

THE KEEPER'S SECRET

A KENNETH SEGURA KNOLL FILM



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EXECUTIVE SUMMARY

The purpose of this business plan is to outline an actionable course for the successful completion, marketing, and distribution of the feature-length film, *The Keeper's Secret*.



LOGLINE

A young Native woman's world is turned upside down after she pries open a purchased antique box and a mysterious young boy appears in her life – this box holds a secret that only the “Keeper” can explain.



CASTING

The Production Team has already secured an actress for the lead role of ALICIA and is in the process of securing letters of intent for the lead role of OLD MAN. High-profile talent are also being approached for several of the top supporting roles in the film. Cast are being sought on the basis of artistic sensibilities, bankability, and marketing awareness.



FINANCING

The financial requirement for this plan is \$1.2 million. \$1.2 million will provide for the development, production, and post-production deliverables for the film. The structure allows for both a traditional distribution path of an acquisition deal as well as a self-motivated release strategy of the film.



SALES

The Production Team is in discussions to attach strong international sales representation to present *The Keeper's Secret* globally at major film markets. With Buffalo 8 advising on the content presentation, casting, marketing, and sales positioning, *The Keeper's Secret* can avoid the typical pitfalls of indie sales. The budget for the proposed film has been designed with the financial return in mind and has been structured to be flexible amidst the new COVID-19 Production landscape. The return strategy is based on a practical plan for accessing traditional horror and urban markets. Additionally, The Production team will position the film towards individuals looking for a modern, horror flick with magnetic characters and a powerfully chilling, central plot. Limited Theatrical, New Media, Streaming Video on Demand (SVOD), DVD/Blu-Ray, broadcast, and foreign distribution outlets will be pursued—each with specific intent.

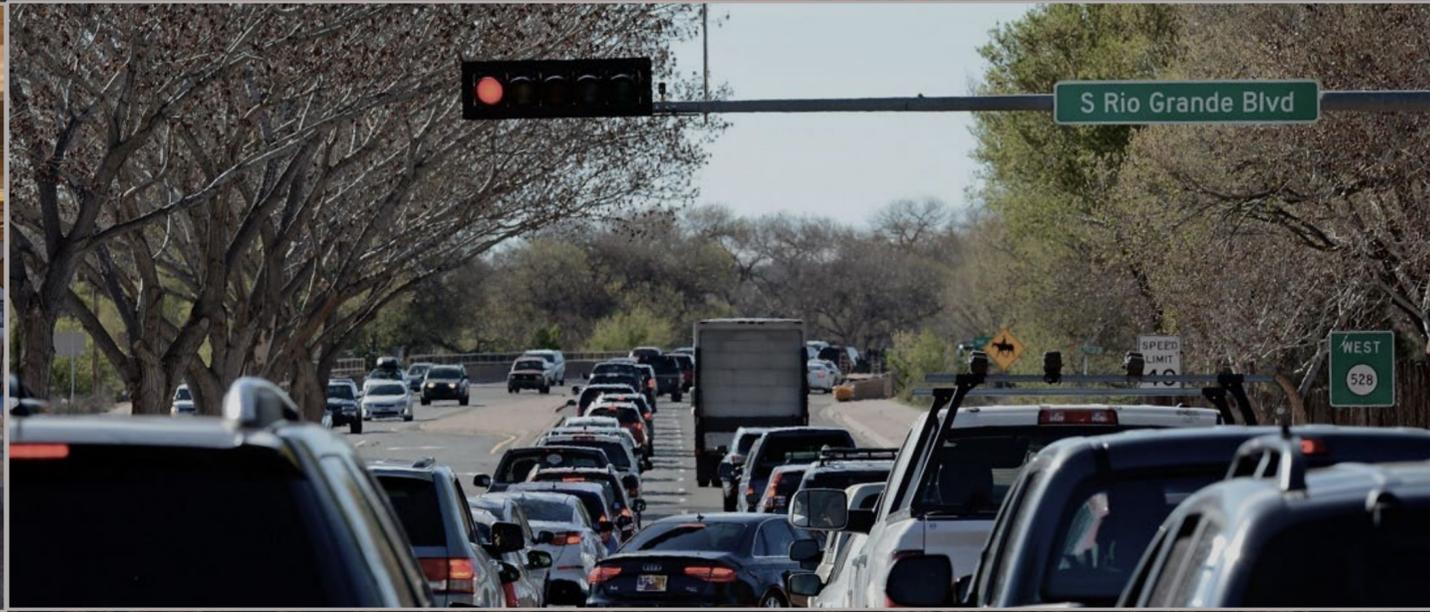
THE STORY

Alicia is a young, Native woman with no job, no future and no purpose in life. Outside of her mother, Alicia is completely alone. As she's struggling to find work and make ends meet, Alicia one day comes across a mysterious antique box, which she soon discovers has magical properties. Shortly after obtaining the vintage artifact, a young boy named Damion appears and emotionally attaches himself to her, calling her "Mommy". Taken with the boy's affection, Alicia lives up to this term of endearment and takes Damion under her wing.

While these developments might seem to give Alicia a new lease on life, they unfortunately also bring a newfound threat as well – a menacing young man named Miguel, who begins stalking Alicia in order to retrieve the box and return Damion to his rightful place inside it.

Unwilling to let Damion be taken, Alicia takes the boy and makes a break for it, leaving town to find a safe haven, and answers for the bewildering turn of events she finds herself in. But as Alicia & Damion strike out on their own, she soon finds that the boy is much more than he appears to be, possibly even deadly. In order to unravel the mystery, Alicia must find "The Keeper" who holds the key to solving this dangerous new predicament she's trapped in and the way back to a normal life.





