

AGREEMENT made as of _____, 2011, between _____ (the "Author"), and _____ ("Publisher").

In consideration of the mutual promises in this Agreement, Author and Publisher agree as follows:

1. The Work. The Author shall deliver to Publisher a new and original fictional manuscript containing approximately _____ words (the "Work").

2. Description of the Work. The Work shall be _____

3. Grant of Rights; Territories. The Author grants to Publisher, during the full term of copyright available to the Work in each country covered by this Agreement, the exclusive right to print, publish, distribute, sell and license any and all languages and/or formats of the Work, in whole or in part, throughout the world.

4. Advance Against Royalties. Publisher shall pay to the Author, as an advance against and on account of all moneys accruing to the Author under this Agreement, the sum of _____ Dollars (\$ _____), payable as follows: _____.

5. Delivery and Acceptance of Manuscript.

(a) One (1) original of the complete Work in print form and one electronic copy, as described in Paragraphs 1 and 2 and in the following Subparagraphs of this Paragraph 5, shall be delivered to Publisher no later than _____, 201__.

(i) If the Author fails to deliver the complete Work by the due date, Publisher may demand, in writing, that the Author return all sums in full paid to the Author by Publisher in connection with the Work. Upon receipt of these sums, this Agreement shall terminate. The Author may not, thereafter, submit any partial or complete manuscript or proposal for the Work or for a similar work to any publisher before offering it to Publisher under the same terms contained in this Agreement.

(ii) If Publisher determines that the published Work requires materials such as photographs, illustrations, an appendix, a bibliography, or other supplementary matter ("Related Materials"), the Author shall furnish these to Publisher in reproducible form at a time mutually agreed; if the Author does not do so, Publisher may supply them at the Author's expense.

(iii) If permission from others is required for publication of any material contained in the Work, including any visual material, or for the exercise of any other right conferred by this Agreement (including the right to promote the Work), the Author shall be responsible for obtaining such permissions at Author's own expense and shall submit them, in form satisfactory to Publisher, with the complete Work, but Publisher may, if Publisher deems it necessary, assist the Author in obtaining the necessary permissions. Such permissions shall permit the exercise by Publisher and its sublicensees of all the rights licensed to Publisher.

(iv) Publisher shall have the right to commission the preparation of an index, reasonable to the size and scope of the Work, at the expense of the Author, unless the Author provides an acceptable index at the time of delivery of the complete Work or within a mutually agreeable time period in accordance with Publisher's production requirements.

(v) Any sums that Publisher has paid on the Author's behalf by reason of Subparagraphs 5(a)(ii-iv) may be deducted from any portion of the advance payable to the Author pursuant to Paragraph 4; if the total advance has already been paid, however, any such sums will be billed to the Author directly, or, at Publisher's discretion, charged to the Author's royalty account.

(b) Publisher will use good-faith efforts to inform the Author whether the Work is acceptable within ninety (90) days of receipt of the complete Work.

(i) If Publisher concludes that the Work delivered is unacceptable but could be revised to Publisher's satisfaction in a timely fashion, Publisher and the Author shall agree on an appropriate period of time for the revision process and Publisher will provide written editorial comments to the Author with respect to the revisions required. Should Publisher, in its sole judgment, conclude that the Work as first submitted cannot be revised to its satisfaction within a timely period, or after the agreed revision period, should Publisher find that the revised Work is still unacceptable for any reason, Publisher may reject the Work by written notice to the Author.

(ii) If the Work is rejected, the Author may retain fifty percent (50%) of any amounts advanced to the Author pursuant to Paragraph 4 and shall repay Publisher fifty percent (50%) of the amount advanced within twelve (12) months. The Author will be authorized to negotiate the sale or license of rights in the Work to any third party on the condition that the Author will be obligated to repay to Publisher the amounts retained from the advance pursuant to this Subparagraph 5(b)(ii) from all proceeds from any sale or license by the Author of rights of any nature in the Work to a third party (the "First Proceeds"). The Author agrees to use best efforts to license or sell the rights in the Work on terms most likely to result in the repayment in full to Publisher. The Author agrees to notify Publisher of the financial terms of any agreement with any third party involving rights in the Work and the Author will ensure that any agreement with any third party provides that Publisher will be paid directly first proceeds under that agreement until amounts retained by the Author under this Agreement have been fully recouped. If the Author is obligated to repay Publisher any sums under this Paragraph 5, it is specifically understood that Publisher has a first security interest in any and all proceeds received from the sale or license of the Work up to the amount owed Publisher.

