

a Savvy Lorestani film

Seeds in the Sand



seedsinthesand.com

Seeds in the Sand

AN INVESTMENT OPPORTUNITY

This project represents a unique opportunity for individuals seeking to invest in a smaller budget, highly marketable film that blends art-house appeal with science fiction in a way that will capture and transcend the traditional independent film market. The impressive combination of collaborators on this film includes an award winning writer/director, a producer with major Hollywood credits including "Push" and "Get Low," an award winning cinematographer who has premiered two films at the Sundance Film Festival, an award winning casting director and a production team that boasts numerous film and broadcast television credits and esteemed awards. The producers believe that the collective experience, relationships and successes of the individuals involved all but ensures a quality film, which in turn will create a commercially viable film.

THE APPEAL

Think "The Village" meets "Children of Men" meets "Life is Beautiful." Seeds in the Sand is a science fiction flavored drama about a make-shift family's struggle to live and love in a dark and uncertain world. By layering the struggles of this unique family against the background of a mysterious, post-apocalyptic world, the film will satisfy a broad demographic of moviegoers with a thoughtful and heartfelt story. We feel that this film will not only appeal to independent film fans, but will also transcend this group to find favor among mainstream fans of both science fiction and drama. The appeal of this film is most easily found in the script. Read just 10 pages and we know you'll be hooked!





THE VIABILITY

Given the relatively small budget of the project, only a modest amount of success will be necessary to repay the investment and make profit from the resulting film and music revenues. We have teamed up with an award winning casting company, Fincannon & Associates, to help us engage and retain the most bankable actors possible given our budget. Furthermore, the recently implemented tax incentives for productions filming in the State of Georgia will even further mitigate investor exposure by creating a guaranteed return on up to 30% of qualifying expenditures made in the state, regardless of the sales performance of the finished film. We believe that given the combination of talent, theme, location, style and script, this film has the potential to be a break-out success.

The value in this project is not found in any one element of the story or in any one member of the production team, but in the unique combination of the creative elements of the story, the individuals involved and most importantly, the relatively low production cost of the project. It is this rare combination of high production value versus low production cost that the producers believe make this a very financially viable investment.

THE INVESTMENT

The producing entity of the project, Seeds, LLC, a Georgia limited liability company, is seeking an equity investment of \$1.5 Million, comprised of:

10 Preferred Units at \$50,000/Unit totaling \$500,000.00.

40 Regular Units to be sold at \$25,000.00/Unit totaling \$1,000,000.00.

These funds will be used for the development, pre-production, production, post-production and distribution of the film.

For more information and a copy of the script, please visit <http://www.seedsinthesand.com>

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1. PROJECT INFORMATION

PROJECT SPECIFICATIONS:

Running Time: 90 minutes

Production Format: RED Digital Cinema (REDCODE)

Release Format: 35mm Film, D-Cinema, Blu-Ray, DVD

Language: English

Budget: \$1,500,000.00

2. PROJECT DESCRIPTION

Synopsis:

The world has become a dark and uncertain place. The conflict between the aggressors and the resistance has stained the land and crippled the infrastructure of modern society.

Just beyond the turmoil lies a farmhouse where Sharif and Sophie have created a makeshift family out of the refugee children divided by the conflict. Hidden from the war, Sharif works to raise and protect his eclectic family against a backdrop of fear and oppression.

But change is in the air for Sharif and his family...

Outside their farmhouse haven, the war has taken a turn. Sophie becomes pregnant with their first child, while at the same time the children they have raised are growing into adults. Ultimately, Sharif has to contend with the fact that this post-apocalyptic world is changing and that his family is growing beyond his reach. Will Sharif discover why he feels connected to a land he no longer loves or understands? Will he be able to let go of a life and a family that may no longer need him?

This is not the story of a war. It is the story of an unlikely father trying to hold together a family in a world where families can't exist. It's the story of a man trying to reconcile what his country was with what it has become and what it will be in the future. It's the story of love, loss and hope and in that respect, it is every man's story.

