervise, review and coordinate business activities initiatives projects and developments, and reconcile any issues
- Establish annually the strategic business plans, performance targets and budgets for the Client, including resource allocation subject to approval by the BoD and implement such plans
- Responsible for the implementation of resolutions of the BoD and its committees
- Approve key policies for the Client
- Ensure that proper standards for risk management are established and define and implement risk management strategies
- Ensure that the reporting duties to the BoD and its committees as stipulated in sections 6.3 of the Client's Organisational Guidelines and Regulations are fulfilled
- Marketing of the Client to the film production, finance and investment community and to future investors providers of debt and third party bridge lenders
- Film Bridge Finance
 - Initial verification of producer bridging loan requests and producer track record including the film finance plan and liaison with key personnel of each of the parties to the permanent finance
 - Negotiation of bridging loan terms and conditions with producers
 - Collation of the permanent finance parties executed and legally binding commitments the film's budget production schedules, cashflow schedule,



talent agreements and if available initial drafts of all key multi-party long form documentation

- Highlighting of any financial or legal anomalies with the producer and all relevant parties and clarification of corrective action
 - Appointment of the Client's film lawyers, to review the Client's draft offer letter and prepare the Client's standard financing, security and provisional producer deferral documentation and the Client's insurance advisor
 - Preparation and submission of initial credit committee proposals and conditional bridging loan offer letters, with respect to the Client's credit committee approval
 - Execution of the conditional offer letter, final resolution of financial and legal anomalies with all parties to the permanent finance and overseeing issuance and negotiation of long form loan agreement and security documentation
 - Preparation and submission of the Client's final credit committee application to review status of the Client's conditions precedent and associated waiver recommendations if any and finalised documentation
 - Pro-active monitoring of the production of the film and overseeing of the finalisation and execution of all documentation pertaining to permanent financial closing
- Member of the Client's BoD and representative on credit committee

KEY EXPECTATIONS OF CONSULTANT

- To deliver or exceed against the commercial targets of the Client's business plan
- To ensure compliance with the authorities and responsibilities as defined with the Client's OGR



Arise Capital Limited (Company)
Statement of Affairs Claims
as at 29.08.14

US\$ 1,530,000

(1)

	£	US\$	VAT
ASSETS			
Assets subject to a fixed charge			
Assets subject to a floating charge			
Uncharged assets			
Cash in Bank (£ 29.08.14)	753.13	977,204.37	
Sin City 2 & Machine Kits deferred revenues, 2			
SUB TOTAL	753.13	977,204.37	
Estimated total assets available for preferential creditors	600,265.01		
Estimated total assets available for preferential creditors (carried from page A)	600,265.01		
LIABILITIES			
Preferential creditors			
Estimated deficiency/surplus as regards preferential creditors	600,265.01		
Estimated prescribed part of net property where applicable (to carry forward)	600,265.01		
Debt secured by floating charges			
Estimated deficiency/surplus of assets after floating charges	600,265.01		
Estimated prescribed part of net property where applicable (brought down)			
Total assets available to unsecured creditors	600,265.01		
Unsecured non-preferential claims			
Adrian Gayler Loan [3]			
Principal	350,000.00		
Less Foreign Exchange Losses A	4,472.85		
Interest (less withholding tax) [5]	5,600.00		
Total Repayment to Adrian Gayler	340,927.15		
Outstanding Expenses (incl. VAT)			
APB Services Limited (01.02.13 to 31.03.08.13)	28,939.41		4,818.74
APB Services Limited (01.09.13 to 31.03.08.13)	3,873.36		634.72
Stephen Robbins (28.03.13 to 09.08.13)	2,858.17		
Stephen Robbins (11.07.13 to 25.11.13)	1,316.50		
Total Outstanding Expenses (incl. VAT)	36,987.44		
Outstanding Consultancy Fees (incl. VAT)			
APB Services Limited (01.02.13 to 19.10.13)	41,064.00		7,177.00
Stephen Robbins (01.02.13 to 19.10.13)	35,887.00		
Total Outstanding Consultancy Fees (incl. VAT)	76,951.00		
Outstanding Advisory Fees (incl. VAT)			
Company Legal Fees - Parry & Co LLP	18,840.00		3,140.00
Company Accountancy Fees - Maurice Anderson	4,656.00		776.00
Total Outstanding Advisory Fees (incl. VAT)	23,496.00		
Estimated Owing to HMRC & Companies House			
Withholding Tax Liability - BAI Co (MUSI) Ltd [6]	19,865.44	31,917.81	
Withholding Tax Liability - Adrian Gayler [5]	8,400.00		
Corporation Tax Liability to 31.03.13	445.00		
Corporation Tax Liability (01.04.13 to 29.08.14 Est)	25,060.00		
Companies House Late Filing Penalty Est.	1,500.00		
Withholding Tax - Interest for VAT Return [9]	700.00		
Total Estimated Owing to HMRC & Companies House	55,570.44		16,605.96 [8]
SUB TOTAL Unsecured non-preferential claims	530,181.77		
Estimated deficiency after floating charge where applicable (brought down)			
Estimated deficiency/surplus as regards creditors	70,083.84		
Issued and called up capital	1,000.00		
Estimated total deficiency/surplus as regards members	69,083.84		[See Notes]

