

Business Plan “Hot Stuff”

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SHE SAID YES

Tempe Walsh is fluent in ten languages—and she can’t say no to adventure. Next stop: India! Her mission: find the priceless—and mysterious—statue known as Shiva’s Diva. Her man: Briggan O’Brien, a sexy Irishman on the run from the Mumbai Mob. Brig has a strange way of doing business, whatever that business may be. And she’s still not sure how she ended up in his arms when the shooting started—but what if her bullet-deflecting earrings don’t work the next time?

Brig’s too busy to explain why everyone’s after the fabulous figurine—he’s having a devil of a time just keeping one gorgeous American girl out of danger. And there’s only one place left to hide: a Bollywood movie complete with villains, lovers and a mother-in-law from hell. Hey, there’s a happy ending—if anyone can find the script...



Hot Stuff Movie, LLC

Offering Summary Recap

Hot Stuff Movie, LLC, a Hawaii Limited Liability Company, formed in 2006, is set to capitalize in the entertainment industry by producing this action packed feature film adventure.

Our executive offices are located in San Francisco, California; our telephone number is 415-913-0865; Our Web site address is

<http://www.carmenstevens.com/hotstuff>

Information contained on our Website will not constitute a part of this memorandum.

The Offering

Securities Offered..... 70 Member Units out of 100

Offering Price \$571,429. per Membership Unit

Fractional Units..... \$57,143. per Fractional Unit

Voting Rights You are entitled to one vote for each Unit held

Investor Qualifications We will require each investor to represent in the Subscription Agreement that the investor is able to evaluate the merits of this investment, and that the investor is accredited.

Subscription Agreement Each investor will be required to enter into a Subscription Agreement in the form attached as Exhibit B to this memorandum.

Minimum Investment \$57,143. unless waived by us.

Offering Period..... The offering will terminate on December 31, 2008, unless we extend the Offering for up to 180 days after December 31, 2008. We reserve the right to terminate the Offering at any time. We will not provide any notice that we have extended the offering.

Use of Proceeds..... We will use the net proceeds of this offering for general corporate purposes, including working capital and capital expenditures.

Restrictions on Transferability The Units sold in this offering will be restricted securities under the Securities Act of 1933, as amended, and will not be transferable except in compliance with the Securities Act and applicable state securities laws.

Units Outstanding Before the Offering 0

Units Outstanding After the Offering..... If the entire offering amount of 70 Units is sold, we will have 100 Units Outstanding out of a total of 100 authorized Units.

HOT STUFF MOVIE, LLC

EXECUTIVE SUMMARY

Hot Stuff Movie, LLC has the rights to the screenplay “Hot Stuff”, based on an award-nominated novel. The Company has lined up a highly talented and experienced production and directing team to put together this fun, action-packed adventure in India. Together the team has over 75 years of movie-making experience, has been involved in over 100 movies which have grossed, in Box Office Sales alone, in excess **\$9.5 BILLION Dollars**.

The Company is raising \$40 million for the production of “Hot Stuff”.

The Script

Directed by award-winning director Vic Armstrong and based on the award-nominated novel of the same name, “Hot Stuff” takes you on an action packed adventure through the streets of Mumbai, India. The villains stay in hot pursuit, believing that kidnapping and murder are simply means to an end, even if the end is an artifact that can mete out a whale of a curse or incredible luck depending upon in whose hands it resides.

The Synopsis

“That first bullet must have killed me after all. I lay crouched behind barrels in a saloon in Mumbai and I’d just heard someone speaking Gaelic. Yep. I was dead. Dead, bruised and hungry and I’d landed in St. Paddy’s Gift Shop where stock boys smelled of curry and spoke ancient Irish like native Celts.”