(c) If Publisher requires that the Work receive a legal vetting, the completed, revised manuscript will be submitted to Publisher's attorneys. The Author will cooperate with the attorneys in the legal vetting process. If Publisher's attorneys conclude that publication of the Work may lead to legal liability, Publisher and the Author will cooperate for a period of sixty (60) days to make it legally acceptable to Publisher's attorneys. If they are unable to do so, the Author shall return to Publisher any amounts advanced and, when Publisher has received this repayment, this Agreement shall terminate. If Publisher finds the Work is legally acceptable for publication in the United States but changes are advisable for publication in other territories, and/or if Publisher's attorneys deem changes advisable after the first publication, the Author shall agree to make the changes. The Work may be deemed acceptable only when it is legally acceptable. In no event shall Publisher be obligated to publish or continue to publish a work which, in the judgment of its attorneys, may lead to legal liability. No changes or revisions made pursuant to this paragraph shall be deemed to alter or affect the warranties and indemnities contained in Paragraph 15 of this Agreement.

6. Proofreading and Author's Corrections. Following acceptance of the Work, no changes other than copyediting shall be made by Publisher without the consent of the Author. The Author shall cooperate in making any required corrections, approving the copyedited Work, and reading, correcting, and returning promptly all galley proofs. The cost of the Author's alterations, in type or plates, other than those that are due to printer's errors, in excess of ten percent (10%) of the cost of composition, shall be paid by the Author. Upon Publisher's reasonable request, in order to keep the Work topical, the Author shall revise/update the Work from time to time following first publication.

7. Publication. Publisher may publish and distribute the Work in any format, style, and manner, and under any of its imprints, and with a jacket, cover or package and at a cover price as it shall determine. The final title shall be mutually agreed between Publisher and the Author. Publisher shall publish the Work within eighteen (18) months of its acceptance of the complete Work and Related Materials, as described in Paragraphs 1, 2 and 5. If Publisher has not commenced production in the English language within such time, other than for reasons beyond its control, such as strikes, wars, government restrictions, or Acts of God, or because of a business decision made in consultation with the Author, then the Author shall have, as a sole remedy, either of the following options: (i) Upon written notice to Publisher, the Author may grant the rights to the Work to another publisher provided that the Author repay Publisher all sums advanced for the Work under this Agreement out of First Proceeds received from the grant of rights to another publisher; or (ii) the Author shall grant Publisher an extension of six (6) months from the date of Publisher's receipt of written notice in which to publish the Work, with the understanding that if Publisher should fail to publish within this additional six (6) month period, this Agreement will terminate, all rights in the Work will revert to the Author, and the Author shall have the right to retain all sums already received by the Author pursuant to Paragraph 4 as liquidated damages for Publisher's failure to publish the Work.

8. Promotional Materials/Promotion by Author.

(a) The Author shall cooperate with Publisher in obtaining, at Author's expense, a photograph of the Author of quality acceptable to Publisher to be used in connection with the publication of the Work.

(b) Publisher may use, or permit others to use, the Author's name and the likeness of the Author obtained pursuant to Paragraph 8(a), the title of the Work, and selections from the Work in advertising, promotion and publicity related to the publication and/or licensing of the Work, including broadcast, without charge, by radio, television or cable, or distribution via any form of electronic transmission, including on-line or satellite-based data transmission.

(c) All details of the advertising and promotion of the Work shall be determined by Publisher. If Publisher requests the Author's cooperation in promoting the Work, the Author shall be available for such promotional activities.

9. Author Copies. Upon Publisher's publication, it shall give six (6) hardcover and paperback copies of its edition of the Work to the Author.

10. Copyright. Notice of copyright in the Work shall appear in each copy of the Work printed by Publisher and be in the following name: _____.

11. Royalties. Royalties on Publisher's editions of the Work shall be based upon sales less actual returns and less a reasonable reserve for returnable copies, at the following rates:

(a) Hardcover. On copies of a hardcover edition sold in the U.S., except as described below: 10% of the U.S. cover price on the first 5,000 copies sold, 12½% of the U.S. cover price on the next 5,000 copies sold, and 15% of the U.S. cover price on all copies sold thereafter.

(b) Trade Paperback. On copies of a trade paperback edition sold in the U.S., except as described below: 7.5% of the U.S. cover price.

(c) Mass-Market Paperback. On copies of a mass-market paperback edition sold in the U.S., except as described below: 8% of the U.S. cover price on the first 150,000 copies sold, and 10% of the U.S. cover price on all copies sold thereafter.

