

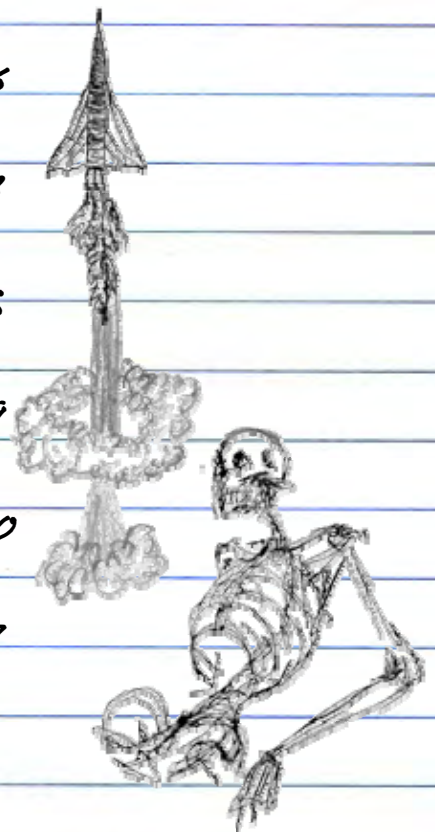
The Hours Before

a film investment opportunity



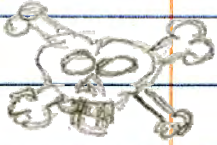
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Executive Summary

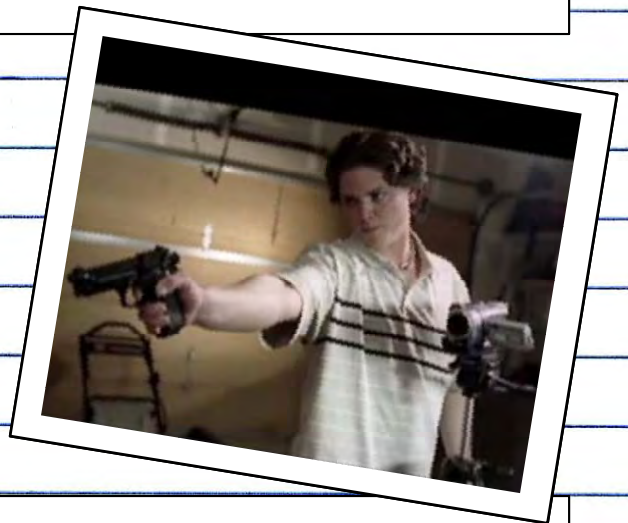


This is a business proposal for *The Hours Before* to potential investors for the sole purpose of producing an independent feature film for an investment of one million dollars (\$1,000,000) in total.

The strategic model will be to obtain funding, develop, produce, deliver, distribute, market, collect and disburse revenue for the following film:

THE HOURS BEFORE
a dramatic, coming-of-age thriller
90 minutes

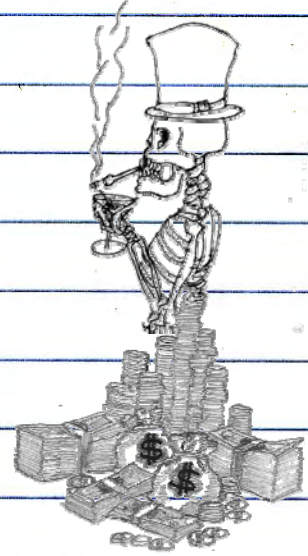
This film is an unpredictable story about the power of friendship, about how a best friend can be your last chance. Unraveled teenager Max holds his best friend Peter hostage the night before he plans a murderous assault on their high school. Desperately wanting his best friend's company—yet afraid of having his meticulous plans ruined, or of Peter getting hurt in the imminent carnage—Max handcuffs Peter to a pipe in his garage, forcing him to stay there while Max plans his deadly errand. They spend a harrowing night together as Peter tries to understand his friend's rage while trying to find a way to stop the impending tragedy.



The non-professional actors depicted throughout this plan performed in the award-winning short film *Hours Before Dawn* from which the feature *The Hours Before* has been adapted. Another version of the short *Hours Before Dawn* is currently being produced by actor/director Joel Moore, illustrating the relevance this story continues to have. The feature film will have very well-known actors with demonstrable commercial appeal in the starring roles.