Specific nations are never explicitly mentioned, but with our current strained relations with China and our fear of eventual aggression, it is difficult to view the story without feeling at least the echoes of that eventuality in the backdrop of this story.

Uniqueness of the project:

This project has several elements that make it particularly viable for critical and financial success:

Artistic Considerations

- The Script! The Script!! The Script!!! We believe that our script distinguishes us from so many other independent and Hollywood films currently being produced. The only way to understand this is to experience it and we encourage you to read the enclosed script as soon as possible.
- This film represents a unique blend of artistic family drama and subtle science fiction. The script carefully merges these worlds without compromising either. We intend to maximize our audience by appealing to both fans of independent art house dramas and mysterious science fiction/ post apocalyptic films. We believe that this unique script could both excite the independent scene and enjoy mainstream success.

Production Considerations

- We have an award winning crew already committed to this film. Collectively, both the above and below-the-line talent have garnered numerous awards and nominations across the industry.
- Given the current dry-spell in Hollywood, many talented and highly recognizable actors are available and hungry for good projects. Many are willing to work at a significantly reduced rate.
- The crew is particularly adept at creating high production value on a minimal budget. The production team has a large volume of experience creating high quality content under extreme conditions with little to no budget. They have achieved this by employing a passionate crew that has been trained in multiple departments allowing them to wear many different hats on set and easily transition between departments to fill gaps or provide assistance as needed.
- We intend to make this \$1,500,000.00 film look like it cost three times that figure. The Director's last feature film, My Sixteenth Summer, was valued by several sales agents and distributors at over 800% of what it cost to shoot.
- We will be shooting on the RED ONE Digital Cinema Camera. This will help us achieve the ultimate cinematic look without incurring the high costs associated with shooting on actual celluloid.

Marketing Considerations

- Because of the sci-fi appeal of this film, we have widened our market and increased our chances of distribution. Historically, sci-fi and horror films have found great success with respect to distribution.
- Our casting director, Craig Fincanon, intends to help us identify and attract the most bankable talent possible, given the budget.
- Our production team has successfully negotiated several independent film distribution deals. "Push" received both theatrical distribution and heavy video presence and "Get Low" was recently acquired by Sony Pictures Classic, one of the premiere distributors, and is expected to have a wide theatrical release.

Marketing Strategy

We have engaged film festival strategists and marketing specialists to help us navigate the processes and relationships needed to successfully secure distributors, sales agents and festival screenings. Our team will be vital in the positioning and marketing of the film at festivals to secure a strong distribution deal. Collectively, our team has relationships with the following Festivals, Sales Agents and Distributors:

Distributors

- Sony Picture Classics
- The Samuel Goldwyn Company
- Summit Entertainment
- Dogwood Entertainment

Festivals

- Sundance Film Festival
- Filmfest München
(Munich International Film Festival)
- Atlanta Film Festival
- MethodFest
- Okanagan International Film Festival

3. THE CAST

Character Breakdown

Sharif (Male-35):

A former soldier, Sharif left the resistance when he found Liam, the first of many refugee children that he and his partner Sophie took in over the years. He is a blend of mother and father - a dedicated protector and nurturing care-provider; Sharif takes on many roles in the home.

Though his immediate priorities are clear, Sharif's long-term goals are vague. He doesn't support the war to free his country nor does he want to leave it and start a life in the free lands. In this way, he is very much stuck. But things start changing for Sharif when Sophie becomes pregnant with his child. At the same time, he and Liam (the oldest of his brood) start butting heads over the young man's future. As Sharif's family starts growing beyond his control, he has to contend with the fact that everything changes and that even the comforting constancy of his world may be dissolving.

Sophie (Female-35):

Sophie is Sharif's lover and partner. She works with Sharif to care for the children, but is often absent on mission trips where she works with a larger network of caregivers to reunite refugee children with their families. Beautiful, smart and vibrant, Sophie is the splash of color on Sharif's grey canvas. Though she loves the work they do, she begins to question their lives when she becomes pregnant with their first child. With fewer refugee children to care for than ever and a baby on the way, Sophie must convince Sharif to leave this life and start a family of their own in the free lands.