NOTES TO STATEMENT OF AFFAIRS

- (A) Costs in the administration (incl. those relating to Adrian Gayler's Application for an administration order / referenced in the Administration Order dated 29.08.14) are NOT included in the Statement of Affairs. See schedule Arise Capital Limited - Creditors 29.08.14 attached.
- (B) Moore Stephens LLP fees and expenses are NOT included in the Statement of Affairs.
- (C) Potential amounts (interest, fees and expenses) which Adrian Gayler claims are owed to him are unknown and disputed are NOT included in the Statement of Affairs.
1. The Company has US\$977,204.37 in bank accounts at Courts & Co. This charge rate has been used to prepare the Statement of Affairs. It is subject to change.
2. The poor performance of Sin City 2 & Machine Kits at the production office vs the cost of production and distribution of the films combined with Company's position in the recruitment market means it is unlikely Company will receive any deferred revenues from these films.
3. The validity of Adrian Gayler's floating charge over accounts dated 08.02.13 (which he converted to a fixed charge on 04.09.13) is disputed pursuant to s245 (Insolvency Act 1986) and with it his status as a secured creditor.
14. Foreign exchange losses incurred by Company as a result of Adrian Gayler's refusal to accept repayment of his loan on or before its maturity date (19.10.13). GBP value of balance in Company US\$ accounts as at the maturity date (£1,531,610.83) less GBP value of balance in Company US\$ accounts as at (17.09.14) (£1,535,631).
5. Calculated on maturity date of Adrian Gayler's loan (19.10.13).
6. Calculated using spot rate on 09.03.13 (£1,531,606.77) being the date BAI's interest was paid.
7. Company's management accounts prepared as at 30.06.14 showed a potential corporation tax liability of £16,950. It is assumed that no VAT could be recovered by the Company and that VAT redeemed/recovered by Company would be repayable to HMRC (see 19 below). In the event the VAT charged is recoverable, Company's corporation tax liability will increase to this estimated amount.
9. VAT repayment of Company's supplies means Company's entitlement to be AT registered and its right to VAT recovery on expenses may be questioned by HMRC. If successfully challenged, Company will have to repay VAT recovered (£18,829.07) and will not be able to recover the unpaid VAT (£4,605.96). If the £18,829.07 has to be repaid to HMRC, interest and penalties will also be payable. The level of such penalties will depend on HMRC's attitude following arguments put forward in mitigation. In Company's management accounts prepared as at 30.06.14 a penalty of 30% (£5,648.72) and interest (£1,993) was included.

C

IN THE MATTER OF THE INSOLVENCY ACT 1986

Application Notice

*Delete as
applicable*Name of company or ~~debtor/bankrupt~~ARISE CAPITAL
LIMITED

Company number

8038304

In the LEEDS DISTRICT
REGISTRY
[full name of court and if known the division or
district registry of the court]For court use only
Court case number*Delete as
applicable

*Type of insolvency proceeding

~~Bankruptcy/De IVA~~
Administration/Administrative
~~receivership/Liquidation/CVA~~Between
ApplicantSTEPHEN ROBBINS (DIRECTOR
OF COMPANY)and
Respondent

ADRIAN GAYLER

Is this application in insolvency proceedings which are already before the court?

YES/NO

YES

If YES, please provide-

Court reference number for the pending proceedings to which this application
relates

711 of 20.4

I (We) (a)

DIRECTOR AND SHAREHOLDER
OF THE COMPANY (ARISE CAPITAL
LIMITED)(a) Insert name and
address of
applicant
For Office use

Intend to apply to the Judge/Registrar/District Judge on -

Date

Time

hours

Place

C-

(b) State clearly what order you are seeking. Briefly set out why you are seeking the order and what evidence you rely on in support of this application.

For an order that (b)

See Appendix A 1 Further to which

I request:

- ① That the Administration Order of 29th August 2014 be set aside.
- ② That Adrian Gygler be ordered to respond to Christopher Pettit's witness statement to the Court of 10 July 2014 and be afforded the opportunity to reply to such response.
- ③ That no further board meetings of Arise Capital Ltd be permitted by order of the Court pending any further hearing pursuant to ① above and pending receipt by the Court of ② above and my response hereto.
- ④ That any future board meetings be pursuant to an agenda inclusive of those requirements listed in the final paragraph of "Conclusions" to my "Chronology and Conclusion" Attachment to my email to all relevant parties of 14.5.14 on 7th August and to a full and complete discussion as to why APFB Holdings Ltd should consider those "Disputed Amounts" as set out in Christopher Pettit's witness statement of 10th July 2014.