The offering

- **\$1 million** from investors (please see page 7 for budget details).
- The partnership will form a limited liability corporation (The Hours Before, LLC) to produce one motion picture, *The Hours Before*.
- Investors recoup first **\$1.1 million** (110% of original investment) from worldwide sales before any other profit participation occurs.
- Investors own **50%** of net profits from worldwide sales of theatrical, DVD, TV, VOD and other ancillaries (please see page 10 for sample ROI scenarios).
- A mutually agreed-upon third-party collections agency will monitor and disburse all payments.



Director's Statement

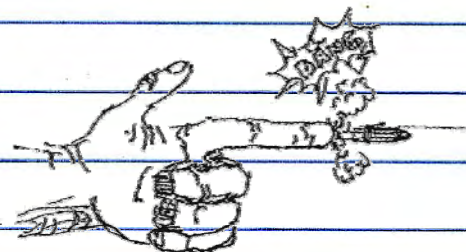
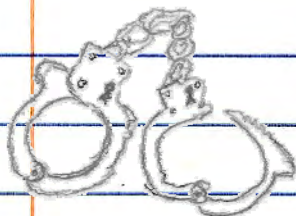
I wrote "The Hours Before" as a drama that shows another side to a tragedy-in-the-making, one that might lead to a positive (or at least, a more hopeful) outcome when a young person is driven to commit violence against others and himself.

I want to make a film that shows the potential shooter's side with empathy, not to justify his actions but to shed light on how pressures, without guidance and support, can lead even "good boys" into disaster. And how maybe we can stop a few of them before it's too late—not to punish, but to heal. A child only kills after years of being ignored, neglected... marginalized.

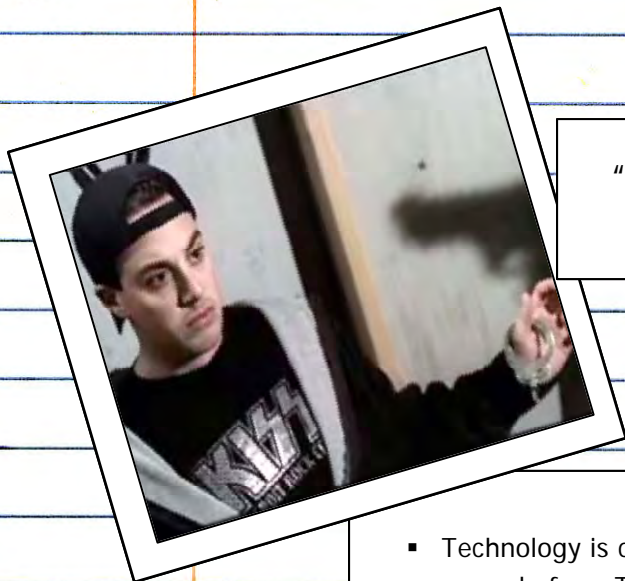
So many shootings have occurred since Columbine in 1999—the Amish School, Virginia Tech, the Red Lake Native American Reservation... it's epidemic, and not just in America. It's a global issue, a world-wide concern as young people everywhere feel violence is the only way they can be heard.

But, for every tragedy that actually occurs, there are many more that were prevented, stopped just in time, mainly because one person stepped in and did something. Such courage is never easy. We're taught not to rock the boat... don't tell... don't get involved. Stay out of trouble. Keep secrets.

I want to tell a story about a broken boy who needs help, and another one who cared enough to give it to him. Thank you for giving me this opportunity.



Market Opportunity



"In a Downturn, Americans Flock to the Movies"

The New York Times March 1, 2009

- Technology is changing the movie business like never before. The Internet, digital downloads, and VOD (video-on-demand) have leveled the playing field. Now, independents can and do compete with major studios. Consumer choices are expanding and additional revenue streams are growing.
- Independent producers can target audiences with precision. The old ways of costly mass-marketing are obsolete.
- Producers who identify, build, and connect with a solid core audience achieve results rivaling those of the cumbersome and costly studio campaigns.
- Once a film firmly connects at a grass-roots level, there is increased potential for cross-over to much wider audiences.
- Once considered flukes, indie mega-hits like *Napoleon Dynamite* and *My Big Fat Greek Wedding* are becoming more frequent and legitimate business models (see page 11 for more examples.)