Attached CAST

Alicia



CARMEN DAHLMAN

Better Call Saul
Lyrics from a Bleeding Heart
Temptation

Damion

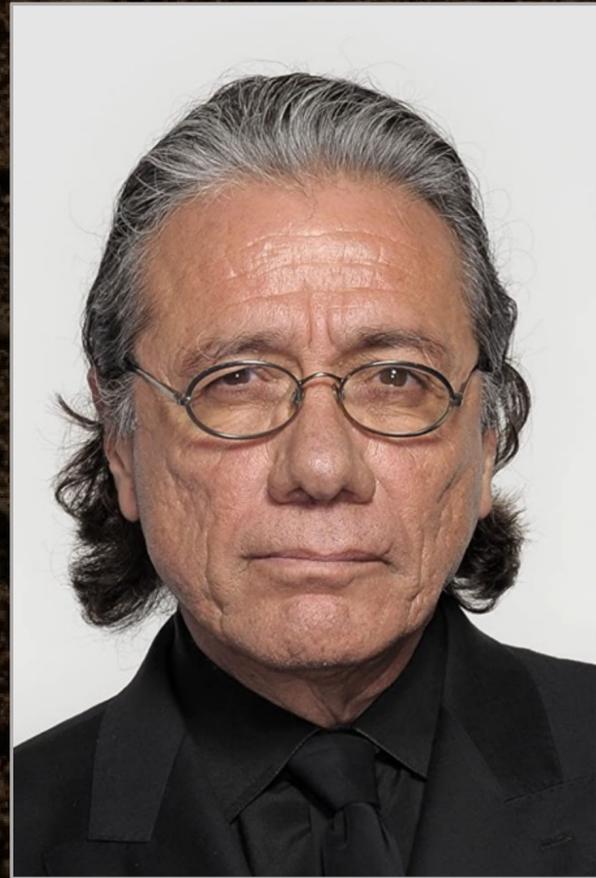


EMILIO DAHLMAN

Runaway
Cara's Curse
Corazon de Cerca

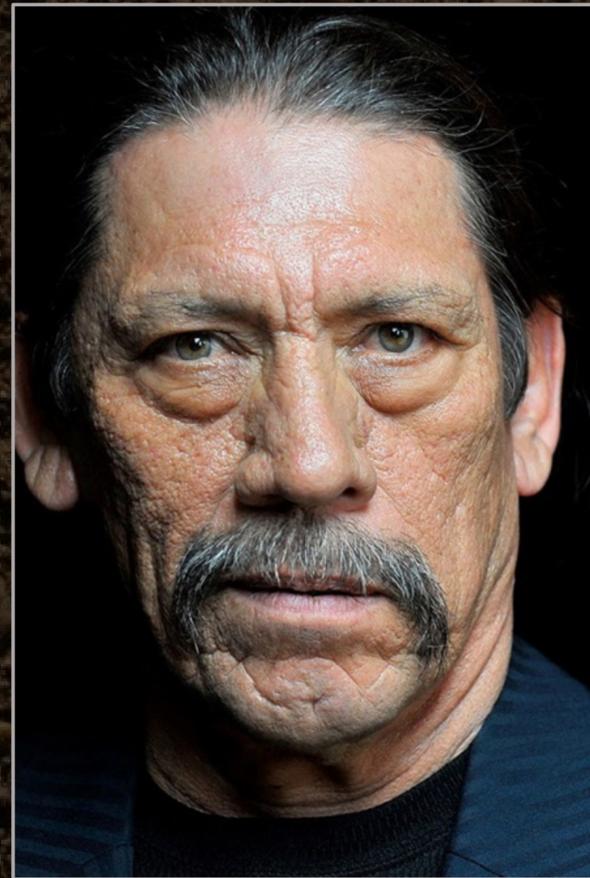
POTENTIAL CAST

The Keeper



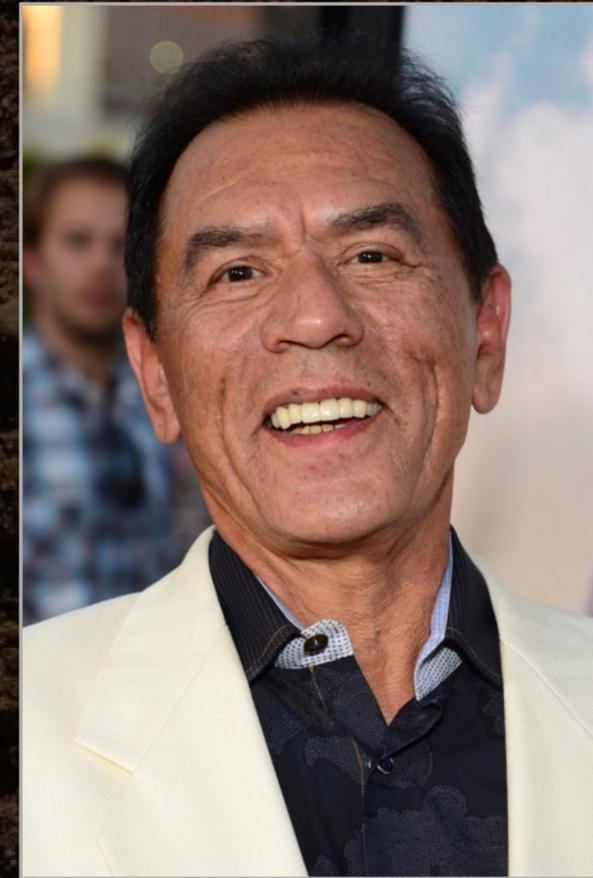
EDWARD JAMES OLMOS

Battlestar Galactica
Blade Runner
Stand and Deliver



DANNY TREJO

Machete
From Dusk Till Dawn
Heat



WES STUDI

The Last of the Mohicans
Mystery Men
Deep Rising

Incentivizing a mid-level talent agency with full packaging abilities will allow The Keeper's Secret to secure stronger than standard talent agreements. This list is a mere summary of sought talent.

Production Team



Kenneth Segura Knoll

Writer / Director / Producer

Kenneth is a native New Mexican. His first exposure to moviemaking was as an Extra in the classic, indie film “Easy Rider”. As part of Governor David Cargo’s film training program, he worked on the ABC Movie of the Week, “Sweet Hostage” starring Martin Sheen and Linda Blair. He has a degree in film and television directing from California State University, Sacramento. He built and managed Delta Studios for 12 years in Sacramento. With over 500 productions under his belt, he has experience in all aspects of production, and is considered a “Streaming Innovator”. He founded the Sacramento Festival of Cinema and was honored at the 20th-Anniversary Celebration.

Upon returning to New Mexico, he formed Turquoise Trail Releasing, LLC. He is responsible for overseeing capital-raising and project selection. He was Consulting Producer and Music Supervisor, on the film “Sunbelt Express” - lensed in New Mexico. Knoll is Creator, Producer, Writer, and Director of the TV sitcom, “Almost Americans”. His other projects in Development include; “The Keeper’s Secret” - a Horror/Suspense Feature, “Only Driven By an Old Lady” – a Sitcom, and “Fight in the Meadow”, a feature film set in Las Vegas, NM in the early 1900s, centered on legendary heavyweight boxer Jack Johnson.



Daniel Landes

Producer / Writer

Daniel, co-writer of “The Keeper’s Secret,” is a retired English professor and Assistant Dean of Arts and Sciences, who spent the last eight years of his career at South Dakota State University. Additionally, he served as the director of the theater program at the University of North Dakota-Williston where he produced a number of plays, including *One Flew Over a Cuckoo’s Nest*, *Bus Stop*, *Crimes of the Heart*, *The Good Doctor*, and *Mornings at Seven*. He also wrote and produced the city of Williston’s Centennial Celebration, a historic and musical celebration of the town’s 100th birthday.

While serving as head of the English and Languages department at East Central University in Ada, Oklahoma, he received an Oklahoma Arts Council grant to produce a play he wrote entitled *Governor, Governor*.

