

PUBLISH GREEN eBOOK PUBLISHING AGREEMENT

This Publishing Agreement is between the Customer and Publish Green (“PG”), a division of Hillcrest Media Group, Inc., 212 3rd Avenue North, Suite 290, Minneapolis, MN 55401. This Agreement covers the parties’ respective obligations regarding the formatting and distribution of the eBook edition of Customer’s book (the “eBook”), the title of which shall be provided by Customer.

1. DEFINITIONS

The following terms shall have the following meanings for purposes of this Agreement:

- A. “Approval Date” is the first business day after the date on which Customer approves both the final formatting of his/her eBook and the Meta Data.
- B. “Approval Process” is when PG has completed the initial formatting of the eBook and has requested that the Customer review the final eBook.
- C. “Commencement of the Publishing Process” is when Customer submits his/her manuscript (by uploading to the PG website, emailing to PG or, if Customer is already published in print by a company related to Hillcrest Media Group and PG uploads on their behalf, approving the manuscript that PG emails to Customer for verification).
- D. “Customer” is an author, or book publisher, or third-party using PG’s services for, or any other person or entity legally entitled to enter into the services with PG on as or on behalf of any right holder.
- E. “DRM” (“Digital Rights Management”) is the practice of each Reseller adding digital encryption to eBook files to prohibit copying.
- F. “Images” are defined as charts, graphs, photos, illustrations, or any other material set apart differently from the text, which may not be considered images for printed book design purposes.
- G. “Intellectual Property” is defined by all copyrights, trademarks, derivative rights, and other contents associated with the eBook that Customer uploads to PG and/or that PG creates on behalf of Customer.
- H. “Maintain the Integrity of the Original Format” means that PG will ensure (1) that text that is meant to be bold or italicized renders as such in the eBook file(s), (2) that letters, phrases, and chapter titles are capitalized and otherwise uniform as in the submitted book, and (3) that the overall look and feel of the eBook is as consistent with the original print book as is possible.
- I. “Meta Data” refers to information provided by Customer and as it pertains to the title and subtitle of the book, author name, short and long descriptions of the book, author biography,

copyright information, BISAC categories, eBook price, publisher information, and ISBNs (if Customer has provided their own).

J. “Ninety Percent (90%) Royalties” equals the Retail Download Price (“RDP”) less the Reseller’s Fee less PG’s Distribution Fee (“PG Fee”). PG will pay Customer 90% of the total Net Sales that each Reseller pays to PG

K. “One Hundred Percent (100 %) Royalties” equals the Retail Download Price (“RDP”) less the Reseller’s Fee.

L. “Resellers” are third-party retailers and wholesalers listed at www.publishgreen.com/ebook-resellers.

M. “Reseller Submission Date” (aka “Submission Date”) is the one time per calendar month that PG submits eBooks to Resellers, which is the final Friday of every month (unless that day is a holiday, then the Submission Date is the final Thursday). PG shall submit Customer’s eBook to Resellers on the Submission Date closest Submission Date following the Approval Date. For Customers purchasing Rush Formatting, PG shall submit Customer’s eBook to Amazon.com, Apple’s iBookstore, BN.com and MyBookOrders (if applicable) within two business days of the Approval Date. Submission to all other resellers will occur on the Submission Date.

N. “Revisions” are defined as changes to the individual words, portions of words, or punctuation caused by the conversion process (i.e. if a word in the eBook file looks like “THis” as a result of the conversion, it would be fixed). Revisions do not include editorial changes.

O. “Editorial Revisions” are defined as sentence re-writes, extensive grammar and mechanical changes, reorganization of paragraphs, chapters, and images (photos, art, charts, graphics, or any non-text elements). Any Editorial Revisions that Customer wishes to make after PG has formatted Customer’s eBook will be billed at an hourly rate of \$50 per hour, with a minimum fee of \$50.

P. “Rush Formatting” is defined by the process of PG converting Customer’s original files into eBook files and designing the eBook to render as best as it can on various eReading devices, but PG will convert the files within seven (7) business days. Rush Formatting begins after Customer has completed the Assessment step of the Publishing Process

Q. “Standard Formatting” is defined by the process of PG converting Customer’s original files into eBook files and designing the eBook to render as best as it can on various eReading devices, and this process takes fifteen (15) business days. Standard Formatting begins after Customer has completed the Assessment step of the Publishing Process.

R. “Document Complexity” is defined as complexity in the interior of the source file that Customer uploads to PG during the Upload Files step, and determined by PG at the time of the Assessment process. Document Complexity includes extensive bulleted, numbered, or lettered lists, extensive text formatting which includes centered text, bolded and italicized text, and any other complex text formatting which is subject to the discretion of PG.

S. “Short Book” is defined by any manuscript consisting of less than 20,000 words.

T. “Pre-Formatted eBook” is defined as a pre-formatted EPUB and/or MOBI file submitted by Customer to PG if Customer purchases a distribution-only package through PG. PG requires that all Pre-Formatted eBooks adhere to the following specifications: must include individual MOBI and EPUB ISBNs embedded into the eBook file(s); must include cover image embedded into the eBook file(s); if EPUB, must be validated via an EPUB validation program *prior* to submission to PG; any images must be embedded into the eBook file(s); and cover image must not contain *any* references to commercial retailers (i.e. “For Amazon Kindle, for Apple iPad) or references to supplemental materials (i.e. “CD enclosed”).

2. OWNERSHIP OF eBook & LIMITED LICENSE TO PUBLISH

A. Ownership of eBook

Customer at all times retains 100% of all right, title and interest in and to the eBook and its contents, including all copyrights, trademarks, derivative rights, and other intellectual property associated with the eBook, including but not limited to all file formats PG is paid by Customer to create.