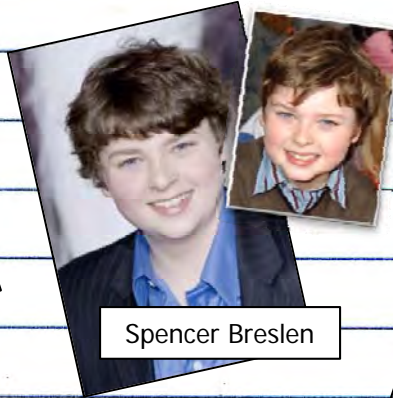


strategy

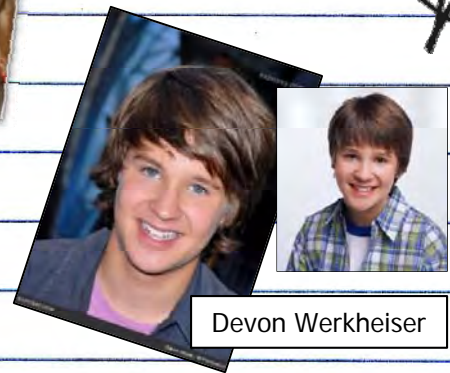
Our strategy for casting the two lead roles in "The Hours Before" is to approach highly-recognizable stars who have been successful TV and film actors as kids and are now growing up. As teenagers, these talented actors may be looking to segue into more mature dramatic roles.



Jonathan Lipnicki



Spencer Breslin

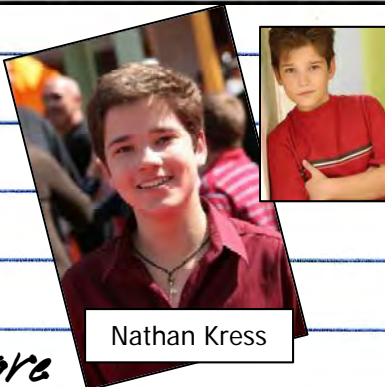


Devon Werkheiser

★'s

Wish List

NAME	CREDITS	AGE (in '09)	CONTACT
Jonathan Lipnicki	"Jerry Maguire", "Stuart Little"	19	Mgr: Alejandra Cristina
NOTES: A perfect choice. We grew up watching Lipnicki on the screen; now he's older and audiences will want to see if he can still act.			
Devon Werkheiser	Nick TV series "Ned's De-Classified School Survival Guide"	19	Agt: Meredith Wechter
NOTES: Werkheiser has a built-in audience from many seasons on Nick TV.			
Freddie Highmore	"Spiderwick Chronicles", "August Rush"	17	Atty: Fred Toczek
NOTES: Another perfect choice, Highmore is the "Lawrence Oliver" of kid actors, highly recognizable. Getting Highmore would guarantee foreign and domestic appeal.			
Nathan Kress	Nick TV series "iCarly"	17	Agt: Bonnie Ventis
NOTES: Another actor with built-in audience, co-starring in the popular Nick series "iCarly".			
Spencer Breslin	"Cat in the Hat", "The Happening"	17	Agt: Meredith Fine
NOTES: Another highly recognizable kid actor; people will want to see what he is doing now that he's older.			



Nathan Kress



Freddie Highmore

★'s

The Hours Before

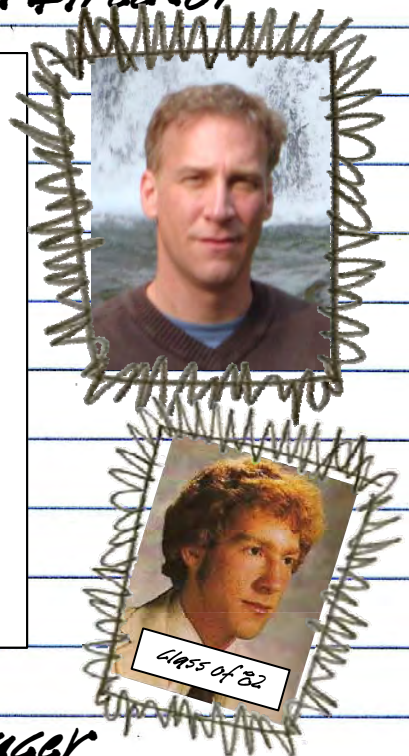
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The Team

James Tuverson Writer and Director

Before screenwriting, James spent 15 years as an entertainment brand manager, marketing to kids and teens in the comics and video game industries. He has worked for industry leaders Marvel Comics, Activision and Vivendi Universal Games. Marketing to young consumers often meant watching them interact with each other--sometimes observed through one-way glass. Much of what James writes about in his screenplays reflects those unique experiences, including mannerisms and dialogue he has seen and heard.