Liam (Male-19):

Liam is the oldest of the refugee children and presumably the first child that Sharif took in. Kind-hearted like Sharif, Liam takes care of the children like a loving older brother. But Liam doesn't want Sharif's life. Enamored with the notion of fighting for a cause, Liam wants to leave the farm and join the resistance as a soldier. As Liam gets closer and closer to leaving, he forces Sharif to contend with the inevitable fact that his family is growing and changing whether he likes it or not, causing him to realize that sometimes the hardest part of being a father is letting go.

Nev (Female-18):

Nev is the oldest female refugee on the farm. She is Liam's best friend and love interest. Just as she and Liam start to explore their feelings for one another, Nev is forced to leave on a "mission" to reunite one of the refugee children with his mother. Nev's absence is hard for Liam and her ultimate fate plays a large role in his decision to break from the only family he's ever known to start a life of his own.

Character Breakdown

Winston (Male - 60-70)

Winston heads an underground railroad of sorts that delivers food to the different refugee families across the land. Wise, sarcastic and gentle, he provides the family with supplies, information about the changing world and the occasional word of advice. A generation older than Sharif, he represents the old world and acts as a very subtle father figure for our protagonist.

Soldier (Male - 20's)

Soldier fights for the resistance. While on a recruiting mission to the free lands, he gets lost and stumbles onto the farmhouse, dehydrated and malnourished. Sharif and Sophie provide him with temporary shelter and medical attention. Liam is enamored with Soldier and immediately idolizes him, much to Sharif's chagrin. Soldier represents everything that Sharif does not want for Liam. His presence illuminates the rift that grows between Sharif and Liam.

Casting Strategy

Seeds has teamed up with Emmy award winning casting director Craig Fincanon (Fincanon & Associates) to assist us with the casting of the film. Fincanon 's casting credits include films like *Cold Mountain*, *Ray*, *Shallow Hal*, *JuneBug*, *The Patriot*, *Runaway Jury*, *Premonition* and *Get Low* just to name a few. They have relationships with very high profile actors and excel at identifying talent matches that create the most value for the money.

Potential Casting

We have the following talent in mind for the featured roles. We have included three tiers of casting for each of the major roles, Top Tier, Second Tier and 3rd Tier (local casting). We also included a special tier called the "game changer." This tier refers to major stars who, if they become interested, could impact the characteristics of the project.

Casting Considerations

SHARIF

Top Tier*



Ray
Stevenson



Joshua
Jackson



Jeremy
Renner

2nd Tier



James
Caviezel

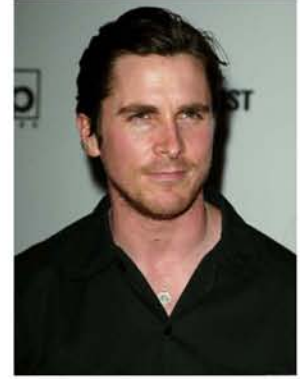


Omar
Epps



Nestor
Carbonell

Game Changer



Christian
Bale



Don
Cheadle



Paul
Rudd

* NOTE: Top tier actors are those that may be drawn to the project based on the script and may be willing to work for a larger cut of the back end.