The names and addresses of the persons upon whom it is intended to serve this application are -

(c) State the names and addresses of the persons intended to be served

① Gabeleg, 7th Floor, Toronto Square, Leeds, LS1 2BJ

~~② Montage Media House, 4, Stratford Place, London W1C 1AT~~

~~③ Adrian Gygler, Flat B, 12 Paveley Drive, Muggins Walk, Battersea, London SW11 3TP~~

~~④ Christopher Pettit, 5 Kelle House, Manor Fields, Putney, London SW15 3LS~~

~~⑤ Arise Capital Limited, 5 Kelle House, Manor Fields, Putney, London, SW15 3LS~~

~~⑥ APFB Holdings Ltd, 5 Kelle House, Manor Fields, Putney, London, SW15 3LS~~

OR ~~⑦ Marie Steensma, 150, Abchurch Lane, London EC4A 3DF~~

It is not intended to serve any person with this application

Date 4 September 2014 Signed

(SOLICITOR FOR THE) APPLICANT

If you do not attend, the court may make such order as it thinks just



7.1A (6) continued

to be disputed such matter being fundamental to the solvency of Arise Capital Limited or otherwise.

All of the above pursuant to the other parties clear intention to conduct board meetings of Arise Capital Limited whilst I am and have been unavailable (even when giving formal notice), to the unwillingness to record such board meetings as requested by me for obvious reasons, and to the latter's capacity to provide the court with misleading information

Q

Rule 2.29

Statement of Concurrence

Name of Company

Arise Capital Limited

Company number

08038304

In the
High Court of Justice, Chancery Division,
Leeds District Registry

(full name of court)

Court case number
711 of 2014

(a) Insert full name and address of registered office of company to which statement of affairs relates

With regards to the Statement of Affairs of (a)
Arise Capital Limited
(‘the company’)

(b) Insert date statement of truth on the statement of affairs was made

made on (b) 14 November 2014

(c) Insert full name of person who made the statement of truth on the statement of affairs being concurred with

by (c) Adrian Gayler

Statement of Truth

(d) Insert full name and address of person making statement

I (d) Adrian Gayler of Flat B, 12 Paveley Drive, Morgans Walk, London SW11 3TP

*Delete as applicable

~~*concur with the Statement of Affairs of the above company and I believe that the facts stated in the Statement of Affairs are a full, true and complete statement of the affairs of the company on the date that it entered administration~~

OR

*concur with the Statement of Affairs of the above company, subject to the following qualifications

(e) Please list matters in the statement of affairs which you are not in agreement with, or which you consider to be erroneous or misleading, or matters to which you have no direct knowledge and indicate reason for listing them

(e) I do not concur with the Statement of Affairs provided by Mr Pettit dated 21 10 14

Legend

- Adrian Gayler (AG)
- APFB Services Limited (APFB)
- Christopher Pettit (CP)
- Stephen Robbins (SR)
- 1975 Consulting Limited (1975)
- Withholding Tax (WHT)

The points below shown as [] are referenced to the numbers assigned within Notes to Statement of Affairs, provided by CP

- Email to Philip Sykes from William Ballman, dated 17 October 2014 ‘As you may have gathered by now, there is little to no prospect of the Company’s actual or potential liabilities being agreed by the directors collectively AG does not accept that a vast array of expenditure allegedly incurred by Mr Pettit and separately by Mr Robbins is properly chargeable to the Company, conversely, I expect, neither CP nor SR accept that some or all of AG’s claims should be payable by the Company A deadlock Consequently, I doubt that you will get any one of them to agree the total potential liabilities other than a mathematical list on a “without prejudice” basis ’

(C) Potential amounts interest, fees and expenses, which are owed to me, are included in the attached AC_Statement of Affairs Calcs_Draft 1 3_AG Edits_14 10 14, which ranks the various Assets and Liabilities of the Company, based upon the following assumptions



[3] My Floating Charge Over Accounts dated 08 02 13 and converted to a Fixed Charge on 04 09 13 is a valid charge

- Assets subject a Fixed Charge Adrian Gayler Loan
 - Principal £350,000 00
 - Interest to 19 10 13 Gross £14,038 30 (Net £5,600 00) on the assumption that WHT at a rate of 20% is payable by the Company on a total of £42,000 00 (£8,400 00)
 - Interest from 20 10 13 to 29 08 14 Gross £23,780 72 (Net £19,024 58) on the assumption that WHT at a rate of 20% is payable by the Company
 - Recovery costs £82,260 00