Trained at UCLA and a member of the WGA, Tuverson's screenwriting has won several awards, including "Best Screenplay" at the 2008 California Independent Film Festival. He is currently writing, producing and directing a web-series featuring guerilla-style film making, using 21st-century tools and opportunities to create, produce and distribute filmed entertainment. As director, *The Hours Before* will be Tuverson's first feature film.



Sebastian Twardosz Producer



Sebastian has worked with leading companies in film and television for over 16 years. He is currently a partner at Circus Road Films which represents emerging filmmakers. Previously, he was a senior acquisitions executive for Allumination FilmWorks (a division of ContentFilm) which specialized in the domestic distribution and foreign sales of independent features. Sebastian was also the head of development for Craftsman Films, a Paramount-based production company. He worked in development at Touchstone Television/ABC (a division of the Walt Disney Company), and he spent 4 years with Tom Cruise and Paula Wagner's production company as a development executive, participating in the making of *Mission Impossible 1-2* and *Without Limits*. Sebastian graduated from the USC School of Cinematic Arts. His short film, *Silent Rain*, received a Student Academy Award from the Academy of Motion Picture Arts and Sciences and a Student Emmy.

Sebastian recently co-produced the upcoming independent feature *Small Town Saturday Night* starring Chris Pine, and he has been an adjunct professor at both UCLA and USC teaching about the art and business of film since 2006. Born in Poland, he grew up in a working class suburb of Detroit.

The Budget

Grand Total Production Budget
\$1,000,000

Cast
\$250,000

Above The Line (ATL) costs: story rights, director, producers
\$250,000

Below The Line (BTL) costs: production staff, camera, locations, sets, wardrobe, editing, music, legal, insurance, etc.
\$350,000

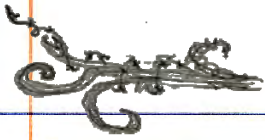
Publicity & Advertising Reserve
\$150,000

Our strategy is to cast well-known names. This may be costly but it will reap dividends in terms of consumer/audience awareness and thus potential sales. It's the same proven strategy utilized by major studios for decades. In addition, funding a P&A reserve will allow us to obtain better terms from distributors and to supplement their marketing plans.

- Pre-Production Schedule: 20 days (4 weeks)
- Principal Photography: 20 days (4 weeks)
- Post-Production Schedule: 40 days (8 weeks)
- Picture delivered to distributor in January 2011
- 100% revenues plus profit collected in first 2 years after theatrical release and initial video street date.