Daniel has written a number of optioned scripts, including a romantic-comedy entitled “*Bowl Off*”, a western mini-series thriller “*Hang the Innocent*”, and a Kenneth Segura Knoll film project “*Fight in the Meadows*” (based on a boxing match between Jack Johnson and Jim Flynn that took place in Las Vegas, New Mexico in 1912).

Production Team



Robert Dean

Producer / Head of B8 New Mexico

Robert, a native to New Mexico, began his career in film over twelve years ago. While studying writing and directing under Mark Medoff (*Children of a Lesser God*) Robert landed the lead role in an independent film (*Eaters*) that would later be released by Lionsgate. Soon after, he jumped into every facet of production that he could, (Stunts, Transportation, Locations, Assistant directing, editing) all to hone his skills and learn what it takes to make a film from start to finish.

After spending six years working all throughout the West, Robert settled back in New Mexico to produce another Lionsgate project (*Good Night Sleep Tight*). Since then he has continued to work in NM in several facets, from Directing to Production Managing, to producing a series of thrillers: *Dead of Night*, *Wander*, *The Last Son of Isaac LeMay*. As of late, Robert and Buffalo 8 joined forces to create Buffalo 8 New Mexico, a full-service division that serves producers, projects and companies looking to shoot within the state of New Mexico.



Jose Jehuda Garcia

Producer / Legal

Jose is an Attorney and Producer with a long history in the entertainment industry. He earned his film degree at New York University in 1992. Two years later he moved to L.A. and became a production assistant for Time Telepictures' syndicated news magazine Extra. Jose eventually came to appreciate the beauty of deal-making and was admitted to Loyola Law School, Los Angeles in 2005. During this time, he was co-producer on the 2005 Maverick Entertainment Group release of the chilling, slasher film 'Death by Engagement' and took part in other indie efforts in different capacities.

Jose graduated with a J.D. from Loyola in 2008, at the dawn of the streaming era, and entered the field of unscripted TV as a story producer soon after. Among his credits one can find content for Extra, NatGeo, Discovery, and the Reelz Network, where he also worked full-time as an attorney.



Keith James Duggan

Director of Photography

Keith spent his early years in New York, designing and lighting theatre, which eventually lead him to becoming the Director of Photography for American Movie Classics, which later became AMC. He went on to shoot several independent features in New York, including Steve Race's, *The Beach House*.

In the late 90's, Keith relocated to Los Angeles where he has lensed over 30 features, several national commercials, and twenty plus music videos. Most recently, he photographed Ja Rule's film, titled *I'm in Love with a Church Girl*, which was his second collaboration with Steve Race. Keith's television credits include *The Next Food Network Star*, *Inside Jokes*, *The Coroner: I Speak for the Dead*, *Chasing Nashville*, *Face OFF*, MTV's *Becoming*, *Black Ink*, *The Tonight Show with Jay Leno*, *Jimmy Kimmel Live*, and *The Howard Stern Show*.

PRODUCTION TIMELINE

FEATURING

Pre-Production (4 Weeks)

- Set up production offices and accounting department
- Final casting, cast rehearsals, fittings
- Inform major and mini-major distributors of production status and establish tracking procedures
- Hire complete production team and crew
- Adjust and finalize production schedule and budget
- Complete all production design planning
- Book all equipment according to schedule
- Complete location scouting, contracting, and permitting
- Engage music licensing and pre-recording
- Book all travel and arrangements according to schedule and agreements



Development (Currently Underway)

- Fully develop the shooting script
- Complete preliminary shooting schedule
- Complete preliminary budget
- Secure preliminary talent commitments
- Secure project funding



Principal Photography (4 Weeks)

- Engage in all activities involving picture and field sound acquisition on a twenty-day shooting schedule
- Schedule and execute any needed pickup shots and/or reshoots
- Wrap all outstanding business issues and ensure documentation is complete
- Finalize all accounting for audit
- Finalize, document, and back up all creative assets for post-production

Post-Production (10 weeks)

- Complete editorial of film
- Engage music scoring and record score
- Engage sound design including all Foley and looping activities
- Complete all digital effects and color correction
- Schedule and execute test screenings and collect data appropriately
- Make adjustments to final edit based on test screening data
- Mix and master final sound and picture for Dolby mix and/or THX Digital Master
- Complete all deliverables for domestic and foreign release including sound, music, trailer, print (film and digital), DVD, publicity, and legal requirements



Marketing and Distribution (Varies)

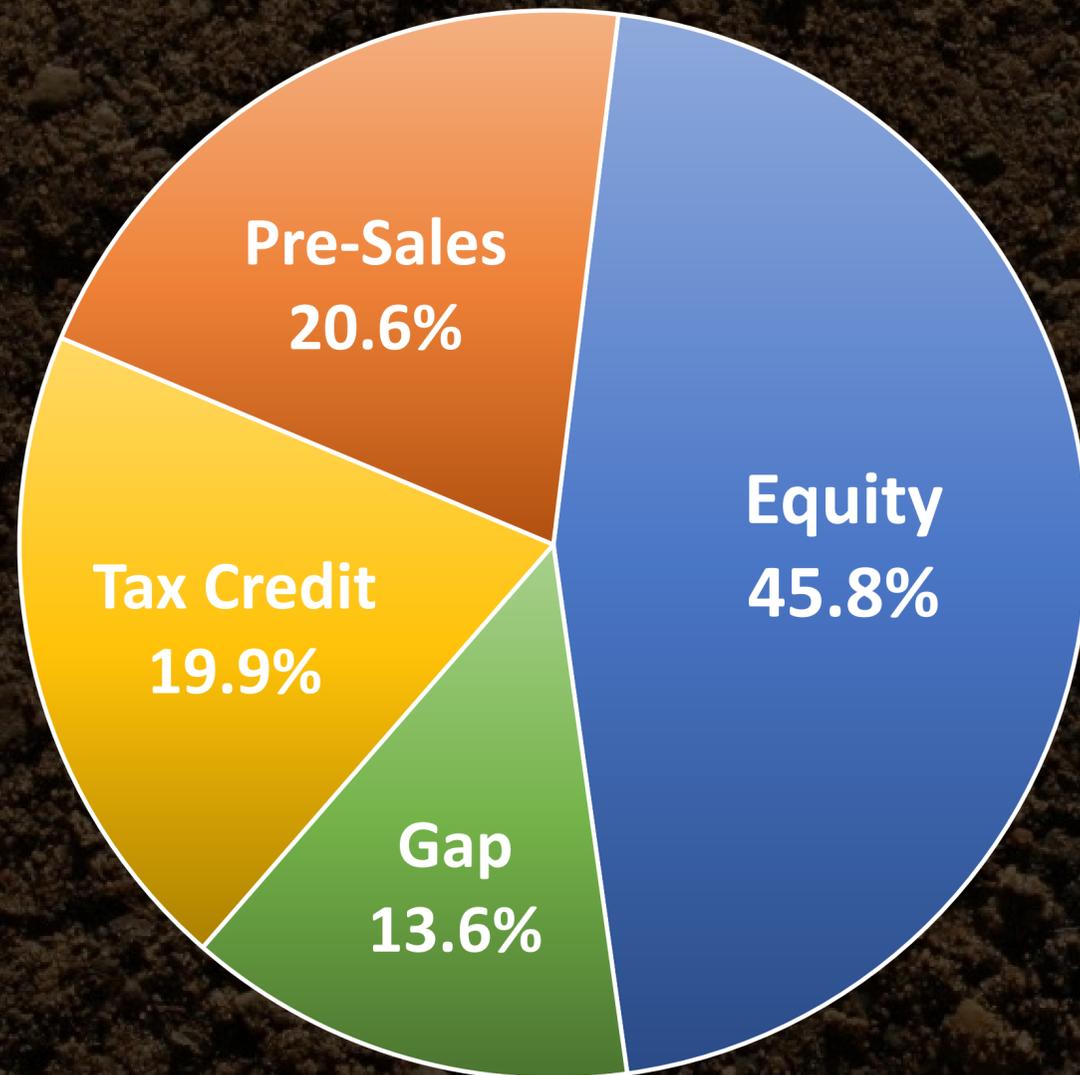
- Fully engage in all market-focused film festivals
- Schedule screening for distributors in Los Angeles
- Schedule screenings for leadership of special interest groups
- Contingent on mini-major or new media distributor interest, engage self-distribution plan (See Marketing and Release Strategies)



