

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): May 2, 2013

STRATUS MEDIA GROUP, INC.

NEVADA
(State or other jurisdiction of incorporation)

000-24477
(Commission File Number)

86-0776876
(IRS Employer Identification No.)

1800 Century Park East, 6th Floor
Los Angeles California 90067
(Address of principal executive offices)

(310) 526-8700
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act of 1933 (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(e) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

Effective May 2, 2013, Stratus Media Group, Inc. (the "Company") entered into Debt Conversion Agreements with two holders of the Company's promissory notes pursuant to which the holder converted promissory notes with an aggregate amount of \$1,349,999 into an aggregate of 22,499,984 shares of the Company's Common Stock. A form of Debt Conversion Agreement is attached as Exhibit 10.01 to this Form 8-K and is incorporated by reference.

Effective May 29, 2013, the Company entered into Series E Preferred Stock Conversion and Warrant Agreements with all of the holders of the Company's Series E Preferred Stock and associated warrants pursuant to which the holders agreed to convert their shares of Series E Preferred Stock into an aggregate of 157,500,000 shares of the Company's Common Stock and to exercise warrants which will result in the issuance of an aggregate of 102,326,388 shares of the Company's Common Stock. A form of the Series E Preferred Stock Conversion Agreement and Warrant Exercise Agreement is attached as Exhibit 10.02 and incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities

As stated in Item 1.01 above, which information is hereby incorporated herein by this reference, effective as of May 2, 2013, the Company agreed to issue an aggregate of 22,499,984 shares of its Common Stock pursuant to Debt Conversion Agreements, and, effective as of May 29, 2013, the Company agreed to issue an aggregate of 259,826,388 shares of its Common Stock pursuant to Series E Preferred Stock Conversion and Warrant Exercise Agreements.

None of the shares have been or will be registered under the Securities Act of 1933, as amended (the "Act"), in reliance upon the exemption from registration contained in Section 4(2) of the Act. Such shares may not be reoffered or sold in the United States by the holder in the absence of an effective registration statement or exemption from the registration requirements of the Act.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.01	Debt Conversion Agreement, dated as of May 2, 2013, by and among the Company and certain holders of the Company's Promissory Notes.
10.02	Series E Preferred Stock Conversion and Warrant Exercise Agreement, dated as of May 29, 2013, by and among the Company and the holders of the Series E Preferred Stock.

SIGNATURE

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

Date: June 18, 2013

STRATUS MEDIA GROUP, INC.

By: /s/ Jerold Rubinstein
Jerold Rubinstein, Chief Executive Officer

Exhibit Index

Exhibit Number

Description

10.01

Debt Conversion Agreement, dated as of May 2, 2013, by and among the Company and certain holders of the Company's Promissory Notes.

10.02

Series E Preferred Stock Conversion and Warrant Exercise Agreement, dated as of May 29, 2013, by and among the Company and the holders of the Series E Preferred Stock.

DEBT CONVERSION AGREEMENT

THIS DEBT CONVERSION AGREEMENT (this "Agreement") is made and entered into as of April __, 2103 by and between Stratus Media Group, Inc., a Nevada corporation (the "Company"), and _____ ("Purchaser").

RECITALS

A. Purchaser holds a promissory note in the original principal amount of \$ _____ dated _____ (the "Note").

B. The Company is in the process of attempting a recapitalization (the "Recapitalization") pursuant to which the Company desires to (i) raise capital to restart certain of its operations; (ii) restructure certain of its equity; and (c) extinguish a significant portion of its debt, although no assurance can be given that the Recapitalization will be successful in whole or in part.

C. On the terms and subject to the conditions of this Agreement, Purchaser desires to convert the Note for shares of the Common Stock of the Company at a price of \$0.06 per share.

NOW, THEREFORE, with reference to the foregoing facts, the Company and the Purchaser agree as follows:

AGREEMENT

1. **Conversion of Note.** The Company hereby issues to Purchaser ___ shares (the "Shares") of Common Stock of the Company, and the Purchaser hereby converts the Note into the Shares. The number of Shares has been determined based upon dividing the outstanding balance of the Note (principal of \$ _____ plus accrued and unpaid interest of \$ _____ as of the date hereof) by \$ _____ and rounding to the nearest whole Share. Purchaser has concurrently herewith delivered the original Note to the Company. The Company agrees to instruct its transfer agent to issue the Shares to Purchaser promptly after the date hereof.

2. **Representations and Warranties of the Purchaser.** Purchaser hereby represents and warrants to, and agrees with, the Company as follows:

2.1 Purchaser understands that: (a) the Shares are not registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws; (b) the issuance and sale of the Shares is intended to be exempt from registration under the Securities Act, by virtue of Section 4(2) thereof and the provisions of Regulation D promulgated thereunder, based, in part, upon the representations, warranties and agreements of the Purchaser contained in this Agreement.

2.2 Purchaser has had a reasonable opportunity to ask questions of and receive answers from a person or persons acting on behalf of the Company concerning the offering of the Shares and the business, financial condition, results of operations and prospects of the Company and all such questions have been answered to the full satisfaction of the Purchaser.