As she’s in the process of translating high-roller Ray Decore’s purchase of the priceless Saraswati Indian statue, Shiva’s Diva, linguist and film buff Tempe Walsh suddenly finds she’s starring in one of her favorites, “Shoot-out at the O.K. Corral.” Except it’s not O.K., since Tempe has to use gymnastic feats to dodge the flying bullets, and the Corral is better known as Hot Harry’s Saloon, located in one of Mumbai’s seedier districts.

Tempe executes a mean double back flip over the bar counter and lands in Hot Harry’s storeroom where she’s greeted by another escapee fleeing thugs and miscreants, Irish charmer Brig O’ Brien, who is delighted to find himself sharing space with the beautiful Ms. Walsh. Tempe and Brig are soon out of storage and on the run in Mumbai, determined to retrieve and deliver the stolen statue of Goddess Saraswati to her mysterious but rightful owner.

After interludes in strip clubs, the Taj Mahal hotel, and tourist attractions throughout Mumbai, the pair discovers the perfect place to hide - a lavish Bollywood musical filming with carnival sets, elephants, snakes, scores of chorus dancers, a brilliant director and Indian movie star Asha Kumar - who hails from New Jersey. How better for Tempe and Brig to blend in than join the cast?

With their relationship heating up and plenty of Bollywood singing and dancing to distract them, Tempe and Brig must still find a way to save Shiva's Diva and pray the Goddess will bestow good fortune upon them.

Director Vic Armstrong

Academy Award winner and World Stunts Lifetime Achievement Award winner. Movies have grossed in US box offices sales alone over \$8.5 Billion.

Vic is uniquely primed to, at the very least, get a nomination.

Action Director of "The Mummy: Tomb of the Dragon Emperor" in theaters now. And "I am Legend", "Golden Compass", "Gangs of New York", "War of the Worlds", "Mission Impossible III", "Charlie's Angels", Indiana Jones and the Temple of Doom", "The World is Not Enough" and so much more!

Producer Josette Perrotta

Last 3 movies have grossed in US Box Office sales alone over \$1 Billion.

"Mummy: Tomb of the Dragon Emperor", "The Spiderwick Chronicles", "Taking Lives" with Angelina Jolie and "300" starring Gerard Butler.

Management and Production Team

"Hot Stuff" will be produced by Hot Stuff Movie, LLC. Managing partner Carmen Stevens, following in the footsteps of talents like Quentin Tarantino and Spike Lee, is a Dov Simen's Film School alumna along with Josette Perrotta. She has 33 years of experience in all aspects of movie and television production. Josette Perrotta's relationship with the star of "300", Gerard Butler is an added bonus as he is our top choice for male lead. Her last 5 movies ranged in budget from \$35 million to \$145 million and her movies have collectively grossed Box Office Sales in excess of \$1 Billion dollars.

Flo Fitzpatrick

Flo Fitzpatrick is the author of the novel "Hot Stuff". Flo is currently part of Athena Critiques Services and teaches writing workshops as well as providing manuscript evaluations. Her novel "Hot Stuff" was a Romantic Times award nominee, a "Phenomenal" 4 ½ star top pick and Amazon.com readers give "Hot Stuff" a perfect 5 star rating. Flo has written three other novels and several short stories and plays.

Dan Guardino

Dan Guardino is our in house script writer/producer and adapted the novel "HOT STUFF" to screenplay. He has written twelve screenplays and eleven adaptations and is adept at taking someone else's novel and converting it into an engaging screenplay incorporating all of the best elements of the story.

Actors

We plan to get Gerard Butler for the male lead. Our expert Producer Josette Perrotta's movies are budgeted from \$65-\$145MIL, she co-produced "300" starring Gerard Butler, securing us an excellent relationship with the mega star A-List Actor.

Our script is out to Aishwarya Rai, the biggest Bollywood Star, biggest entertainer in the world...according to Jay Leno.

Location

India is HOT now and has an established successful movie making infrastructure. Also included in filming in India is the largest movie viewing fan base in the world. George Soros invested \$100 Million in India movie and media production in February 2008

Film Production Schedule

Pre-production work has already begun. Upon funding, the remainder of pre-production should take 2-4 months.