Finish

FINANCIAL PLAN

While the filmmakers are seeking as much equity as possible for production, the anticipated financial breakdown is below. Although the budget is just over \$1 million, other elements, such as a film tax credit, are still a vital part of the financial plan. The Production Team has extensive relationships with a wide selection of Sales partners and will seek to secure their involvement at an early stage. Greater detail on these four elements can be found under *Investment Strategy*.



INVESTMENT STRATEGY

ROI

Investors will recoup 120% of their investment before any profits are distributed. After that point, all of the net profits will be split on a 50/50 basis, with 50% being distributed to the investors on a pro rata basis and the remaining 50% going to the producing entity.

EXAMPLE

Assumption: \$5 million gross receipts, with an ROI waterfall structure as follows:

- Debt Lender: **\$746,000** (12% APR + fees on the original \$650,000 loan)
- P&A Costs: **\$600,000** (\$500,000 spent on P&A + 20% = \$600,000)
- Distribution Costs: **\$1 million** (\$5 million theatrical gross x blended rate of a return of 20% = \$1 million)
- International Sales Fee: **\$500,000** (\$5 million theatrical gross x blended rate of a return of 10% = \$500,000)
- 1% CAMA: \$50,000
- Equity/Direct Investors: **\$660,000** (20% return on the original \$550,000 investment)
- Profit participation recoupment: **\$1.44 million** (\$722,000 to investors and \$722,000 to the production entity)

HARD-EQUITY

Investors will be able to buy 50 of 100 available shares in the film LLC. Each share will be valued at \$56,000 and will give an investor a 1% profit share of the full gross return of the film.

EQUITY & LEGISLATION

Similar to the hard-equity strategy, the legislation strategy allows for production to shoot in an area with excellent tax-incentives. Certain states, such as New Mexico, offer up to 25-30% tax-credit on all in-state spending.

- Taking advantage of such incentives protects an investment up to an additional 25-30% before production even begins. The production entity will offer investors this tax credit on a right of first refusal basis.

EQUITY, LEGISLATION & PRE-SALES

Combining with the strategy above, a pre-sales agreement takes advantage of a film's potential sales results and leverages that against a senior debt lender to finance a portion of the production.

- The difference is that once the sales agent can pre-sell some of the 150 territories, that money (minus the sales commission) will be handed back to the investors.
- The number one thing to allow for a successful pre-sale run is the attached key elements. Great talent and a strong director are key for a successful pre-sale.

TAX DEDUCTIONS

- Section 181 Deduction under the Tax Cuts and Jobs Act of 2018 (TCJA) creates a 100% deduction for any money invested in a film, that is produced in the United States and that qualifies under the original qualification standards of Section 181.

PRODUCTION BUDGET

PROJECTIONS MODEL

"THE KEEPER'S SECRET"
Budget v2 (based on Schedule v1)
SAG Low Budget
IATSE TIER 0
Non-DGA, Non-Teamster

Prep Weeks: 4 Weeks
Total Days: 20 Days (4x5)
Post Weeks: 10 Weeks

Anticipated Shooting Location: New Mexico

PREPARED BY: BUFFALO 8

Acct#	Category Description	Page	Total
1100	STORY & RIGHTS	1	28,550
1200	PRODUCER'S UNIT	1	52,250
1300	DIRECTOR	1	12,500
1400	CAST	1	341,386
1500	TRAVEL CONTINGENCY	3	21,000
	Buffalo 8 NM / EP Fee : 3.8%		40,000
Total Above-The-Line			495,686
2000	PRODUCTION STAFF	4	33,530
2200	SET DESIGN	5	31,709
2300	SPECIAL EFFECTS	5	18,732
2500	SET OPERATIONS	6	35,238
2700	SET DRESSING	6	22,007
2800	PROPERTY	7	15,119
2900	WARDROBE	7	31,071
3000	PICTURE VEHICLES & ANIMALS	8	2,300
3100	MAKEUP & HAIRDRESSING	8	19,168
3200	SET LIGHTING	9	34,788
3300	CAMERA	9	57,820
3400	PRODUCTION SOUND	10	14,609
3500	TRANSPORTATION	11	47,266
3600	LOCATION EXPENSES	12	110,150
3700	PRODUCTION DRIVES & LABORATORY	14	2,400
Total Below-The-Line Production			475,907
4400	EDITORIAL	15	23,580
4500	VISUAL EFFECTS	15	50,000
4600	SOUND EDITORIAL & RERECORDING	15	18,500
4700	MUSIC EDITORIAL & SCORING	15	13,500
4900	TITLES	16	3,500
5100	DELIVERY REQUIREMENTS	16	9,000
Total Below-The-Line Post			118,080
6900	CONTINGENCY : 10.0% (180,500 excluded)		87,067
7000	FEES & CHARGES	17	1,500
Total Below-The-Line Other			88,567
	INSURANCE PACKAGE : 2.0%		21,023
Total Completion Costs			21,023
Total Above-The-Line			495,686
Total Below-The-Line			703,578
Total Above and Below-The-Line			1,199,264
Grand Total			1,199,264



