

## **Attention!** (the "Work").

The Publisher and the Author wish to work together to achieve the professional standards and success that they each desire from the Work, and agree as follows:

### **Rights**

1. The Author hereby grants to the Publisher during the full term of copyright and all extensions thereof the full and exclusive rights comprised in the copyright in the Work, including any "Supplementary Materials" (as defined in Paragraph 2(a) below) and any revised editions, including but not limited to the right, by itself or with others, throughout the world, to print, publish, republish, distribute and transmit the Work and to prepare, publish, distribute and transmit derivative works based thereon, in English and in other languages, in all media of expression now known or later developed, and to license or permit others to do so. The Publisher's rights shall include but shall not be limited to:

- (a) The exclusive right to publish and sell the Work in the English language in North America (the United States, its possessions and territories, Canada and Mexico), the Philippines, the British Commonwealth and the Republics of Ireland and South Africa, Europe and all other countries (the "Territory");
- (b) Foreign-language rights throughout the world;
- (c) Periodical or newspaper rights prior to or following book publication, including syndication rights throughout the world;
- (d) Non-dramatic audio recording rights throughout the world;
- (e) Motion picture, television, radio, stage dramatic and musical rights throughout the world;
- (f) Commercial and merchandising rights throughout the world.

### **Manuscript**

2. (a) The Author agrees to prepare and submit the final manuscript of the Work, to consist of approximately 60,000 words not later than January 15, 2010, unless the Publisher has agreed to extend the time in writing (the "Due Date"). The Author shall submit sample chapters from time to time as the Publisher may reasonably request. The final manuscript shall be submitted in computer disk format or other electronic format specified by the Publisher together with two printouts double-spaced on 8½" by 11" white paper printed on one side only with pages numbered consecutively, complete and satisfactory to the Publisher in organization, form, content, and style, accompanied by appropriate illustrative material, a table of contents and any additional material listed below (individually and collectively the "Supplementary Materials"), which shall be considered part of the Work:

<u>Material</u>	<u>Due Date (if different from above)</u>
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If the Author fails to supply any Supplementary Materials or illustrative material on or before the Due Date, or to supply suitable copy for a final index when the proofs are returned, the Publisher shall have the right, but not the obligation, to obtain them and charge the reasonable cost against any sums due to the Author.

Illustrative material submitted as part of the final manuscript shall be in the form of black and white drawings, photographs or high resolution computer renderings in a form suitable for direct use without redrawing, lettering or retouching by the Publisher.

The Author shall, at the Author's expense, submit with the final manuscript of the Work, written permissions, on a form approved by the Publisher, to use any copyrighted material which the Author incorporates in the Work.

2. (b) If the Author delivers the final manuscript on or before the Due Date, the Publisher shall, within 90 days after such delivery, notify the Author whether the manuscript is, in the Publisher's judgment, complete and satisfactory and, if it is not, request changes that would make the manuscript satisfactory to the Publisher. If the Author does not make the changes requested by the Publisher within 30 days after receipt of such request, or if, notwithstanding such changes the manuscript is not, in the Publisher's judgment, complete and satisfactory, the Publisher may terminate this Agreement pursuant to Paragraph 19 below or make such other arrangements as the Publisher deems advisable to make the manuscript complete and satisfactory, in which event the reasonable costs of such arrangements may be charged against any sums due to the Author. In the event the Publisher determines that the necessary revisions would be so extensive and fundamental that a satisfactory and timely revision would not be feasible, the Publisher shall have the right to deem the manuscript unsatisfactory without requesting changes and to terminate the Agreement pursuant to Paragraph 19 below.

2. (c) If the Author does not receive the above notice from the Publisher within the prescribed period after timely delivery of the manuscript, the Author may request the Publisher in writing to notify the Author whether the manuscript is complete and satisfactory to the Publisher and, if it is not, to indicate what changes would make it complete and satisfactory. If the Publisher does not respond to the Author's request within 30 days after receipt of such request, the Author may terminate this Agreement pursuant to Paragraph 17 below.

2. (d) The Author shall promptly correct and return proofs delivered to the Author for that purpose and provide suitable copy for a final index from such proofs. If Author's Alterations are made to the proofs, the costs incurred as a result thereof shall be borne by the Publisher to the extent of 15% of the cost of composition for the proofs originally submitted to the Author, and the excess, if any, shall be charged against any sums due to the Author. Author's Alterations are defined as deletions, additions, and other revisions made by the Author to the proofs, including any revisions made in the illustrations, other than to correct compositor's and/or proofreader's errors.

