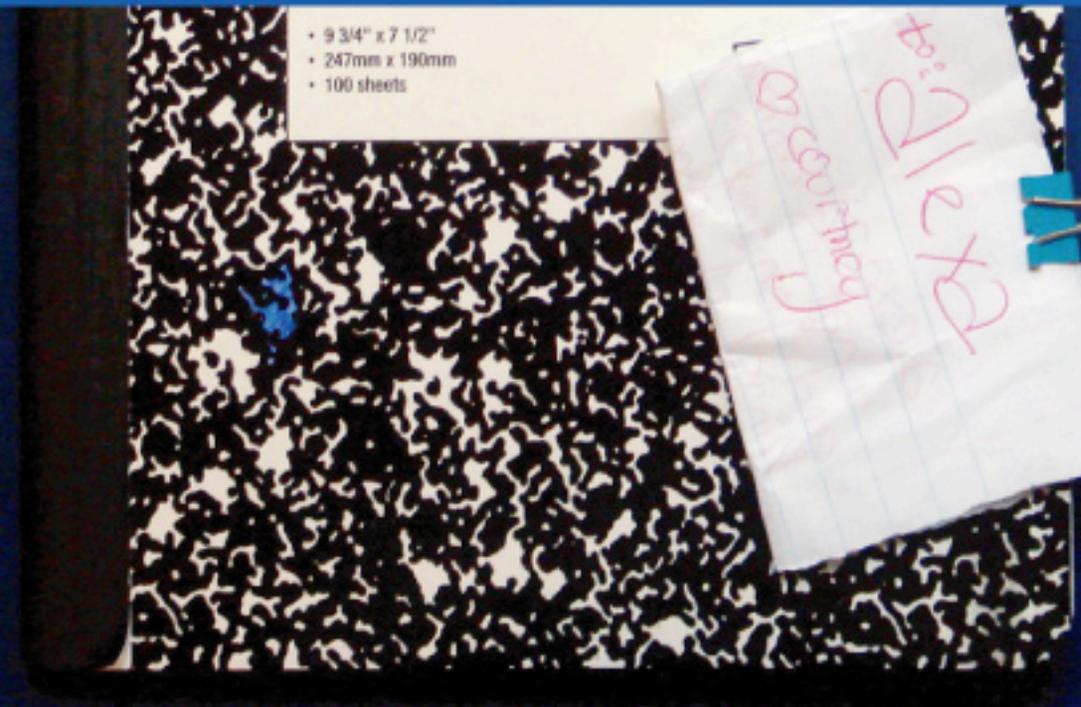


Compositions

AN INDEPENDENT
FEATURE FILM

DARE

INVESTMENT
PROSPECTUS



• 9 3/4" x 7 1/2"
• 247mm x 190mm
• 100 sheets

to: Alexa
a courtesy

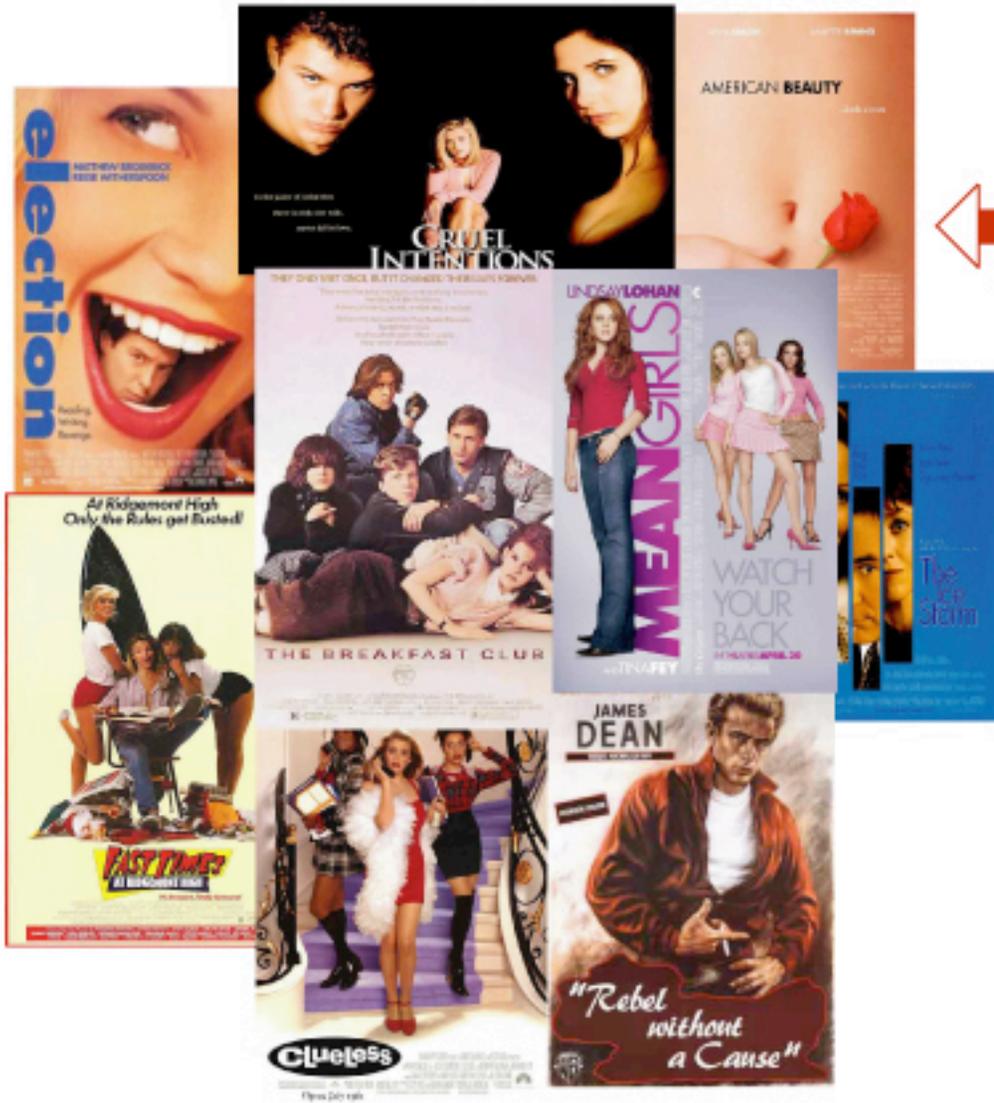
The DARE STORY

In *dare*, we follow three very different teenagers through the last semester of high school. Alexa, the over-achieving and popular good girl who longs to break out of her shell; Ben, the melancholy outsider dealing with his sexuality; and Johnny, the rich, good-looking, seemingly perfect bad-boy rebel.