[4] Less Foreign Exchange Losses The Company did not incur any foreign exchange losses, as a result of my actions As Fixed Charge holder I did not withhold my consent on the accounts over which I held a Charge, legitimate payments were authorised and made to several parties, including those to BAI (Mitus) Co, HMRC

- On my insistence, via email, Moore Stephens converted the US\$'s on account at Coutts & Co at a favourable market rate

[5] CP's assertions regarding interest due on my loan are incorrect, please see point [3] above

[6] The treatment of BAI's WHT on interest paid may be incorrect, the loan was for a period of less than 12 months and therefore WHT may not be due

The points below shown are referenced to the number assigned within Notes to Statement of Affairs, provided by AG

Corporation Tax Liability

[7] As per the statutory draft accounts for 01 04 12 to 31 03 13

[8] Company's management accounts prepared as at 30 06 14 show a potential corporation tax liability of £16,950 00, on the assumption that no VAT charged would be recoverable and that VAT reclaimed would be repaid by HMRC In the event that VAT is recovered, the Company's corporation tax could potentially increase

[10] Assets (over claim for reimbursement) £136,070 00

- To the best of my knowledge no Meetings of the Directors were held at which APFB, CP, 1975 or SR terms and conditions of remuneration for Advisory, Consultancy, Directors or other services were agreed and/or approved
- Pursuant to the Share Holder Agreement relating to Arise Capital Limited dated 23 October 2012, any such meeting held would have had to adhere to Clause 5 Meetings of the Directors
 - Clause 5 4 'The quorum at any meeting of the Directors (including adjourned meetings) is two, provided that the quorum includes the AG Director (but only until such time as all amounts due and payable under the Loan Agreement have been indefeasibly repaid) and either the APFB Holdings Director or the SR Director (but only for such time as AG, APFB Holdings or SR holds the Relevant Percentage respectively) '
 - Therefore the meetings would have had to include AG
- Clause 6 Consent Matters - the Company shall not '6 2 10 approve the revision of the Business Plan or any subsequent business plan approved pursuant to Clause 8 '
- Therefore any creditors claims for payment for Advisory, Consultancy, Directors Services and or other services made by APFB, CP, 1975, SR or their connected companies are unauthorised and may be subject to misfeasance
- To the best of my knowledge no Meetings of the Directors were held at which the engagement of Farrer & Co was discussed, approved and authorised Therefore any



creditor claims for payment by Farrer & Co for Company legal fees are invalid If CP and/or SR have entered in to these arrangements, they did so in their personal capacity, not as Company Directors

- o Outstanding Advisory Fees (incl VAT) - Farrer & Co LLP £18,840 00
 - o Administration expenses - Farrer & Co LLP £25,665 00
 - o Email to Anthony Turner from Bryan Green dated 01 11 13
- I dispute the creditors claims for payment for Advisory, Consultancy, Directors Services or other services made by APFB, CP, 1975, SR or their connected companies after the 5 September 2013, for the following reasons
 - o The Company was dormant from 4 September 2013, due to it having insufficient funds to lend to third parties for the purpose of Film Bridge Finance
 - o AG Loan principal and interest was due for repayment on the 19 October 2013
- Based upon the points above the following creditor claims are invalid
 - o Outstanding Expenses (incl VAT) – APFB and SR totalling £36,977 54
 - o Outstanding Consultancy Fees (incl VAT) – APFB and SR totalling £78,951 00
 - o Outstanding Advisory Fees (incl VAT) – Maurice Andrews £4,656 00 (creditor claim should be £3,000 00)

and believe that, subject to these qualifications, the facts stated in the statement of affairs are a full, true and complete statement of the affairs of the company on the date that it entered administration

Full name

Adrian Gayler

Signed



Dated

14 November 2014

Subject: Arise Capital Limited - in Administration
Date: Friday, 17 October 2014 15 05 46 British Summer Time
From: William Ballmann
To: Phillip Sykes
CC: Adrian Gayler

Phillip

I attach Adnan Gayler's draft SA in relation to the Company. As you may have gathered by now, there is little to no prospect of the Company's actual or potential liabilities being agreed by the directors collectively. AG does not accept that a vast array of expenditure allegedly incurred by Mr Pettit and separately by Mr Robbins is properly chargeable to the Company, conversely, I expect, neither CP nor SR accept that some or all of AG's claims should be payable by the Company. A deadlock. Consequently, I doubt that you will get any one of them to agree the total potential liabilities other than a mathematical list on a "without prejudice" basis.

I also attach AG's completed directors questionnaire.

As regards AG's secured creditor claim against the Company, I note from your email of 16 September 2014 that you were taking Counsel's Opinion on the validity of AG's security. Have you obtained this? If so, what has Counsel had to say?