Customer derivative rights include but aren’t limited to: (a) translation rights; (b) abridgement rights; (c) serial rights; (d) merchandising rights; (e) stage, film, television, video, radio, and dramatization and documentary rights; (f) picture eBook rights; (g) print rights; (h) publication, sale and distribution rights in relation to the eBook and/or any part thereof in all editions and in all languages; (i) exploitation rights in relation to the eBook in any other form as may be invented in the future; and the right to sell, resell, license or re-license to anyone any or all of the foregoing.

At any time, Customer can download from PG all formatted files created by PG pursuant to this Agreement.

B. Limited License to Publish

Section 2(B) through 2(F) ONLY APPLIES TO Customers who have also paid for PG’s distribution services as part of the Advanced or Premium packages (or any distribution renewal term). Customers who have PG’s Basic package (eBook conversion-only services), should skip to Section 3 of this Agreement.

C. eBook Distribution License

Customer hereby grants to PG the non-exclusive, worldwide license to digitally publish, distribute, market and sell and to license others to do so (“Publish”) Customer’s eBook in the following formats as selected by Customer: .mobi and .epub (“Formats”).

eBooks will be distributed through PG's distribution partners listed at www.publishgreen.com/ebook-resellers ("Resellers"). Customer acknowledges that Resellers may change without notice.

D. Title and Customer Information

PG may post pertinent information about Customer and the eBook on PG's website and those of Resellers during the term of this Agreement. Such information may include the eBook's cover, Customer name and photograph, description of the eBook and other related information. Customer reserves the right to have PG remove said information from PG's website at any time.

Further, Customer grants to PG the right to make excerpts from the eBook viewable on PG's website in order to facilitate and/or sell and publicize the eBook. Customer agrees that Resellers shall be allowed to display any or all of the Meta Data provided by Customer to PG. Further, Customer acknowledges that each Reseller may display a sample portion of Customer eBook on its website or on the websites of other resellers that have distribution agreements with them. The portion displayed is at the discretion of the Reseller and PG has no control over the amount or the specific sections of Customer eBook that are displayed for promotional purposes.

E. Electronic Storage and Handling of the eBook

During the term of this Agreement, Customer grants PG the right to store, use, transmit and distribute electronic copies of the eBook as required to facilitate the distribution process. This grant includes Resellers with whom PG has distribution agreements.

F. Customer May Rescind License at Any Time

Customer may rescind PG's limited rights to digitally publish and distribute the eBook at any time and for any reason, at which time PG will remove all reference to Customer and the eBook from any of its or its Resellers' websites to the extent possible. However, Customer acknowledges that it may take Resellers an unknown amount of time to remove the eBook from their sites and databases. Customer further acknowledges he/she has no cause of action against PG for any delay by a Reseller in removing the eBook and/or Customer information from a website.

3. TERMS OF THE AGREEMENT & TERMINATION

The Agreement shall continue until either party terminates pursuant to the terms set forth herein until the initial term or any renewal term expires. The terms of this Agreement only cover the services set forth on <https://www.publishgreen.com/order>. This includes initial terms and renewal terms for both eBook formatting and distribution services.

A. eBook Formatting Only

This sub-section applies to ALL Customers.

The Initial Formatting Only Term (“Initial Term”) commences upon the execution of this Agreement, and expires at the time that Customer’s final eBook files are made available to Customer per sections 4(c) or 4(d).

B. eBook Distribution

This sub-section applies ONLY to Customers selecting distribution services.

The initial eBook “Distribution Term” commences on the date on which Customer eBook is submitted by PG to any Reseller for distribution and expires one year from said date.

The “Renewal Term” commences upon the anniversary of the Distribution Term each year. Renewal fees for the first and subsequent Renewal Terms vary based on the royalty option selected by Customer prior to commencement of the Distribution Term and any Renewal Term. If Customer selected the Standard Royalty Option (90% royalties paid to Customer), Customer’s annual renewal fee shall be \$25.00. If Customer selected the Total Royalty Option (100% royalties paid to Customer), Customer’s annual renewal fee shall be \$79.00. Customer acknowledges that the Total Royalty Option included in the Premium Package covers only the first initial year of 100% royalties paid, and the \$79 renewal fee must be paid in order to retain 100% royalties per each year after the initial year of distribution has expired.

PG will notify Customer 60 days prior to expiration of the Distribution Term or Renewal Term. At such time, Customer can pay the applicable renewal fee (either \$25 or \$79), accept the terms of service, and agree that PG will distribute Customer’s eBook for an additional year. PG will email Customer several reminders during the 60 day period. If Customer does not renew distribution services prior to the expiration of the Distribution or Renewal term, Customer’s eBook will be removed from Resellers’ websites/databases, and Customer’s eBook will no longer be available for sale/distributed by PG.

Definitions of “90% royalties” and “100% royalties” and royalty payments are described in Section 1.

C. Termination by Customer

Customer may terminate this Agreement at any time and for any reason by providing written notice via email, fax, or certified mail. Email notices must be sent to terminate@publishgreen.com. If Customer terminates prior to the Commencement of the Publishing Process, Customer shall receive a full refund of all monies paid. If Customer terminates after the Commencement of the Publishing Process, but before PG begins formatting Customer eBook, Customer will be refunded all monies paid less \$25.00, which Customer acknowledges is a valid fee for PG’s time in assessing Customer manuscript for eBook formatting. If Customer terminates after PG begins formatting the eBook but before Customer’s eBook has been submitted to Reseller(s), Customer will receive a total refund of \$75.00. If Customer terminates after formatting and submission to any or all Resellers, no refund will be provided.

All refunds will be made by PG within 30 days after the notice of termination has been provided by Customer. PG has 10 business days from Customer written notice of termination to request removal of all online listings under PG's control and make available to Customer through the PG website all of Customer paid for and completed eBook formats.

D. Termination by Publisher

PG may terminate this Agreement, publication and/or distribution of the eBook without cause and for any reason, including but not limited to, if, in PG's judgment, the eBook may subject PG to the risk of litigation or other adverse commercial consequences. In no event will PG be obligated to publish an eBook of any kind, including but not limited to those which, in its opinion, violate the common law or statutory copyright, or the right of privacy of any person, or contain libelous or obscene material. Further, if PG deems the content of the eBook to promote hate, violence, or illegal activities, PG can terminate the Agreement and will immediately refund Customer all monies paid for services not yet commenced.

