

Introduction Our targeted budget for the film Overcoming Going Under is \$40,000. The production costs of \$10,000 were raised prior to commencement of production. \$14,500 in fees for services have been deferred. We would like to raise the remainder of the budget (\$10,000) through direct investment. We are selling shares at the amount of \$400 per share. One share will be worth 2 percent of the total adjusted net income. A total of 25 shares will be made available for sale with a total value of \$10,000. Aught Media will allow investors to get paid twice from the revenue generated through the sale of this film.

Distribution of Revenue Overview Revenue from the sale of this film will be distributed in the following order:
1. Common members (investors) will receive the amount they invested plus an additional 30% of their investment. For the purpose of this plan, common members and investors are considered one in the same.
2. Aught Media will pay deferred compensation ("back end" deals).
3. Remaining revenue will be divided two ways - 50% will go to the investors, and 50% will go to the movie managers. Investors receive revenue based on their rate share from the 50%.

Summary Currently we anticipate finding the production of Overcoming Going Under exclusively through endorsement/ sponsorship and from the sale of interests in this offering. This means that all revenue from the sale of the film will be available for distribution (including revenue generated from the sale of the soundtrack music cd). Revenue generated from the sale of the film will be distributed in the following order:

First, those investing money in this offering (the common members) will receive a return of their original contribution plus an additional 30% of that investment. Therefore, those investing money into the project receive a profit of 30% on their investment before the managing members receive any profit. The managing members may participate equally as the common members to the extent that they invest their own money in the project on the same terms and conditions as the common members.

Second, Aught Media will pay any "back end" deals that it makes for goods and services. The company can obtain necessary services needed to produce and market the film from providers who are willing to defer payment until the film has become financially successful and after the company has met the foregoing obligation to the common members (investors). There will be a \$20,000 cap on the amount allowed to be used for deferred compensation ("back end" deals).

Finally, the remaining revenue will be divided between the common members (those who have invested money in the film, including managing members who have invested in the film) and the managing members.

In dividing up the revenue, the common members will receive a total of 50% of the remaining revenue with each common member receiving that portion of the 50% that such a member's investment bears to the total amount invested. The managing members will receive 50% of the remaining revenue, to be divided among them according to the pre-established arrangements.

Additional Terms and Conditions
1. Aught Media will use the funds raised through this offering exclusively in the production and distribution of the film Overcoming Going Under. This may include the purchase of necessary equipment, the payroll for actors & crew, transportation and lodging for actors and crew and anything that the movie managers feel is necessary to aid in the production and distribution of the film.
2. The parties that undertake the investment offering must realize that there is risk involved. There is no guarantee of a return on their investment.
3. Agreeing to all attributes of this contract does not in any way give the investor the right to participate in the production of the film Overcoming Going Under, unless separate agreements are made on an individual basis with the producers.

Investment I _____ agree to all the attributes and conditions of this contract and I would like to buy _____ shares at a cost of \$400 per share for a total cost of \$ _____.

Signatures

Investor signature Date

Aught Media producer signature Date