I note further that you have referred to Section 245 of the IA 1986. Whilst I accept that S245 of course applies given AG's position as a person connected with the Company and the date of the security instrument, I am not aware that there are any grounds for invalidity, of any part of the consideration provided by AG, within the meaning of S245(2) given that the whole of AG's advance was new money and that it was a strict condition of the terms of the facility that the Company would provide a convertible floating charge to AG in return. I believe you are aware that Taylor Wessing advised AG at the time.

Can AG's secured claim be determined as soon as possible please?

It will not surprise you to hear, given that Mr Pettit initially contested the administration application issued by AG as a creditor, that my firm's costs in connection with obtaining the Administration Order are considerable. Ideally we should agree these but I can have a formal bill of costs drawn up, if that proves necessary, albeit that will incur further costs.

I look forward to hearing from you.

Kind regards

William Ballmann
Partner
for Gateley LLP

dt +44 (0) 113 218 2475
df +44 (0) 113 218 2471
m +44 (0) 777 558 6346
WBallmann@gatelevuk.com
www.gatelevuk.com



Please consider the environment before printing my email

16

Arise Capital Limited ("Company")
Statement of Affairs Calculated
as at 29.08.14

US\$ 1,606 £	[1]	£	US\$	VAT
ASSETS				
	Cash in Bank (@ 29.08.14)	753.13	977,204.37	
	Stu City 2 & "Machete KRs" deferred revenues [2]			
	SUB-TOTAL	608,353.93		
Assets subject to a fixed charge				
	Adrian Gayler Loan [3]			
	Principal	350,000.00		
	Interest (less Withholding Tax) [4]	3,600.00		
	Interest to 20.10.13 to 29.08.14 (less Withholding Tax) [4]	19,024.58		
	Recovery costs [5]	82,260.00		
	SUB-TOTAL Assets subject to a fixed charge	456,884.58		
Assets subject to a floating charge				
Assets (over claim for reimbursement)	Monies claimed and paid out to APFB Services, Christopher Pettit and Stephen Robbins as per the debt accounts dated 31.03.13, but not limited, unauthorised payments by Directors for advisory fees, expenses and provision of business services and may be subject to misfeasance	136,070.00	[10]	
Estimated total assets available for preferential creditors		287,539.36		
LIABILITIES				
Secured preferential claim		-		
SUB-TOTAL Secured preferential claim		-		
Estimated deficiency/surplus as regards preferential creditors		287,539.36		
Estimated prescribed part of net property where applicable (to carry forward)		287,539.36		
Debt secured by floating charges				
Estimated deficiency/surplus of assets after floating charges		287,539.36		
Estimated prescribed part of net property where applicable (brought down)		287,539.36		
Total assets available to unsecured creditors		287,539.36		
Estimated deficiency/surplus of assets after floating charges		287,539.36		
Unsecured non-preferential claims				
	Outstanding Expenses (Incl. VAT)			
	APFB Services Limited (01.02.13 to 31.08.13)	[10]	-	
	APFB Services Limited (01.08.13 to 31.10.13)	[10]	-	
	Stephen Robbins (28.03.13 to 01.08.13)	[10]	-	
	Stephen Robbins (11.02.13 to 25.11.13)	[10]	-	
	Adrian Gayler (to 31.08.13)			
	Total Outstanding Expenses (Incl. VAT)			
	Outstanding Consultancy Fees (Incl. VAT)			
	APFB Services Limited (01.02.13 to 31.08.13)	[10]	-	
	Stephen Robbins (01.02.13 to 31.08.13)	[10]	-	
	Adrian Gayler (20.04.12 to 31.08.13)			
	Total Outstanding Consultancy Fees (Incl. VAT)			
	Outstanding Advisory Fees (Incl. VAT)			
	Company Legal Fees - Farrer & Co LLP	3,000.00	500.00	
	Company Accountancy Fees - Maurice Andrew	3,000.00		
	Total Outstanding Advisory Fees (Incl. VAT)	3,000.00	500.00	
	Estimated Owing to HMRC & Companies House			
	Withholding Tax Liability - BAI Co (MTRUS) Ltd [6]	10,863.44	3,217.81	
	Withholding Tax Liability - Adrian Gayler [5]	15,156.14		
	Corporation Tax Liability to 31.03.13	445.00	[7]	
	Corporation Tax Liability 01.04.13 to 25.08.14 Est	25,000.00	[8]	
	Companies House Late Filing Penalty Est	1,500.00		
	Withholding Tax Interest Est	700.00		
	VAT Refund [9]	500.00	500.00	[9]
	Total Estimated Owing to HMRC & Companies House	60,164.58		
	SUB-TOTAL Unsecured non-preferential claims	63,164.58		
Estimated deficiency after Fixed Charge (brought down)		224,374.77		
Estimated deficiency/surplus as regards creditors		224,374.77		
Issued and called up capital		1,000.00		
Estimated total deficiency/surplus as regards members		£ 225,374.77		(See Notes)