PG may elect to terminate this Agreement upon expiration of the Initial Term, Distribution Term, or any Renewal Term. Upon such termination by PG, PG will update all original production files accordingly (removing PG's ISBN, if applicable), and will provide Customer with contact information for alternate distribution options. Upon termination, PG will also cease distribution and cancel listing of Customer's eBook with Resellers (if applicable).

4. SERVICES PROVIDED BY PUBLISHER

PG packages are set forth at <http://www.publishgreen.com/compare-packages/basic-conversion>, and each package includes the services as described therein.

A. eBook Formatting Packages

The following services constitute the Basic, Advanced, Premium, and Short Book formatting packages. PG shall provide these services for the fee set forth at <https://www.publishgreen.com/order> and any accompanying pages on the PG site. Customer shall pay by credit card via PG's secured site. In some cases, PG may elect to accept a certified bank check, money order, or payment via PayPal.

B. Cover Upload and Sizing

Upon being prompted, Customer shall log in to his/her account on PG's website and upload Customer cover image. Customer cover file may be uploaded separately, or may be uploaded as part of Customer interior file. The cover file should be uploaded at the highest resolution possible, and must be a .jpg or .png only (JPEG is the preferred format). PG suggests and Customer acknowledges that Customer shall upload a cover image of at least 800x600 pixels for optimal results in eReading devices. If the cover upload is less than 800x600, Customer acknowledges that although PG will do its best to make the cover image look as good as possible, the cover rendering on eReaders will not be at the most optimal level.

Further, Customer acknowledges that PG will only use the front cover of Customer book for eBook publishing purposes. If Customer uploads an image file that contains the front, back, and spine of a book cover, PG, without any cost to Customer, will crop and resize as necessary.

PG reserves the right to resize any cover submitted to ensure compatibility with eReading devices. Customer acknowledges that Customer eBook cover may render differently on different eReading devices, and that PG has no control over how said cover image appears on each device.

If Customer does not have a front cover image, Customer is not required to upload a cover file via PG's website, and Customer eBook will not include a front cover (i.e. will be text only).

Customer warrants that he/she has the unequivocal right, title and interest in the submitted cover, including the rights to said photos, artwork or other images on the eBook's cover.

Customer further understands and accepts that Customer eBook cover may not be visible on all eReading devices and/or may look differently on each device and may look differently than the original submitted book cover looks in print.

C. Interior Formatting

Customer acknowledges that, since the manuscript Customer submits to PG is not already formatted for eReading devices, it will not look the same on an eReader as it does in print and will also appear differently in different eReaders.

Customer acknowledges that PG uses its best efforts to "maintain the integrity" of the original format of Customer's book (as submitted initially by Customer), but cannot guarantee that the formatted eBook will exactly match the original format. Upon being prompted, Customer shall log in to his/her account on PG's website and upload Customer manuscript. If Customer is already published in print under any division of Hillcrest Media Group, PG may upload Customer's most recent manuscript after receiving verification and approval of manuscript from Customer via email. PG accepts the following formats (for interiors): PDF, Microsoft Word, and Adobe InDesign.

Customer acknowledges that, should Customer manuscript contain images, all images must be embedded into the manuscript submitted to PG for eBook formatting as well as uploaded as separate files during the file uploading process, in order to ensure the most accurate formatting. Further, images must be placed in the locations at which they should appear in the final eBook file(s) in order for PG to accurately assess image placement in eBook. If Customer chooses not to follow this protocol, Customer acknowledges that the images in Customer's eBook may not be placed properly during the formatting process.

Customer acknowledges that charts, graphs, indented paragraphs, photos, images, etc. may include extra fees in order to make the format of the eBook resemble the printed /submitted book.

Customer acknowledges that, because different hardware and software eReaders will render content differently, page count of Customer eBook will vary depending on the device used to read it. Additionally, Customer acknowledges that, while PG does its best to ensure that Customer eBook renders correctly on as many different devices as possible, there are currently no standards as to how said devices should render any particular eBook. Some may choose to ignore some or all of Customer custom formatting.

Customer acknowledges that no eBook format will ever be identical to the printed and/or originally submitted version of Customer manuscript and that PG's inability to make the interior of the eBook look exactly like the submitted version is not a breach of this Agreement.

D. Formatting Packages and Additional Formatting Fees

The Basic, Advanced, and Premium formatting packages include formatting of up to 75,000 words, 10 images, and 10 footnotes. The Short Book formatting package includes formatting of up to 20,000 words, 10 images, and 10 footnotes. Customer is permitted to review and request changes to final eBook as a part of the Approval Process. Upon purchasing a PG formatting package, Customer shall be prompted to enter his/her word, image and footnote count to determine whether Customer eBook is subject to additional formatting fees (if Customer eBook exceeds the limits set forth above).

The Short Book formatting package constitutes a book less than 20,000 words and offers all distribution and royalty services contained in the Premium package. The Short Book formatting package is \$499. If Customer orders the Short Book formatting package, and PG determines that Customer's eBook exceeds 20,000 words, Customer will be subject to paying the full price of the Premium package (\$999.00), or, if Customer wishes, the Advanced package (\$699.00) which would constitute a downgrade in services, as the Short Book formatting package only applies to the Premium package.

All packages include formatting Customer eBook as a .mobi file (the format used by Amazon's Kindle) and an .epub file (format used by Nook, iPad, iPhone, Sony Reader, etc.).

1. Additional Word Fees (N/A to Short Book Formatting Package)

Each additional word (after 75,000) is subject to a fee of \$0.0018. For example, if Customer purchased the Basic formatting package for \$399 and Customer manuscript contains 80,500 words, the total cost to format eBook would be \$408.9 (\$399 (Basic package) + \$9.90 (additional word count fee) = \$408.90). Final price and/or credit back will be determined during the Assessment stage. Additional Word Fees do not apply to the Short formatting package.

