

# Participating Authors' Reprint Agreement

The Authors Guild, Inc., (the "Guild") and iUniverse ("iUniverse"), have entered into an agreement dated August 18, 2003 (the "Agreement"), by which iUniverse will make reprinted copies of participating Guild members' ("Participating Authors") out-of-print books available for sale (the "Service"). I acknowledge that the Agreement has been made available to me, and I agree to be bound to all terms of the Agreement as a Participating Author with respect to each of my works ("Titles") for which I submit a signed Grant of Reprint Rights form.

**1. Grant of Reprint Rights/Term.** I grant iUniverse those rights to each of my Titles that are specified in that Title's Reprint Grant of Rights form. This grant will for each of my Titles extend for three years from the date of first publication of that Title by iUniverse and will automatically renew for an additional three-year term unless either of us give written notice to the other that we do not intend to renew at least 90 days before the expiration of the initial term. I have the right at any time to cancel this agreement with respect to any of my Titles on 30 days' written notice to iUniverse. If I cancel, iUniverse will have the non-exclusive right to produce, market and sell that Title for one year following receipt of my cancellation notice.

**2. Creation of Reprint Editions/Cover Design.** iUniverse will prepare editions of the Titles as follows: **(a)** If I grant the right to use the text format of a previous edition of the Title to iUniverse, iUniverse will bear all costs of creating print versions of the Title; **(b)** If the right to use the text format of a Title is not available, I will pay iUniverse \$400 to input, design and reformat the text and iUniverse will provide electronic files of the reformatted text to me in a standard format determined by iUniverse at my request at no additional cost. iUniverse will determine the price, production, appearance, format, and promotion of the Titles. I will have the right to review and, if it differs from a previously published cover, approve of an online version of the proposed cover of my Title, but I will not unreasonably withhold my approval and iUniverse may charge me a reasonable amount for any change made to a proposed cover at my request.

**3. Availability of Titles for Sale.** I understand that iUniverse intends to make Titles available for distribution within 30 days after receipt of the materials set forth in Paragraph 8 and will in no case make Titles available later than 180 days after such receipt.

**4. Promotion of the Titles and the Service.** The Titles will be made available for sale on the Internet, including the Guild's Backinprint.com website. Ten percent of gross receipts of sales made through the Backinprint.com website will be paid to the Guild to be used for promoting and maintaining the Service. I grant iUniverse and the Guild the right to use the biographical and title information that I submit as a Participating Author to promote sales of my Titles and the Service. I will submit additional information reasonably requested by iUniverse, including my own website link(s), in order to promote my Titles and the Service. I understand that the Guild and iUniverse control the content and form of their websites, and that they reserve the right to edit, omit or remove any author or title information on their sites for any reason. I understand that "Backinprint.com" and any other trade names used by the Guild or by iUniverse in providing the Service, and the content of their websites, are the property of the Guild and

iUniverse, respectively.

**5. Participating Author's Discount.** I will be able to buy my Titles at 20% off list price at single-order quantities of 1 to 19 books, 30% off list price at single-order quantities of 20 to 50 books, and 35% off list price for single-order quantities of 50 or more books, plus shipping and handling, paid in advance. No royalties will be paid on these sales.

### **Payment and Accounting**

**6. Royalties.** iUniverse will pay me a royalty of 20% of net receipts for sales of each copy sold in print book form of each Title. "Net receipts" is the list price of books sold (other than those sold to me), minus sales, distribution, retailer, marketing and promotional discounts. No discount will be taken for sales made through iUniverse's website. Production costs will not be subtracted from list price to calculate net receipts.

**7. Accounting and Payments.** iUniverse will send to me or my designated payee my payment and an accounting of quarterly sales if copies of my Titles have been sold during that royalty period. I may ask the Guild to review iUniverse's sales records regarding any of my Titles once in each 12-month period at my expense (unless it reveals a discrepancy in my favor of 5% or more of the amount due during the accounting periods reviewed, in which case the review will be at iUniverse's expense).

### **Obligations of Participating Authors**

**8. Delivery of Texts.** When I am notified that my Title has been accepted, I will promptly ship to iUniverse at 1663 Liberty Drive, Suite 200, Bloomington, IN 47403 two complete print copies of that Title as previously published along with a completed Authors Guild/Back-in-Print On-Demand Book Application form.

**9. Maintenance of Guild Membership.** I understand that if my membership in the Guild ends for any reason, my participation herein will terminate within 12 months thereafter, unless I rejoin the Guild within that time.

### **Warranties, Indemnities & Insurance**

**10. Warranties.** I warrant that: **(a)** I have exercised due diligence to ensure that I have all of the rights granted herein; **(b)** my Titles are not in the public domain and are entirely original except for those portions that are within the bounds of the fair use doctrine or for which legally effective written permissions have been secured; **(c)** I will not assign or otherwise encumber the rights I have granted to iUniverse while this agreement is in effect; **(d)** the Titles do not and will not violate another's copyright, and, to the best of my knowledge, do not and will not violate any other personal or proprietary rights, including without limitation another's trademark rights, contract rights, privacy rights, or publicity rights; **(e)** the Titles are not defamatory or obscene or otherwise illegal; and **(f)** recipes, formulae, instructions, or recommendations contained in the Title are not and will not be legally injurious to any reader, user, or third person.

**11. Indemnities.** I will indemnify and hold iUniverse and the Guild harmless from any loss, expense or other damages (including reasonable attorney's fees) due to any claim or action arising out of any finally adjudicated breach of any of my warranties herein. iUniverse will indemnify me from any loss, expense or other damages (including reasonable attorney's fees) due to any claim or action arising out of any finally adjudicated breach of any provision of its agreement with the Guild or from anything added to my Titles without my approval. The indemnification obligations and procedures are further described in the Agreement between iUniverse and the Guild. I understand that iUniverse may refuse to reprint and sell any title that it reasonably believes will give rise to a valid claim of criminal and/or civil liability against it and/or will materially harm its reputation as a responsible publisher. iUniverse may not, however, refuse to provide the Service based on a title's actual or perceived past or potential sales record.

**12. Insurance.** I understand that iUniverse will cover me for each of my Titles with its publishers' liability insurance.

**Contract Interpretation, Notices, Arbitration, etc.**

**13. Notices.** I will send all necessary notices in writing by personal delivery, U.S. post, fax, and/or e-mail. Mailed notices will be sent to:

The Authors Guild, Inc.  
Attention: Backinprint.com  
31 East 32<sup>nd</sup> Street, 7<sup>th</sup> Fl.  
New York, NY 10016

iUniverse  
Attention: VP of Finance & Administration  
1663 Liberty Drive, Suite 200  
Bloomington, IN 47403

**14. Not a Joint Venture.** This agreement does not create a partnership or joint venture between the parties and no party will have the authority to commit the other party except as otherwise provided.

**15. Governing Law/Arbitration.** This agreement will be governed by the laws of New York State. Any dispute between the parties arising hereunder will be arbitrated before the American Arbitration Association according to its rules.