But as all three will soon find out, even in the safe world of prep school in the suburbs, no one is who they appear to be.



THE HIGH SCHOOL MOVIE...



a CLASSIC and TIME TESTED GENRE

For a NEW GENERATION



WHEN WAS THE LAST TIME you saw a GREAT high school movie in the theater? There is a lack of quality product out there, and a large, under-served market that is hungry for material.

DARE “The good girl; the outsider; the cool guy—like you’ve never seen them before.”

American high school movies are some of the best loved, most financially successful films in popular culture.

Drawing on these films from their early roots in “Rebel Without A Cause” to John Hughes’ “The Breakfast Club,” DARE both celebrates and reinvigorates the genre for a new, savvier generation of American youth.

Everyone has their favorite. The average movie fan can recite lines from their favorite teen flick. These movies are talked about when released in the theaters, collected when they come out on DVD, and treasured for a lifetime. Just think - the PUBLIC could be talking about a film you helped make.

As an investor in DARE, you have the opportunity to be a part of film history, creating a new kind of high school film with the goal of joining the ranks of the classic American high school movies. But more importantly, you will be a part of creating something unique; a film that quite literally does not yet exist in this world.

Smart, sophisticated, and subtle filmmaking is always in demand. The filmmaking team behind DARE has a record of commitment to making quality, intelligent, groundbreaking films of vision.

DAVID BRIND

ADAM SALKY

David and Adam met at Columbia University's Graduate Film Division where they became fast friends and collaborators. Their first project was a short film version of DARE, which David wrote and produced, and Adam directed. DARE went on to play over 50 film festivals around the world, garnering six "Best Of" awards. The film was picked up by Strand Releasing and distributed in the fifth edition of their successful Boys Life series, available on DVD worldwide, and currently airs on MTV's LOGO network.

Philadelphia-born filmmaker/theater director David Brind has directed three short films, including the current Twenty Dollar Drinks starring Sandra Bernhard and Tony-Award winner Cady Huffman, which premiered at the 2006 Tribeca Film Festival.

David directed Sandra Bernhard in her latest one-woman show titled Sandra Bernhard: Everything Bad and Beautiful, which recently had a four-month run Off-Broadway at the Daryl Roth Theater.

David completed his M.F.A. coursework at Columbia University's Graduate Film School. He received his B.A from Yale University as a double major in Theater Studies and American Studies.

David is presently prepping his screenplay for the feature-length version of DARE. The script was among the final 20 scripts out of 2000 in consideration for the 2006 Sundance Screenwriters' Lab, and was honored with the Zaki Gordon Award for Excellence in Screenwriting.

Future projects include the film adaptation of William Wright's non-fiction book "Harvard's Secret Court: The Savage 1920 Purge of Campus Homosexuals," for which David's screenplay is again in the final rounds for the Sundance Labs.

Born and raised in New York City, Adam made his first film in high school in place of a term paper. Since then he has directed six award-winning shorts, showcased in dozens of film festivals and won three prestigious grants.

Adam graduated Magna Cum Laude from Emory University as a creative writing major. He recently completed his MFA coursework at Columbia University's Graduate Film Division where, in his second year, he was the sole recipient of grants from Kodak and Panasonic, the former for his work as director of Panasonic Kids Witness News, a program that teaches under-privileged inner-city kids how to make their own short films. Adam was the recipient of The 2007 James Bridges Award, a production grant, and one of the highest honors in the Columbia Film Division.

Adam has recently completed his first feature documentary, Recruiter. Filmed in the summer of 2006, It is an exclusive look into the secretive and controversial world of military recruiting. It is in postproduction and represented for international sales by Hibiscus Media LLC and Compulsion Entertainment.

He is currently directing and producing, for EVW Communications, LLC, promotional and fundraising videos for The New York Road Runners Foundation and the Hospital for Special Surgery in New York City.

PRODUCER – Mary Jane Skalski

Mary Jane Skalski is a producer based in New York City whose films have consistently been critically acclaimed and commercially successful. She has also been highlighted as one of Variety's Producers to Watch. In 2004 Mary Jane was awarded the IFP Producer Award.

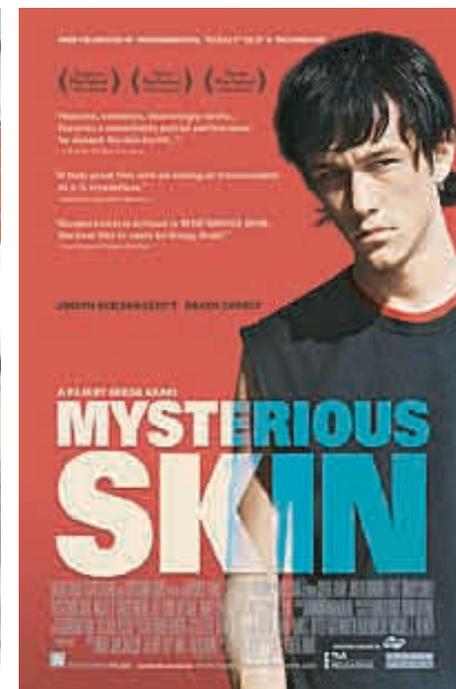
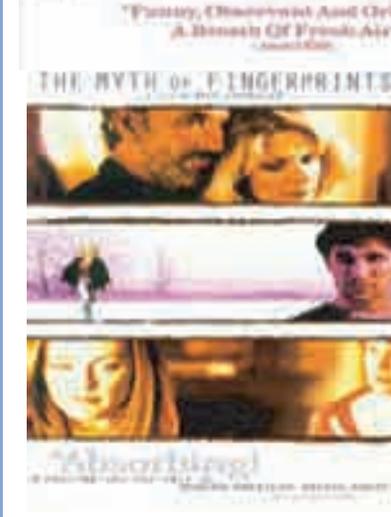
Mary Jane recently completed Tom McCarthy's film *The Visitor*. In the film, a college professor becomes embroiled in the lives of a young immigrant couple living in New York City and stumbles into an unexpected romance as a result. The film premiered at the 2007 Toronto Film Festival and was acquired for US distribution by Overture Films. A Spring 2008 release is planned.