2. (e) If the Author does not submit the final manuscript on or before the Due Date, the Publisher shall have the exclusive right but not the obligation to publish the Work. In such case, the Author shall submit the final manuscript to the Publisher upon completion and the Publisher shall have 90 days from the date of receipt of the final manuscript to determine, in its sole discretion, whether it shall proceed under this Agreement or terminate this Agreement pursuant to Paragraph 19 below.

#### **Publication**

3. (a) Subject to the terms and conditions contained herein, the Publisher shall publish the Work in such style and manner as the Publisher deems appropriate, within eighteen (18) months from the date of the Publisher's acceptance of the final manuscript. Notwithstanding the foregoing, in the event either (i) the Work is significantly longer or shorter than specified in Paragraph 2(a) above; (ii) after the manuscript is accepted for publication, changes to the manuscript are made by the Author with the Publisher's consent, revision of the manuscript is required due to unforeseen events or developments, technical errors require correction, or the Author for any reason does not meet the Publisher's schedule for returning materials; (iii) delays result from acts or conditions beyond the control of the Publisher or its suppliers or contractors, including, but not limited to, war, fire, flood, labor disputes, governmental action, shortages of material, riots, civil commotions or other similar causes; or (iv) publication must be delayed to accommodate first serial or book club use, then the Publisher shall publish the Work as soon as the Publisher deems practical.

3. (b) The Publisher shall promote and sell the Work in such manner and at such prices as it deems appropriate, and make any and all other arrangements it deems appropriate with respect to the Work and the rights thereto granted to it herein.

#### **Copyright Notice**

4. The Publisher shall include in each copy of the Work published by it a notice of copyright in the Author's name in conformity with the United States Copyright Act and the Universal Copyright Convention and require its licensees to do the same. The Publisher shall have the right to register the copyright in the Work with the United States Copyright Office. Any textual or illustrative material

prepared for the Work by the Publisher at its expense may be copyrighted separately in the Publisher's name.

## Royalties

5. (a) The Publisher shall pay to the Author, as a royalty, the following percentages of the Publisher's "dollar receipts" (as defined below) from sales or licenses of the Work:

	Percentages:
(1) from sales of a hardcover edition in the United States, its possessions and territories, and Canada:	*%
15% on the first 10,000 copies sold	
17½% on the next 10,000 copies sold	
20% thereafter	
Sales of the Work as set forth elsewhere in this Paragraph 5(a) are not included in the calculation of copies sold for purposes of escalating royalties.	
(2) (i) from sales of a trade paperback or other softcover edition (except for a mass-market paperback edition) in the United States, its possessions and territories, and Canada:	*%
10% on the first 10,000 copies sold	
12½% on the next 10,000 copies sold	
15% thereafter	
(ii) from sales of a mass-market paperback edition in the United States, its possessions and territories, and Canada:	7 ½%
(3) from sales of a hardcover edition elsewhere:	10%
(4) from sales of a trade paperback or other softcover edition (including a mass-market paperback edition) elsewhere:	7 ½%
(5) from sales or licenses of the Work or materials from the Work in electronic form, whether directly by the Publisher or indirectly through or with others:	10%
(6) From sales of any edition through direct-to-consumer marketing (including, for example, direct mail, but not including sales made via the Publisher's website):	5%
(7) from sales of the Work at discounts of 56% or more from list price or sold in bulk for premium or promotional use, or special sales outside the ordinary channels of trade:	5%
(8) from sales of the Work produced "on demand" when it is not feasible to maintain a normal inventory:	5%
(9) from sales of non-dramatic audio recording and audio/video adaptations:	7 ½%

- (10) From sales or licenses by the Publisher of the following subsidiary rights in the Work to third parties: reprint (50%); book club (50%); foreign language (50%); first serial (90%); second serial (50%); condensations (50%); motion picture (50%); non-dramatic audio recording and audio/video adaptation rights (50%); dramatic and ancillary rights (50%); commercial and merchandising rights (50%); public performance rights (50%); and in any media, permissions for quotations of short excerpts and photocopies (50%); in each case after deduction of the Publisher's out-of-pocket costs, if any, incurred in connection with such licenses.
- (11) should Publisher undertake, either alone or with others, the activities described in (10): 7 ½%
- (12) from sales or licenses of other, adaptations and other derivative works, such as custom publications, not specified above: 7 ½%
- (13) from use of all or a part of the Work in conjunction collectively with other work(s), a fraction of the applicable royalty rate equal to the proportion that the part of the Work so used bears to the entire collective work: pro rata unless the excerpt from the Work makes up 5% or less of the collective work in which case a standard permission fee shall be paid