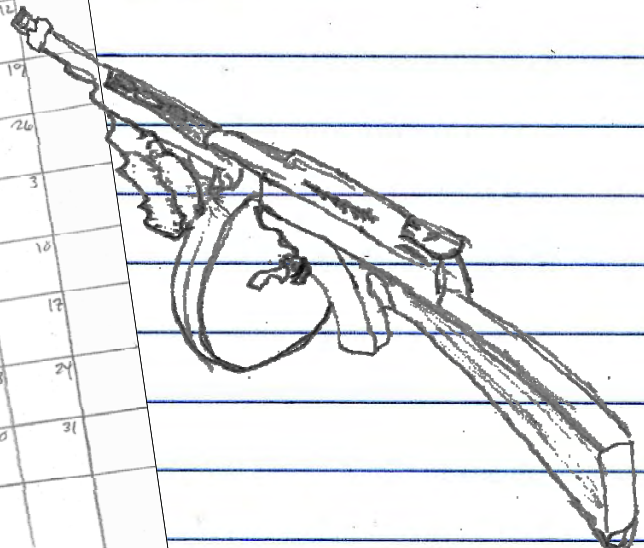
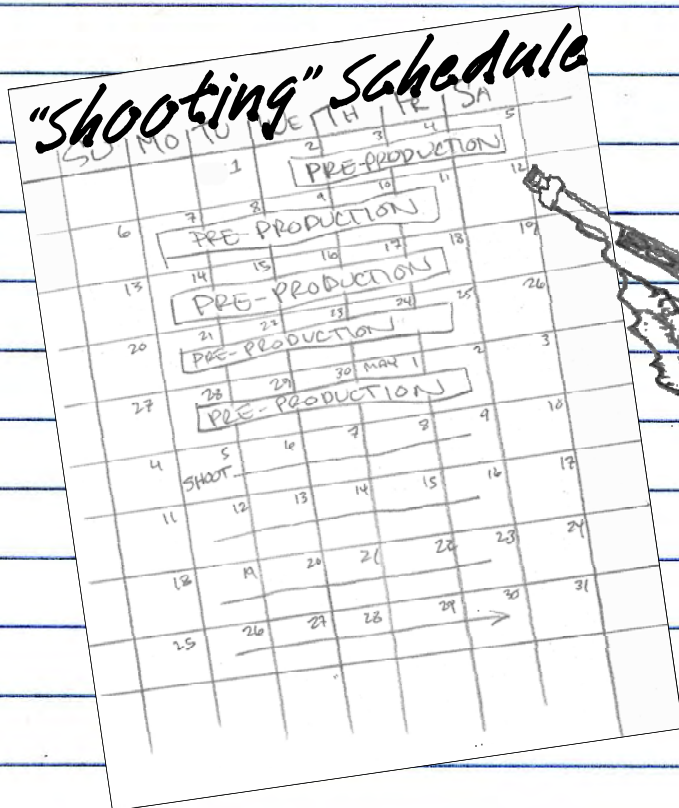
The Hours Before



Timeline

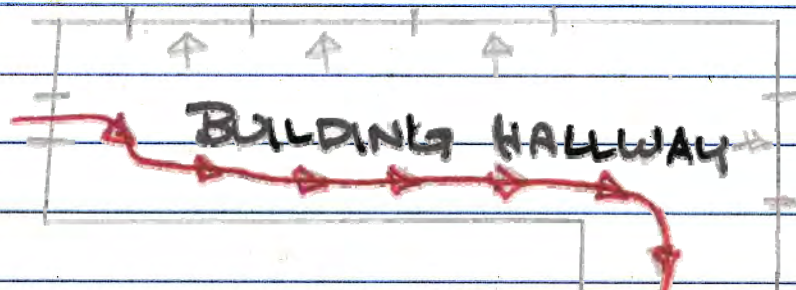


1	2	3	4	5	6	7	8
Letters of commitment from investors	Letters of commitment from all parties: actors, DOP, etc. Drawdown of funds: begin pre-production (4 weeks)	Commence principal photography	Begin post-production (8 weeks)	End post-production	Theatrical release	Video/DVD/PPV release	Begin revenue recognition
2010					2011		
August	September	October	November	December	March	April	May



Return on Investment

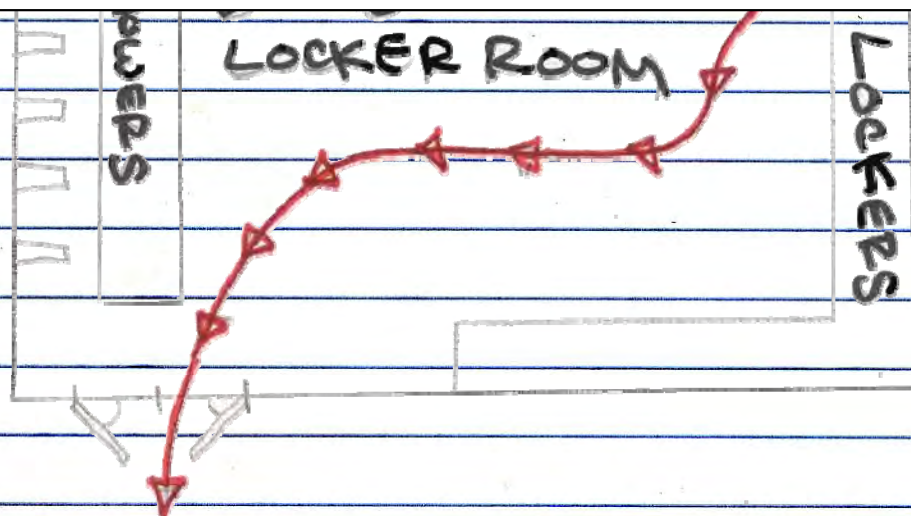
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This business overview is for informational purposes only and is not an offer to sell or a solicitation to buy. The information provided is believed to be accurate and reliable. It is furnished as a summary so that the recipient may consider participation in *The Hours Before*.