2. Additional Image Fees

All charts, graphs, images, equations, formulas, or other material in the eBook that is set apart differently from the text (collectively referred to as "Images") are inserted into the eBook by PG. Each PG formatting package includes the insertion of 10 images. Each additional image is \$3.00 per image. For example, if Customer eBook has 25 photos, 15 charts, and 10 graphs, the total additional image fee would be \$120.00 (50 images – 10 free images = 40 images * \$3.00 each). Final price and/or credit back will be determined during the Assessment stage.

3. Additional Footnote Fees

Each additional footnote (after the allotted 10) is subject to a \$1.00 fee. For example, if Customer book has 25 footnotes, the additional fee will be \$15 (25 footnotes – 10 free footnotes = 15 footnotes * \$1.00 each). Final price and/or credit back will be determined during the Assessment stage.

4. Document Complexity Fee

Upon Customer upload of manuscript to PG's website, Customer manuscript will be assessed by PG staff to determine whether it contains Document Complexity. Document Complexity fees will fall into the following price categories: \$50.00, \$75.00, \$100.00, \$150.00, \$200.00, and \$300.00. These fees are dependent on the level of complexity in Customer's book and will be determined by PG during the Assessment stage. Document Complexity is defined in section 1(R) above.

5. Assessment Stage

Upon Customer upload of manuscript to PG's website, Customer manuscript will be assessed by PG staff to determine whether the word and/or image and/or footnote count(s) are correct as entered by Customer upon placement of order, and whether Document Complexity fees will be incurred. Customer acknowledges that PG will complete the assessment within three (3) business days of receiving Customer file(s). If Customer is owed a credit (i.e. Customer miscalculated word and/or image count and overpaid for additional formatting fees), Customer shall be notified via email to log in and confirm said credit. Customer credit card shall be refunded the relevant amount at time of confirmation. If Customer miscalculated the word and/or image count at the time of original order placement, and/or it is found that the Document Complexity fee needs to be incurred, and Customer owes PG for additional formatting fees, Customer shall be notified via email to log in and pay the additional formatting fees. Formatting will not commence until Customer has paid for any additional formatting fees.

Upon Customer confirmation of credit (or payment to PG), Customer shall be prompted to complete Author Assessment step via PG's website. If no credit/payment is due / owed by Customer, Customer shall be notified to log in to his/her account on the PG website to complete the Author Assessment step. Customer acknowledges that formatting of Customer eBook will not commence until Customer has completed said Assessment and electronically submitted it to PG.

If Customer does not want to pay additional word, image, footnote, and/or Document Complexity fees, Customer order will be canceled, and Customer will be refunded all monies paid less \$25.00, which Customer acknowledges is a valid fee for PG's time in assessing Customer manuscript for eBook formatting. Should Customer decide to recommence PG's services for the same eBook (exactly as originally submitted to PG) within six (6) months of the original purchase date of PG's services, Customer shall receive a credit of \$25.00, but Customer acknowledges that PG's pricing and packages offered may be different from those available at the time Customer originally purchased.

6. Additional Services

If Customer wishes to add additional services to an existing package after the Publishing Process has commenced, Customer will be billed “a la carte” for each service. For example, if Customer originally purchased the Advanced package (listed at \$699.00) and then wished to add on the 100% Royalty Upgrade, which is listed as \$199.00 on PG’s order page at <https://www.publishgreen.com/order>, Customer would be billed for an additional \$199. If Customer originally purchased the Advanced package and wished to upgrade to the Premium package (listed at \$999.00), Customer would be billed for each additional service separately, rather than paying the difference between the two packages.

E. Rush Formatting

“Rush Formatting” means that PG will format Customer’s book in seven (7) days from the date Customer uploads his/her manuscript, fills out the Questionnaire, and approves and agrees to/pays for any additional word, image, footnote and/or Document Complexity fees in the assessment step. Rush formatting commences after assessment is completed. Any additional fees are disclosed to Customer. Customer acknowledges that Rush Formatting constitutes only the initial formatting of Customer eBook and does not include time spent by Customer on making Revisions or how many rounds of Revisions Customer wishes to make. When Customer submits Revisions, PG will make these in two (2) days rather than the standard five (5) days for regular formatting. PG reserves the right to extend the Rush formatting timeline if, for any reason, Customer’s eBook requires extra work.

If Customer has opted for any distribution package with PG, upon Customer approval of final formatted and revised eBook file, PG will submit Customer eBook within two (2) business days to the following applicable online retailers: Amazon.com, Apple iBookstore, BN.com and MyBookOrders.com. Customer acknowledges that PG has no control over how long it takes said Resellers to make the eBook available for purchase. Submission to all other Resellers is subject to the standard submission timelines. Submission to all other Resellers follows PG’s standard submission timeframes.

In no event will PG be responsible for delays caused by circumstances beyond its control during the Rush Formatting process, including delays caused by Customer in submitting revisions, responding to PG’s requests, making changes, etc.

F. eBook Formatting / Revision Process and Timelines

1. Standard Formatting Timeline

After Customer has uploaded Customer’s interior file (and cover file, if applicable), completed the eBook questionnaire via PG’s website, paid for any additional formatting fees, and/or completed the Author Assessment step via PG’s website, Customer’s eBook will be formatted. Customer shall receive notification that Customer eBook is ready for review within fifteen (15) business days of completing the Author Assessment step. PG reserves the right to extend the Standard formatting timeline if, for any reason, Customer’s eBook requires extra work.

2. Rush Formatting Timeline

Is as set forth in 4(E) above.

3. Customer Approval of Formatted eBook & Revision Process

Customer shall log in to PG's site after receiving notification from PG that the eBook is ready for review. Customer must download the .mobi file or .epub file and review the eBook on his/her computer or eReading device. Customer must enter all Revisions via the PG website. If Customer does not submit Revisions via the PG website, Customer acknowledges that PG may not be able to make the requested revisions and PG may ask Customer to resubmit revisions via the PG website.