Skalski's previous collaboration with director Tom McCarthy is *The Station Agent*. The film premiered in the Dramatic Competition at the 2003 Sundance Film Festival and received the Audience Award, the Waldo Salt Screenwriting Award and a special acting award for Patricia Clarkson. Its European premiere was at the San Sebastian Film Festival where it was awarded the Special Jury Prize. The film was cited on numerous 'Ten Best' lists including the National Board of Review. It received three Screen Actors Guild nominations, including a nomination for Best Ensemble. The film also received three Independent Spirit Awards and a BAFTA for Best Screenplay.

Among Skalski's previous films is Gregg Araki's *Mysterious Skin*, which premiered at the 2004 Venice Film Festival and screened at the Toronto, Sundance and London film festivals. It was cited on over 70 Ten Best lists in the US (including the New York Times and the LA Times) and received a Gotham Award nomination for Joe Gordon-Levitt's Breakout Performance and a Spirit Award nomination for Best Director. The film was adapted from the novel by Scott Heim and stars Joseph Gordon-Levitt, Brady Corbet, Michelle Trachtenberg and Elisabeth Shue.

Mary Jane is an assistant adjunct faculty member in Columbia University's Graduate Film Department. From 1993 to 1999 Skalski was part of the New York production company Good Machine where she acted in various capacities including the VP of Creative Affairs.

Skalski is currently in post production on Peter Callahan's *Against the Current*. The film stars Joseph Fiennes, Justin Kirk and Elisabeth Reaser.



FILM CREDITS FOR MARY JANE SKALSKI

- 2008 DARE - Producer**
- 2008 *Against the Current* - Producer
- 2007 *The Visitor* - Producer
- 2006 *Fur: An Imaginary Portait of Diane Arbus* - Co-Producer
- 2006 *The Hawk Is Dying* - Producer
- 2004 *Mysterious Skin* - Producer
- 2004 *Chain* - Producer
- 2003 *The Station Agent* - Producer
- 2001 *The Jimmy Show* - Producer
- 2001 *Gina, An Actress, Age 29* - Producer
- 2000 *Conrad & Butler Take a Vacation* - Producer
- 1999 *The Lifestyle* - Executive Producer
- 1999 *Trick* - Executive Producer
- 1997 *The Myth Of Fingerprints* - Producer



PRODUCER

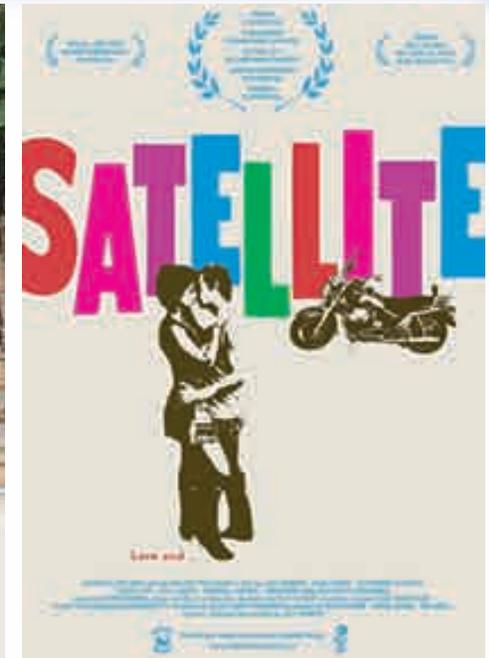
Jason Orans

Jason produced several features in the past two years: **Flannel Pajamas** starring Justin Kirk and Julianne Nicholson which premiered at the 2006 Sundance Film Festival in the Dramatic Competition and was released nationally in theaters; **Goodbye Baby** starring Kevin Corrigan which premieres at Slamdance 2008; **Year Of The Fish** (co-produced) which premiered at the 2007 Sundance Film Festival; and **Satellite** which premiered at the Tribeca Film Festival and played nationally in theaters in 2006.

Jason is currently in post-production on **The Toe Tactic** written and directed by Emily Hubley, which was developed at the Sundance Institute in the screenwriting and directing labs. **The Toe Tactic** features performances from an eclectic cast including David Cross, Jane Lynch, John Sayles, Mary Kay Place, and Eli Wallach. Jason is also in post production on **SOLO**, the new feature from writer-director Ramin Bahrani whose debut **Man Push Cart** premiered at Venice and Sundance in 2006, and whose new film **Chop Shop** premiered at Cannes and Toronto in 2007.

Previous films include several literary adaptations for PBS, including: Nisha Ganatra's **Cosmopolitan** written by Sabrina Dhawan (**Monsoon Wedding**); **The Suitor** directed by Julia Solomonoff (**Sisters**) based on a story by Julia Alvarez; **The First Seven Years** based on a story by Bernard Malamud; and **The Key** based on a story by Eudora Welty.

Jason is also an active line producer of documentaries, shorts and music videos as well as the U.S. units of international feature films such as **L'autre**, **Alexandria... New York**, and **Hello America** (Egypt), and **Last Love** (Japan)



FILM CREDITS FOR JASON ORANS

2008 DARE - Producer

2008 The Missing Person - Executive Producer

2008 The Toe Tactic - Producer

2008 Solo - Producer

2007 Year of the Fish - Producer

2007 Goodbye baby - Producer

2006 Satellite - Producer

2006 Flannel Pajamas - Producer

2003 Cosmopolitan (TV) - Producer

2002 3 Weeks After Paradise - Producer

2001 The Suitor - Producer

1999 Ruben - Co-Executive Producer

1998 The First Seven Years (TV) - Producer

CASTING DIRECTOR Kerry Barden



With over 20 years in the casting business, Kerry Barden has cast some of the **LARGEST**, most **SUCCESSFUL**, Hollywood and **INDIE** films ever made.