Casting Considerations

SOPHIE

Top Tier



Winona
Ryder



Christina
Ricci



Freida
Pinto

2nd Tier



Katherine
Waterston



Rosario
Dawson



Sonya
Walger

Game Changer



Kate
Winslet



Mairissa
Tomei



Natalie
Portman

Casting Considerations

Liam

Top Tier



Anton
Yelchin



Justin
Bieber

2nd Tier



Graham
Wardle



Logan
Huffman

Casting Considerations

Nev

Top Tier



Dakota
Fanning



Vanessa
Hudgens

2nd Tier



Emma
Roberts



Selena
Gomez

Casting Considerations Solider

Top Tier



Ben
Foster



Ryan
Gosling

2nd Tier



Joseph
Gordon
Levitt



Channing
Tatum

Casting Considerations Winston

Top Tier

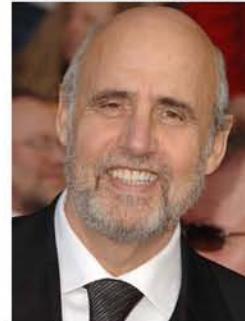


Frank
Langella



Sir Ben
Kingsley

2nd Tier



Jeffrey
Tambor



John
Turturro

4. CREATIVE TEAM

The power of this story has brought together an outstanding team of filmmakers who each bring an extremely high level experience to the table; experience that was earned on film projects that consistently delivered production value that far exceeded budget. We believe that this is very important to note to potential investors, as it is indicative of the passion each of the producers brings to the project. Consequently, each major member of the production team is receiving minimal front-end compensation so that the financing raised for the film can be used for actual production costs. This provides the opportunity for the upfront funds to be used to enhance the quality of the film. The production team will leverage personal and professional relationships to secure top-notch crew at significantly reduced rates and bankable talent at a fraction of their established rates.

Further, the producers will use Georgia tax incentives promulgated under the 2008 Georgia Entertainment Industry Investment Act to directly reimburse investors in an amount equal to up to 30% of their invested capital as discussed below.

SAVVY LORESTANI - WRITER, DIRECTOR, PRODUCER

Savvy Lorestani hails from Atlanta, Georgia where he has worked in the independent film scene for over 5 years. His first feature film, *My Sixteenth Summer*, is currently finding great success on the festival circuit. The film won the Maverick Award at MethodFest (LA) and was nominated for Best International Indie Feature at Okanagan (Canada). It was also accepted into several other festivals and is currently being evaluated by two distributors and four sales agents.

Since shooting his feature, he was hired to produce and direct a live-action trilogy based on the internationally acclaimed comic book series, *Paula Peril*. The first of the series, *Paula Peril and the Mystery of the Crystal Falcon*, is currently outselling previous *Paula Peril* films 3-1 (on-line and in comic book stores) and was shot for half the cost.

Savvy earned his BA in English from Emory University and an MBA from Georgia State University. When not making films, Savvy works as an organizational development consultant, specializing in professional development and team building.

CRAIG & LISA MAE WELLS, FINCANNON & ASSOCIATES - CASTING DIRECTORS

Craig and Lisa Mae Fincannon founded Fincannon & Associates, Inc. in August of 1979. Since that time, Fincannon & Associates has been responsible for casting hundreds of productions and totes relationships with many high profile actors, producers, directors and agents. With over 125 feature films, over 200 episodics, 125 movies of the week, hundreds of commercials, 6 Mini-series and 3 Primetime Emmy Awards, the Fincannons specialize in bringing the right fit of talent to film projects in order to maximize quality and profitability. Film credits include *Cold Mountain*, *Ray*, *Shallow Hal*, *JuneBug*, *The Patriot*, *A Walk to Remember*, *The Mist*, *Evan Almighty*, *The Secret Life of Bees*, *Get Low* just to name a few.

In addition to his responsibilities as President of Fincannon & Associates, Craig is also a founding member of Cape Fear Filmworks, LLC, a small, independent production company producing documentaries, independent features and the *Why We Fight Now* series for the US Army Special Forces. Craig is a charter member of the North Carolina Governor's Film Council, the Academy of Television Arts and Sciences and the Casting Society of America.

DON MANDRIK - PRODUCER

Don Mandrik is an Atlanta-based producer and entertainment attorney. Don's law practice includes the representation of numerous entertainment and media industry clients involved in the development, production, acquisition, financing, marketing and distribution of content for motion pictures, television, internet, and other traditional and emerging media, from both the production and investor perspective. Don has also consulted with or represented numerous production and distribution clients, including Lions Gate Entertainment, MTV Films, Country Music Television, Mandalay Entertainment and Cannonball Run World Events, as well as numerous clients located in Atlanta and throughout the southeast. Don also has significant experience in connection with the utilization of the production tax incentives promulgated under the Georgia Entertainment Industry Investment Act.