(d) Large Print. On all copies of a large-type edition of the Work sold in the U.S., except as described in (h) through (p) below: 5% of the cover price on the first 5,000 copies sold, and 7½% of the cover price on all copies sold thereafter with respect to a hardcover edition of the Work and 5% of the cover price with respect to a paperback edition of the Work.

(e) Omnibus. On all copies sold of any omnibus volume containing the Work and other works by the Author: 10% of the amount received by Publisher for the omnibus as a whole except as provided in (j) through (p) below.

(f) Export Sales.

(i) On all copies of any edition sold outside the United States of America and its military bases: 10% of the amount received by Publisher for the hardcover edition; and 5% of the amount received for any paperback or other lower-priced edition.

(ii) On all copies sold on a royalty-inclusive basis to licensees outside the U.S.: 8% of the amount received by Publisher.

(g) High Discount Sales. On all copies of any paperback edition sold at a discount of 60% or more and on all copies of the hardcover edition sold at a discount of 55% or more: 10% of the amount received by Publisher.

(h) Premiums. On all copies of any edition sold for premium use: 5% of the amount received by Publisher.

(i) Mail Order Continuity Sales. On all copies of any edition sold to direct marketers or as part of a direct marketing continuity program: 5% of the amount received by Publisher.

(j) Educational Book Clubs and Book Fairs. On all copies of any edition sold to book clubs or book fairs supplying the educational market: 6% of the amount received by Publisher.

(k) Proprietary Editions. On all copies sold of any proprietary edition specifically produced for a retail outlet: 5% of the amount received by Publisher.

(l) Adult Book Clubs. On all copies of any edition sold to an adult book club on a royalty inclusive basis: 10% of the amount received by Publisher.

(m) Audio.

(i) Except as provided herein, on all copies sold of any audio recording developed from the Work (the "Audio Works") and sold by an audio publishing imprint of Publisher through regular wholesale, retail and library channels: 10% of the amount received by Publisher;

(ii) on copies of the Audio Works sold through special markets such as mail order and premium or on copies of the Audio Works sold at a discount of 60% or greater: 5% of the amount received by Publisher; and

(iii) on all copies of the Audio Works sold and delivered by means of digital distribution: 25% of the amount received by Publisher; and

For purposes of this Agreement, the Audio Works may constitute single and multiple audio cassettes, phonograph records, audio discs of any speed or size, magnetic recording tape, digital files, and/or any other medium for sound reproduction or transmission known today or which may hereafter become known and which may include verbatim selections from the Work, connecting narrative passages, background music and sounds supplied by Publisher.

If more than one work of the Author is recorded on the audio recording, the royalty paid to the Author shall be in proportion to the amounts from each work used on the audio recording.

(n) Electronic. On all copies of the Work sold as an "Electronic Book" or "Electronic Version": 25% of the amount received by Publisher

As used in this Agreement, Electronic Book means the text of the Work in complete, condensed, adapted or abridged form by any means of distribution or transmission, whether now or hereafter known or developed, intended to make the text and any illustrations or photographs contained in the Work available in visual form for reading.

Electronic Version means a digital or electronic product or service that is derived or adapted from the Work or portions of the Work, which may include incidental portions of the text of the Work and enhancements such as sound, images, animation or interactivity.

(o) No Royalty Copies. No royalties shall be paid on copies sold to any party below or at cost (including shipping and handling costs) or given away for review, advertising, sample, sales promotions, or like purposes, or on portions of the Work appearing as previews in other books published by Publisher or on portions of the Work used or sublicensed for advertising or publicity without compensation.

12. Subsidiary Rights. The Author grants to Publisher the exclusive right to sublicense other rights in the Work as specified in this Agreement upon terms as Publisher deems advisable. The net proceeds of these sublicenses shall be divided as set forth below and paid (less the amount of any advances then unearned) at the time of the next accounting.

	<u>Publisher's Share</u>	<u>Author's Share</u>
First Serial (use of serializations, condensations, excerpts, digests, etc., in newspapers, magazines or other periodicals before publication of the Work in book form)	10%	90%
Second Serial (use of serializations, condensations, excerpts, digests, etc., in newspapers, magazines or other periodicals after publication of the Work in book form)	50%	50%
Book Club	50%	50%
Permissions	50%	50%
Trade or Mass-Market Paperback	50%	50%
Other Book Publication (including, but not limited to, hardcover, large-type editions, mail order, premium and other special editions and schoolbook and book fair editions licenses)	50%	50%
British Commonwealth Hardcover and/or Paperback (which may include the right of Publisher's licensee to further sublicense any of the rights granted elsewhere in this Agreement, including first serial)	20%	80%
Translation (which may include the right of the licensee to sublicense any of the rights granted elsewhere in this Agreement, including first serial)	25%	75%
Electronic Book and storage and retrieval of the text (including any visual material) in whole or in part in complete, condensed or abridged form, including microfilm, microfiche, digital media or other electronic text format	50%	50%
Electronic Versions	50%	50%
Audio Recording	50%	50%

Publisher shall have the right to grant transcription or publication rights in the Work in Braille or other non-book formats specifically for the visually impaired without charge.