Customer shall have three rounds of up to 25 Revisions per round. Revisions are defined in section 1(N) above.

Customer acknowledges that some Revisions may not be possible because of the limitations of eBook formatting and the way that eReading devices render content. If this occurs, PG will inform Customer of these limitations and suggest alternate methods of formatting.

After Customer has submitted his/her revisions via PG's website, Customer revised eBook will be uploaded by PG within five (5) business days, at which time Customer will be notified to review and approve, or indicate that he/she has additional revisions. If Customer has purchased Rush Formatting, PG will make revisions within two (2) business days. Customer acknowledges that each set of Revisions is dependent on how long it takes Customer to make them, and PG is not in control of Customer timeline for Revisions.

Customer acknowledges that if his/her Revisions are Editorial in nature, PG will bill Customer at a rate of \$50.00 per hour with a minimum fee of \$50.00. Editorial Revisions are defined in section 1(O) above. PG will assess Customer's submitted Revisions and, if Revisions are Editorial, will provide Customer with an estimate on the number of hours Revisions will take. Customer will be required to pay this fee, or PG will not make any Editorial Revisions to Customer's eBook.

Customer acknowledges that if his/her submitted Revisions are greater than the allotted amount (as defined in section 1(N) above) and/or are Editorial in nature, PG reserves the right to extend the Revision timeline in order to accommodate extensive Revisions, regardless of whether Customer has purchased Standard or Rush Formatting.

After Customer has approved eBook file (via PG's website (preferred), or email), but before Customer eBook has been submitted to any Reseller, any additional revisions will be billed at \$50.00 per hour, with a minimum fee of \$50.00.

G. Revisions after Customer Approval and Submission to Resellers

This subsection is only applicable to Customers with PG Distribution.

If, after Customer has approved the eBook file and it has been submitted to any Reseller, Customer wishes to make changes to his/her eBook, Customer shall be billed at the rate of \$50.00 per hour (with a minimum \$50.00 fee), and shall pay an additional \$50.00 to upload new files to Resellers. Customer acknowledges that, while PG submits new files to Resellers, the new files may or may not overwrite old files on Resellers' sites, sometimes resulting in more than one file. PG has no control over this. If Customer only submits changes to Meta Data, Customer will be charged a \$20.00 Meta Data change fee as well as the \$50.00 resubmission fee.

If, after Customer has approved the eBook file and it has been submitted to any Reseller, Customer wishes to make changes to the Meta Data of his/her eBook, Customer will be required to submit the requested changes via email.

PG will update and re-submit Customer's eBook Meta Data and submit post-distribution Revisions to Resellers in accordance with the following timeline:

- Revisions and Meta Data changes submitted during December, January, and February will be submitted to Resellers on the last Friday of March. The deadline to submit all changes to PG is the last Friday of February.

- Revisions and Meta Data changes submitted during March, April and May will be submitted to Resellers on the last Friday of June. The deadline to submit all changes to PG is the last Friday of May.

- Revisions and Meta Data changes submitted during June, July and August will be submitted to Resellers on the last Friday of September. The deadline to submit all changes to PG is the last Friday of August.

- Revisions and Meta Data changes submitted during September, October, and November will be submitted to Resellers on the last Friday of December. The deadline to submit all changes to PG is the last Friday of November.

H. ISBN

1. Basic Package

Customer may provide his/her own ISBNs, but is not required to. PG suggests an ISBN for both .epub and .mobi versions of an eBook. ISBNs are not provided by PG.

2. Advanced and Premium Packages

PG shall provide an ISBN for both the .mobi and .epub versions of Customer eBook unless Customer specifically requests to provide their own ISBNs for both the .mobi and .epub versions of the Customer eBook. There is no credit or other discount for Customer's use of his/her own ISBNs.

Customer acknowledges that ISBNs provided PG are owned by PG and that should Customer cease Distribution through PG, PG will remove its ISBNs from files provided to Customer and Customer must not use PG ISBNs going forward.

5. LISTING OF EBOOK WITH RESELLERS AND OTHER DATABASES

All Resellers are listed at www.publishgreen.com/ebook-resellers. Customer acknowledges that this list may change from time to time and PG cannot guarantee that any specific reseller will sell Customer's eBook.

A. Listing eBooks for Sale through Resellers

If Customer selects distribution through PG, Customer acknowledges that they are adhering to the terms and conditions of each Reseller, and these may change without notice at any time. PG is in no way responsible for changes to any Reseller's terms.

Customer has two distribution options from which to select, available for review at <http://www.publishgreen.com/ebook-resellers>

- The "Amazon and iBookstore" option in which Customer eBook is made available to Amazon.com and Apple's iBookstore.
- The "Global" option, in which Customer eBook is made available to Amazon.com, Apple's iBookstore and the resellers listed at <http://www.publishgreen.com/ebook-resellers>. If Customer purchases the Premium Distribution package, Customer's eBook is also provided a dedicated sales page on MyBookOrders.com

Customer acknowledges that the Reseller listing may change without notice. Customer also acknowledges that specialty Resellers may not list Customer's eBook and that any Reseller may choose not to list Customer eBook. PG shall ensure that Customer eBook is made available to the Resellers included in Customer chosen distribution plan. eBook Meta Data is taken directly from information supplied by Customer in the eBook Questionnaire via PG's website.

If, after Customer has approved (via PG's website) the Meta Data (eBook information) that will be submitted to Resellers, but before it's actually submitted, Customer wishes to change his/her listing information, Customer acknowledges that he/she will be assessed a \$20 per change fee.

Customer acknowledges that certain Resellers may object to Customer's eBook for any reason. Issues with eBook content, Meta Data, cover image, and interior images may be objected to by Resellers. Customer acknowledges that Resellers are not required to state why they object to Customer's eBook. PG reserves the right to resize interior images according to the specifications of Resellers if Reseller objects to interior image size.