5. (b) As an advance against all royalties and all proceeds due to the Author pursuant to this Agreement or any other agreement between the Author and the Publisher, the Publisher shall pay the Author the sum of Fifteen Thousand Dollars (\$15,000.00) as follows:

Seven Thousand Five Hundred Dollars (\$7,500.00) upon execution of this Agreement; and  
Seven Thousand Five Hundred Dollars (\$7,500.00) upon acceptance by the Publisher of the complete and final Work, satisfactory to the Publisher in all respects.

This advance shall be nonrefundable except as set forth in Paragraph 19 below.

5. (c) "Dollar receipts" are defined as United States Dollars earned and received by the Publisher less any discounts, taxes, bad debts, customer returns, allowances and credits and excluding any sums charged separately to the customer for shipping. Sales or licenses made to any subsidiary or affiliate companies shall be accounted as though made to unrelated parties.

5. (d) Royalties shall not be due on any revenues earned abroad, where any foreign government blocks the conversion or transmittal of such monies to the United States, until such revenues can be transmitted.

5. (e) No royalties shall be paid in connection with:

- (1) fees received for the use of illustrative material, if any, prepared by the Publisher or at the Publisher's request, plates, negatives, type, tape or other property of the Publisher;
- (2) any grant of rights by the Publisher at no charge for transcription into Braille, large type publication or otherwise for use by persons with disabilities;
- (3) remainder copies and other copies sold below or at cost including expenses incurred, or furnished free to the Author, or for review, advertising, sample or similar purposes which may benefit the sale of the Work;
- (4) copies donated to charity.

- Accounting** 6. Payments to the Author shall be made semiannually, on or before the last day of April and October of each year for royalties due for the preceding half-year ending the last day of February and August respectively and shall be accompanied by an appropriate Statement of Account. The Publisher may take credit for any returns for which royalties have been previously paid. If the balance due the Author for any royalty period is less than \$100, no payment shall be due until the next royalty period at the end of which the cumulative balance has reached \$100. The Publisher may retain a 20% reserve for future returns for three royalty periods, provided the accounting statements indicate the amount of the reserve and how it has been applied. Any offsets against royalties or sums owed by the Author to the Publisher under this Agreement or any other agreement between the Author and the Publisher may be deducted from any payments due the Author under this Agreement or any other agreement between the Author and the Publisher.
- Author's Copies** 7. Upon publication the Publisher shall give 100 free copies of the Work to the Author, who may purchase, for personal use only, additional copies of the Work at a discount of 40% from the then current United States catalog list price and may purchase, for personal use only, the Publisher's other publications, except journals, at a discount of 25% from the then current United States catalog list price.
- Competing Works** 8. The Author, without the Publisher's prior written consent, shall not publish or permit any third party to publish the Work or any portion thereof or any other version, revision or derivative work based thereon in any media now known or later developed. The Author may, however, draw on and refer to material contained in the Work in preparing articles for publication in scholarly and professional journals and papers for delivery at professional meetings, provided that credit is given to the Work and the Publisher.
- The Work shall be the Author's next manuscript for the Author's next book-length work whether under the Author's name or in collaboration with any other author.
- The Author shall not, without the Publisher's prior written consent, prepare or assist in the preparation of any other work on the same subject as the Work that might, in the Publisher's reasonable judgment, be directly competitive with the Work.
- Remainder Copies** 9. When the Publisher determines that the demand for the Work is not sufficient to warrant its continued manufacture and sale, the Publisher may discontinue maintaining an inventory of the Work and may remainder all bound copies and sheet stock.
- Name/Likeness** 10. The Publisher shall have the right to use the name, likeness and biographical data of the Author on any edition of the Work or on any derivative work thereof, and in advertising, publicity or promotion related thereto and may grant such rights in connection with the license of any subsidiary rights in the Work. The Author shall provide in a timely manner any information reasonably requested by the Publisher for use in promoting and advertising the Work.
- Title of the Work** 11. The rights in the title of the Work, and any series titles used on or in connection with the Work, including without limitation any trademark, service mark or trade dress rights shall belong solely to the Publisher, and the Author hereby transfers and assigns to the Publisher in perpetuity any rights the Author may have in such titles and trade dress.
- Author's Property** 12. The Author shall retain a copy of the manuscript of the Work, including any illustrative material. The Publisher may, after publication of the Work, dispose of the original manuscripts, illustrative material and proofs. The Publisher shall, however, on written request made prior to publication, make reasonable efforts to return any original illustrative material supplied by the Author. The Publisher shall not be responsible for loss of or damage to any property of the Author.
- Revised Editions** 13. If the Publisher determines that a revision of the Work is desirable, the Publisher shall, unless the Author is deceased, request the Author to prepare the revised edition and the Author shall advise the Publisher within 60 days whether the Author shall do so in accordance with the schedule set forth by the Publisher. If the Author advises the Publisher that the Author shall prepare the revised edition, the Author