NOTES TO STATEMENT OF AFFAIRS

- (A) Costs in the administration (incl. those relating to Adrian Gayler's Application for an administration order / referenced in the Administration Order dated 29.08.14) are NOT included in the Statement of Affairs. See schedule Arise Capital Limited Creditors 29.08.14 attached.
- (B) However: Initial estimates c. £66k plus
- (C) Moore Stephens LLP fees and expenses are NOT included in the Statement of Affairs
- (D) The Company has US\$977,204.37 in bank accounts at Courts & Co. This exchange rate has been used to prepare the Statement of Affairs. It is subject to change.
- (E) The poor performance of "Stu City 2" & "Machete KRs" at the box office vs the cost of production and distribution of the films combined with Company's position in the recoupment waterfall means it is unlikely Company will receive any deferred revenues from these films.
- (F) Adrian Gayler's valid Floating Charge over accounts dated 08.02.13 (converted to a fixed charge on 04.08.13)
- (G) Calculated to maturity date of Adrian Gayler's Loan (31.10.13) Calculated 20.10.13 to 29.08.14
- (H) Amount TBC recovery fees for Bruton Charles Gately, Leonard Curtis, Toul Capital
- (I) Calculated using spot rate on 09.10.13 (£1 US\$1.6067) being the date BAI's interest was paid
- (J) As per draft statutory accounts for period 01.04.12 to 31.03.13
- (K) Company's management accounts prepared as at 30.06.14 showed a potential corporation tax liability of £14,550. This assumed that no VAT charged would be recovered by the Company and that VAT reclaimed/recovered by Company would be repayable to HMRC (see [9] below). In the event that the VAT charged is recoverable, Company's corporation tax liability will increase to the estimated amount.
- (L) VAT treatment of Company's supplies means Company's entitlement to be VAT registered and its right to VAT recovery on expenses may be questioned by HMRC. If successfully challenged, Company will have to repay VAT recovered (£18,829.07) and will not be able to recover the unclaimed VAT (£300,000). If the £18,829.07 has to be repaid to HMRC interest and penalties will also be payable. The level of such penalties will depend on HMRC's attitude following arguments put forward in mitigation. In Company's management accounts prepared as at 30.06.14 a penalty of 30% (£5,648.72) and interest (£300) was included.
- (M) The Board has not approved any contracts for advisors, contractors, consultants, employees or service providers therefore claims from APFB Holdings and Steve Robbins are invalid. Directors were making payments from the business without authorisation which was the reason why AG converted his Floating Charge to a Fixed Charge.

7

Name of creditor or Company	Contact	Address (with postcode)	Telephone	Email	Amount of debt (£)	Details of any security held by creditor	Date security given/created	Value of security (£)
Administration Expenses								
Gayler Adrian	N/A	Flat B, 12 Pavley Drive, Battersea, London, SW11 3TP	07702 764516	ag@monacapital.com	Advisory fees and legal costs borne by AG in order to recover repayment of the loan TBC	Court Order	29.08.14	Amount of debt
Manley's Solutions Limited	Perisodorio, Eddie	Media House 4 Stratford Place, London, W1C 1AT	020 7355 8919	eddie.perisodorio@manley-law.com	Manley's to provide copy of engagement letter & fully documented account of costs. Solicitors acting for AFPS Holdings Limited. (Should not include advice received from Stephen Shaw Miller at 12 New Square, Est. £12.5k + VAT)	Court Order	29.08.14	Amount of debt
Gardley LLP	Balimann, William	7th Floor, Toronto Square, Leeds, LS1 2HU	0113 218 2475	wb@balimann.co.uk	£33,865.20 (inc VAT) to 31.07.14 final amount TBC by Gardley. Solicitors acting for Adrian Gayler & who provided guidance and facilitation to all parties to ensure a successful outcome to the appointment of the Administrators.	Court Order	29.08.14	Amount of debt
Moore Stephens					TBC	Court Order	29.08.14	Amount of debt
Fixed Charge holder - Secured Creditor								
Gayler, Adrian	N/A	Flat B, 12 Pavley Drive, Battersea, London, SW11 3TP	07702 764516	ag@monacapital.com	£	Flating charge over accounts converted to a fixed charge pursuant to clause 3 of the charge. Loan principal, interest, plus accrued interest plus recovery costs (costs accruing until settlement)	08.02.13 (notice of conversion to a fixed charge received on 04.09.13)	Secured creditor
Creditors								
Gayler Adrian	N/A	Flat B, 12 Pavley Drive, Battersea, London, SW11 3TP	07702 764516	ag@monacapital.com	£	N/A		N/A
Maurice Andrews	Pettit, Michael	Grove House 23 Upper Mulgrave Road, Charn, Surrey SM2 7BE	020 8647 2060	michael.pettit@mauriceandrews.co.uk	£	Disputed by AG £4,056.00 maximum £3,000 as per approved engagement		N/A
HMRC				Estimated	£	54,666.58	N/A	N/A
Companies House				Estimated	£	1,500.00	N/A	N/A