Investment in the film industry is highly speculative and inherently risky. There can be no assurance of the economic success of any motion picture since the revenues derived from production and distribution depend primarily upon its acceptance by the public, which cannot be predicted.

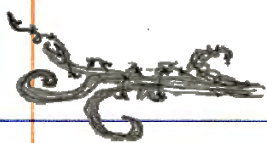
We mitigate the risk to financiers by selecting a commercially relevant story, conducting very thorough and detailed development, casting well-known names and budgeting for a marketing reserve. As industry professionals, our decisions are based on successful past experience with leading entertainment companies.



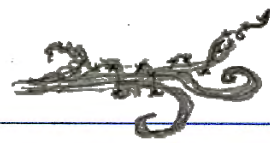
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Sample ROI Scenarios

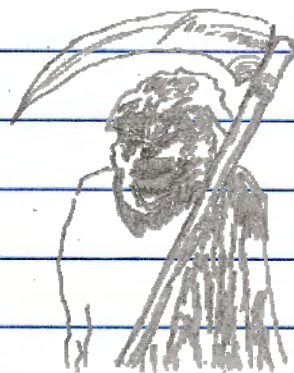
	Low	Medium	High
Domestic Theatrical			
Box Office Gross	\$1,000,000	\$2,500,000	\$5,000,000
Less Exhibitor/Theater Share (50%)	(\$500,000)	(\$1,250,000)	(\$2,500,000)
Gross Film Rental	\$ 500,000	\$1,250,000	\$2,500,000
Less Distributor Fee (25%)	(\$125,000)	(\$312,500)	(\$625,000)
Less Publicity & Advertising	\$500,000	\$750,000	\$1,000,000
Domestic Theatrical Net Profit	(\$125,000)	\$187,500	\$875,000
Domestic Theatrical Net Profit for Distributor (25%)	(\$31,250)	\$46,875	\$218,750
Domestic Theatrical Net Profit to Producers/Investors (75%)	(\$93,750)	\$140,625	\$656,250
Domestic Ancillary Sales			
DVD Units	100,000	250,000	500,000
DVD Revenue @ \$10 per unit	\$1,000,000	\$2,500,000	\$5,000,000
Less Distributor Fee (25%)	(\$250,000)	(\$625,000)	(\$1,250,000)
Less Manufacture & Marketing Expenses (35%)	(\$350,000)	(\$875,000)	(\$1,750,000)
Video/DVD Net Profit	\$400,000	\$1,000,000	\$2,000,000
Digital Units	50,000	100,000	200,000
Digital Revenue @ \$5 per unit	\$250,000	\$500,000	\$1,000,000
Less Distributor Fee (25%)	(\$62,500)	(\$125,000)	(\$250,000)
Digital Distribution Net Profit	\$187,500	\$375,000	\$750,000
Cable/TV Licensing	\$100,000	\$250,000	\$500,000
Less Distributor Fee (25%)	(\$25,000)	(\$62,500)	(\$125,000)
Pay Cable/TV Net Profit	\$75,000	\$187,500	\$375,000
Domestic Ancillary Net Profit	\$662,500	\$1,562,500	\$3,125,000
Domestic Ancillary Net Profit to Distributor (25%)	\$165,625	\$390,625	\$781,250
Domestic Ancillary Net Profit to Producers/Investors (75%)	\$496,875	\$1,171,875	\$2,343,750
Foreign Sales			
Box Office Gross, DVD, Cable, TV, VOD	\$500,000	\$1,000,000	\$2,500,000
Minimum Guarantee/Advance	\$100,000	\$200,000	\$500,000
Foreign Agent Sales Fee (20%)	\$80,000	\$160,000	\$400,000
Foreign Sales Net Profit	\$420,000	\$840,000	\$2,100,000
Revenue and Profit			
Worldwide Revenue	\$2,850,000	\$6,750,000	\$14,000,000
Worldwide Revenue after Fees, Expenses & Advances	\$957,500	\$2,590,000	\$6,100,000
Less Negative Costs/Production Budget	\$1,000,000	\$1,000,000	\$1,000,000
Total Net Profit	(\$42,500)	\$1,590,000	\$5,100,000
Investor's Investment Recoupment (110% of investment)	\$1,100,000	\$1,100,000	\$1,100,000
Investor's Share of Remaining Profits (50%)	\$0	\$245,000	\$2,000,000
Total Investment Recoupment	(\$42,500)	\$1,345,000	\$3,100,000
Total Return on Original Investment	-4%	122%	282%
NET PROFIT/LOSS	-4%	22%	182%