Don has acted as a producer on a number of feature film projects, including the award-winning independent feature film "Push" starring Academy-Award Nominee Chazz Palminteri and "Get Low" starring Bill Murray. Don is also currently involved in the production a number of other high-profile television and feature film projects, most notably a feature film project with three time Oscar winner Oliver Stone.

Don is a founding member of the Georgia-based Committee on Entertainment, Capital, Investment, & Legislation (CECIL), comprised of influential members of the Georgia film, TV, digital media, and game development communities, and tasked with improving the entertainment investment climate in Georgia, and with obtaining improved entertainment tax incentive legislation in Georgia. Don also serves on a number of other entertainment-related boards, including the Georgia Production Partnership, whose collective goal is to build the film industry in Georgia and throughout the southeast.

JASON SIROTIN, ECG PRODUCTIONS - PRODUCER

Jason Sirotnin is an award-winning producer and ten year veteran of the industry. He started his career as a videographer for MSNBC, FOX NEWS, and CNN. In 2001, Sirotnin became Head of Production and Programming for the national cable network XY.tv, launching the channel in over ninety markets worldwide. In 2006, media giant Howard Stern tapped Sirotnin to create original programming for his television network, producing over 100 episodes and 5 feature length documentaries, including an award-winning September 11th retrospective. Most recently, Jason served as Line Producer on the feature film "The Fat Boy Chronicles", currently in post-production. Jason's production portfolio includes over 600 television and film credits. He has won three Telly awards for excellence in producing.

JEREMY OSBERN - DIRECTOR OF PHOTOGRAPHY

Jeremy Osbern began his career at the age of seventeen by shooting a documentary which followed four people dying of smoking-related illness. After playing the festival circuit, that documentary was picked up by The American Lung Association and shown in schools across the country. At the age of nineteen, Jeremy shot a spot for the cable giant MTV that was played in constant rotation on the network.

At twenty-one, Osbern began working as Director of Photography on feature films, the first of which was distributed nationwide. Most recently, he served as Director of Photography on Kevin Willmott's "The Only Good Indian", a period piece starring Wes Studi that premiered at the Sundance Film Festival.

Jeremy has now worked on over 30 movies, doing both lighting and camerawork, and has previously worked with George Clooney, Sam Elliott, Jason Bateman, Martin Landau, Ellen Burstyn, Collin Hanks, Ann Margaret, Elizabeth Banks, and numerous sports stars and pop culture icons. In between, Jeremy has shot hundreds of commercials and music videos, and always looks forward to expanding his horizons.

JASON MARRACCINI, ECG PRODUCTIONS - EDITOR/SOUND DESIGNER

Jason graduated from Boston University's College of Communication in 2001 with a bachelor's degree in Film and Television Production. He has worked on both a full-time and freelance basis as an editor, sound designer, audio mixer and 1st AD. After living and working in Boston for 8 years he returned to his hometown of Atlanta to found ECG Productions with long-time friend and collaborator Trey Gregory. In three years' time they have taken the company from an unknown startup to one of the premiere sources for high-definition production and post-production in the Atlanta market, creating content for clients including The Travel Channel, Saab, UPS, Coca-Cola and GE. Jason has served as lead editor and sound designer on 5 short films, 3 features, numerous commercials and over 200 episodes of broadcast television. He is currently editing and designing sound for the feature film "The Fat Boy Chronicles".

TREY GREGORY - ECG PRODUCTIONS - VISUAL EFFECTS ARTIST

Trey graduated from the University of Georgia with a degree in Digital Media Production in 2001. He began his career in Boston, MA where he worked as the senior producer and director of photography for a variety of nationally televised reality-style programs. After directing and shooting his first feature-length film in 2005, he returned to the southeast with Jason Marraccini to open the doors of ECG Productions. Trey has created cutting edge graphics and visual effects for short and feature films, broadcast television series and numerous corporate clients. Most recently he conceptualized and executed award winning advertising campaigns for both Georgia Southern University and The Atlanta Film Festival, served as lead visual effects artist and compositor on the award winning short film "Last Bullet" and provided color grading for the award winning feature "My Sixteenth Summer". He is currently creating the visual effects and providing the final color grade for "The Fat Boy Chronicles".

