

PRIVATE MEDIA GROUP INC  
Form SC 13D/A  
October 22, 2010

---

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
Under the Securities Exchange Act of 1934  
(Amendment No. 3)\*

Private Media Group, Inc.

---

(Name of Issuer)

Common Stock

---

(Title of Class of Securities)

74266R104

---

(CUSIP Number)

Jacques de Blik, Consipio Holding BV WALSOORDENSESTRAAT 70 WALSOORDEN, The Netherlands 4588  
KD Phone : 011 31 114 687 272

---

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

October 22, 2010

---

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

Edgar Filing: PRIVATE MEDIA GROUP INC - Form SC 13D/A

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

---

NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100  
101  
102  
103  
104  
105  
106  
107  
108  
109  
110  
111  
112  
113  
114  
115  
116  
117  
118  
119  
120  
121  
122  
123  
124  
125  
126  
127  
128  
129  
130  
131  
132  
133  
134  
135  
136  
137  
138  
139  
140  
141  
142  
143  
144  
145  
146  
147  
148  
149  
150  
151  
152  
153  
154  
155  
156  
157  
158  
159  
160  
161  
162  
163  
164  
165  
166  
167  
168  
169  
170  
171  
172  
173  
174  
175  
176  
177  
178  
179  
180  
181  
182  
183  
184  
185  
186  
187  
188  
189  
190  
191  
192  
193  
194  
195  
196  
197  
198  
199  
200  
201  
202  
203  
204  
205  
206  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217  
218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253  
254  
255  
256  
257  
258  
259  
260  
261  
262  
263  
264  
265  
266  
267  
268  
269  
270  
271  
272  
273  
274  
275  
276  
277  
278  
279  
280  
281  
282  
283  
284  
285  
286  
287  
288  
289  
290  
291  
292  
293  
294  
295  
296  
297  
298  
299  
300  
301  
302  
303  
304  
305  
306  
307  
308  
309  
310  
311  
312  
313  
314  
315  
316  
317  
318  
319  
320  
321  
322  
323  
324  
325  
326  
327  
328  
329  
330  
331  
332  
333  
334  
335  
336  
337  
338  
339  
340  
341  
342  
343  
344  
345  
346  
347  
348  
349  
350  
351  
352  
353  
354  
355  
356  
357  
358  
359  
360  
361  
362  
363  
364  
365  
366  
367  
368  
369  
370  
371  
372  
373  
374  
375  
376  
377  
378  
379  
380  
381  
382  
383  
384  
385  
386  
387  
388  
389  
390  
391  
392  
393  
394  
395  
396  
397  
398  
399  
400  
401  
402  
403  
404  
405  
406  
407  
408  
409  
410  
411  
412  
413  
414  
415  
416  
417  
418  
419  
420  
421  
422  
423  
424  
425  
426  
427  
428  
429  
430  
431  
432  
433  
434  
435  
436  
437  
438  
439  
440  
441  
442  
443  
444  
445  
446  
447  
448  
449  
450  
451  
452  
453  
454  
455  
456  
457  
458  
459  
460  
461  
462  
463  
464  
465  
466  
467  
468  
469  
470  
471  
472  
473  
474  
475  
476  
477  
478  
479  
480  
481  
482  
483  
484  
485  
486  
487  
488  
489  
490  
491  
492  
493  
494  
495  
496  
497  
498  
499  
500  