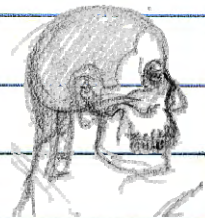
Comparative Films



FILM	RELEASE	WW BO	NOTES
 NAPOLEON DYNAMITE	Jun-04	\$46MM	Based on "Peluca," an 9-minute short directed by Jared Hess; appeared at Slamdance 2003 and Sundance 2004.
 SAVED!	May-04	\$10MM	Feature directorial debut for Brian Dannelly.
 ELEPHANT	Oct-03	\$10MM	Gus van Sant's Palme d'Or winner at Cannes 2003 could have reached broader audiences if it was less artsy and spoke to kids.
 HARD CANDY	Aug-06	\$7MM	Worldwide distribution was offered at Sundance 2005. The film makers received 20% of the gross as an advance against future sales and a significant P&A commitment.
 HALF NELSON	Jun-06	\$4.7MM	Based on a short film "Gowann's Brooklyn" by director Ryan Fleck, who won Jury Prize in Short Film at Sundance 2004.



Film Synopsis



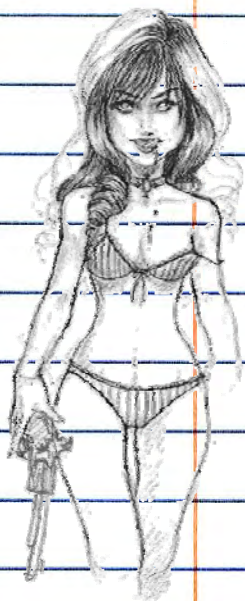
PETER is best friends with MAX, the most picked-on kid in school. They've been friends a long time, but Peter stands looks the other way when Max is tormented daily by bullies—Peter's great at flying below the radar and not getting involved. While Max's unique personality often provokes the abuse, he is soon pushed over the edge.

In a footlocker that belonged to his deceased father, a cop, Max finds a pistol and a shotgun. He draws a disturbing, exquisitely-detailed floor plan of the high school, revealing he's a talented – if highly macabre – artist. Feigning an emergency, Max calls Peter in the middle of the night, urging him to sneak out to his garage.

When Peter gets there, Max forces him to sit in front of a video camera and handcuffs him to a pipe. He plans to keep Peter in the garage all night, because in the morning Max is going to do something terrible at school. He'll document the whole evening on video to prove that Peter's a "prisoner of war" with no knowledge of Max's plan and no ability to stop it. Max also cares about Peter – he doesn't want his best friend to be at school on the fateful morning.

Max talks about Ben, the younger brother he once had, until a day last year when Max's usual tormenters beat up Ben for good measure. He ended up dead in a freak accident. Max plans to sacrifice himself to collect on the debt.

Before Max leaves the garage to begin his rampage, Peter says he wants to join in the massacre and proves he, too, has reasons for revenge. Max frees him and they plan their joint-attack with bravado. But when things spin terribly out of control, both Peter and Max must decide if each other's crimes are punishable by death... and discover neither may get out of that garage alive.