shall diligently proceed with the revision, keep the Publisher advised of the Author's progress, and deliver the complete manuscript to the Publisher on the scheduled due date.

If the Author does not participate in the revision, or if the Author does not diligently proceed with the revision, the Publisher shall have the right to arrange with others for the preparation of the revised edition. In such case, the Publisher shall have the right to deduct from the Author's royalties any fees or royalties paid to the reviser(s) provided that the Author's royalties shall not be reduced by more than 50% for the first such revised edition. No royalties shall be paid to the Author with respect to further revised editions not prepared by the Author. The revised editions may be published under the same title and may refer to the Author by name, but credit may be given to the reviser(s) in the revised edition(s) and in advertising and promotional material with respect thereto.

Except as otherwise provided herein, the provisions of this Agreement, including royalty terms (but excluding the advance provided herein), shall apply to each successive revised edition as though it were the first edition.

**Option**

14. The Author shall submit to the Publisher a book proposal with a table of contents or a complete manuscript for the Author's next book-length work on the topic of business (the "Next Book") before offering rights to the Next Book to any other publisher. The Publisher shall notify the Author within 60 days after receipt of such proposal or manuscript, or within 60 days following the Publisher's first publication of the Work, whichever is later, whether it desires to publish the Next Book. If the Publisher, within such period, notifies the Author that it does wish to publish the Next Book, the parties shall negotiate in good faith with respect to the terms of such publication. If within 30 days thereafter, the Author and the Publisher are unable to agree on such terms, the Author may offer rights to the Next Book to other publishers. If thereafter the Author receives a bona fide offer for the Next Book from any third party, the Author shall submit the terms of such offer to the Publisher in writing and the Publisher shall have 5 business days thereafter to advise the Author whether it shall publish the Next Book on such terms. If the Publisher does so, the Author shall enter into a contract with the Publisher incorporating such terms but otherwise in the form of this Agreement.

**Warranty**

15. The Author represents and warrants that: the Work is original except for material for which written third party permissions have been obtained; it has not previously been published and is not in the public domain; the Author has the right to enter into this Agreement and owns and can convey the rights granted to the Publisher; the Work contains no libelous or unlawful material or instructions that may cause harm or injury; it does not infringe upon or violate any copyright, trademark, trade secret or other right or the privacy of others; and statements in the Work asserted as fact are true or based upon generally accepted professional research practices. The Author shall hold the Publisher and its distributors and licensees harmless against all liability, including expenses and reasonable counsel fees, from any claim which if sustained would constitute a breach of the foregoing warranties. Each party shall give prompt notice to the other if any claim is made and the Author shall cooperate with the Publisher, who shall direct the defense thereof. Pending any settlement, final resolution or clear abandonment of a claim, the Publisher may engage counsel of its choice and may withhold in a reasonable amount sums due the Author under this or any other agreement between the parties. The provisions of this paragraph shall survive termination of this Agreement.

**Infringement**

16. If the copyright in the Work or in any derivative work is infringed, the Publisher shall have the right, but not the obligation, to pursue a claim for infringement in such manner as it deems appropriate. Upon request, the Author shall provide reasonable assistance to the Publisher in connection with the Publisher's pursuit of such claims.

**Termination by Author**

17. (a) The Author may terminate this Agreement by written notice to the Publisher if the Publisher does not reply to the Author's request for required changes pursuant to Paragraph 2(c) above, or if the Publisher does not publish the Work within the time specified in Paragraph 3(a) above, for reasons other than as specified therein.