CASTING CREDITS FOR KERRY BARDEN

2007 The Visitor (Groundswell Productions/Overture Films)

2006 Déjà vu (Touchstone Pictures)

2006 World Trade Center (Paramount Pictures)

2006 The Night Listener (Miramax)

2004 Alexander (Warner Brothers Pictures)

2004 The Woodsman (Newmarket Films)

2003 Bad Boys II (Columbia Pictures)

2003 The Station Agent (Miramax)

2002 Unfaithful (20th Century Fox)

*Nominated, Oscar Best Actress in a Leading Role, Diane Lane

2001 Monster's Ball (Lions Gate Films)

*Won, Oscar Best Actress in a Leading Role, Halle Berry

2000 Chocolat (Miramax)

*Nominated, Oscar Best Actress in a Leading Role, Juliette Binoche

*Nominated, Oscar Best Actress in a Supporting Role, Judi Dench

1999 Boys Don't Cry (Fox Searchlight)

*Won, Oscar Best Actress in a Leading Role, Hilary Swank

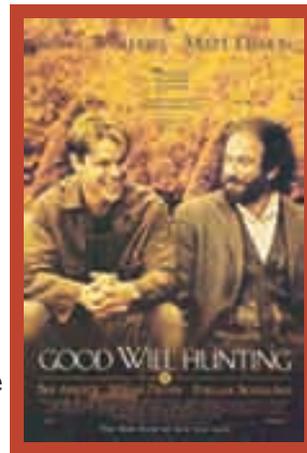
*Nominated, Oscar Best Actress in a Supporting Role, Chloë Sevigny

1997 Good Will Hunting (Miramax)

*Won, Oscar Best Actor in a Supporting Role Robin Williams

1995 Se7en (New Line Cinema)

for additional credits, please see www.imdb.com



— THE DIRECTOR'S STATEMENT —

What kind of film is DARE?

DARE is a rejuvenation of the high school film. It uses some of the most recognizable characters and conventions of the genre to create familiarity, and then launches the genre into surprising and uncharted territory.

Spanning the last semester of high school, DARE follows three central characters, each representing an archetype from the high school genre - Alexa, the "straight A" good girl with a pillar of expectations on her shoulders (Molly Ringwald from *The Breakfast Club*, Winona Ryder from *Heathers*); Ben, the insecure social outcast ("Ducky" from *Pretty In Pink*, Cameron from *Ferris Bueller's Day off*, Mark "Rat" Ratner from *Fast Times At Ridgemont High*); and finally Johnny, the wonder-boy "cool guy," (Andrew McCarthy in *Pretty In Pink*, Christian Slater in *Heathers*, Ryan Phillippe in *Cruel Intentions*).

These characters have followed well-worn paths in high school movie past, but in DARE each receives a fresh, deeper perspective. Alexa sets out to confront her social status and the expectations people have of her; Ben struggles with his sexuality; Johnny, the character on whom everyone projects as though he is a blank slate, is revealed to be more complex and vulnerable than ever imagined.

Visual Style & Tone

The structure of DARE proposes three unique points of view, and a visual progression.

Alexa - The act takes place largely in the daytime. It is a colorful, saturated, young and supple cotton candy world, reminiscent of the very high school films from which DARE is aiming to depart. The camera is classical, utilizing the smooth movements of the dolly, the stability of the tripod, and a small number of jib and crane shots. This act situates the average high school movie fan in familiarity.

Ben - Ben's act is mostly in the nighttime and therefore provides a perfect bridge in the visual story. Though subtly introduced, movements become faster, edgier, and visuals slightly moody, and with more contrast. There is no longer any crane, the jib is used sparingly if at all, and handheld camera gets its first introduction into the story. The story's progression from familiar to new territory is in full swing and the camera will support this.

Johnny - Johnny's act shoulders both the largest tone shift, and the largest subsequent visual accompaniment in DARE. The images are at their darkest, with the most contrast, and grain. Camera design is mostly hand-held to match the temperament of Johnny's point of view. The arc of the visual story will not only be in-tune with the arc of the characters, but it will leave the audience in suspense - at this point, anything can happen.

A deep friendship between Alexa and Ben is at the core of DARE. Each makes choices, which both define their young lives, and at the same time, begin to threaten their friendship. For Alexa and Ben, their moments of daring are their respective seductions of Johnny. And in an unsuspected twist, Johnny's moment of daring is to trust Ben and Alexa.

In *The Breakfast Club* Andrew Clark, played by Emilio Estevez, forms a bond with a close friend of the boy he terrorized and all seems forgiven. In *Fast Times At Ridgemont High* Stacey Hamilton, played by Jennifer Jason Leigh sleeps around, gets an abortion, but then ends up with the nice guy and lives happily ever after. In DARE however, the actions of Alexa and Ben have lasting consequences and they must live with what they've done to Johnny; their friendship forever changed.

CASE IDEAS

ALEXAs

Zoe Kazan
Emma Watson
Kristen Stewart
Ellen Page
Hayden Panettiere

Fracture, In The Valley of Elah
Harry Potter
Into The Wild, Panic Room, The Messengers
Hard Candy, Juno
Heroes

BEN & JOHNNYS

Jonathan Groff
Rory Culkin
Brady Corbet
Michael Cera
Michael Cassidy
Joseph Cross
Anton Yelchin

Spring Awakening
Signs, Mean Creak
Mysterious Skin, Thirteen, Funny Games
Superbad, Juno
The O.C., Smallville
Running With Scissors
Alpha Dog, Charlie Bartlett

RUTHs

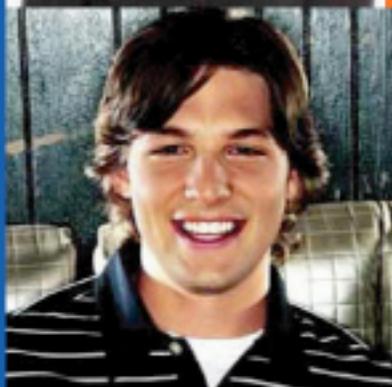
Felicity Huffman
Frances McDormand
Catherine Keener
Laura Linney

Transamerica, Desperate Housewives
Almost Famous, Wonder Boys
Lovely & Amazing, 40 Yr. Old Virgin
Nanny Diaries, Squid & The Whale

GRACEs

Parker Posey
Winona Ryder
Rachel McAdams
Tina Fey

Superman Returns, Personal Velocity
Heathers, Girl Interrupted
Red Eye, The Time Traveler's Wife
Mean Girls, 30 Rock



— A BUILT IN AUDIENCE —

-Since its debut in film festivals in 2005, the short film DARE has found fans across the world, playing in over 50 festivals on 4 continents.

-The film's website has had over 300,000 hits, with the busiest year being 2007.

-Available on DVD nationwide on Strand's BOYS LIFE 5, DARE has found legions of fans who continue to watch and post their comments on sites like Netflix, Amazon, and YouTube. A fan from Turkey cut together a trailer of scenes from DARE to a song from "Brokeback Mountain" that had over 400,000 views before being pulled for copyright violation.

-Currently DARE is playing on MTV's Logo Network to television audiences across North America and is the highest-rated short on Logo's website.