If the Author disposes of performance rights, Publisher shall grant the purchaser of those rights the privilege to publish excerpts and summaries of the Work in the aggregate not to exceed 7,500 words (or ten percent [10%] of the total Work, whichever is less), for advertising, publicizing, and promoting such rights, provided, however, that the Author's grant shall require the purchaser to take all steps necessary to protect the copyright of the Work. The Author will use best efforts to secure the agreement of the purchaser of performance rights to grant Publisher the right to use photographic stills and the title of the performance in connection with any Publisher tie-in edition of the Work in any format.

13. Accounting. Publisher shall prepare a statement of account semi-annually as of the 30th day of June and the 31st day of December for all six-month periods during which copies are sold, and shall send these statements, together with payment of the amount due, if any, within four (4) months following the end of the period. The Author's share of amounts received from the disposition of licenses granted under this Agreement shall be computed after deduction of any foreign taxes withheld, bank charges and any of Publisher's sub-agent commissions. If the Author has received any overpayment or is otherwise indebted to Publisher, Publisher may deduct the amount due from any sum due or to become due to the Author under this or any other agreement between the parties.

The Author shall have the right, upon reasonable written notice, to examine the books and records of Publisher as available insofar as they relate to the Work at Author's own expense, and provided that the examination is conducted during usual business hours and in accordance with customary accounting procedures, and occurs no more than once a year and not later than two (2) years from the date of the statement in question.

14. Competitive Works. (a) The Author will not, without Publisher's prior written consent, publish or authorize publication by anyone other than Publisher of any text-based edition, adaptation, abridgment or condensation of the Work, or of any text-based derivative work (including, but not limited to, any dramatic play, screenplay, television script, novelization, or photonovel) based on the Work or bearing a like title; and (b) the Author will not publish or authorize publication of any similar material in a book or article which, in Publisher's judgment, is likely to conflict with or impair the sale of the Work.

15. Warranties and Indemnities.

(a) The Author warrants and represents (i) that the Author is the sole author of the Work; that the Author has the full power to enter into this Agreement; that the Author is the sole owner of all rights granted to Publisher; that if the Work is one of non-fiction, all statements asserted as facts are based on the Author's careful investigation and research for accuracy; that no material in the Work violates any contract of the Author express or implied; that the Author has not previously assigned, pledged or otherwise encumbered the Work; that no material in the Work discloses any information given to the Author in confidence or on the understanding that it would not be disclosed or published; and (ii) that except for any previously published or unpublished materials created by others and Related Materials for which permissions have been granted, the Work is original, has not been published before, and is not in the public domain; that it does not contain any unlawful matter and that all information in the Work has been lawfully obtained, that the Work does not contain any libelous matter, does not invade any right of privacy nor infringe upon any trademark, right of publicity, statutory or common law copyright and that any recipe, formula, or instruction contained in the Work is accurate and is not injurious to the user.

(b) In the event of any asserted claim or legal proceeding ("Claims") based on an alleged violation of any of these warranties, Publisher shall have the right to defend the Claims by counsel of its own choosing. The Author shall indemnify Publisher and any seller or licensee of rights in the Work against any damages or losses incurred including any amounts paid in settlement, as well as against the cost of defending any Claims (collectively "Losses").

(c) If any Claims are received by Publisher or the Author, the recipient shall promptly notify the other party. The Author and Publisher shall fully cooperate with each other in the defense of any Claims. Publisher may, in addition to any other remedies, withhold payments due the Author under this or any other agreement between the parties to cover the Author's indemnity obligations under this Paragraph 15. The Author's failure to cooperate with Publisher in the defense of any Claims shall be deemed a breach of this Agreement. The Author's warranties and indemnities shall survive the termination of this Agreement.

16. Original Work. The Author shall retain an original copy of the Work and Publisher shall not be responsible for the loss of or damage to the Work or any materials supplied by the Author except in the event of Publisher's negligence. Publisher shall, upon the Author's written request, made within the first three (3) months after first publication of the Work, return the original Work and any original visual material supplied by the Author in its then "as-is" condition. Publisher shall not be required to retain the original Work or visual material after three (3) months and may dispose of the original manuscript and proofs after that time.