501  
502  
503  
504  
505  
506  
507  
508  
509  
510  
511  
512  
513  
514  
515  
516  
517  
518  
519  
520  
521  
522  
523  
524  
525  
526  
527  
528  
529  
530  
531  
532  
533  
534  
535  
536  
537  
538  
539  
540  
541  
542  
543  
544  
545  
546  
547  
548  
549  
550  
551  
552  
553  
554  
555  
556  
557  
558  
559  
560  
561  
562  
563  
564  
565  
566  
567  
568  
569  
570  
571  
572  
573  
574  
575  
576  
577  
578  
579  
580  
581  
582  
583  
584  
585  
586  
587  
588  
589  
590  
591  
592  
593  
594  
595  
596  
597  
598  
599  
600  
601  
602  
603  
604  
605  
606  
607  
608  
609  
610  
611  
612  
613  
614  
615  
616  
617  
618  
619  
620  
621  
622  
623  
624  
625  
626  
627  
628  
629  
630  
631  
632  
633  
634  
635  
636  
637  
638  
639  
640  
641  
642  
643  
644  
645  
646  
647  
648  
649  
650  
651  
652  
653  
654  
655  
656  
657  
658  
659  
660  
661  
662  
663  
664  
665  
666  
667  
668  
669  
670  
671  
672  
673  
674  
675  
676  
677  
678  
679  
680  
681  
682  
683  
684  
685  
686  
687  
688  
689  
690  
691  
692  
693  
694  
695  
696  
697  
698  
699  
700  
701  
702  
703  
704  
705  
706  
707  
708  
709  
710  
711  
712  
713  
714  
715  
716  
717  
718  
719  
720  
721  
722  
723  
724  
725  
726  
727  
728  
729  
730  
731  
732  
733  
734  
735  
736  
737  
738  
739  
740  
741  
742  
743  
744  
745  
746  
747  
748  
749  
750  
751  
752  
753  
754  
755  
756  
757  
758  
759  
760  
761  
762  
763  
764  
765  
766  
767  
768  
769  
770  
771  
772  
773  
774  
775  
776  
777  
778  
779  
780  
781  
782  
783  
784  
785  
786  
787  
788  
789  
790  
791  
792  
793  
794  
795  
796  
797  
798  
799  
800  
801  
802  
803  
804  
805  
806  
807  
808  
809  
810  
811  
812  
813  
814  
815  
816  
817  
818  
819  
820  
821  
822  
823  
824  
825  
826  
827  
828  
829  
830  
831  
832  
833  
834  
835  
836  
837  
838  
839  
840  
841  
842  
843  
844  
845  
846  
847  
848  
849  
850  
851  
852  
853  
854  
855  
856  
857  
858  
859  
860  
861  
862  
863  
864  
865  
866  
867  
868  
869  
870  
871  
872  
873  
874  
875  
876  
877  
878  
879  
880  
881  
882  
883  
884  
885  
886  
887  
888  
889  
890  
891  
892  
893  
894  
895  
896  
897  
898  
899  
900  
901  
902  
903  
904  
905  
906  
907  
908  
909  
910  
911  
912  
913  
914  
915  
916  
917  
918  
919  
920  
921  
922  
923  
924  
925  
926  
927  
928  
929  
930  
931  
932  
933  
934  
935  
936  
937  
938  
939  
940  
941  
942  
943  
944  
945  
946  
947  
948  
949  
950  
951  
952  
953  
954  
955  
956  
957  
958  
959  
960  
961  
962  
963  
964  
965  
966  
967  
968  
969  
970  
971  
972  
973  
974  
975  
976  
977  
978  
979  
980  
981  
982  
983  
984  
985  
986  
987  
988  
989  
990  
991  
992  
993  
994  
995  
996  
997  
998  
999  
1000