6

Arise Capital Limited -
Shareholders
29.08.14

Name of Shareholder	Address (with postcode)	No. of Shares held	Nominal Value (£)	Details of Shares Held
Gayler, Adrian	Flat B, 12 Paveley Drive, Battersea, London, SW11 3TP	510	510.00	£1 ordinary shares. Adrian Gayler is holding 110 £1 ordinary shares on trust for Abir Mukherjee
APEB Holdings Limited	25-28 Ransome's Dock, 35-37 Parkgate Road, London, SW11 4NP	295	295.00	£1 ordinary shares.
Robbins, Stephen	62 Main Street, Stonnall, Walsall, West Midlands, WS9 9DX	195	195.00	£1 ordinary shares

B

Gayler secured creditor

1. Unsecured Creditors										2. Secured Creditors		3. Fixed Charge Holders		4. Floating Charge Holders		5. Total											
Fixed Charge Holder										Loan Principal		£		76 71		£		350,000 00									
Coupon Interest to 19 10 13 (@£76 71 per day)										183 £		-		£		14 038 30		£		5,600 00							
Coupon Interest Accrual 20 10 13 to 29 08 14 (@£76 71 per day)										310 £		-		£		23 780 72		£		19 024 58							
*separate recovery costs from administration expenses										Gateley LLP (legal fees) 31 07 14		Inc VAT		£		5,618 55		£		28,246 75		£		33,865 30			
Leonard Curtis (recovery fees)										Inc VAT		£		870 00		£		-		£		4,350 00		£		5,220 00	
True Consultancy (recovery fees)										Inc VAT		£		12,700 00		£		-		£		63,500 00		£		76,200 00	
Barton Charles (recovery fees)										Inc VAT		£		140 00		£		-		£		700 00		£		840 00	
Sub total																										907 49 88	
6. Unsecured Creditors										Business travel and expenses		(exc VAT)		£		4,502 83		£		4,502 83							
Year 1 Consulting Fees (to match APFB Holdings and Steve Robbins)										(exc VAT)		£		20,000 00		£		20,000 00		£		20,000 00					
Year 2 Consulting Fees (at £4,166 pm)										(exc VAT)		£		4 166 00		£		37,494 00		£		37,494 00					
Sub total																										61,996 83	

Additional fees

Subject: RE Arise Capital Ltd 2nd email [FARR mWg]
Date: Friday, 1 November 2013 15 44.53 Greenwich Mean Time
From: Bryan Green
To: BLAKE, Martin, TURNER, Anthony
CC: chris.pettit@arisepictures.com, Alex Cadwallader (Alex.Cadwallader@leonardcurtis.co.uk), Neil Bennett, Adrian Gayler, steve.robbins@arisepictures.com, Abir Mukherjee - (abir@athenacorporatefinance.com)

Dear Sir,

1. You still have not informed us who exactly your client is. Can you please by return confirm who your client or clients are?

For the purpose this email we are assuming you are acting for Mr Pettit and Mr Robbins.

2. Please confirm whether your clients will be co-operating with Mr Cadwallader of Leonard Curtis when he attends the companies premises assuming your client allows him access? To this end please confirm whether or not your client/s will be refusing him access to the companies premises?

As mentioned in our earlier email our client will be co-operating with Mr Cadwallader.

We have a different opinion on who will be responsible for the cost of such an IBR and as such reserve our clients rights.

Regards

Bryan Green
TnuCapital LLP
Mob:+44(0)7931 557737

www.TnuCapital.com

This communication and any attachments contains information which is confidential and may be subject to legal privilege. It is for intended recipients only. If you are not the intended recipient you must not copy, distribute, publish, rely on or otherwise use it without our consent. Some of our communications may contain confidential information which it could be a criminal offence for you to disclose or use without authority. If you have received this email in error please notify info@TnuCapital.com immediately and delete the email from your computer.