17. Next Publication of Author's Work. The Work will be the Author's next published work (whether under the Author's own name or under a pseudonym or in collaboration with anyone else) and the Author will not, prior to delivery of the complete manuscript of the Work, write or contract with any other publisher to write any other work for publication in book form without the written permission of Publisher.

18. Option. The Author grants Publisher the exclusive option to acquire the same rights as have been granted in this Agreement to the next full-length work to be written by the Author. Publisher shall be entitled to a period of sixty (60) days after submission of a detailed outline for the next work in which to make an offer for that work, during which time the Author agrees not to solicit any third party offers, directly or indirectly. Publisher shall not be obligated to consider such next work until following publication of the Work. If Publisher wishes to acquire the next work, the Author and Publisher will attempt to reach an agreement as to terms during a reasonable period of exclusive negotiation (but in no event less than 60 days). If they cannot reach an agreement, the Author shall be free to submit the next work elsewhere, but the Author may not accept an offer from any other publisher on terms equal to or less favorable than those offered by Publisher. Publisher shall not be required to consider the Author's next work until publication of the Work which is the subject of this Agreement. The Publisher option shall also apply to the next book-length work by each party to this Agreement included in the term "Author", whether such manuscript is written alone or together with another co-author.

19. Remainders. At any time after one year of initial publication of the Work, if, in the opinion of Publisher, the continued sale of the Work is no longer profitable, Publisher may dispose of any copies remaining on hand as "remainders" at any price as it may see fit. The royalty payable on all copies sold as "remainders" shall be ten percent (10%) of the amount received less manufacturing costs, not to exceed any other royalty rate specified in this Agreement and subject to Paragraph 11(o). Publisher shall notify the Author before the Work is remaindered and shall offer the Author the opportunity to purchase copies of the Work at the remainder price; any inadvertent failure by Publisher to do so, however, shall not be deemed a breach of this Agreement.

20. Out-of-Print. If, after the expiration of five (5) years from the date of Publisher's first publication of the Work, the Work is out-of-print, the Author may make written demand to Publisher to reissue or license rights in the Work. Publisher shall notify the Author in writing within ninety (90) days after its receipt of a demand whether it intends to comply. If Publisher does not respond or if, within six (6) months of its notice that it intends to comply, Publisher has not complied by reissuing the Work or entering into a sublicense for a new edition, then this Agreement shall terminate and all rights granted to Publisher shall revert to the Author.

For the purposes of this paragraph, the Work shall be considered in print if it is available for sale in the United States in a full length English language edition or if a contract for its publication by a sublicensee of Publisher for publication within eighteen (18) months is outstanding.

21. Governing Law. Regardless of the place of its actual execution and performance, this Agreement shall be treated as though executed within the State of New York, and shall be governed by New York laws. Any action or proceeding regarding this Agreement or the Work shall be brought solely in the New York courts (state or federal) in New York County.

22. Assignment. This Agreement, including the provision of Paragraph 23, is binding upon the assigns, heirs, executors, or administrators of the Author and upon the successors and assigns of Publisher but no assignment shall be binding upon either of the parties without the written consent of the other, except that Publisher shall have the right to authorize or sublicense publication or use of the Work to its parent or any subsidiary or affiliated company, or to any company which acquires all or substantially all of its business or the business of one of its divisions. If there is more than one party constituting "the Author", each party shall be jointly and severally liable for the Author's obligations under this Agreement.

23. Agency. All statements and sums of money due and payable to the Author under this Agreement shall be rendered and paid to the Author's agent (the "Agent") who is authorized to collect and receive such monies and the Author declares that the receipt by the Agent shall be a valid discharge of Publisher's obligations under this Agreement. The Agent is empowered to act in the Author's behalf in all matters arising out of this Agreement.

24. Reserved Rights. All rights not expressly granted to Publisher pursuant to this Agreement are reserved to the Author, provided that the Author will neither exercise nor authorize others to exploit any of such reserved rights in a manner that will impair the value of any of the rights granted to Publisher under this Agreement.

25. Full Agreement. This Agreement constitutes the full understanding of the parties and supersedes all prior agreements, understandings and proposals whether written or oral. No modification of this Agreement shall be binding unless in writing and signed by all parties.

AUTHOR

PUBLISHER

Author

By: _____

Payee's Tax ID/Social Security Number:

Author's Citizenship: _____