"Adam Salky's film beautifully illustrates the wild possibilities laying in wait for people who dare to take a chance. From what I understand, Salky and Brind are hard at work at turning this short into a feature. Can't wait to see the further adventures of Ben and Johnny."

--Film Threat

"Filmed with elegance and told with elan, DARE is a short film that needs to be made into a feature. The leads are hot, their acting chops impeccable and perfectly cast. DARE is our favorite film in the collection, we can't wait to see it again."

--TLA Video



"Nothing is lacking in this concise tale written by David Brind. The subtext is strongly played without being overindulgent, and director Adam Salky manages to find many gemlike moments in precious little time. DARE is an auspicious beginning for this filmmaking team, it will surely have audiences asking for more—keep your eye on them."

--Edge Online

"It is a film about mutual attraction; it is about secrets; it is about two people on opposite ends of the social spectrum connecting, even if only for a while. It was nice to see such a subtle film, in a time when subtlety is not the cool thing to do. I was thoroughly entertained by DARE and thought it was one of the more realistic approaches to mutual attraction I have seen."

--Simply Cinema Blogspot



INDUSTRY OVERVIEW

The motion picture and entertainment industry is gaining prominence as one of the largest growth and export industries in the United States. Because of this, there are more films being made than ever before, making competition fierce. However, the industry is doing more to take in these films and profit from them, especially from an independent producer's point of view.

Key film festivals over the past few years have risen in industry prominence. Films like *IN THE BEDROOM*, *WAITRESS*, *NAPOLEON DYNAMITE* were acquired by distributors at Sundance. *AWAY FROM HER* and *THANK YOU FOR SMOKING* were acquired during the Toronto Film Festival. These films, and many others that were also acquired at film festivals, went on to be very successful financially and critically. That success has led to an even greater focus on these arenas as business opportunities and a fertile ground for distributors to seek out and acquire material.

More theaters (Sundance Channel is currently opening a chain of cinemas) and cable stations such as the Independent Film Channel, Sundance Channel and HDNet as well as HBO and Showtime are providing vast growing markets hungry for good product. The current cultural trend in DVD rental and purchasing has made the DVD/video industry a powerful, lucrative market. Additionally, foreign markets are increasing their demand for American films, providing even more revenue streams.

Independent film companies have shown especially strong growth over the past decade. Critics regard these films with respect and admiration because they tend to be the most fresh, distinct voices in the art of filmmaking. Film industry insiders also pay close attention to these films, because the return on investment can be surprisingly high.

As the Academy Awards and recent box office smashes indicate, a good film is a highly marketable and profitable product. The desire to deliver the next great film makes independent companies highly competitive. *DARE* fits into this model based not only on the story's realism and emotionally dramatic storytelling, but also because it contains qualities found in most successful independent films:

- The ability to attract critical and festival attention
- The ability to create a comprehensive marketing plan

- The ability to be produced with high production value for low cost.

Role of the Independent Producer

Distributors need content – a constant course of films they can push out to theaters, cable networks, Netflix/Blockbuster and home video chains. Most distributors have a vital acquisitions component to supplement their own production capabilities. These teams seek to acquire films that are already developed and partially or fully completed. Often, studios pay a premium for these 'finished' films because the film is worth more than the costs to create it.

Beginning with the success of Steven Soderbergh's *SEX LIES AND VIDEO TAPE*, studios began noticing that the smaller-budget films performed very well compared to their big budget vehicles, and did so with lower print and advertising expenses, and with less dependence on "expensive" development costs, "stars" and effects. These films also found a core audience on home video and cable, sometimes earning more in these venues than on the "big screen". Independent films differ from studios in several key ways:

- They are financed outside corporate entities
- They are generally written, produced and/or directed by the principals of the production company.
- They have exceedingly smaller budgets, well managed without unnecessary third party fees or disproportionately large overhead costs.
- They neatly fit into a genre (horror, comedy, coming-of-age) while still reworking it in a new, inventive way, giving audiences something to "discover."
- They are driven by critical reviews and strong word of mouth.

Studios also recognize that independent film is a rich arena to find new talent. Directors (i.e. Tarantino, Kevin Smith), actors (i.e. Matt Damon, Ben Affleck, Hillary Swank) and Producers (Christine Vachon, Ted Hope and Ross Katz) have all made extremely successful film careers in the independent film community.

Distribution Landscape

Theatrical exhibition of any film is the primary engine behind sales. The theatrical release brings the film to the public's attention, and even a moderate success in this venue reaps greater demand, thus greater rewards in foreign and ancillary markets such as television and DVD/Video.

INDUSTRY OVERVIEW PART 2

Distributors come in all shapes and sizes. Among them are:

- Major studios (Paramount, Sony/Columbia, Disney/Warner Brothers),
- Mini-majors affiliated with a major studio (New Line),
- Independent divisions of a major (Fox Searchlight, Sony Pictures Classics, Picturehouse),
- Independent distributors (Thinkfilm, Magnolia Pictures, Wellspring),
- Foreign distribution companies (MK2, Fortissimo, Wild Bunch, Canal Plus, The Works).

Our producers have a very successful track record making films with independent domestic distributors and independent arms of studios. They are also very familiar with foreign distribution companies and have strong business relationships in European markets. Their solid reputations and respected business-minded approach immediately place this project in a level above the average privately financed independent film. Aside from the leverage that these producers innately bring to the table, they have also packaged this film in a way that they feel confident that this project will be attractive to distributors.

Distribution Markets & Potential Revenue Streams

The primary focus of the Members of the LLC upon completion of the film is to enter into distribution agreements with domestic and foreign distributors. These agreements will give the distributors exclusive rights to exploit the film in specific markets within specific territories for a specific length of time. The short film has a strong track record with critics and audiences worldwide, and the feature version is eagerly anticipated. Given this record of awareness, we anticipate strong sales to the domestic and international markets.

The Domestic Market

In the United States, DARE may be characterized as both a mainstream high school movie and an edgy independent film, and as a result should be marketed towards both audiences. Examples of potential domestic markets for both mainstream high school movies and edgy independent films include:

- Theatrical
- Non-theatrical (college screenings, airline in-flight movies)
- Home DVD/Video (both rental and point-of-purchase)
- Broadcast Television

- Subscription Television (HBO, Showtime, etc.)
- Cable Television
- Other ancillary markets

Foreign Territories

The Domestic territory is an important concern, but it is possible that the revenue to be realized from selling the film in foreign territories may exceed even that derived from domestic markets.