Based on weather conditions in India, we are aiming for a Spring 2009 start of principal photography. There will be one week of rehearsals with the cast before starting principal photography. The shoot is scheduled at 12 weeks, based on a 5 day a week schedule. Post production should take 3-5 months. The total process should be between 8 and 12 months.

Investment

\$40 Million Dollar feature film set in Mumbai, India.
\$30MIL Production
\$9MIL Print and Advertising
\$1MIL Pre-Production

Return on Investment

Investors receive 100% of profits until their investment is returned 100%.
The remaining profit is split between Investors and Production Company 70/30%.

The Market

The last five years have been a period of great financial gains for major providers of motion picture and television entertainment with increasing opportunity for competent producers of low budgeted pictures. According to surveys by research analysts, independent motion picture films have been steadily increasing since 1991.

In addition to the demand for independent releases by not only Independent Film companies, but also by Major Studios, there has been a tremendous increase in the dollar value of the ancillary markets for all films: home video, free and cable television, and foreign sales on a truly international scale. The explosive growth of foreign television markets and the "privatization" of many of these new markets has produced enormous demand for American motion picture products. Again, recent studies indicate that more low-budgeted pictures (under \$2 Million and some as high as \$10 million) are of much greater value in the ancillary markets than in domestic theatrical revenues.

The independent film industry has a long history of creative and innovative filmmaking. Today's rapidly changing entertainment market is continuously offering new technologies that create

enormous opportunities for independent filmmakers. The availability of resources such as new digital processes allows filmmakers to produce more cost-effective films, thereby encouraging more original works of art.

The independent entertainment production industry has helped usher a new and unconventional group of writers and directors to the forefront of filmmaking. Independent films act as catalysts for expanding the public's appetite for films that are challenging in both format and subject matter.

Individuals who learn their crafts in the independent film industry often remain connected to this industry in some aspect, as assistant directors, set designers, editors, script-writers, or production supervisors. With the increasing popularity and worldwide availability of cable television, video recorders, digital video disks (DVDs), and the Internet, many independent film production companies are meeting the growing consumer demand for original films.

Statistics

Mindbranch Market Research reports that the U.S. consumer expenditure on electronic media and entertainment will reach \$120 billion by 2010. DVD and video media, film exhibition and distribution, and the music industry are all part of this sector. The worldwide market for movies and TV films is currently \$48 billion and is growing more than 6% per year. Clearly there is an opportunity for Hot Stuff Movie, LLC to continually raise and achieve its goals through the strong demand the market will provide for its services.

The Investment Vehicle

Hot Stuff Movie, LLC (the "Company") production office will be located in San Francisco. All legal matters will be handled by an experienced attorney. Payroll functions will be subcontracted to local services, which specialize in the servicing in the independent productions. Payroll services are signatories to all relevant guild and union agreements and provide required payroll, pension and welfare payments and reportage as required. This movie will be a "union" above-the line film for the talent; that is, the actors will be paid in accordance with S.A.G. (Screen Actors Guild) agreements.

Budgeting and cost control will be the responsibility of the producers. Production will be funded through a specific bank account in a bank with sufficient international branches to facilitate timely and efficient transfer of funds, such as needs arise, especially in India. Cost reports and estimates of total production cost will be provided to the Company under the supervision of the producers. All expenditures shall be auditable by the investors. Investment shall be protected by complete industry standard production insurance (faulty film stock, processing, cast, errors and omissions, etc.) Workman's Compensation Insurance will be purchased through the State of California.

Hot Stuff Movie, LLC Mission

Hot Stuff Movie, LLC strives to become a leader in the production and distribution of feature films with the production of "Hot Stuff". Aside from generating solid returns for its investors, the Company strives to enhance the arts and entertainment industry worldwide.