5. LOCATION INCENTIVES

ATLANTA FILM COMMUNITY

Atlanta's greatest benefit is a talented working local film industry. More than 700 film and television projects have been shot in Georgia, including: *Madea Goes to Jail*, *Fireproof*, *We Are Marshall*, *Stomp the Yard*, *Diary of a Mad Black Woman*, *Driving Miss Daisy*, *The Gospel*, *Sweet Home Alabama*, *The Fighting Temptations*, *Forrest Gump*, the Emmy Award-winning HBO film *Warm Springs*, *In the Heat of the Night* and *The Dukes of Hazard*. Figures from the FY '08-'09 provided by the Georgia Film and Television Commission show the following:

- Television networks, Hollywood studios, production companies and independent producers invested more than \$521 million in Georgia
- The economic impact of this investment was \$929 million
- 13 industry supply-chain companies have recently located to Georgia

This means that not only is a majority of the gear we need available locally (for highly competitive rates), but the majority of the crew can also be hired locally from one of the most highly trained talent pools in the country. Additionally, the booming Atlanta film and television industry attracts a great deal of talented actors to choose from. We are confident that this will keep our travel and payroll costs down and our production value high.

GA FILM INDUSTRY TAX CREDITS

The Georgia Entertainment Industry Investment Act (2009) offers an income tax credit of 20% of qualified production expenditures to feature films like *Seeds in the Sand*. An additional 10% uplift can be earned by including an imbedded animated Georgia logo within approved projects. These credits may be absorbed by the investor members of the project, or sold upon completion of production to third party buyers in need of state income tax credits. The ultimate strategy of how the producers will utilize the credits will be dictated by the investors in the project.

Film companies working in Georgia can also receive an immediate point-of-purchase sales tax exemption that will save up to 8% on most below-the-line materials and service purchases, leases or rentals.

6. INVESTMENT MODEL

Seeds in the Sand is currently seeking investment capital of \$1.5 Million. This will allow us to hire a talented crew and cast, prep and shoot the film, post the film in a timely manner and conduct a marketing campaign to promote the film as needed.

Seeds in the Sand will be funded entirely from private investors and the production entity, SEEDS, LLC will own the copyright of the film, thus allowing the film to be sold and or self distributed according to which path offers the highest return. All profits will be shared by the investors.

STRUCTURE

Seeds in the Sand is scheduled to be funded with 100% private equity. The filmmakers will provide the intellectual property (screenplay and directing) and the investors provide the financial capital. Revenues will be used to return the investors investment, plus a 20% return, with post-recoupment/deferment proceeds then divided 50 / 50 between (1) the investors, and (2) the filmmaker/producers. From this "Producers Share" of post-recoupment/deferment proceeds, the producers pay additional "back-end" profit obligations to third party participants, which typically include the writers, actors and other crew and talent involved in the production.

EQUITY INVESTMENTS

There are two classes of investment units:

- o 10 Preferred Units at a cost of \$50,000 each (totaling \$500,000) We are aiming to secure these units first. In return for this early commitment, these units will be paid out before the regular shares (first-in-first-out).
- o 40 Regular Units at a cost of \$25,000.00 each (totaling \$1,000,000)

DISTRIBUTION OF PROCEEDS

Proceeds from the film will be allocated as follows:

First, to the payment of all actual business expenses, production expenses, distribution expenses (including third party sales fees and expenses), and any other approved costs incurred to produce, complete and market the film;

Second, to the preferred shareholders, until their initial investment has been recouped;

Third, to the regular shareholders until their initial investment has been recouped;

Fourth, to all Equity Investors (both preferred and regular shareholders), on a pro-rata and pari passu basis in accordance with their respective investment capital investments, until each Equity Investor has received an additional 20% of their invested capital (120% total);

Fifth, any remaining proceeds shall be distributed as follows: fifty percent (50%) to the Equity Investors (who will share this fifty percent (50%) of any remaining proceeds on a pro-rata and pari passu basis in accordance with their respective capital investments); and fifty percent (50%) to the filmmaker and producers, who can share from this fifty percent (50%) of the remaining proceeds with actors and other crew and talent involved in the production.

