

## **EXECUTIVE SUMMARY**

### **Purpose of the Plan**

Novel Creation Productions, is seeking investors to provide venture capital to Produce a movie titled, "Keep it Secret", written by Mike Carollo, scriptwriter, producer and director. The film will be shot with new high quality HDXL cameras, professionally performed, expertly produced and efficiently distributed. Investment funds required are \$1,000,000.00 per attached filming budget.

### **Background: Scriptwriter, Director, And Producer: Mike Carollo**

Mike was born in Chicago, Illinois. He completed his education in computer programming and system analysis at the University of Illinois and received his degree from Automation Institute, a specialty school for programming and system designing. He graduated with honors. After several years of employment, he started his own business, Computer Assistants, Ltd. He was self employed for 22 years, specializing in custom programming, training and consulting. Employing a staff of 16 employees, Computer Assistants, Ltd set up computer systems in over one hundred companies throughout the country. Mike joined IBM as a business partner and added hardware installation to his expertise.

Mike relocated to Park City, Utah in 1990. Several years later he took early retirement and began writing movie scripts. Mike admits that for several years, he has had ideas for movies rolling around in his head. In a little more than four years, he turned those ideas into 19 movie scripts.

### **Reason for engaging in this business**

In 2006, Mike Carollo and Tom Perry combined their business backgrounds and creative talents and undertook the challenge to produce a feature film based on one of Mike's movie scripts titled, "Planted Evidence". Within 6 months and under budget, they accomplished their goal and successfully produced a full length feature film. The film was entered in four film festivals and accepted by three for presentation. As a result, the film is under contract for distribution. Mike and Tom realized that they both have a passion for movie production and formed Novel Creation Productions, to continue producing movies with the goal of financial success. Mike has 18 other completed movie scripts available.

### **Reason for Investing**

A successful businessman working to accomplish what started out as a casual, conversational goal.

Mike's associates and friends describe him as determined, driven and basically unstoppable when he sets a goal. His imagination and creativity, along with a twist of irony, an element of surprise, and a lot of comedy have given something unique to each one of his story lines. He entered his scripts into screenwriter contests and has won first place in the Write Movies contest, and several other top awards in other

contests (Fade In, American Accolades, Filmmaker Intl Awards, Nicholl Fellowship, Scriptapalooza and others).

Mike is committed to financial success in the film industry. Mike says that working on the feature film which he just completed, "Planted Evidence," was an awesome experience. Starting with the first "read through" of the script, thru final editing and design, Mike used his creativity and expertise to produce this film substantially under budget. This film was part of the Delray Beach 2007 film festival where it caught the interest of an international film distribution company.

### **Marketing and Progress Update**

At the Delray film festival, Mike networked with others in the industry. He attended seminars and spoke to the presenters, gaining information and advice about marketing and distribution. His efforts resulted in success and a contract was signed with Echelon Studios Distribution Company. Planted evidence was released for distribution on May 24, 2007 to Echelon Studios in Glendale, California.

Echelon Studios has indicated that they are interested in distributing the next film produced by Novel Creations Production, titled "**Keep it Secret**" and possibly all future movies. See letter of intent at end of this plan.

### **Keys to Success**

Our creative endeavors will be put into project format, allowing each project to be individually financed, developed, maintained and tracked according to its unique requirements and objectives. The film "Keep It Secret" is scheduled to be started as soon as funds are raised.

### **Location of filming for "Keep it Secret"**

Filming will be done in the mountains of Park City, Utah and also in the cities of Park City and Salt Lake City, Utah. The shooting will start as soon as funds are raised.

Mike has completed about 60% of the auditioning and has selected 12 actors of the total 18 necessary to complete the cast. Extras have also been selected. More than 2/3 of the crew has been selected. Our editor has been with KSL (NBC) TV for 30 years and has agreed to do the editing for Novel Creation Productions for this film "Keep it Secret" and all future films. It is expected shooting to start as early as funds are obtained and should be completed within 60 Days. Distribution will start immediately at completion of shooting and editing.

### **Projection for "Keep it Secret"**

According to movie budgets and expenses, profits for 60 of this type of movie in the last two years have grossed over \$992,000,000.00 or an average of \$16,533,333.00. To be accurate, there is no telling how this movie will be received by the public but according to statistics, this movie should gross a minimum of \$16,533,333.00. We are very confident that the gross for this movie will exceed this amount.

**Cinema is the most composite art form. It encompasses every other art form. The nature of feature films highlights one of the many reasons why they're often exists a continuum of healthy returns for investors.**

**Schedule of repayment to investment:**

**The investors will receive their complete investment before any monies are received by Novel Creation Productions. The Distributor will receive their 25% and expenses first, and then as all monies are collected by Novel Creation Productions, the investors will receive 100% of their investment. Once the investors have received 100% of their investment, they will share 20% of all other net profits.**

**Immediate Tax write-off:**

**It should be noted that section 181 of the IRS tax code allows an immediate tax write-off of production expenditures for domestic film productions with an aggregate costs under \$15 million. For qualified productions, production expenses may be deducted in the year the expenditure occurs; instead of being depreciated over a period of years.**

**See letter of intent on next page.**

# Echelon

Studios

Michael Carollo  
Novel Creations  
3480 Saddleback Rd.  
Park City, UT 94098

September 24, 2007

Dear Michael:

After reviewing the materials on the feature film, *KEEP IT SECRET*, I am pleased to inform you that we have unanimously decided to go forward with a commitment to distribute your film. Projects such as yours have been a proven genre for us in the past.

We here at Echelon Studios would be pleased to represent the distribution of your films Domestic & Foreign rights upon its completion.

We feel that this is wonderful, highly innovative & a quality project. We are excited about moving forward quickly with the help of yourself and your colleagues.

Please let us know if there is anything else we can do in the interim to facilitate the completion of this film. We are eager to contribute to the success of such a dynamic project.

Once again, we would like to personally thank you for your professionalism and dedication to the business of filmmaking I look forward to speaking with you and your partners at your convenience.

Thank you,

Sincerely,



John Tan  
Vice President of Acquisitions