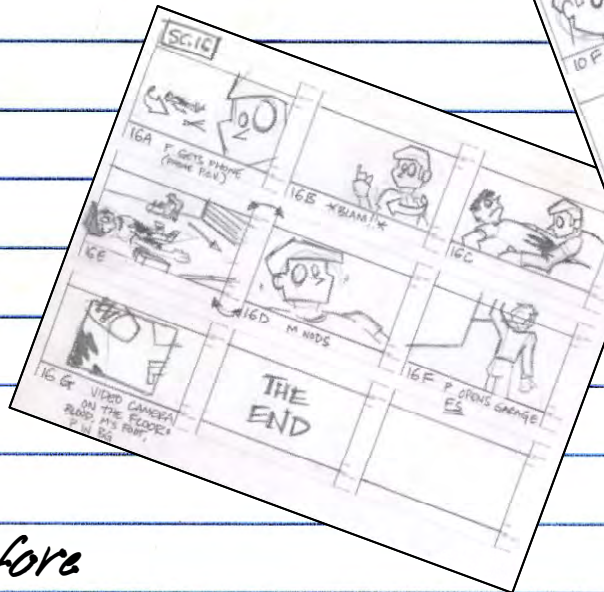
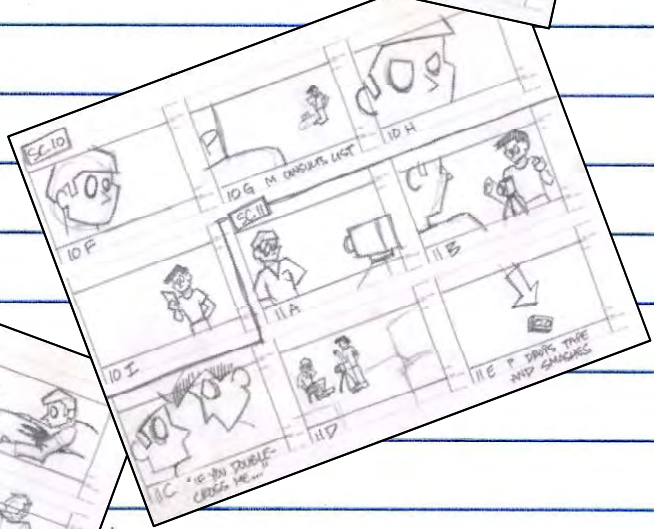
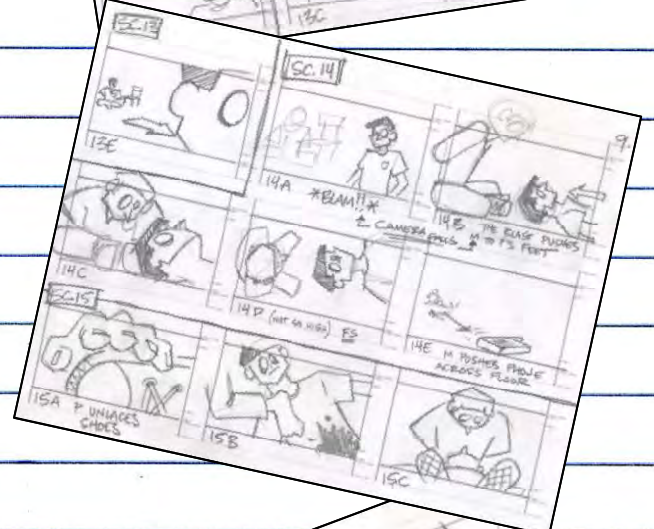
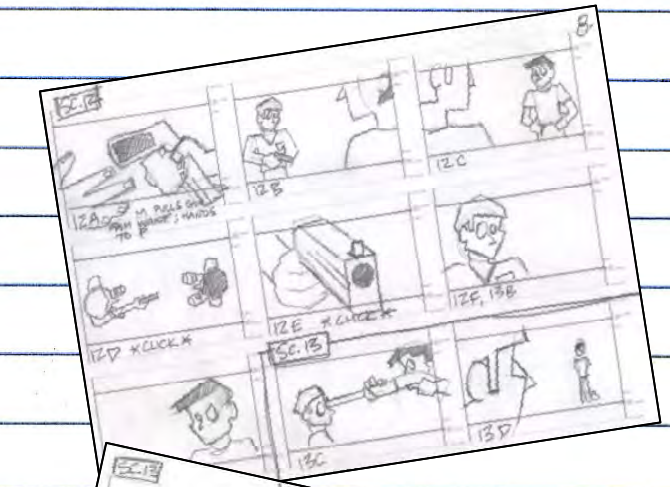
Contacts

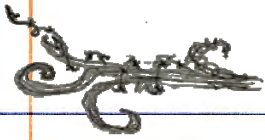
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Investor's Notes