From: BLAKE, Martin [mailto:martin.blake@farrer.co.uk]
Sent: 31 October 2013 21:46
To: Bryan Green; TURNER, Anthony
Cc: chris.pettit@arisepictures.com; Alex Cadwallader (Alex.Cadwallader@leonardcurtis.co.uk), Neil Bennett,

Adnan Gayler (ag@monzacapital.com), steve robbins@arisepictures.com; Abir Mukherjee -
(abir@athenacorporatefinance.com)
Subject: RE: Arise Capital Ltd 2nd email [FARR.mLWg]

Dear Mr Green

I write to respond only on one point for now as Mr Pettit is on holiday this week and we have only had the opportunity to catch up with him briefly on the telephone

We note from a subsequent email that Mr Cadwallader is proposing to attend the company's offices on Tuesday 5 November 2103

Our client does not agree to Leonard Curtis carrying out an IBR of the company. We refer you to our letter dated 24 October 2013 which states, amongst other things, that Arise Capital is not in default under the loan agreement and the charge is therefore not enforceable

Accordingly, Mr Gayler has no right to make such a request and the Company is not responsible for any costs incurred in connection with such review. Furthermore, such a request is entirely spurious given that Mr Gayler has access to the information requested

We will speak to our client on Monday and look to provide a fuller response to your email thereafter

Yours sincerely

Martin Blake
Partner
Farrer & Co
Tel +44 (0)20 3375 7353

From: Bryan Green [mailto:bryan.green@tnuicapital.co.uk]
Sent: 29 October 2013 4:36 PM
To: TURNER, Anthony; BLAKE, Martin
Cc: chris.pettit@arisepictures.com; Alex Cadwallader (Alex.Cadwallader@leonardcurtis.co.uk), Neil Bennett, Adnan Gayler (ag@monzacapital.com); steve.robbins@arisepictures.com
Subject: RE: Arise Capital Ltd 2nd email

Dear Sir,

We act for Mr A Gayler.

Our client is delighted you are now involved as he believes commercial sense may prevail. We assume you are acting for Mr. Chris Pettit and Mr. Stephen Robbins, given you don't have any authority to act on behalf of the company.

Our client is not only the charge-holder, but also the 51% shareholder and director. You will of course be aware that as 51% shareholder and charge-holder he has a significant interest in the company. It is also clear that the board is deadlocked and until the deadlock is resolved no business can be undertaken.

It is clear that our respective clients do not wish to undertake any further business together and as such a commercial resolution needs to be found whereby either your client buys our client out or the company is wound up. It is a very simply

www.TnuiCapital.com

This communication and any attachments contains information which is confidential and may be subject to legal privilege. It is for intended recipients only. If you are not the intended recipient you must not copy, distribute, publish, rely on or otherwise use it without our consent. Some of our communications may contain confidential information which it could be a criminal offence for you to disclose or use without authority. If you have received this email in error please notify info@TnuiCapital.com immediately and delete the email from your computer.

From: Bryan Green

Sent: 29 October 2013 16:30

To: 'Anthony.Turner@farrer.co.uk'; 'martin.blake@farrer.co.uk'

Cc: 'chris.pettit@arisepictures.com', Alex Cadwallader (Alex.Cadwallader@leonardcurtis.co.uk), 'Neil Bennett'; Adrian Gayler (ag@monzacapital.com); 'steve.robins@arisepictures.com'

Subject: Arise Capital Ltd IBR

Dear Sir,

We act for Mr A Gayler the charge holder registered over Arise Capital Ltd ("Arise"). We assume that you are acting for Mr Chris Pettit and / or Mr. Stephen Robbins, given the company has not authorized you to act. We are sure you are aware the board is deadlocked and no resolution has been passed to engage solicitors. Please confirm who you are acting for? That being said our client welcomes your participation, as he believes your involvement may bring some commercial sense to these matters.

Our client as charge-holder has asked Mr A Cadwallader of Leonard Curtis to undertake an Independent Business Review ("IBR") of Arise Capital Limited. Our client as both Director and shareholder is agreeable to Mr Cadwallader to undertake the IBR. We understand Mr Cadwallader along with members of his team will be attending the premises on Thursday the 31st of October at 10 am and as such would ask that your clients provide them with all the assistance necessary to complete their review. Our client will also be providing them assistance as requested. Mr Cadwallader will be contacting you shortly to make arrangements for Thursday's visit.

We have copied all relevant parties in to this email to ensure that everyone is aware of their arrival.

Once the IBR has been undertaken our client will then be in a better position to see a way forward with these matters. Your client can always make submission in respect of the future of the business as he / they see appropriate.

Kind regards

Bryan Green

TnuiCapital LLP

Mob:+44(0)7931 557737

www.TnuiCapital.com

This communication and any attachments contains information which is confidential and may be subject to legal privilege. It is for intended recipients only. If you are not the intended recipient you must not copy, distribute, publish, rely on or otherwise use it without our consent. Some of our communications may contain confidential information which it could be a criminal offence for you to disclose or use without authority. If you have received this email in error please notify info@TnuiCapital.com immediately and delete the email from your computer.