Customer acknowledges that Customer eBook will be made available to Resellers via their established eBook listing protocols and procedures, but that PG has no control over whether or when Customer eBook will be available for sale through any Reseller.

Customer acknowledges that PG has no control over which portion of Customer eBook appears on any Reseller's website for promotional purposes.

Customer acknowledges that Customer eBook files will be DRM protected if the Reseller offers this option. If Customer does not want his/her files DRM enabled, Customer must notify PG via PG's website prior to approval of Customer formatted eBook.

The royalties for sales made through Resellers are set forth in Section 8 of this Agreement.

B. Distribution-Only

If Customer has purchased Distribution-Only services through PG, PG will list Customer's Pre-Formatted eBook (as defined in section 1(T) above) with all Resellers associated with the Global Distribution package except MyBookOrders.com. If Customer wishes to sell his or her Pre-Formatted eBook via MyBookOrders.com, Customer has the option to purchase a MyBookOrders.com sales page for \$99.00.

Distribution-Only packages are as follows:

- \$300.00 and Customer retains 100% royalties
- \$250.00 and Customer retains 90% royalties

Customer must supply PG with Pre-Formatted eBook file(s) that adhere to the requirements outlined in section 1(T). Customer must supply two separate ISBNs with each Pre-Formatted eBook file – one ISBN for EPUB, and one ISBN for MOBI. Customer must also supply PG with a cover image that adheres to cover requirements outlined in section 4(B).

PG will list Customer's Pre-Formatted eBook with Resellers on the closest Reseller Submission Date. If Customer wants Rush distribution for his or her Pre-Formatted eBook, he/she has the option to pay \$100.00 to PG. PG will list Pre-Formatted eBook on Amazon, iBookstore, BN.com and MyBookOrders.com (if applicable) within two (2) business days.

Customer will be prompted to fill out PG's Questionnaire for Distribution. Customer must complete all portions of the Questionnaire, via PG's website, before PG can submit Customer's Pre-Formatted eBook to any Reseller.

Customer's Pre-Formatted eBook must adhere to the requirements outlined in section 1(T) above. PG will assess Customer's Pre-Formatted eBook upon submission and notify Customer if any of the requirements are not met. Customer will be responsible for fixing any errors (pertaining to EPUB validation, cover image issues, etc.) and PG will be unable to list Customer's Pre-Formatted eBook with any Reseller until Customer has fixed his or her Pre-

Formatted eBook file and re-submitted it to PG. PG will approve Customer's Pre-Formatted eBook file and queue it for submission to Resellers.

If Customer's Pre-Formatted eBook does not meet PG's requirements, and Customer does not wish to fix the file and re-submit to PG, Customer will be refunded all monies paid less \$100.00, which Customer acknowledges is a valid fee for PG's time in assessing Customer's Pre-Formatted eBook for validity. Customer has the option of purchasing formatting through PG at an additional cost.

If Customer's Pre-Formatted eBook file(s) is rejected by any Reseller for any reason, PG will notify Customer of the problem and require that Customer fix it and re-submit to PG. PG cannot edit the Pre-Formatted eBook file because PG did not format Customer's eBook. Customer acknowledges that Reseller(s) can reject Customer's Pre-Formatted eBook file(s) for any reason at Reseller's discretion, and PG has no control over this, despite PG's best efforts to confirm that Customer's Pre-Formatted eBook file(s) meet Reseller specifications.

In no way is PG responsible for any delays caused by Customer during the Distribution-Only process (i.e. if PG deems Pre-Formatted eBook file invalid and requires that Customer must fix it, and Customer purchased Rush distribution, Customer must fix the invalid file and re-submit to PG before any submission to Resellers will take place).

C. Sales Page on MyBookOrders.com

If Customer has purchased PG's Global Distribution package and or paid the additional fee for MyBookOrders.com as part of the Advanced Distribution package, he/she will also have a dedicated sales page on MyBookOrders.com. Customer may link to this page from his/her website or any other website. Any eBook files created by PG that Customer makes available for sale on his/her MyBookOrders.com sales page will not be DRM protected. eBooks purchased on Customer MyBookOrders.com sales page will be subject to a 4.5% credit card processing fee of the total order. Customer acknowledges that this fee is subject to change at any time, but will not increase more than 1% in a single calendar year. "Calendar Year" means from January 1st through December 31st.

The royalties for sales made through MyBookOrders.com are set forth in Section 8 of this Agreement.

6. PUBLICATION TIMELINE

A. Additional Word / Image Assessment

Upon receipt of Customer order and Customer uploaded manuscript (via the PG website), PG shall complete the assessment (to determine whether any additional fees or credits are owed by / due to Customer) within three (3) business days from the date on which Customer uploads his/her manuscript and completes the Questionnaire. If Customer has purchased Rush Formatting, PG shall complete assessment within one (1) business day from the date on which Customer uploads her/her manuscript and completes the Questionnaire.

B. Initial eBook Conversion

Upon Customer payment of additional fees or acknowledgement of credit due, and submission of Author Assessment via PG's website, PG shall begin formatting Customer eBook. PG shall return Customer formatted eBook within fifteen (15) business days. If Rush Formatting is purchased, PG will complete the initial eBook conversion within seven (7) business days. PG reserves the right to extend the Standard formatting timeline if, for any reason, Customer's eBook requires extra work.

C. Revisions

If Customer has Revisions to his/her eBook, PG will return each revised eBook within five (5) business days of receipt of Customer Revisions via PG's website. Each round of Revisions may take up to five (5) business days. If Rush Formatting is purchased, PG will return each revised eBook to Customer within two (2) business days of receipt of Customer revisions via PG's website. For example, a Customer who chooses Standard Formatting and uses all three Revision cycles acknowledges that the total Revision cycle may be 15 business days. If Customer submits Editorial Revisions as part of the Revision process, whether Standard or Rush, Customer acknowledges that the Revision timeline may be extended at PG's discretion.