DARE Revenue Streams

Theatrical Distribution – Exhibitor pays a percentage of a picture's box office receipts ("rentals") to the distributor. The magnitude of that percentage depends on the distributor's strength and the exhibitor's desire to show the film. Typically, the distributor's share falls in the 40-50% range. The U.S. release of a film usually ends within the first year. Major studio films may play on as many as 3,000 screens in the first few weeks. Independent films, however, commonly follow a platform release pattern, opening on far fewer screens and building out as the film gains word of mouth publicity, critical praise and national recognition via awards.

The producers / investors of an independent film typically receive a percentage of rental fees or distributor net profits from a theatrical release, a portion of which is paid upfront as a guaranteed minimum. In addition to the revenue it provides directly, the film's theatrical performance exerts substantial influence over revenue opportunities in other channels. We hope to receive similarly glowing reviews for the theatrical release of DARE, reviews which will help drive the DVD sales and rentals of the film.

Home Video/DVD – With nearly 80% of American homes owning at least one DVD player, DVDs continue to be an important and growing source of motion picture revenue and a major profit center. Home video companies promote and sell DVDs to local, regional and national video retailers, who then rent the DVDs to consumers. This amounted to \$8.5 Billion in the U.S. alone (source: Entertainment Merchant Association 2007 Annual Report on the Home Entertainment Industry). The advent of Netflix (with over 6.7 million subscribers) and its copycat services has created a powerful boom in DVD rental-related sales in the last five years. DVDs also sell directly to consumers in what is termed the "sell through" market, which accounted for \$16.5 Billion in sales in 2006 (source: EMA 2007 Report).



INDUSTRY OVERVIEW PART 3

International Theatrical – Much of the projected growth in the worldwide film business comes from the international markets. Distributors and exhibitors continue to find new ways to increase the box office revenue pool. The growth in multiplexes in Europe has been followed by more screens in Asia and Latin America. Other factors are the privatization of television stations overseas, the introduction of direct broadcast satellite services, and increased cable penetration. International receipts may account for more than 50% of a film's revenue.

Broadcast and Cable Television – The film will be available for sale to the many broadcast and cable networks who specialize in mainstream high school movies and edgy Independent Films including IFC, Sundance Channel, HBO, Showtime etc.

Other Ancillary Markets - While the Internet market for films is still in its infancy, it is an exciting market to watch and one that we will be ready to exploit should the opportunity arise. As discussed in detail on P. 11 of this prospectus, the DARE short film has already made a large, quantifiable impact online. The feature version will build on this audience, and may offer unique opportunities in this area.

DARE Financing Structure

- \$1,500,000 private equity offering
- Limited liability company structure
- Investors recoup principal in first position from 100% of Adjusted Gross Proceeds (as described below)
- Investors receive a 20% preferred return from 100% of Adjusted Gross Proceeds
- After Deferments, if any, investors receive their respective proportionate share of 50% of Adjusted Gross Proceeds. The remaining 50% of the Adjusted Gross Proceeds shall be distributed amongst all third party profit participants (including, but not limited to, cast, crew, producers and director).

Shooting In Philadelphia

The production will be based in the Philadelphia area. We believe this will infuse the film with greater authenticity as the flavor of the Main Line suburbs is seen on film.

Shooting in Pennsylvania also makes the film eligible for government sponsored production incentives. The production team intends to take full advantage of these financial benefits which could reimburse the production for up to 25% of eligible spending in the state by providing tax credits.

Some of the perks of being a DARE investor:

- Visit the set on location and watch filming in progress.
- Go to the wrap party with cast, director, writer and crew.
- Attend the premiere of DARE, and film festival screenings. Other films produced by Mary Jane Skalski and Jason Orans have screened at Sundance, Toronto, Cannes, Venice and Tribeca.
- The opportunity for you or your children and/or grandchildren to be on-screen extras.

LLC Structure

A single purpose Limited Liability Company (“LLC”) shall be formed for the sole purpose of developing, producing and exploiting the Picture and shall have a One Hundred (100%) Percent ownership interest in the Picture. The LLC is managed by the Production Team. for DARE. Investors will not participate in the management of the LLC. The sole business of the LLC will be production and sale of DARE (the Film).

The Manager's Responsibilities

The film's producers are the managers of the LLC. The managers of the LLC have complete discretion over the production, editing, distribution, and exhibition of the film. The managers have complete control over all business decisions with respect to the film: including the sale or other disposition of the film, distribution and exhibition arrangements, and any other marketing arrangements. The managers will exploit the film to its full potential in all markets.

FINANCIAL PROPOSAL

The following is a summary of certain information regarding the production of the motion picture presently entitled DARE (the "Picture"), written by David Brind and to be directed by Adam Salky. THIS DOCUMENT IS NOT AN OFFERING and is for your private and confidential use only and may not be reproduced, sold or redistributed without the prior written consent from The DARE Production Team.

Business of the Production Company

DARE Productions (the "Production Company") shall be formed as a single purpose production entity for the sole purpose of developing, producing, and exploiting the Picture. It is anticipated that the cash Production Budget of the Picture shall be approximately U.S. One Million, Five Hundred Thousand-Dollars (\$1,500,000.00) Dollars. The Production Company will engage in the ownership, production and exploitation of the Picture and shall have a one hundred (100%) percent ownership interest in the Picture.

Investors shall receive their proportionate share of one hundred (100%) percent of the Adjusted Gross Proceeds (as defined below) from the exploitation of the Picture on a pari passu basis, until all investors have recouped one hundred and twenty (120%) percent of their respective investments attributable to the Picture. Following recoupment by all investors in the Picture plus the twenty (20%) percent premium stated above, any deferrals in connection with the Picture shall be paid. Deferrals shall not exceed U.S. One Hundred Thousand (\$100,000.00) Dollars without the written consent of all Investors. Investors shall thereafter receive their respective proportionate share of fifty (50%) percent of the Adjusted Gross Proceeds from the exploitation of the Picture on a pari passu basis with other investors in perpetuity. The remaining fifty (50%) percent of the Adjusted Gross Proceeds from the exploitation of the Picture, if any, shall be distributed within the sole discretion of the Production Company. It is understood and agreed that Producer shall be permitted, within its sole discretion, to accept investors on an "in kind" fair market value basis on the same terms as provided for cash investors in connection with the Picture.