2.3 Purchaser has such knowledge and experience in financial, tax, and business matters, and, in particular, investments in securities, so as to enable Purchaser to utilize the information made available to Purchaser in connection with the offering of the Shares to evaluate the merits and risks of an investment in the Shares and to make an informed investment decision with respect thereto.

2.4 Purchaser is not relying on the Company or any of its employees or agents with respect to the legal, tax, economic and related considerations of the acquisition of the Shares, and the Purchaser has relied on the advice of, or has consulted with, only his own advisors.

2.5 Purchaser is acquiring the Shares solely for the Purchaser's own account for investment and not with a view to resale or distribution thereof, in whole or in part.

2.6 Purchaser must bear the substantial economic risks of the investment in the Shares indefinitely, because none of the Shares may be sold, assigned, transferred, hypothecated or otherwise encumbered or disposed of unless subsequently registered under the Securities Act and applicable state securities laws or any exemption from such registration is available. Legends shall be placed on the Shares to the effect that they have not been registered under the Securities Act or applicable state securities laws. In addition, appropriate notations thereof will be made in the Company's books, and stop transfer instructions will be placed with the transfer agent of the Shares.

2.7 Purchaser has adequate means of providing for such Purchaser's current financial needs and foreseeable contingencies and has no need for liquidity of the investment in the Shares for an indefinite period of time.

2.8 PURCHASER UNDERSTANDS THAT AN INVESTMENT IN THE SHARES INVOLVES A HIGH DEGREE OF RISK.

2.9 Purchaser is an "accredited investor" under Regulation D under the Securities Act.

3. Confidentiality and Insider Trading. Purchaser acknowledges and agrees that any information or data Purchaser has acquired from or about the Company, not otherwise properly in the public domain, was received in confidence. Purchaser agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Agreement, or use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any confidential information of the Company, including any trade or business secrets of the Company and any scientific, technical, trade or business materials that are treated by the Company as confidential or proprietary.

4. Miscellaneous

4.1 This Agreement constitutes the entire agreement between Purchaser and the Company with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings, if any, relating to the subject matter hereof. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions.

4.2 Purchaser's representations and warranties made in this Agreement shall survive the execution and delivery hereof and delivery of the Shares.

4.3 This Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

4.4 Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions hereof are determined to be invalid or contrary to applicable law such invalidity or illegality shall not impair the operation of or affect the remaining portions of this Agreement.

4.5 This Agreement shall be governed by and construed in accordance with the laws of the State of California relating to contracts entered into and to be performed wholly within such State.

4.6 Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

STRATUS MEDIA GROUP, INC.

By: _____

Name: Jerrold Rubinstein

Its: Chief Executive Officer

PURCHASER:

**SERIES E PREFERRED STOCK CONVERSION AND
WARRANT EXERCISE AGREEMENT**

This Series E Preferred Stock Conversion and Warrant Exercise Agreement (this "Agreement") is made and entered into as of April __, 2013, by and between Stratus Media Group, Inc., a Nevada corporation (the "Company") and _____ ("Investor") with reference to the following facts:

A. Investor has purchased an aggregate of _____ shares of the Company's Series E Preferred Stock (the "Preferred Shares").

B. The Certificates of Designation with respect to the Preferred Shares grants Investor certain rights, preferences and privileges, including (i) the right at any time to voluntarily convert the Preferred Shares into shares of the Company's common stock, and (ii) anti-dilution protection, pursuant to which the conversion price of the Preferred Shares will decrease on a full-ratchet basis in the event that the Company issues additional equity securities (or warrants or securities convertible into common stock) at a price less than the conversion price of the Preferred Shares.

C. In connection with the purchase of the Preferred Shares, the Company issued to Investor warrants (the "Warrants") to initially purchase an aggregate of _____ shares at an initial exercise price of \$___ per share.

D. The Warrants also contain anti-dilution protection pursuant to which the exercise price will decrease on the same basis as the conversion price for the Preferred Shares.

E. The Company is in the process of attempting a recapitalization (the "Recapitalization") pursuant to which the Company desires to (i) raise capital to restart certain of its operations; (ii) restructure certain of its equity; and (iii) extinguish a significant portion of its debt, although no assurance can be given that the Recapitalization will be successful in whole or in part.

F. As a result of the issuance of additional securities subsequent to the issuance of the Warrants and the Preferred Shares, the conversion price of the Preferred Shares and the exercise price of the Warrants have been reduced to \$0.03 per share.

NOW, THEREFORE, the parties hereto agree as follows:

1. Conversion. Notwithstanding Recital F, above, and to assist the Company with the Recapitalization, Investor hereby agrees to convert each Preferred Share into shares of the Company's Common Stock (the "Conversion Shares") at a conversion price of \$0.06 per Share resulting in the issuance of _____ Conversion Shares, and to exercise the Warrants on the basis of one share of Company Common Stock for every 2.5 shares otherwise issuable upon exercise of the Warrants (the "Warrant Shares") resulting in the issuance of _____ Warrant Shares. Concurrently with the execution of this Agreement, in order to effect the foregoing conversion and exercise, Investor is hereby delivering to the Company the stock certificates for the Preferred Shares and the Warrants, together with a stock assignment form duly endorsed for transfer.