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)   
(b)

SEC USE ONLY

SOURCE OF FUNDS

WC

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(e) or 2(f)

CITIZENSHIP OR PLACE OF ORGANIZATION

The Netherlands

SOLE VOTING POWER

5,600,000

SHARED VOTING POWER

0

NUMBER OF SHARES  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON WITH

SOLE DISPOSITIVE POWER

5,600,000

SHARED DISPOSITIVE POWER

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,600,000

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

26.9 (1)%

TYPE OF REPORTING PERSON

CO

(1) Based on 20,835,824 shares of common stock reported outstanding in Private Media Group, Inc.'s proxy statement filed with the Securities and Exchange Commission on October 8, 2010.

Item 1. Security and Issuer

Item 2. Identity and Background

- (a)
- (b)
- (c)
- (d)
- (e)
- (f)

Item 3. Source and Amount of Funds or Other Consideration

Item 3 is amended in full as follows:

The shares of Common Stock as to which beneficial ownership is claimed by the Reporting Person under Item 5 (the "Shares") are the subject of a pledge agreement (the "Pledge Agreement") executed in favor of the Reporting Person (as successor in interest to Commerzbank AG, a German corporation) by Slingsby Enterprises Limited, a company organized under the laws of Gibraltar ("Slingsby"), to secure certain indebtedness (the "Note") of the Issuer guaranteed by Slingsby. Slingsby is controlled by Berth H. Milton, the Issuer's Chairman and a principal stockholder of the Issuer. On or about July 6, 2010, the Reporting Person delivered a written demand for payment and notice of default to the Issuer, Slingsby, Mr. Milton and each member of the board of directors of the Issuer. The demand for payment included a demand for delivery of the pledged shares and formal notice to Slingsby, the Issuer and Mr. Milton that the Reporting Person claims sole voting power over the pledged shares. On May 27, 2010, the Reporting Person filed an action in New York Supreme Court, County of New York (Consipio Holding BV v. Private Media Group, Inc. and Slingsby Enterprises Limited, Index No. 650462/2010), against the Issuer and Slingsby to enforce the Issuer's and Slingsby's payment obligations on the Note.

Item 4. Purpose of Transaction

Item 4 is amended in full as follows:

On or about April 17, 2003, the Reporting Person acquired the interests of Commerzbank AG with respect to the Note, the Pledge Agreement and related agreements, rights and remedies. The Issuer admits the existence of its indebtedness to the Reporting Person. The Issuer has failed and refused to cooperate with the Reporting Person in its attempted assertion of its right to cause the transfer to itself of 1,650,000 shares of the Common Stock as to which the Reporting Person holds a certificate under the Pledge Agreement. The Issuer has, in derogation of the Reporting Person's rights under the Pledge Agreement, instructed its transfer agent to refuse to transfer said shares of the Common Stock to the Reporting Person as provided for upon an event of default pursuant to the Pledge Agreement. In addition, sometime during the year 2008, Slingsby, in violation of

express covenants of the Pledge Agreement to the contrary, caused a transfer of the remaining pledged shares of the Common Stock (3,950,000 shares) to another entity controlled by Mr. Milton. All of the Shares are reported as being owned beneficially by Mr. Milton in filings under Section 16 of the Securities and Exchange Act of 1934 (the "Exchange Act").

On September 16, 2010, in accordance with the requirements of Section 2.9 of the Issuer's Bylaws, the Reporting Person, acting in the name of Slingsby pursuant to a power of attorney provided for in the Pledge Agreement, delivered a Notice of Nomination of Persons for Election to the Board of Directors of Private Media Group, Inc. naming 6 persons as nominees for election as directors at the next annual meeting of stockholders of the Issuer. The Notice of Nomination also expressed the Reporting Person's intention to solicit proxies from the Issuer's stockholders for the election of the proposed slate of nominees. The Reporting Person has now filed a preliminary proxy statement (the "Preliminary Proxy Statement") with the Securities and Exchange Commission (the "Commission"). Stockholders are urged to read the Reporting Person's definitive proxy materials when they become available, as they will contain important information, and to refrain from acting with respect to the election of directors of the Issuer until they have reviewed and considered the Reporting Person's definitive proxy materials.

On or about August 12, 2010, the Reporting Person, together with Ilan Bunimovitz, Tisbury Services Inc., a British Virgin Islands Issuer limited by shares ("Tisbury"), and Claudio Gianascio filed a complaint against the Issuer and certain officers and directors of the Issuer in the District Court of Clark County, Nevada seeking, among other remedies, the appointment of a receiver under authority of Nevada Revised Statutes Section 78.650 and an injunction enjoining the Issuer from issuing any additional shares of stock, incurring any additional debt, disposing of any business assets outside of the ordinary course of business, making any loans to any officer or director of the Issuer or any affiliate of any such person, closing any bank or brokerage account and paying any bonus to any officer or director of the Issuer (the "Nevada Action"). The Nevada Action was filed on grounds that the Issuer has been mismanaged by its present Chairman and board of directors. The plaintiffs in the Nevada Action also assert derivative claims for damages against the individual defendants on behalf of the Issuer.