D. Setting Retail Price and Approving Title Data Information

Customer will set the retail price of Customer eBook during the Questionnaire step in PG's website. Once Customer has accepted the final revisions and formatting of Customer eBook, PG will list Customer eBook with the same retail price that Customer specified during the Questionnaire step. While Customer is free to set any retail price, PG will suggest a retail price and will inform Customer of any Resellers that require that a book be set at a specific retail price for inclusion/listing on the site. Also, Customer acknowledges that Amazon.com, Apple, and some other Resellers pay a higher royalty for eBooks priced under \$10.

Customer acknowledges that until he or she sets the retail price, the eBook cannot be submitted by PG to Resellers.

E. Submission to Resellers

If Customer uses PG ISBNs, PG will assign a .mobi and/or .epub ISBN to Customer's eBook as soon as PG has an assigned set of ISBNs for said eBook. Or, PG will use ISBNs provided by Customer. If Customer uses his/her own ISBNs those will be inserted into the eBook.

PG will submit the title data for Customer eBook to all applicable Resellers on the Reseller Submission Date which is closest to the Customer's Approval Date. If Customer has purchased Rush Formatting with any distribution package, PG will submit Customer's eBook to the following applicable resellers within two (2) business days of the Approval Date: Amazon.com, Apple iBookstore, BN.com, and MyBookOrders.com. Submission to any additional resellers will occur on the next available Reseller Submission Date.

Customer acknowledges that submission to any Reseller does not guarantee immediate listing of the eBook, and an exact timeframe of when Customer eBook will appear for sale on websites of various Resellers can't be given, as PG has no control over how long it takes any Reseller to list Customer eBook and make it available for sale. Generally, it takes between 5 to 15 days for an eBook to appear on a Reseller's site, but Customer should only use this timeframe as an approximate one. In no event will PG be responsible for delays caused by circumstances beyond its control, including delays caused by Customer in submitting revisions, responding to PG's requests, making changes, etc.

7. NO GUARANTEE OF MINIMUM SALES

PG makes no promises that any of its products or services will result in the sales of a minimum number of copies of Customer eBook. Customer acknowledges that PG has no control over the purchasing decisions of eBook buyers and is not liable to Customer or any other party if sales of the eBook do not meet Customer expectations.

8. ROYALTIES, PAYMENTS FOR EBOOKS SOLD THROUGH RESELLERS

This section only applies to Customers in PG Distribution.

Customer acknowledges that some Resellers may discount the list price that the Customer originally suggested for the eBook. PG has no control over this. Some Resellers may pay royalties to PG based on this discounted price, and others may pay PG royalties based on the original list price. PG will pay royalties to Customer based on what each Reseller pays to PG.

A. 90% Royalty Plan

PG's Standard Royalty Plan is provided to all Customers who purchase the Advanced package. The Standard Royalty is 90% of Net Sales.

Ninety Percent (90%) Net Sales royalty equals the Retail Download Price ("RDP") less the Reseller's Fee less PG's Distribution Fee ("PG Fee").

PG will pay Customer 90% of the total Net Sales that each Reseller pays to PG.

Resellers' fees vary – depending on the Reseller, they will take 30 to 65 percent of the RDP. Customer acknowledges that Reseller fees may change at any time and without notice. Further, Customer acknowledges that some Resellers charge a higher fee if the RDP exceeds \$10.

For sales on the MyBookOrders.com order page, the 90% Net Sales royalty equals RDP – PG Fee – 4.5% credit card processing fee.

90% Royalty Payout Example

Sales on Amazon.com

\$9.99 (Retail Download Price)
- \$3.00 (Amazon.com fee)*
=\$6.99 (Net Price)
- \$0.70 (PG Fee)
=\$6.30 (Customer Royalty)

Sales on MyBookOrders.com

\$9.99 (Retail Download Price)
- \$0.99 (PG Fee)
-\$0.45 (Credit card processing fee)
=\$8.55 (Customer royalty)

*Amazon.com pays 70 percent royalty if (1) the RDP is between \$2.99 and \$9.99, (2) RDP is at least 20 percent below the lowest physical list price for the physical book, (3) the title is made available for sale in all geographies for which the Customer has rights, and (4) the eBook is sold in the U.S.

B. 100% Royalty Plan

If Customer has purchased the Premium package and/or has paid \$199 for the 100% Royalty Plan, the Customer shall earn 100 percent of the Net Sales for one year from the date the eBook is first available for sale anywhere online. If not purchased at the time of initial eBook package order, The 100% Royalty Plan must be ordered prior to the time PG first uploads Customer eBook to any Reseller or makes it available on MyBookOrders.com.

The One Hundred Percent (100 %) Net Sales equals the Retail Download Price (“RDP”) less the Reseller’s Fee.

For sales on MyBookOrders.com order page the Net Royalty equals RDP – 4.5% credit card processing fee only (since there is no PG Fee).

100% Plan Royalty Payout Example**Sales on Amazon.com**

\$9.99 (Retail Download Price)
- \$3.00 (Amazon.com Fee)*
= \$6.99 (Customer Royalty)

Sales on MyBookOrders.com

\$9.99 (Retail Download Price)
-\$0.45 (Credit card processing fee)
= \$9.54 (Customer Royalty)

C. Royalty Payments

Customer agrees that all eBook royalties may be paid via EFT (electronic funds transfer), at PG's option, from PG's bank (currently US Bank), directly to Customer bank account. PG may also pay via check, at PG's discretion.

Customer shall be paid for eBook sales quarterly, so long as there is a minimum of \$25.00 earned in royalties by Customer during each quarter. There shall be four pay periods each year: on or before April 30, July 31, October 31, and January 31. Each payment shall be based on a report of sales from any Reseller and/or MyBookOrders.com during the Reseller's reporting period that occurred during the quarter for which payment is being made. Customer can only access that report by logging into PG and/or a related site to view sales reports.

Payments to Customer may not necessarily include all sales made during the quarter, as many Resellers report and pay 45 to 60 days after each quarter.