2. Representations and Warranties of Investor. Investor represents and warrants to the Company as follows:

2.1 Investor understands that: (a) the Conversion Shares and the Warrant Shares (collectively, the “Shares”) are not registered under the Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws; (b) the issuance and sale of the Shares is intended to be exempt from registration under the Securities Act, by virtue of Section 4(2) thereof and the provisions of Regulation D promulgated thereunder, based, in part, upon the representations, warranties and agreements of the Investor contained in this Agreement.

2.2 Investor has had a reasonable opportunity to ask questions of and receive answers from a person or persons acting on behalf of the Company concerning the offering of the Shares and the business, financial condition, results of operations and prospects of the Company and all such questions have been answered to the full satisfaction of the Investor.

2.3 Investor has such knowledge and experience in financial, tax, and business matters, and, in particular, investments in securities, so as to enable Investor to utilize the information made available to Investor in connection with the offering of the Shares to evaluate the merits and risks of an investment in the Shares and to make an informed investment decision with respect thereto.

2.4 Investor is not relying on the Company or any of its employees or agents with respect to the legal, tax, economic and related considerations of the acquisition of the Shares, and the Investor has relied on the advice of, or has consulted with, only his own advisors.

2.5 Investor is acquiring the Shares solely for the Investor's own account for investment and not with a view to resale or distribution thereof, in whole or in part.

2.6 Investor must bear the substantial economic risks of the investment in the Shares indefinitely, because none of the Shares may be sold, assigned, transferred, hypothecated or otherwise encumbered or disposed of unless subsequently registered under the Securities Act and applicable state securities laws or any exemption from such registration is available. Legends shall be placed on the Shares to the effect that they have not been registered under the Securities Act or applicable state securities laws. In addition, appropriate notations thereof will be made in the Company's books, and stop transfer instructions will be placed with the transfer agent of the Shares.

2.7 Investor has adequate means of providing for such Investor's current financial needs and foreseeable contingencies and has no need for liquidity of the investment in the Shares for an indefinite period of time.

2.8 THE PURCHASER UNDERSTANDS THAT AN INVESTMENT IN THE SHARES INVOLVES A HIGH DEGREE OF RISK.

2.9 Investor is an “accredited investor” under Regulation D under the Securities Act.

3. Brokers or Finders. No agent, broker, investment banker, person or firm will be entitled to any fee or commission directly or indirectly from the Company in connection with the conversion and exercise contemplated hereby.

4. Performance by the Company. The Company shall cancel the stock certificates for the Preferred Shares and the Warrants and issue a new certificate representing the Conversion Shares and the Warrant Shares in the name of Investor.

5. Release by Investor. In consideration of the mutual promises and covenants set forth herein, Investor hereby releases and absolutely discharges the Company and each of its past and present officers, directors, shareholders, employees, predecessors, successors in interest, attorneys, agents, assigns, parent companies, affiliates, accountants, investors, representatives, and each of them (the "Company Parties"), from any and all claims, debts, liabilities, demands, obligations, promises, acts, agreements, accounts, accountings, costs, and expenses (including, but not limited to, attorneys' fees and costs), damages, liens, judgments, actions and causes of action, of every kind and nature whatsoever, at law or in equity, known or unknown, suspected or unsuspected which Investor ever had, or now has against the Company Parties, in connection with or arising from the Preferred Shares, the purchase by Investor of the Preferred Shares, or otherwise, including any obligation by the Company to register the stock underlying the Preferred Shares or the Warrants or the conversion of the Preferred Shares or exercise of the Warrants at a conversion price or exercise price above the current conversion price or exercise price, as the case may be.

6. Confidentiality and Insider Trading.

6.1 Investor acknowledges and agrees that any information or data Investor has acquired from or about the Company, not otherwise properly in the public domain, was received in confidence. Investor agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Agreement, or use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any confidential information of the Company, including any trade or business secrets of the Company and any scientific, technical, trade or business materials that are treated by the Company as confidential or proprietary.

7. General.

7.1 Binding Nature of Agreement; No Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7.2 Entire Agreement. This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, except as herein contained.

7.3 Counterparts and Facsimile Signatures. Each of the parties hereto agrees that this Agreement may be executed in any number of counterparts. Each counterpart shall be deemed to be an original and when taken together with the other signed counterparts, shall constitute one instrument, which shall be binding and effective as to the parties to the Agreement. This Agreement may be brought into effect by facsimile signature, which shall be treated as an original.

7.4 Controlling Law. This Agreement and all questions relation to its validity, interpretation, performance and enforcement, shall be governed by and construed in accordance with the internal laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

STRATUS MEDIA GROUP, INC.

By: _____
Name: Jerrold Rubinstein
Title: Chief Executive Officer

INVESTOR:

By: _____
Name: _____