

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 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 23, 2013

Mandalay Digital Group, Inc.  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

000-10039  
Commission File Number

22-2267658  
(IRS Employer  
Identification No.)

4751 Wilshire Boulevard, Third Floor  
Los Angeles, CA  
(Address of Principal Executive Offices)

90010  
(Zip Code)

Registrant's telephone number, including area code: (805) 690-4500

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

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

**Entry into Equity Financing Binding Term Sheet.** On May 23, 2013, Mandalay Digital Group, Inc. (the “*Company*”) entered into an Equity Financing Binding Term Sheet, dated as of May 22, 2013, (the “*Windsor Equity Agreement*”), with Windsor Media, Inc., pursuant to which the Company agreed to issue an aggregate of 285,714 shares of its common stock and warrants to purchase 71,429 shares of its common stock (subject to adjustment), for an aggregate purchase price of \$1,000,000. The warrants have an exercise price of \$3.50 per share (subject to adjustment), a five year term, and may be exercised only following the first anniversary of the date of issuance thereof. In addition, the Windsor Equity Agreement provides that (a) the Company will use its best efforts to file a registration statement covering the shares of common stock issued and the shares of common stock issuable upon exercise of the warrants within 120 calendar days after the date of the Windsor Equity Agreement and use its best efforts to cause the registration statement to become effective as soon as possible thereafter; and (b) the investor will have a right to participate in future financings by the Company for a period of two years on a pro rata basis in accordance with its ownership interests in the Company (on a fully diluted basis assuming exercise of the applicable warrant). Jeffrey Karish, the President of Windsor Media, Inc., was elected to join the Board of Directors of the Company on the same day as the Windsor Equity Agreement was entered. See Item 5.02 of this Current Report on Form 8-K below.

The closing of the transaction contemplated by the Windsor Equity Agreement occurred on May 28, 2013.

The securities were issued pursuant to the exemption provided by Section 4(2) of the Securities Act of 1933, as amended, for transactions by an issuer not involving any public offering.

**Item 3.02 Unregistered Sales of Equity Securities**

Although the shares issued under the Windsor Equity Agreement constitutes less than five percent of the Company’s outstanding shares, the information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference for added certainty.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On May 23, 2013, Jeffrey Karish and Robert Deutschman were elected as directors of the Company.

Mr. Karish currently serves as President of Windsor Media, Inc., after having served as Executive Vice President and acting General Counsel of that company. Windsor Media’s principal lines of business include a private equity fund, a venture capital fund and fixed income management. Previously, Mr. Karish was Head of Media Strategy and Corporate Development at Yahoo!, Inc. Before Yahoo, he was a management consultant at McKinsey & Company, and a key member of McKinsey’s West Coast Media and Technology practice. Mr. Karish has been a director of the First Pctrust Bancorp, Inc. since 2011. Mr. Karish holds a Juris Doctor from Harvard University, a Masters of Philosophy in International Economics from Cambridge University and a Bachelor of Arts in History from the University of California Berkeley. The board nominated Mr. Karish to serve as a director based on the entirety of his experience and skills, although the Board specifically noted his extensive strategic and managerial expertise, and extensive background in media and corporate development. The Board found that Mr. Karish is independent applying the applicable listing standards of The Nasdaq Stock Market.

Mr. Karish has been appointed to serve on the Compensation Committee and the Nominating Committee of the Company.

Windsor Media, Inc. is a stockholder of the Company. The disclosures set forth in Item 1.01 of this Current Report on Form 8-K are incorporated herein by reference.

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Mr. Deutschman has served as a Managing Director at Cappello Capital Corp., an investment banking firm, since 1999 and as Vice Chairman of Cappello Group, Inc. since 2008. Prior to joining Cappello, Mr. Deutschman was a Managing Director of Saybrook Capital Corp., and a Senior Vice President at Houlihan, Lokey. Mr. Deutschman holds a Bachelor of Arts degree from Haverford College, with honors, and a Juris Doctor from Columbia University School of Law, where he was a Harlan Fiske Stone scholar. Since 2004, Mr. Deutschman has served as the Vice Chairman of the Board of Directors of Enron Creditors Recovery Corp. (formerly Enron Corp.), a position he assumed upon Enron's emergence from bankruptcy. Mr. Deutschman has also served on the Advisory Board of the RAND Center for Corporate Ethics and Governance since 2006 and has served as a director of MPG Office Trust, Inc. (NYSE: MPG) since 2011. The board of directors nominated Mr. Deutschman to serve as a director based on the entirety of his experience and skills, although the board noted specifically his extensive investment banking and financial experience and background in strategic advising, mergers and acquisitions and capital raising for institutions and private companies. The Board found that Mr. Deutschman is independent applying the applicable listing standards of The Nasdaq Stock Market and qualifies as an audit committee financial expert.

Mr. Deutschman has been appointed to serve on the Audit Committee and the Nominating Committee of the Company.

There are no arrangements or understandings between Mr. Karish or Mr. Deutschman and any other persons pursuant to which Mr. Karish or Mr. Deutschman was selected as a director, except that Mr. Karish's selection was coincident with the investment of Windsor Media.

In connection with serving on the Board of Directors, Mr. Karish and Mr. Deutschman were each granted 60,000 shares of the Company's common stock under the Company's 2011 Equity Incentive Plan, which are restricted and will fully vest one year following the date of the grant. The shares of restricted stock are also subject to a lock-up provision under the grant agreement for a period of two years following the vesting date of the stock. In addition, as it does with all directors and executive officers, the Company will enter into an indemnification agreement with Mr. Karish and Mr. Deutschman (see Item 1.01 of the Company's Current Report on Form 8-K filed May 10, 2012 for a description of such agreement).