"Adjusted Gross Proceeds" shall be defined as all revenues from the exploitation of the Picture to the extent: (i) earned and non-refundable; (ii) actually received by the Company; and (iii) as determined after the deduction of expenses, and all reasonable and customary refunds, taxes, credits, discounts, allowances, adjustments, exclusions, and deductions (including interest and fees owed, residuals, union payments, and the like, sales agent fees, distribution fee(s), and actual expenses incurred in connection with the delivery materials, music license fees, advertising, promotion, exploitation and distribution of the Picture, if any, and the reasonable cost of conducting the Company's business) incurred by Producer in connection with the financing, production, and exploitation of the Picture.

Cash will not be available for distribution by the Production Company until the Picture has been acquired and/or otherwise distributed and all expenses of such production and distribution have been paid, including monies payable pursuant to the applicable union and or guild agreements. Thereafter, the amount of cash available for distribution to investors will be entirely dependent upon the acquisition price and/or the gross receipts generated by the Picture.

Management of the Production Company

The Production Company shall be managed by The DARE Production Team, who shall be responsible for the day-to-day affairs of the Production Company. Investors will not participate in the management or operation of the Production Company.

DARE PRODUCTION LEGAL COUNSEL

Jonathan Gray - Gray Krauss LLP - Attorneys at Law

ABOUT THE FIRM

Gray Krauss LLP is a full service entertainment law firm, providing services in a broad range of entertainment and intellectual property related matters, including independent film and television financing, production and distribution, representation of writers, directors, actors and producers, a wide variety of music business matters, including representing artists, managers, songwriters, publishers, producers and record labels. The firm has provided production counsel services, including rights acquisition, financial structuring, contract negotiation, and distribution on a vast number of independent film productions with budgets ranging from under \$1 million to \$25 million plus. The firm has also worked on a wide variety of music-related transactions, from representation of major label recording artists and major publishers, to creative independent record and publishing deals. The firm prides itself on a keen attention to detail as well as its ability to guide its clients through complicated transactions and prepare for the future exploitations of intellectual property.

ABOUT JONATHAN

A practicing attorney since 1990, Jonathan is a dedicated advocate for emerging and established directors, producers, production entities, screenwriters, investors and distributors in film, television and other media. His extensive experience includes drafting and negotiation of entertainment contracts, independent film and television production, financing, distribution, and intellectual property matters. Jonathan is the former chairperson of the New York State Bar Association Committee on Motion Pictures. He is also an experienced trial lawyer and has acted as lead counsel in numerous jury and bench trials in the state and federal courts of New York. His diversified trial experience includes copyright and trademark actions, as well as product liability, securities, and civil rights matters. Jonathan is also an award-winning independent film producer whose films have been screened at festivals worldwide.

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For More Information and a complete list of Jonathan's credits, please go to
www.indyfilmlaw.com

BOX OFFICE EXAMPLES

Here is a short sampling of economically successful high school films that were made on a modest budget. These films all share thematic, tonal, or budgetary similarities with DARE.

THIRTEEN (Rated R)

Dir: Catherine Hardwicke
Budget: \$1,500,000 (estimated)
Gross: \$4.6 Million (U.S.) 9 Million world wide
Cume US Rentals: \$20,300,000 (as of 25 April 2004)

RULES OF ATTRACTION (Rated R)

Dir: Roger Avary
Budget: \$4,000,000 (estimated)
Gross: \$6,525,762 (USA) (as of 15 November 2002)
Cume US Rentals: \$9,900,000 (as of 13 April 2003)

KIDS (Unrated)

Dir: Larry Clark
Budget: \$1,500,000 (estimated)
Gross: \$15,000,000 (Worldwide)

CRUEL INTENTIONS (Rated R)

Dir: Roger Kumble
Notes: Spawned 2 DTV sequels
Budget: \$11,000,000 (estimated)
Gross: \$95,201,895 (Worldwide)
Cume US Rentals: \$28,800,000 (as of 24 October 1999)

ELECTION (Rated R)

Dir: Alexander Payne
Budget: \$8,500,000 (estimated)
Gross: \$15,979,556 (Worldwide)
Cume US Rentals: \$31,200,000 (as of 16 January 2000)

MEAN GIRLS (Rated PG-13)

Dir: Mark Waters
Budget: \$17 M (Estimated)
Gross: \$86 M (U.S.) \$121 M (Worldwide)

NAPOLEON DYNAMITE (Rated PG)

Dir: Jared Hess
Budget: \$400 K (estimated)
Gross: \$44.5 Million
Cume US Rentals: \$43,800,000 (as of March 2005)

BRICK (Rated R)

Dir: Rian Johnson
Budget: \$475,000 (estimated)
Gross: \$2,060,589 (USA) (7 July 2006)
Cume US Rentals: \$9,880,000 (as of 08 October 2006)

DONNIE DARKO (Rated R)

Dir: Richard Kelly
Notes: DVD success earned a 2nd theatrical release
Budget: \$4,500,000 (estimated)
Gross: \$1,270,522 (USA) 2,570,317 (foreign)
US Rentals: \$6,000,000 (as of May 2002)

SUPERBAD (Rated R)

Dir: Greg Mottola
Budget: \$20 M (Estimated)
Gross: \$121,463,226 M (U.S.)
\$47,261,789 M (Worldwide)

BUT I'M A CHEERLEADER (Rated R)

Dir: Jamie Babbit
Budget: \$1,200,000 (estimated)
Gross: \$2,199,853 (USA) (15 September 2000)

**All box office information taken from [IMDBpro - www.imdb.com](http://www.imdb.com)
& [Box Office Mojo - www.boxofficemojo.com](http://www.boxofficemojo.com)**

WE HOPE TO SEE YOU THERE...



Thank you for taking the time to review our proposal. For a more in-depth review of our investment opportunity, please contact us.

DARE PRODUCTION TEAM

Producers:

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APPENDIX I

DARE

FINANCIAL
ESTIMATES

A Note On This Appendix

The following financial documents have been assembled to help illustrate the business model for independent films. One chart (Page 3) illustrates advances received from several films that were acquired on the open market (a la Sundance, Tribeca, Toronto, etc.). Another chart (page 4) illustrates the way films are exploited directly in the marketplace. Using deal terms that have recently been secured for an independent film, we've created revenue projections based on various box office totals. However, since accounting statements remain confidential, it is very difficult to know how revenues and expenses for films in distribution truly stack up against these models. While we have done our best for realistic projections in the attached document, there is no way to determine how a picture will actually perform at the box office.

We are glad to provide this information, but must stress that even though the film business has an overall structure, each film is a wholly unique proposition. If no one wants to distribute the film these models will make no difference at all. If no one is interested there is no scrap value.