PROJECT: The Keeper's Secret

9/4/2020

Version

1

Case: Status Quo

Note: U.S. Dollars	Financing Comments	Financing Type	Gross Collateral	Advance Rate	US \$ Amount	% of Total Cash Budget
Investment Equity		Equity	--	--	\$550,000	45.8%
Senior Loan - Tax Credit ^[1]	NM Tax Credit - TBD	Debt	\$ 325,000	90.0%	\$239,000	19.9%
Senior Loan - Pre-Sales		Debt	\$ 275,000	90.0%	\$247,500	20.6%
Gap/Mezz		Debt	--	--	\$163,500	13.6%
= Total Production Cash Budget					\$1,200,000	100.0%
(+) Loan Commitment Fee		Debt			20,000	1.5%
(+) Legal Reserve		Debt			6,500	0.5%
(+) Mezz/Senior Paid-in-Kind (PIK)		Debt			70,130	5.1%
(+) Mezz/Senior Interest Reserve		Debt			70,130	5.1%
= Total Finance Plan					\$1,366,760	112.2%

Notes:

[1] Assumes 7% variance and an 88% credit resale value

FINANCE PLAN SUMMARY

Production Budget Summary	US\$ Amount	% of Total
Equity+Other Investments+Other Debt	\$550,000	46%
Senior Secured Loan	486,500	41%
Mezz/Gap Loan	163,500	14%
Total Production Budget	\$1,200,000	100%

Overall Finance Plan Summary

	US\$ Amount	% of Total
Equity+Other Investments+Other Debt	\$550,000	40%
Senior Secured Loan	486,500	36%
Mezz/Gap Loan	163,500	12%
Adjusted Loan (i.e. Fee/Interest reserves)	166,760	12%
= Total Finance Plan	\$1,366,760	100%

LOAN SUMMARY

Loan Amount (Principal Advanced)	US\$ Amount	% of Total
Loan Amount (Principal Advanced)	\$650,000	79.6%
(+) Interest Reserve	70,130	8.6%
(+) Paid-in-Kind (PIK)	70,130	8.6%
(+) Legal Reserve	6,500	0.8%
(+) Commitment Fee	20,000	2.4%
= Total Adjusted Loan Commitment	\$816,760	100.0%

Note:

This presentation has been prepared for discussion purposes only and shall not be relied upon to make any investment decisions.

The Producers, the Project, Buffalo 8 Productions LLC and BondIt LLC expressly disclaim all liability from any decision, express or implied, as it relates to this Presentation.

*Full scale pdf's of both the production budget & projections model are available upon request.

PROJECTIONS MODEL

Select Case	1	Budget (USD)	\$0	58%				
Case 1	Debt Principal, net	Equity	Budget, Net	Case Name	Change Amount	Gross Tax Credit	Mid Mezz Coverage	% Equity
	\$ 630,000.0	\$ 550,000.0	\$ 1,200,000.0	Status Quo	\$ -	\$ 275,000.00	3.75x	46%

Project Title: The Keeper's Secret
Case: Status Quo
Date: 9/4/2020
Version: 1

Sources & Uses Summary:			Note: USD		
	Amount	% of Total			
Upright Financing Fee	20,000	1.3%			
Local Reserve	6,300	0.9%			
Interest Reserve	70,130	3.4%			
Total Uses	1,236,850	100.0%			
Sources:			LTV % Annual Rate (%)		
(A) Equity/Other Investments/Other Debt	\$ 530,000	42.4%			
(B) Senior Secured Loan (Tax Rebate + Pre-sales)	495,300	37.3%	90% TC / 90% PS	12%	
(C) Gap/Mezz Debt (Capitalized of Fees & Reserves)	290,130	20.1%		12%	
Total Sources	1,236,850	100.0%			

Sales Estimates Summary								
	70%	452,300	466,250	500,000	1,000,000	1,500,000	2,000,000	2,500,000
Foreign Gross Receipts								
Foreign Distribution Costs:								
[TBD Sales Company] (Int. Distribution)		(21,625)	(23,313)	(25,000)	(50,000)	(75,000)	(100,000)	(125,000)
CAMA Fee		(4,325)	(4,663)	(5,000)	(10,000)	(15,000)	(20,000)	(25,000)
[TBD Sales Company] - Marketing & Other Expenses		(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
Guar. Residuals		(36,750)	(36,531)	(42,300)	(85,000)	(127,500)	(170,000)	(212,500)
Total Foreign Distribution Costs		(97,700)	(102,506)	(107,300)	(190,000)	(292,500)	(325,000)	(337,500)
Foreign Net Proceeds		354,600	363,744	392,700	810,000	1,207,500	1,675,000	2,162,500
Domestic Gross Receipts	70%	675,000	1,042,500	1,250,000	1,875,000	2,500,000	3,125,000	3,750,000
Domestic Distribution Costs:								
[TBD Sales Company] (Domestic Distribution)		(43,750)	(53,125)	(62,500)	(93,750)	(125,000)	(156,250)	(187,500)
Guar. Residuals		(74,375)	(90,313)	(106,250)	(159,375)	(212,500)	(265,625)	(318,750)
CAMA Fee / Contingencies		(8,250)	(10,625)	(12,500)	(25,000)	(37,500)	(50,000)	(62,500)
Total Domestic Distribution Costs		(126,375)	(154,063)	(181,250)	(278,125)	(392,500)	(455,125)	(545,750)
Domestic Net Proceeds		548,625	888,437	1,068,750	1,605,125	2,107,500	2,670,125	3,204,250

Cash Flow Summary:								
		1,062,313	1,272,061	1,461,250	2,423,125	3,585,000	4,546,875	5,500,450
All Sales Net Proceeds (Available to Lender)								
(+) Proceeds from NM Tax Credit - TBD (Assumes 7.0% Var. and 12.0% Credit Resale Discount)		265,980	265,980	265,980	265,980	265,980	265,980	265,980
(+) Proceeds from Additional Tax Credit (Assumes 7.0% Var. and 0.0% Credit Resale Discount)		-	-	-	-	-	-	-
Maximum Cash Flow to Senior Secured Lender		1,328,293	1,538,041	1,727,230	2,689,105	3,850,980	4,812,855	5,766,430

Senior Debt Summary:								
		495,300	495,300	495,300	495,300	495,300	495,300	495,300
Senior Loan Principal Balance (TRs + TCs + PS) (- 18month)								
+ Additional Interest (- 18month)		-	-	-	-	-	-	-
Total Debt, pre-paydown		495,300	495,300	495,300	495,300	495,300	495,300	495,300
(-) Cash Flow Available from TRs, TCs, & Pre-Sales to Service Senior Debt		(495,300)	(495,300)	(495,300)	(495,300)	(495,300)	(495,300)	(495,300)
Senior Loan, ending balance		-	-	-	-	-	-	-
Residual Cash Flow to Mezz Loan		862,385	1,051,561	1,240,730	2,202,605	3,164,480	4,126,355	5,279,330