The Distribution Plan

We will market and negotiate distribution of “Hot Stuff”, including domestic and international licensing of the picture for (a) theatrical exhibition, (b) DVD, (c) presentation on television, including pay-per-view, basic and premium cable, network, syndication, or satellite, (d) marketing of the other rights in the picture and underlying literary property, which may include CD-ROM, merchandising and soundtracks (the book has already been published), and (e) non-theatrical exhibition, which includes airlines, hotels and armed forces facilities.

The Distribution Cycle

Concurrently with its release in the United States, motion pictures generally are released in Canada and may also be released in one or more international markets. Home DVD sales generally commence 4-6 months after release. Pay-per-view generally commences 6-9 months after release. Domestic pay television (i.e., HBO, etc.) may occur 9-10 months after release. Network television generally occurs 30-33 months after release.

Genre

“Hot Stuff” is an action/adventure/comedy film, similar in nature to the movie “Romancing the Stone”. We anticipate our film enjoying a constant worldwide distribution demand. In today’s marketplace, foreign sales and worldwide home video rights alone can produce huge produce profits. “Romancing the Stone” grossed over \$150,900,000.00.

Rating

This picture will be tailored for a PG-13 to R rating in the United States. Approximately, 50% of all pictures carried on the pay television services are also rated PG-13 to R.

This will be a “middle-of-the-road” movie, and will derive its uniqueness from quality writing, directing, and acting, as well as superior visual and sound elements. It will not contain sex or excessive violence.

The Marketing Plan

The U.S. Census Bureau reports that the motion picture industry had a payroll of more than \$10 billion and 275,396 employees. According to American Fact Finder and the U.S. Census Bureau, annual revenue for the motion picture and video industry tops \$60 billion annually.

These facts speak for themselves—moviemaking today is a large part of our national economy, and the independent film industry and new studios has begun to grow substantially. Revenue from the independent film industry has recently reached over \$10 billion. If compared to 1997, when revenues were slightly over \$6.3 billion, we can see that even in this ten year period, the industry grew considerably.

Markets & Rights

Below is a schedule of markets and rights, which will be available for sale after completion of the picture.

- A) THEATRICAL DISTRIBUTION
 - 1) North America (U.S., Canada)
 - 2) Foreign Territories

B) FREE TELEVISION

- 1) U.S.
 - a) Network
 - b) Syndication
 - c) Foreign

C) Pay TV / Cable (HBO, Showtime, Bravo, A & E, PBS)

- 1) North America
- 2) Foreign

D) SUB-STANDARD MARKETS (Domestic & International)

- 1) 16mm Sales & Rentals
- 2) In-Flight & Other Private Users

E) HOME VIDEO, DISC & ADVANCED TECHNOLOGIES

- 1) North America
- 2) Foreign

F) Festivals (Majors: AFM, Cannes, Milan)
(Domestic: Sundance, Tribeca, Los Angeles)

- 1) U.S.
- 2) North America
- 3) Foreign

There are three options in marketing these rights, once production is complete: (a) selling the rights and territories individually or in small groups to independent distribution companies or (b) an outright sale to a major distribution company of all rights in perpetuity or (c) self-distribution through a service agent for a minimal fee. There are also numerous “mini- major” distribution companies, which can handle territories (all foreign, worldwide home video, etc.) that would be able to finance profitable advances.

In such a “parcel” sale, it will be necessary to visit one or more of many international film markets: The American Film Market, Cannes and MIFED. These festivals attract distributors from all over the world in search of American Motion Picture Products. At such a “market”, it is possible to sell-off even small territories one-at-a-time or by the continent.

Licensing & Self-Distribution

In some cases, The Company and its investors may be interested in maintaining a perpetual ownership position and license all rights and territories, or actually distribute the film itself in order to maximize potential profitability. Note that in the usual case for independent producers, there is often a balancing act that must be performed between collecting very minimal advances and buy-outs at a reduced value or forgoing those advances and buy-outs for higher long-term profitability by having a stronger position with which to negotiate once the picture is completed. This is accomplished by being able to produce the motion picture without having to finance it with pre-sales to foreign territories.