Customers who do not provide information for EFT will be charged a \$15 check fee per quarter by PG for the administrative time to process payments manually, only once PG commences EFT payments and Customer chooses to continue to receive checks.

Royalty payments are only made to the Customer. For eBooks with multiple authors, it is up to the Customer to distribute received royalties at his/her discretion.

9. CUSTOMER WARRANTIES AND INDEMNITIES

Customer represents and warrants to PG:

- That he/she is the sole owner of the eBook and all of the rights granted to PG and/or has the written consent any other rights holder of the eBook, or any portion of it, as submitted.
- That he/she has not assigned, pledged, or otherwise encumbered the rights to the eBook
- That he/she has full power to enter into this Agreement
- That the eBook and all rights therein are free of liens, claims, or interests of any kind
- That the eBook is entirely original except for portions thereof which are in the public domain or for which legally effective written licenses or permissions have been secured
- That the eBook does not violate or infringe upon any personal or proprietary rights including without limitation privacy rights, contract rights, or publicity rights of any other persons or entities
- That the eBook is not libelous
- That the eBook does not infringe upon any statutory or common law copyright
- That all public domain material used in the eBook is actually in the public domain, to the best of Customer knowledge

If any claim, action, or proceeding based upon an alleged violation of any of these warranties is made against Customer or PG by anyone, both parties will have the right to defend the same through counsel of their own choosing and no settlement by either party will be effected without the prior written consent of the other party, which consent will not unreasonably be withheld.

Further, Customer will indemnify and hold harmless PG, and/or any Reseller on which the eBook may be listed, against any damages that result due to Customer violation of any warranties.

Further, Customer will indemnify PG against the entire expense (including reasonable costs, disbursement, and attorney's fees) attributable to PG's defense or settlement of any claim, action, or proceeding based upon an alleged violation of any of these warranties, including any fees, damages or settlements that PG is required to pay to any Reseller of Customer eBook due to Customer breach of any warranty.

If any such claim, action, or proceeding is instituted, PG will promptly notify Customer, who will fully cooperate in the defense thereof (so long as cooperation does not jeopardize any of the Customer constitutional rights), and PG may withhold payments of reasonable amounts due Customer under this or any other Agreement between the parties until the action is resolved.

These warranties and indemnities will survive the termination of this Agreement.

10. PERMISSION FOR COPYRIGHTED MATERIAL

If Customer incorporates in the eBook any copyrighted material, he/she will procure, at his/her expense, written permission to reprint it. Customer agrees to retain all such written permissions. Customer agrees to deliver all such written permissions to PG at PG's request. PG will provide a copyright request form at Customer request to help facilitate this process.

11. SUITS FOR INFRINGEMENT OF COPYRIGHT

If the copyright of the eBook is infringed, Customer is responsible for commencing any legal action Customer deems necessary.

12. ADDITIONAL SERVICES BY PUBLISHER

Any additional services provided by PG, such as editing or marketing have their own specific terms and conditions and must be agreed to separately by Customer in writing, which may include mail, fax, email or electronic signature, or agreeing to Terms & Conditions which may be set forth on PG's website.

13. MISCELLANEOUS PROVISIONS

A. Notices

All notices required or permitted under this Agreement shall be addressed to the addresses listed above and/or may be sent via email.

B. Entire Agreement

This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties. The parties agree that both have had opportunity to have this agreement reviewed by legal counsel.

C. Severability

If any provision(s) of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision(s) of this Agreement is invalid or unenforceable, but that by limiting such provision would become valid or enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

D. Modification

This Agreement may not be modified or amended except by written instrument signed by the undersigned parties hereto.

E. Waiver

The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

F. Applicable Law

The validity, interpretation, construction, performance, enforcement, and remedies of or relating to this Agreement, and the rights and obligations of the parties hereunder, shall be governed by the laws of the State of Minnesota (without regard to the conflict of laws, rules, or statutes of any jurisdiction), and every legal proceeding arising out of or in connection with this Agreement shall be brought in Hennepin County District Court in Minneapolis, Minnesota, each of the undersigned parties hereby consenting to the exclusive personal and subject matter jurisdiction of said courts for this purpose. However, should the only cause of action under this Agreement be due to PG's failure to pay Customer monies earned on eBook sales as set forth herein and PG fails to cure any payment default within 45 days from the date royalties were to be paid, Customer may sue PG in Customer local state court and PG consents to said jurisdiction.

G. Prevailing Parties

The prevailing party in any suit brought by either party hereto to enforce the terms hereof shall be entitled to recover from the non-prevailing party all of said prevailing party's reasonable costs, distributions and attorney's fees, including all collection cost (e.g. fees paid to a collection agency) and attorneys' fees incurred in attempting to collect any judgment hereunder.

H. Assignment

Any person or entity to whom any right, title, or interest in this Agreement be assigned shall be subject to and bound by all of the terms and conditions herein as if they were the original party hereto. If a controlling interest in PG changes, is bought or otherwise merged into another company, Customer will have 30 days to opt out of this Agreement, upon written notification of such sale or merger by PG.

I. Counterparts and Fax or Electronic Signature

This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one (1) and the same instrument.

Customer acknowledges that by agreeing to the terms and conditions on the PG website, this constitutes an electronic signature and carries the full force and effect as a would an original written signature.

J. Customer Remedies & Limitation of Damages

The most Customer may ever sue PG for is the amount paid for any services rendered hereunder and not refunded at the time of commencement of litigation by Customer. PG is not liable for any other damages, including, but not limited to, any incidental or consequential damages, damages for loss of profits, missed sales opportunities, business interruption, loss of business information, or any type of pecuniary loss.

K. Currency

All dollar amounts set forth in this Agreement and in those incorporated as part of this Agreement are in U.S. Dollars.

L. Publisher Bankruptcy

If PG commences bankruptcy proceedings, all rights in Customer eBook not already vested with Customer shall immediately revert back to Customer.