On September 10, 2010, the Reporting Person executed a form of written consent of the Issuer's stockholders to approve resolutions to amend the Issuer's Bylaws in certain respects. The written consent of stockholders to approve the bylaw amendments was previously presented by the Reporting Person to three other holders of the Issuer's Common Stock, including Mr. Bunimovitz, Tisbury and Michael K. Ackrell, who, together with the Reporting Person, hold voting power over more than 50% of the voting power of the Issuer's Common Stock and have, as of September 10, 2010, executed the written consent as presented.

As amended, the Bylaws include, among other changes, amendments (a) to fix the number of directors at six (6) until amended by further vote or consent of the stockholders; (b) to limit the power of the board of directors of the Issuer, without stockholder consent, to authorize the issuance of additional shares of the Issuer's capital stock or to approve contracts between the Issuer and its subsidiaries with the officers and directors of the Issuer or their affiliates; and (c) to establish the third Thursday of November as the scheduled date for the Issuer's next annual meeting of stockholders to be held at the Issuer's executive offices located in San Francisco.

On September 14, 2010, the Reporting Person delivered copies of the executed written consents to the Secretary of the Issuer at the Issuer's principal executive offices together with a notice calling upon the Issuer's board of directors to establish a record date for the next annual meeting of stockholders to be held on November 18, 2010. The Issuer's board of directors met on September 23, 2010 with oversight from the court in the Nevada Action. The court provided items to be included on the agenda for meeting of the board of directors but did not order the board of directors to take any specific action. The board of directors made no finding as to the validity of the amendments to the Bylaws as presented by the Reporting Person and the other stockholders. The board of directors did, however, schedule the annual meeting of stockholders for November 18, 2010 in

San Francisco and established September 23, 2010 as the record date for determination of stockholders entitled to vote at the meeting.

On September 22, 2010, the Reporting Person received a letter from Slingsby asserting that the Pledge Agreement and Slingsby's guaranty of the Note are terminated under New York law. On October 6, 2010, the Issuer's motion to dismiss the Nevada Action on grounds that the Reporting Person has no beneficial ownership rights with respect to any of the Shares was denied. In its motion to dismiss, the Issuer asserted that Slingsby's guaranty was barred by a six year statute of limitations applicable to the guaranty under New York law.

On October 8, 2010, the Reporting Person, Mr. Bunimovitz and the other plaintiffs in the Nevada Action filed a motion to seek orders from the Nevada court (i) confirming that the Reporting Person will have the right to vote the Shares pledged as collateral for the Slingsby guaranty of the Note and the balance due from the Issuer to the Reporting Person; (ii) requiring the Issuer to provide Mr. Bunimovitz with daily cash reports for the period from July 20, 2010 to the present and on a daily basis going forward; and (iii) to appoint an independent inspector to monitor the election of directors at the Issuer's annual meeting of stockholders. On October 14, 2010 the Nevada court ruled that the Reporting Person will have the right to vote all of the Shares unless a New York court rules to the contrary. With respect to the plaintiffs' motion to require the Issuer to provide daily cash reports to Mr. Bunimovitz, the Nevada court ordered the Issuer to provide the requested daily cash reports to counsel for the plaintiffs "for attorney's eyes only." The court denied the plaintiffs' motion for the appointment of an independent inspector to monitor the election of directors at the annual meeting indicating that the court would be available to resolve any disputes that might arise and that an independent inspector would not be necessary.

On October 12, 2010, Slingsby filed a motion to dismiss the New York Action as against Slingsby on grounds that enforcement of Slingsby's guaranty and the Pledge Agreement are barred by a six year statute of limitations under New York law. A hearing has been set in the New York court on November 8, 2010 to consider Slingsby's motion to dismiss the New York Action.