If, for instance, a good domestic theatrical release can be obtained, then separate deals for home video, television, foreign theatrical, etc. may be made that in and of themselves, are very lucrative. They must be made, of course, with companies who reliably pay out profits and who are not facing any financial instability themselves, but there are numerous entities that have long been established in the field with excellent track records. Working with an experienced sales representative is the best way to realize the maximum benefit from producing a motion picture.

Since all distributors are experienced at the valuation of film properties, and basically offer the present value of expected future revenues to determine the value of buy-outs or advances, it may sometimes be of no advantage to self-distribute. If the picture has any break-away potential, which may only become apparent after the picture is reaching completion, distribution pick up may increase, allowing early advances to be passed on to the investors and producers. To enjoy the maximum upside potential, the Company should be prepared to make lucrative licensing arrangements on a per territory basis with the best available independent distributor.

Public Relations

Hot Stuff Movie, LLC will employ and work closely with a Publicity Manager to maximize public and industry awareness and perception of the film project. Such “buzz,” or general awareness, can increase the perceived value of the film to potential distributors.

Exit Strategy – Return on Investment

The #1 objective for the Company is to build an exceptional operating business with strong underlying fundamentals while marketing our first-class movie and television productions. Once this is accomplished, a myriad of options will be available to the Company to create liquidity for its investors.

One hundred percent of income to the production company shall be paid solely to the Investor(s) until they recoup 100% non-compounded return on investment. Thereafter, additional profits shall be allocated, including, (i) 30% to the Company and (ii) 70% to the Investor(s).

For domestic theatrical release, the exhibitor (movie theatre) will retain between 30-50% of the gross ticket sales, depending on the type of distribution. From the remaining 50-70%, the distributor then recoups its costs, which we intend to cap. The remainder will then be shared between the production company and the distributor. The distributor’s share should be between 25-35% of the remainder, and the production company’s share should be between 65-75%. The calculations vary for the non-theatrical market (i.e., International distribution, DVD sales and rentals, television sales, new technologies markets, etc.). Each of these is a separately negotiated contract and is another avenue for the Investors and LLC to make a profit. For the television movies and series, profits will be divided by the network, the distributor and the Company and Investors.

Investment Opportunity Breakdown

Hot Stuff Movie, LLC is selling a 70% equity stake. The equity offering will be distributed through, but is not limited to, a Series A round of funding.

Series A: \$40,000,000.00

THE PURCHASE TERMS TO THE INVESTOR ARE AS FOLLOWS:

MEMBERSHIP %	TOTAL PURCHASE PRICE	% EQUITY
70%	\$40,000,000.	70%
52%	\$30,000,000.	52%
35%	\$20,000,000.	35%
17.5%	\$10,000,000.	17.5%
8.75%	\$5,000,000.	8.75%
1%	\$571,492.	1%
0.01%	\$57,143.	0.01%

The Minimum Buy-in Purchase is \$57,143.

By the end of the investment period, Hot Stuff Movie, LLC will meet all goals of a successful private equity investment, including sustainable growth, a seasoned management team, and a viable exit strategy.

Appendix A

Vic Armstrong's Filmography

Vic has directed incredible, heart pounding, edge pushing action scenes with the greatest actors in Hollywood. To name just a few: Tom Cruise (3 times), Will Smith, Sean Connery (5 times), Arnold Schwarzenegger (5 times), Jet Li, Michelle Yeoh (twice), Cameron Diaz (3 times), Brendan Fraser, Robert Downey, Jr., Harrison Ford (twice), Daniel Craig, Jessica Beil, Mel Gibson, Leonardo DiCaprio, Pierce Brosnan (3 times), Halle Berry, Nicolas Cage, Drew Barrymore, Lucy Liu, Uma Thurman, Nicole Kidman, Catherine Zeta-Jones (twice), Keanu Reeves, Wesley Snipes, Penelope Cruz, Sharon Stone, Robert Di Nero, Daniel Day-Lewis, Sean Penn, Jean-Claude Van Damme (twice)