ADDITIONAL INVESTOR BENEFITS

Investors in *Seeds in the Sand* will also enjoy the following:

- The opportunity to visit the set and to attend premieres and wrap parties, cast and crew screenings, film festival screenings and other special events.
- On-screen credits for themselves or their chosen entity, depending on the level of investment.
- The knowledge that *Seeds in the Sand* can be considered a "double bottom line" investment, in that it provides investors with the potential not only with the personal or corporate financial returns, but for community-based social and cultural returns as well. Building upon the burgeoning movie-making industry in the area, the production of *Seeds* will provide direct economic benefit to the city of Cartersville, and the state of Georgia, by employing local crew, utilizing local acting and music talent, and providing valuable film experience that will attract future film productions.

EXAMPLE

A \$1.5 Million film that was entirely financed by equity

First sale (e.g. theatrical distribution) brings \$1,000,000 in revenue
All revenue goes to the investors, out of which the first \$500,000 are paid to preferred shareholders and the remaining \$500,000 are paid to regular shareholders. The producers receive nothing.

Second sale (e.g. TV) brings \$800,000 in revenue
\$500,000 goes to the regular shareholders (all investment is now recouped).
\$300,000 goes to the shareholders to satisfy the 20% preferred return.

Third sale (e.g. home video, additional theatrical and foreign) brings \$1.4 million in revenue
All revenue is now shared 50/50 between investors and producers.
\$700,000 is paid to the investors.
\$700,000 is paid to the producers who pay cast, etc. out of their share.

In this example the total revenue of the film is \$3.2 Million, 80% of which is paid to the investors: a return of \$2.5 Million, yielding a profit of \$1,000,000. Return on investment: 67%.

7. RISKS

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 the production and distribution of a motion picture depend primarily upon its acceptance by the public, which cannot be predicted. The commercial success of a motion picture also depends upon the quality and acceptance of other competing films released into the marketplace at or near the same time, finding a distributor, general economic factors and other tangible and intangible factors, all of which can change and cannot be predicted with certainty. There is no guarantee that the film will be profitable or that the investment itself will be paid back.

However, in today's film market, we feel that *Seeds in the Sand*, as a science fiction film with art-house appeal, helmed by an experienced, award-winning production team, on a lean low budget is the type of project that stands potentially to have the best chance of succeeding.

APPENDIX

Highlights of the 2008 Georgia Entertainment Industry Investment Act

- Previous multi-part, tier incentive is now 20% flat tax credit on qualified Georgia expenditures.
- The foundation of the Act is a 20% investment tax credit. Production companies that spend a minimum of \$500,000 in the state on qualified production and post production expenditures in a single year are eligible for this credit. This includes most materials, services and labor. The 20% credit applies to both residential and out-of-town hires working in Georgia with a salary cap of \$500,000 per person, per production, when the employee is paid by "salary," which is defined as being paid by W2. If the production company uses a 1099 or a personal services contract to hire someone this limit does not apply.
- Provides an additional 10% tax credit if a production company includes a Georgia promotional logo in the qualified finished feature film, TV series, music video or video game project.
- Provides the same tax credits anywhere in the State of Georgia.
- Provides the same tax credits to all in-state and out-of-state labor working in Georgia
- Commercials and music videos are eligible for the 20% base tax credit once the production company has spent a minimum of \$500,000 on qualified expenditures during a single year. This may be through a single project or multiple projects.
- The tax credits apply to the company's Georgia tax liability. Should the company have limited or no Georgia tax liability, then the credit may be transferred or sold once to one or multiple Georgia-based taxpayers to use against their tax liabilities.
- In addition to feature film and television production, the Act also includes other areas of original entertainment content creation including animation, interactive entertainment and video game development.
- Productions may also qualify to take advantage of Georgia's Sales and Use Tax Exemption, a point-of-purchase sales tax exemption that saves you up to 8% on most purchases and rentals in the state.