#### **Item 8.01 Other Events**

A copy of the press release issued on May 30, 2013 regarding Mr. Karish's and Mr. Deutschman's election is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 8.01.

#### **Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

99.1 Press Release issued May 30, 2013 regarding Mr. Karish's and Mr. Deutschman's election to the board.

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## SIGNATURES

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

**Mandalay Digital Group, Inc.**

Dated: May 30, 2013

By: /s/ Peter Adderton

Peter Adderton  
Chief Executive Officer

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## **Mandalay Digital Adds Two Independent Board Members**

*Terry Semel's Windsor Media Completes a \$1 Million Equity Investment in Mandalay*

**LOS ANGELES, May 30, 2013 /PRNewswire/** -- Mandalay Digital Group, Inc. (OTC Markets: MNDL) ("Mandalay Digital" or "the Company") today announced that its board of directors had added Jeff Karish and Rob Deutschman to the Company's board, bringing to seven the total number of directors, including four independents.

Mr. Karish is the President of Windsor Media Inc. ("Windsor Media"), a private company founded by Terry Semel that is engaged in private equity, venture capital and fixed income investments. Prior to Windsor Media, Mr. Karish was Head of Media Strategy and Corporate Development at Yahoo. Before Yahoo, he was a management consultant at McKinsey & Company, and a key member of McKinsey's West Coast Media and Technology practice. Mr. Karish holds a JD from Harvard University, Masters of Philosophy in International Economics from Cambridge University, and A.B. in History from U.C. Berkeley.

On May 28, 2013, Windsor Media completed a \$1.0 million investment in Mandalay Digital common stock and warrants. Mandalay Digital will use the proceeds for continued organic growth, including carrier implementation as well as for general working capital purposes.

"We are excited to have a vested stake in what Mandalay Digital Group is building," said Terry Semel, Chairman & CEO of Windsor Media. "More than ever, mobile operators and device makers around the globe are looking for an independent service provider with a robust, scalable platform that will help them monetize their customer bases. Mandalay's Digital Turbine product suite provides solutions that meet the needs of both carriers and OEMs."

Mr. Deutschman is Vice Chairman of Cappello Group, Inc. Mr. Deutschman has specialized in investment and merchant banking activities for nearly 28 years, with a particular emphasis on the provision of strategic advice, mergers and acquisitions, and executing private placements of institutional capital for growing public and private companies on a global basis. Prior to joining Cappello, Mr. Deutschman was a Managing Director of Saybrook Capital Corp., and a Senior Vice President at Houlihan, Lokey. Since 2004, Mr. Deutschman has served as the Vice Chairman of Enron Creditors Recovery Corp., a position he assumed upon Enron Corp's emergence from bankruptcy. He currently serves on the advisory board of the RAND Center for Corporate Ethics and Governance, and as a board member of MPG Office Trust (NYSE: MPG), the largest holder of Class A office property in downtown Los Angeles. Mr. Deutschman earned his undergraduate degree, with honors, in political science at Haverford College and his law degree from Columbia University School of Law.

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Mr. Deutschman stated, "I am excited to join Mandalay Digital's board. I see enormous opportunities within all facets of the mobile ecosystem in which Mandalay Digital competes. With my background in public markets, finance and strategy, I am eager join an already seasoned and accomplished leadership team and assist them in working towards achieving the Company's vision," Deutschman concluded.

"We welcome Mr. Karish and Mr. Deutschman to our board," said Peter Adderton, CEO of Mandalay Digital Group. "Adding seasoned independent directors who can leverage their industry knowledge and expertise to help us properly execute on our business and operating goals is a benefit to all shareholders. With a majority of the board as independents, we have taken another step forward to meeting the requirements for an uplisting to a major exchange. In addition, the investment by Mr. Semel is a great endorsement for Mandalay and we are pleased to have Windsor Media as a shareholder."

### **About Mandalay Digital Group**

Mandalay Digital Group (OTC Markets: MNDL) is at the convergence of Internet media content and mobile communications. It delivers a mobile services platform that works with mobile operators and third-party publishers to provide portal management, user interface, content development and billing technology that enables the responsible distribution of mobile entertainment. Mandalay Digital is headquartered in Los Angeles and has offices in Australia, Germany and Israel. For additional information, visit [www.mandalaydigital.com](http://www.mandalaydigital.com).

### **About Windsor Media Inc.**

Founded by Terry Semel, Windsor Media Inc. is a private investment company which has three principal lines of business. 1) A Private Equity Fund focused on media platforms, scalable service offerings and luxury brands, 2) a venture capital fund which invests in innovative technology platforms, early stage media companies and highly scalable new business concepts, and 3) fixed income management covering corporate and municipal bonds, high grade equities and special situations.

### **Forward Looking Statement**

Statements in this news release concerning future results from operations, financial position, economic conditions, product releases and any other statement that may be construed as a prediction of future performance or events are forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements. These factors include uncertainties as to ability to raise new capital on acceptable terms or at all, ability to manage international operations, ability to identify and consummate roll-up acquisitions targets, levels of orders, ability to record revenues, release schedules, finalization and market acceptance of new products, changes in economic conditions and market demand, pricing and other activities by competitors, and other risks including those described from time to time in Mandalay Digital Group's filings on Forms 10-K and 10-Q with the Securities and Exchange Commission (SEC), press releases and other communications.

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