Mezz Loan Summary:								
		163,300	163,300	163,300	163,300	163,300	163,300	163,300
Mezz Loan Principal Bal (- 18month)								
+ PIK Interest + Fees (- 18month)		166,760	166,760	166,760	166,760	166,760	166,760	166,760
Total Debt, pre-paydown		330,060						
(-) Cash Flow Available to Service Mezz Debt		(330,260)	(330,260)	(330,260)	(330,260)	(330,260)	(330,260)	(330,260)
Mezz Loan, ending balance		-						

Credit Statistics:								
		2.06x	2.37x	2.66x	4.14x	5.62x	7.10x	8.87x
Principle Coverage (Max Cash Flow / Principle)								
Senior Loan Coverage (100% Pre-Sales + TCs / Senior Loan)		1.11x	1.11x	1.11x	1.11x	1.11x	1.11x	1.11x
% Senior Debt Cleared		100%	100%	100%	100%	100%	100%	100%
Mezz Principal Loan Coverage (Net Receipts / Principal Loan Balance)		3.27x	6.43x	7.59x	13.47x	19.35x	25.24x	32.29x
Mezz Loan Coverage (Net Receipts / Loan Balance)		2.61x	5.18x	5.76x	6.67x	9.36x	12.48x	15.89x
% of Debt Cleared, Including Interest		100%	100%	100%	100%	100%	100%	100%
All debt cleared?		YES	YES	YES	YES	YES	YES	YES

Prof Equity Summary:								
		352,152	721,301	910,470	1,672,345	2,854,220	3,736,685	4,343,670
Residual Cash Flow to Sales Co								
(-) [TBD Sales Company] (Deferred Int. Distribution Fees, post-debt)		(43,290)	(46,625)	(50,000)	(100,000)	(150,000)	(200,000)	(250,000)
(-) [TBD Sales Company] (Deferred Domestic Distribution Fees, post-debt)		(87,580)	(106,250)	(132,500)	(260,000)	(390,000)	(500,000)	(600,000)
Residual Cash Flow to Prof Equity		218,282	568,426	727,970	512,345	2,514,220	3,036,685	3,493,670
Grants/Equity Pref Return Principal Bal		550,000	550,000	550,000	550,000	550,000	550,000	550,000
+ Accrued Interest (assumes 20.0%)		110,000	110,000	110,000	110,000	110,000	110,000	110,000
Total Grants/Pref, pre-paydown		660,000	660,000	660,000	660,000	660,000	660,000	660,000
(-) Cash Flow Available to Service Prof Equity		(401,382)	(568,426)	(660,000)	(660,000)	(660,000)	(660,000)	(660,000)
Ending Balance		256,616	91,574	-	-	-	-	-
Residual Cash Flow to Equity		-	-	75,470	32,645	1,774,220	2,626,385	3,664,670
Producers		47.5%	-	35,843	439,301	842,754	1,246,207	1,740,718
Lender		2.5%	-	1,887	23,121	44,385	65,990	91,617
Prof Equity Investors		50.0%	-	37,350	462,422	897,110	1,311,797	1,832,335
Total Equity		-	-	75,470	32,645	1,774,220	2,626,385	3,664,670

Project Title: The Keeper's Secret
Case: Status Quo

Controls:				
Circ	1			
Annualized Rate	12.0%	Senior	\$ 486,500	10.0%
Accrued Rate	6.00%	Mezz	\$ 500,000	14.0%
Cash Interest	6.00%		\$ 986,500	12.0%

Start Date	3/1/2021
Days out	545
Months Out	18 months
Principal, net to Production	\$ 650,000

Plus:		
Fees/Reserves:		%
Lender Commitment Fee	\$ 20,000	2.0%
Lender Interest Reserve	\$ 70,130	11%
Lender PIK "Reserve"	\$ 70,130	11%
Lender Legal Reserve	\$ 6,500	1%
Total Fee/Reserves	\$ 166,760	
(-) PIK [1] Assumes 7% variance	(\$70,130)	
Total Loan Commitment	\$ 746,630	
Adj. Principal	\$ 746,630	

Total Debt Summary							
Period	Date	Adj. Principal	Accrued	Cash Pay	Lender CF	ProdCo CF	ProdCo Net Cash
-1	3/1/2021			0	(726,630)	726,630	726,630
1	3/31/2021	746,630	3,733	3,733	\$3,733	(\$3,733)	722,897
2	4/30/2021	750,363	3,752	3,752	\$3,752	(\$3,752)	719,145
3	5/30/2021	754,115	3,771	3,771	\$3,771	(\$3,771)	715,375
4	6/30/2021	757,886	3,789	3,789	\$3,789	(\$3,789)	711,585
5	7/30/2021	761,675	3,808	3,808	\$3,808	(\$3,808)	707,777
6	8/30/2021	765,484	3,827	3,827	\$3,827	(\$3,827)	703,949
7	9/30/2021	769,311	3,847	3,847	\$3,847	(\$3,847)	700,103
8	10/30/2021	773,157	3,866	3,866	\$3,866	(\$3,866)	696,237
9	11/30/2021	777,023	3,885	3,885	\$3,885	(\$3,885)	692,352
10	12/30/2021	780,908	3,905	3,905	\$3,905	(\$3,905)	688,447
11	1/30/2022	784,813	3,924	3,924	\$3,924	(\$3,924)	684,523
12	2/28/2022	788,737	3,944	3,944	\$3,944	(\$3,944)	680,580
13	3/28/2022	792,681	3,963	3,963	\$3,963	(\$3,963)	676,616
14	4/28/2022	796,644	3,983	3,983	\$3,983	(\$3,983)	672,633
15	5/28/2022	800,627	4,003	4,003	\$4,003	(\$4,003)	668,630
16	6/28/2022	804,630	4,023	4,023	\$4,023	(\$4,023)	664,607
17	7/28/2022	808,654	4,043	4,043	\$4,043	(\$4,043)	660,563
18	8/28/2022	812,697	4,063	4,063	820,824	(\$820,824)	(160,260)

SIMILAR PROJECTS

FEATURING



THE PRODIGY

Production Budget: **\$6 million**

Worldwide Box Office: **\$19.8 million**



THE GIRL WITH ALL THE GIFTS

Production Budget: **\$4 million**

Worldwide Box Office: **\$8 million**



IT COMES AT NIGHT

Production Budget: **\$5 million**

Worldwide Box Office: **\$19.7 million**

*Although all of the above projects have higher budgets than *The Keeper's Secret*, each film was chosen due to: strong thematic/genre comparisons, a compelling horror narrative, and a release outside of a major studio entity.