The Reporting Person intends to exercise its dispositive rights with respect to the Shares in such a manner as will be most likely to maximize recovery on the value of the Note and the Shares. Such action may include sale of Common Stock shares on the open market or in one or more private sales authorized by the Pledge Agreement. The Reporting Person intends to exercise its voting rights in a manner most likely to preserve and protect the value of the business of the Issuer and its ability to discharge the unpaid indebtedness. Consistent with its intent to maximize recovery on the value of the Note and the Shares, the Reporting Person has proposed and may propose additional or different plans or proposals with respect to the business and management of the Issuer, including any or all of the actions set forth in paragraphs (a) through (j) of Item 4 of Schedule 13D, and including the acquisition or disposition of Common Stock shares on the open market or in one or more private transactions. Except as described herein or otherwise disclosed in the Preliminary Proxy Statement, the Reporting Person has no present plans or proposals that relate to or that would result in any of the actions set forth in paragraphs (a) through (j) of Item 4 of Schedule 13D.

No agreements or understandings have been reached between the Reporting Person and any other persons, named in this statement or otherwise, with respect to the exercise of voting rights or the solicitation of votes with respect to matters to be considered at the Issuer's annual meeting or otherwise, the acquisition or disposition of shares of Common Stock, or any other plans or proposals with respect to the business and management of the Issuer, including any or all of the actions set forth in paragraphs (a) through (j) of Item 4 of Schedule 13D of the Exchange Act. The Reporting Person expressly disclaims membership in a group pursuant to Section 13(d) of the Exchange Act with any persons.

The Reporting Person has filed the Preliminary Proxy Statement with the Commission. Any definitive proxy statement will be mailed to stockholders of the Issuer. **STOCKHOLDERS OF THE ISSUER ARE URGED TO**

READ THESE AND OTHER DOCUMENTS FILED WITH THE COMMISSION, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION CONCERNING THE ISSUER, THE REPORTING PERSON AND THE PERSONS NOMINATED TO SERVE AS DIRECTORS OF THE ISSUER. Stockholders will be able to obtain free copies of these documents (if and when available) and other documents filed with the Commission by the Reporting Person through the Web site maintained by the SEC at <http://www.sec.gov>.

- (a)
- (b)
- (c)
- (d) The Reporting Person intends to exercise its voting rights to affect a change in the composition of the Issuer's board of directors as described in the amended response to Item 4 above.
- (e)
- (f)
- (g) See the amended response to Item 4 above with reference to amendments to the Issuer's Bylaws. The Reporting Person does not believe that the amendments to the Issuer's Bylaws will impede the acquisition of control of the Issuer by any person.
- (h)
- (i)
- (j)

Item 5. Interest in Securities of the Issuer

- (a)
- (b)
- (c)

Transaction Date	Shares or Unites Purchased (Sold)	Price Per Share or Unit
------------------	-----------------------------------	-------------------------

- (d)
- (e)

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Item 6 is amended in full as follows:

The disclosures in response to Items 3 and 4, as amended, are incorporated herein by this reference.

Item 7. Material to Be Filed as Exhibits

Not applicable.

---





Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Consipio Holding BV

October 22, 2010

By: /s/ Jacques de Bliet  
Managing Director

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative (other than an executive officer or general partner of the filing person), evidence of the representative's authority to sign on behalf of such person shall be filed with the statement: provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

Footnotes: This Amendment No. 3 to Schedule 13D is filed by and on behalf of the Reporting Person to amend the Schedule 13D related to the Common Stock of the Issuer filed with the Commission on August 11, 2010, as amended by Amendment No. 1 to Schedule 13D filed with the Commission on September 16, 2010 and as amended by Amendment No. 2 to Schedule 13D filed with the Commission on September 28, 2010 (the "Schedule 13D"). Each capitalized term used and not defined herein shall have the meaning assigned to such term in the Schedule 13D. Except as otherwise provided herein, each Item of the Schedule 13D remains unchanged.

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001)