That said, as you know, we will do everything we can to make sure that the film we make is worth more than its budget.

The Film Investment Process & Timeline

The Filmmaking process must be 100% completed before revenue (if any) comes back in. The time from which a film is completely financed to completed (casting, preproduction, production, post production) is approximately 10-12 months.

Typically independent films rely on a film festival premiere to enter into the marketplace. If the film makes sales at its initial festival experience, the payment schedule is typically 10% of the gross sale upon signature (approx 6 weeks after the deal is accepted). The remaining money is payable on delivery (when all the legal, promotional, and technical elements have been handed over to the distributor). This is a process that often takes approx 6 months. Conservatively, on a film that receives a 'minimum guarantee' against future revenue, the investors can expect to see revenue no earlier than 18 months after investment.

If a film does not receive a minimum guarantee this time line is extended as the film will need to be exploited in the commercial marketplace (i.e. have a theatrical release, make a tv sale, etc) before any revenue is returned. We have created a few documents to illuminate these scenarios.

Independent Film Sales Examples

Here is a short sampling of economically successful independent films that were made for a modest budget and licensed for a solid advance.

TITLE	ESTIMATED BUDGET	DISTRIBUTOR	DISTRIBUTOR ADVANCE
2007 SALES			
SON OF RAMBOW	\$3,000,000	Paramount Vantage	\$7,000,000
JOSHUA	\$2,000,000	Fox Searchlight	\$4,000,000
GRACE IS GONE	\$2,000,000	The Weinstein Co.	\$4,000,000
WAITRESS	\$2,000,000	Fox Searchlight	\$4-5,000,000
ONCE	\$1,000,000	Fox Searchlight	\$1,000,000*
DEDICATION	\$1,000,000	The Weinstein Co.	\$4,000,000
2006 SALES			
LITTLE MISS SUNSHINE	\$6,000,000	Fox Searchlight	\$10,000,000 + 10% of the gross
THE SCIENCE OF SLEEP	\$6,000,000	Warner Independent	\$6,000,000*
THE NIGHT LISTENER	\$4,000,000	Miramax	\$3,350,000*
2005 SALES			
HUSTLE & FLOW	\$3,000,000	Paramount/MTV Films	\$9,000,000
HARD CANDY	\$1,000,000	Lions Gate	\$4,000,000
SQUID AND THE WHALE	\$1,500,000	Samuel Goldwyn Co.	\$1,000,000*
2004 SALES			
GARDEN STATE	\$2,500,000	Fox Searchlight	\$5,000,000
NAPOLEON DYNAMITE	\$400,000	Fox Searchlight	\$5,000,000
OPEN WATER	\$130,000	Lions Gate	\$2,500,000
2003 SALES			
CABIN FEVER	\$1,500,000	Lions Gate	\$5,000,000
PIECES OF APRIL	\$300,000	United Artists	\$3,500,000
THE STATION AGENT	\$500,000	Miramax	\$3,500,000
THIRTEEN	\$1,500,000	Fox Searchlight	\$2,000,000
THE COOLER	\$3,500,000	Lions Gate	\$1,500,000

The above figures represent advances; they do not include revenue from Box Office, Home Video, DVD, Cable, Television Distribution and Ancillary Streams.

*US/North American advance only

Potential Return Scenarios

The following represents various scenarios of potential revenue and return on investment (ROI) from DARE and subsequent payout schedules. Note that this is not a guarantee of return, but rather an ROI based on possible gross revenue from distribution sources throughout the life of the film.

The actual returns on DARE may differ. This analysis is based on a total project budget of \$1.5 M. This "Potential Return Scenario" calculates and projects the flow of possible recoupment using a set of assumptions (based on industry averages) for each phase of distribution.

Thank you for taking the time to review our proposal. For a more in-depth review of our investment opportunity, please contact us.

DARE PRODUCTION TEAM

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Director:
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Assumptions		Small	Medium	Strong	Hit
BOX OFFICE GROSS		2,000,000	5,000,000	10,000,000	25,000,000
Exhibitor Fee	50%	1,000,000	2,500,000	5,000,000	12,500,000
Distribution Expense	40%	800,000	2,000,000	4,000,000	10,000,000
Distribution Fees	20%	160,000	400,000	800,000	2,000,000
Theatrical Net		40,000	100,000	200,000	500,000
Foreign Territories Gross		1,500,000	3,750,000	7,500,000	18,750,000
Distribution Expense	15%	225,000	562,500	1,125,000	2,812,500
Distribution Fees	20%	300,000	750,000	1,500,000	3,750,000
Foreign Territories Net		975,000	2,437,500	4,875,000	12,187,500
% of Box Office Gross	75%				
DVD/Video Gross		3,000,000	7,500,000	15,000,000	37,500,000
Distribution Expense	10%	300,000	750,000	1,500,000	3,000,000
Distribution Fees	25%	750,000	1,875,000	3,750,000	9,375,000
DVD/Video Net		1,950,000	4,875,000	9,750,000	25,125,000
% of Box Office Gross	150%				
Premium TV Gross		300,000	750,000	1,500,000	3,750,000
Distribution Expense	5%	18,750	37,500	75,000	150,000
Distribution Fees	20%	60,000	150,000	300,000	750,000
Premium TV Net		221,250	562,500	1,125,000	2,850,000
% of Box Office Gross	15%				
Network/Syndicated Gross		240,000	600,000	1,200,000	3,000,000
Distribution Expense	5%	12,000	30,000	60,000	150,000
Distribution Fees	20%	48,000	120,000	240,000	600,000
Network Net		180,000	450,000	900,000	2,250,000
% of Box Office Gross	12%				
Ancillary Gross		100,000	250,000	500,000	1,250,000
Distribution Expense	10%	10,000	25,000	50,000	125,000
Distribution Fees	25%	25,000	62,500	125,000	312,500
Ancillary Net		65,000	162,500	325,000	812,500
% of Box Office Gross	5%				
TOTAL RETURNS		3,431,250	8,587,500	17,175,000	43,725,000
Less distributor back end	(40%)	1,372,500	3,435,000	6,870,000	17,490,000
Total return to producers		2,058,750	5,152,500	10,305,000	26,235,000

This payout schedule works on the assumption that returns initiate once theatrical exhibition begins. However, it is likely that a sizeable upfront payment for domestic and/or international distribution may be secured in "Year 0", which would skew returns in favor of the investor.