RISK

INVESTMENT RISK

The Producers of the film will seek accredited investors who understand this risk. The ideal investor is one who believes that *The Keeper's Secret* should be shown to the widest audience possible. With this goal in mind, the producers have established an accurate budget and prepared a marketing strategy for major and self-release. This is to eliminate the element of chance and to ensure future returns.

PRODUCTION RISK

The cost of developing and producing motion pictures is often underestimated and may be increased by reasons or factors beyond the control of the producers. The mistake many inexperienced filmmakers make is to begin preproduction and principal photography before all elements are in place for the successful completion and delivery of a quality product. The producers intend to mitigate these production risks in three ways:

1. Ensure key elements are satisfactorily addressed and resolved before the production phase (large expenditures) begins. Such issues include: finalizing a script, engaging a reputable script clearance company to address legal issues, and ensuring the film has a committed cast in place that have both the skills and draw to attract distributors as well as an audience.
2. Create alternate plans for personnel and workflow that limit production delays due to unexpected circumstances. The filmmakers of *The Keeper's Secret* are experienced in the field and possess excellent production planning and execution skills. Essential factors in planning are to have qualified personnel available to step into key positions in case of emergency. To that end, the Production Team will have alternate shooting locations readily available when inclement weather is anticipated and will build the production schedule so it can easily accommodate necessary changes. The Production Team will also be implementing increased safety measures for Cast and Crew to mitigate the risk of COVID-19 affecting the production including, but not limited to: cleaning and sanitizing all sets at designated times each shoot day, dividing crew into "pods" to limit unnecessary crew mingling, health & wellness checks at the beginning and end of each shoot day, etc. With Buffalo 8 New Mexico assisting with the production, all vendors, equipment, locations, crew, etc., will be obtained at fair & even heavily discounted rates.
3. Put in place comprehensive insurance to mitigate any expense that might truly be out of the producers' control. Procuring business insurance might seem obvious; however, too often inexperienced producers take shortcuts when it comes to production insurance. Although the Production Team's first goal is to continue working once the momentum of full production starts, it is vital that all measures be taken to ensure the project will be completed and there is no legal exposure that endangers delivery. Comprehensive coverage will include Film Producer's Indemnity (Cast Insurance), Negative Film Coverage (or digital equivalent), Producer's Errors and Omissions, et al..

DISTRIBUTION PLAN

SALES APPROACH

The majority of independent films suffer from an unrealistic expectation for the film's release; *The Keeper's Secret* excels in that it recognizes the necessity of the sales input from an early stage. By attaching a well-known sales company during the development phase, *The Keeper's Secret* is able to execute on strong cast selections, generate early interest in the film before production is complete, and introduce the concept to the market before beginning physical sales.

The Producers also have strong relationships with the top talent agencies including: WME, CAA, UTA, ICM, Gersh and Paradigm in which they plan to work with one of their packaging departments to build a cast with the highest value and represent the project in the domestic market as well as assist with festival placement. Amidst the changing theatrical landscape due to COVID-19, the Producers intend for *The Keeper's Secret* to be released digitally through SVOD and OTT platform licensing to an outlet such as: Netflix, Amazon, Hulu, Vudu, Apple etc. Although foregoing a theatrical release in the past could signal less-than-desired sales prospects, with the sharp rise in households streaming content due to COVID-19 quarantines, focusing exclusively on SVOD and OTT licensing is proving to be a more valuable prospect than ever before.

The Production team plans to engage these partners in coming months (both before and after production) as the project becomes more fully realized.

FESTIVALS

Working in tandem with agency and sales partners, the Production Team plans to premiere *The Keeper's Secret* at a top-tier film festival, specifically: Sundance, Berlin, Cannes, or Tribeca. The Production Team also has relationships with additional festivals, including: Sun Valley FF, Telluride FF, Nashville FF, among others. The Producers have had projects premiere or screen at each one of the listed festivals and believes the quality of *The Keeper's Secret* and their strong standing relationship with various programmers at each will allow for a successful festival run. However, while a premiere at a strong film festival is ideal, *The Keeper's Secret* will not be reliant on this strategy in the event festivals are not programmed in typical manner due to COVID-19.

START TO FINISH MARKETING

Although in the early stages of development, the Production Team for *The Keeper's Secret* has already begun implementing their marketing philosophy. Marketing starts at the beginning of development and finishes after release on all distribution platforms. This means immediately beginning grassroots marketing efforts through social media and targeted genre fan bases. The Producers recognize the necessity of savvy & thoughtful marketing campaigns and realize their importance in the overall success of the film, especially in the rapidly shifting indie film market due to the current theatrical climate.

LEADING INDUSTRY PROFESSIONALS

The Production Team will utilize proven industry professionals for all services and department head positions to ensure completion of a quality product and to best protect the interests of the lenders. There is no substitute for experience, and shortcuts are not acceptable — where most independent films suffer in their hiring process, *The Keeper's Secret* will outclass the competition. Already *The Keeper's Secret* has managed to begin putting together a strong team of industry professionals.





TARGET MARKETS

URBAN PROFESSIONALS

Young urban professionals accounted for an exceptional 18-20% of total ticket sales for similar titles to *The Keeper's Secret*. With sophisticated sensibilities and disposable income — this demographic is one of the most crucial emerging sales groups to focus on. With the average moviegoer in this category purchasing upwards of 8 movie tickets/year (per MPAA statistics) this group is more likely to be keyed into movie culture, and excited by an independent film like *The Keeper's Secret*. This isn't necessarily surprising, since these individuals are generally renters and thus have high amounts of disposable income and free time with which to see movies, especially those that don't receive expensive marketing campaigns like big-budget tentpole projects.

With a demographic that's also twice as likely to use social media platforms like Facebook, Twitter & Instagram daily, the marketing potential with this demographic is huge. Art-house horror films, such as *Midsommar* and *Mother!*, both experienced greatly increased box office results due to savvy word-of-mouth and social marketing campaigns,, something that the Producers of *The Keeper's Secret* are keen to replicate. And with many different aspects of *The Keeper's Secret* being appealing to this diverse demographic, whether it's the true-to-life character struggles or mysterious plot device, there is plenty of potential for *The Keeper's Secret* to strike a chord with this audience group.

HORROR FANS

In 2017, the horror genre experienced a tremendous resurgence, not only in terms of tickets sold and dollars generated at the box office, but in terms of critical success as well. In 2008, horror films comprised only 3% of the total film market share. And in 2017, almost a decade later, that total had risen to a resounding 9% of the market, while more than doubling the amount of tickets sold than in both 2015 and 2016 combined for the horror genre. That astounding increase was due in no small part to the tremendous success of studio projects, like *IT* which ended its theatrical run with over \$700 million of revenue.