- The Mummy: Tomb of the Dragon Emperor - Action Coordinator, Action Unit Director 2008
- I Am Legend - Second Unit Director, Stunt Coordinator 2007
- The Golden Compass - Second Unit Director 2007
- The Holiday - Second Unit Director (UK) 2006

- Mission: Impossible III -Action Unit Director, Second Unit Director, Stunt Coordinator 2006
- War of the Worlds - Second Unit Director, Stunt Coordinator 2005
- Blade: Trinity - Action Director, Second Unit Director 2004
- The League of Extraordinary Gentlemen - Second Unit Director 2003
- Gangs of New York - Second Unit Director (fight scenes) Stunt Coordinator 2002
- Die Another Day - Second Unit Director, Stunt Coordinator 2002
- Captain Corelli's Mandolin - Second Unit Director 2001
- Charlie's Angels - Second Unit Director, Stunt Coordinator 2000
- The World Is Not Enough - Second Unit Director, Stunt Coordinator 1999
- Entrapment - Second Unit Director, Stunt Coordinator 1999
- The Avengers - Second Unit Director 1998
- Tomorrow Never Dies - Second Unit Director, Stunt Coordinator 1997
- Starship Troopers - Second Unit Director, Stunt Coordinator 1997
- Cutthroat Island - Stunt Coordinator 1995
- Johnny Mnemonic - Stunt Coordinator (second unit) (as Victor Armstrong), Second Unit Director (as Victor Armstrong) Stunt Coordinator (second unit) (as Victor Armstrong) 1995
- Rob Roy - Second Unit Director, Stunt Coordinator 1995
- Black Beauty - Second Unit Director Stunt Coordinator, Job Horse Boss, Horse Master 1994
- Last Action Hero - Second Unit Director (uncredited), Stunt Coordinator 1993
- Joshua Tree - Director 1993
- Universal Soldier - Second Unit Director, Stunt Coordinator 1992
- Terminator 2: Judgment Day - Director (opening sequence) (uncredited) 1991
- F/X2 - Second Unit Director 1991
- Air America - Stunt Coordinator 1990
- Total Recall - Second Unit Director, Stunt Coordinator 1990
- Henry V - Second Unit Director, Stunt Coordinator 1989
- Indiana Jones and the Last Crusade - Stunt Coordinator, Stunt Double (Mr. Ford/Indiana Jones double #1) (uncredited) 1989
- Rambo III - Stunt Coordinator 1988
- Empire of the Sun - Stunt Coordinator, Stunts (uncredited) 1987
- Red Sonja - Action Unit Supervisor 1985
- Conan the Destroyer - Stunt Coordinator 1984
- Indiana Jones and the Temple of Doom - Stunt Arranger (studio), Stunt Double (Mr. Ford/Indiana Jones double #1) (uncredited), Stunts 1984
- Never Say Never Again - High Fall On Horseback Stunt Double (Sean Connery) (uncredited), Stunt Coordinator 1983

- Krull - Stunt Coordinator, Stunts (uncredited), Head Wrangler (uncredited) 1983
- Superman III - Stunts (uncredited) 1983
- Raiders of the Lost Ark - Stunt Double (Mr. Ford/Indiana Jones double #1) (uncredited), Stunts 1981
- Flash Gordon - Stunts (uncredited) 1980
- Superman II - Stunt Coordinator, Stunt Double (Christopher Reeve) (uncredited), Stunts (uncredited) 1980
- Superman - Stunt Coordinator, Stunt Double (Christopher Reeve) (uncredited) 1978
- On Her Majesty's Secret Service - Ski Double (Bond) (uncredited) 1969
- Chitty Chitty Bang Bang - Stunts (uncredited) 1968
- You Only Live Twice - Stunts (uncredited), Ninja #1 (uncredited)