17. (b) The Author may terminate this Agreement prior to publication by written notice to the Publisher if a voluntary petition in bankruptcy under Title 11, United States Code is filed by the Publisher or an involuntary petition under Title 11, United States Code is filed against the Publisher and an order for relief is entered.

17. (c) Upon termination of this Agreement by the Author pursuant to subparagraph (a) or (b) above, the Publisher agrees to revert to the Author all rights herein granted and the Author shall retain as liquidated damages in lieu of any other damages or remedies, any payments received by the Author from the Publisher with respect to the Work. Upon termination, the Publisher shall use good faith efforts to remove the Author's names from author listings for the Work in its systems (e.g. feeds for pre-publication publicity) but shall have no liability for any use of the Author's names in connection with the Work by third parties.

**Available for Purchase**

18. If the Publisher, in its sole discretion decides that sales of the Work are not sufficiently profitable to keep it "available for purchase" and the Publisher does not, within six months after receipt of a written request from the Author make it available for purchase or contract to make it available for purchase within a reasonable time, all rights granted to the Publisher shall, at the end of the six-month period revert to the Author, subject however, to any option, license, or contract granted to third parties prior to the date of the reversion, and further subject to the Publisher's right to continue to publish and sell any then-existing derivative work based on the Work, all subject to the rights of the Author and the Publisher to their respective shares of the proceeds from such license or use under this Agreement. The Work shall be deemed to be "available for purchase" for this purpose if any English language edition of the Work is on sale or is otherwise available or is under option or contract for publication under the Publisher's or any other imprint, or if the Publisher or its licensee offers for sale copies of the Work to be produced, manufactured or electronically transmitted, upon receipt of orders therefor.

**Termination by Publisher**

19. (a) The Publisher may terminate this Agreement prior to publication in the event:

- (1) the Author fails to deliver a complete and satisfactory manuscript pursuant to Paragraph 2(a) above by the Due Date or fails or refuses to make the changes requested by the Publisher pursuant to Paragraph 2(b) above; or
- (2) the Publisher does not exercise its exclusive right to publish the Work pursuant to Paragraph 2(e) above; or
- (3) publication may result in legal liability unacceptable to the Publisher in its reasonable judgment.

19. (b) Upon termination of this Agreement by the Publisher pursuant to subparagraph (a) above, the Author shall promptly repay to the Publisher any advances or other payments made to the Author hereunder. Upon receipt of such repayment, the Publisher shall revert to the Author all rights herein granted, and the Publisher shall have no further obligation or liability hereunder. Upon termination, the Publisher shall use good faith efforts to remove the Author's names from author listings for the Work in its systems (e.g. feeds for pre-publication publicity) but shall have no liability for any use of the Author's names in connection with the Work by third parties.

**General**

20. (a) The engagement of the Author is personal and the rights hereunder granted to the Author are not assignable nor may the obligations imposed be delegated without the prior written consent of the Publisher; provided however, that the Author may assign any sums due to the Author hereunder without the Publisher's consent.

20. (b) Except as provided in the preceding subparagraph, this Agreement shall inure to the benefit of the heirs, successors, administrators, and permitted assigns of the Author and the subsidiaries, successors, and assigns of the Publisher.

20. (c) All notices to be given by either party hereunder shall be in writing and shall be sent to the Author at the Author's address as it is set forth in this Agreement unless such address has been changed by

proper written notice, or to the Publisher, addressed to the attention of the Vice President & General Manager.

**20. (d)** This Agreement shall not be subject to change or modification in whole or in part, unless in writing signed by both parties.

**20. (e)** No waiver of any term or condition of this Agreement or of any part thereof shall be deemed a waiver of any other term or condition of this Agreement or of any breach of this Agreement or any part thereof.

**20. (f)** This Agreement shall be construed and interpreted pursuant to the laws of the State of New York applicable to contracts wholly entered into and performed in the State of New York. Any legal action, suit or proceeding arising out of or relating to this Agreement or the breach thereof shall be instituted in a court of competent jurisdiction in New York County in the State of New York and each party hereby consents and submits to the personal jurisdiction of such court, waives any objection to venue in such court and consents to service of process by registered or certified mail, return receipt requested, at the last known address of such party.

**20. (g)** The provisions of Paragraph 15 above and this Paragraph shall survive the termination of this Agreement.