This type of success was also seen in independent projects like *Get Out*, which more than tripled its production budget of \$4 million during a limited theatrical release. This trend has continued since with low-budget projects like *Ready or Not* and *Midsommar* experiencing exceptional box-office hauls in relation to their smaller production budgets. With projects of all sizes seeing success at the box office, the horror genre's resurgence should not be taken lightly. Savvy investors would do well to consider fare like *The Keeper's Secret*, which is sure to appeal to a die-hard horror fans with its chilling atmosphere, gripping narrative, and clever plot twists.

APPENDIX



Appendix A - LLC Registration

As development can be a time-consuming process, it is customary for the company documentation to be filed when the first subscription agreements are submitted. Procedures and timeline for company registration are outlined in *The Keeper's Secret*, LLC Confidential Private Offering Memorandum according to applicable law. The full Operating Agreement is included with the offering memorandum and is available upon request. All company registration and documentation will be provided before escrow is established and will be available to investors before suitability is determined.

Appendix B - Wire Information

Wire information is available to qualified investors.

Appendix C - Legal Notices

This business plan does not constitute an offer to sell or a solicitation of an offer to buy any security or interest of any kind in the company or other entity herein. No representations or warranties of any kind whatsoever are made, or should be inferred, with respect to the information set forth herein.

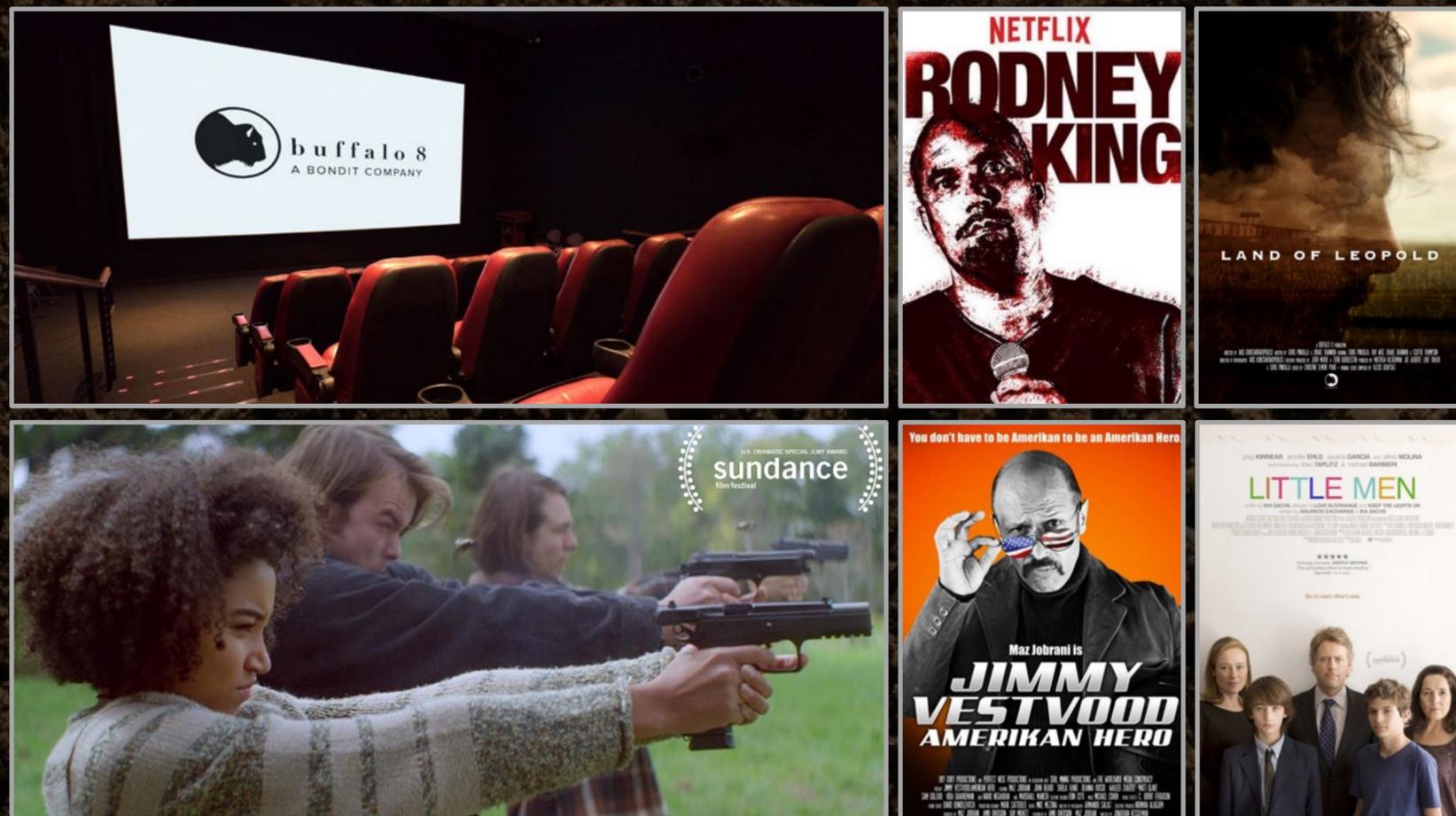
This business plan represents the confidential and proprietary work product of *The Keeper's Secret* and is not intended for general use or publication. Consummation of the undertaking described in this business plan is subject, in pertinent part, to the company obtaining the funds necessary to finance the venture.

This business plan contains certain information and assumptions which are presented solely for the purpose of information and illustration. No representations or warranties of any kind can be made as to the accuracy or completeness of such information.

Executive Producers

Founded in 2012 by partners Matthew Helderman & Luke Taylor, Buffalo 8 is a full-service film and media company, focused on production, post-production, and finance based in Santa Monica, California, with films premiering and awarded at Sundance, Berlin, Toronto, and SXSW.

Buffalo 8 is built on the fusion of entrepreneurial ethos and quality filmmaking. The company is also partnered with industry-leader Bondlt Media Capital, enabling streamlined production and finance opportunities, and ABS Payroll for payroll accounting services for indie projects of all sizes.



[Production:](#) Producer Rep / Preferred Vendor Rates, etc.

[Post-Production:](#) Sound / Color / VFX / Deliverables, etc.

- [Team / Service Offerings](#)
- [Buffalo 8 Company Resources](#)



[Bondlt Media Capital](#) is a world-renowned film, television and media financier founded in 2014. Based in Santa Monica, Bondlt is a flexible financing partner for projects, producers and media companies alike.

- [Team / Service Offerings](#)
- [Bondlt Company Resources](#)



[ABS Payroll](#) specializes in entertainment & payroll accounting services designed for indie projects. As ABS is part of the [Bondlt family of companies](#) ABS can offer competitive rates to Buffalo 8 & Bondlt-related productions.

- [Team / Service Offerings](#)
- [ABS Company Resources](#)

