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CANADA KINDLE SELLER OF RECORD DISTRIBUTION AGREEMENT

This agreement (the “**Agreement**”) is effective as of [REDACTED], 2013 (the “**Effective Date**”), by and between Amazon Services International, Inc. (“**Amazon**”, “**us**”, “**our**” or “**we**”) and [Distributor], having its principal place of business at [address] (“**Distributor**”, “**you**” or “**your**”). In this Agreement, “**affiliate**” means any entity that directly or indirectly controls, is controlled by, or is under common control with Amazon or Distributor, as appropriate.

The parties agree as follows:

1. Definitions

The following definitions are used for this Agreement:

“**Amazon Property**” means: (a) any web site operated by or for us or our affiliates, (b) any web site or platform that allows for the discovery and purchase of products from Amazon, (c) any web page “widget” or any application that enables Program functionality, and (d) any other online point of presence or web site that you approve for treatment as an Amazon Property at our request, such approval not to be unreasonably withheld.

“**Commission**” means thirty percent (30%) of the Customer Price.

“**Customer**” means a purchaser of eBooks through any Amazon Property.

“**Customer Price**” means the price you set (exclusive of any applicable Taxes) in accordance with this Agreement for each eBook listed via the Program.

“**Descriptive Materials**” means all eBook Content describing the eBooks, including but not limited to Customer Price, cover image, title, author, product description, and any other materials concerning the eBooks.

“**Distributed Publisher**” means a publisher who has contracted with you to distribute one or more of its digital books.

“**Distributed Publisher Agreement**” means an agreement between you and a Distributed Publisher that provides for distribution by you of such Distributed Publisher’s digital books.

“**DRM**” means a digital rights management technology intended to inhibit unauthorized access to or copying of eBooks.

“**eBook**” means each title you include in the Program under this Agreement.

“**eBook Content**” means all content you deliver to us, including, but not limited to, the text of the eBook, cover artwork, illustration, fonts, Descriptive Materials, and metadata.

“**ISBN**” means the International Standard Book Number, which is unique to a

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particular published book.

“**ONIX**” means the Online Information Exchange, the XML scheme for representing book industry product information.

“**Program**” means Amazon’s digital book distribution program, which includes the marketing, sale, and distribution of digital copies of books and other digital content in a variety of formats and allows customers to receive and use this content in digital form.

“**Sales Taxes**” means any and all Canadian Goods and Services Tax, Harmonized Sales Tax, and provincial sales taxes, however designated, and any other transaction tax or fee imposed by the Canadian provinces or Canadian federal government.

“**Similar Channel**” means any other digital book distribution channel, including any operated by you, a Distributed Publisher or any of your affiliates.

“**Taxes**” means any and all sales, goods and services, use, excise, import, export, value added and other taxes and duties assessed, including the Sales Taxes, incurred or required to be collected or paid for any reason in connection with any sale of eBooks by Distributor.

“**Territory**” means Canada.

2. **Amazon Obligations.** In providing services to you as seller of record, we will:
 - 2.1 provide merchandising information and process orders for eBooks that Amazon chooses to offer for sale by you on an Amazon Property;
 - 2.2 condition purchase and use of eBooks by each Customer upon Customer's agreement to our end user license agreement;
 - 2.3 process Customer transactions (which includes receiving orders for, preparing delivery for, and fulfilling, all Customer orders of the eBooks);
 - 2.4 collect and remit payment for eBooks purchased by Customers from you;
 - 2.5 provide customer support to Customers in accordance with our standard customer support processes and policies, including returns and refunds policies; and
 - 2.6 provide you with data and reports, including those described in Schedule 1.

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3. **Withdrawal of eBooks.** If you (a) no longer have the rights necessary to make any eBook available for sale under this Agreement, or (b) receive notice of a third party claim, which you reasonably believe to be of concern, that you do not have those rights or that the eBook Content contains a defamatory statement, then you will immediately provide us with written notice requesting that we remove from sale by you the relevant eBook(s). If you withdraw the affected eBook(s) from all Similar Channels, then we will use commercially reasonable efforts to withdraw the eBook(s) file(s) for further sale by you within five (5) business days. We may continue to make the eBook available to customers who have previously purchased a copy of the eBook. Nothing in this Section 3 relieves you of your obligations in Section 17 below.
4. **Distributor Obligations**
 - 4.1 **Selection.** You will make available as eBooks via the Program (i) all new titles that you or a Distributed Publisher make available as digital books through any Similar Channel in the Territory and (ii) all titles that you or a Distributed Publisher make available in physical format and have the rights to make available as digital books in the Territory. In addition, you will use commercially reasonable efforts to make available as eBooks all backlist titles that you or a Distributed Publisher have previously made available as physical books and have the rights to make available as digital books. You will provide us with the release date and all Descriptive Materials for each eBook. You will cure any failure to comply with this Section 4.1 within 24 hours of your receipt of our notice.
 - 4.2 **Availability Date.** For eBooks that you have already delivered to a Similar Channel, you will provide and make files for each eBook available to us no later than 14 days following the Effective Date. For digital titles that you have not delivered to a Similar Channel, you will provide files for such digital titles to us within two days of the Effective Date. For all other eBooks, you will provide and make files for each eBook you list via the Program available to us in sufficient time to allow us to make it available for sale by you and distribution to Customers on the same official on-sale date and time, or earlier, as when you first publish the title in any physical format (e.g. paper edition) and in any event no later than the date and time you make it available via any other Similar Channel.
 - 4.3 **Selection and Availability Date Remedies.** If you do not comply with Section 4.1 or 4.2, then we may provide you with written notice (which may be by email) of the non-compliance. If, within 24 hours from our notice to you, you have not either (A) informed us that the third party offering the digital book is not an authorized Similar Channel, or (B) provided your authorized version of that eBook to us, then you authorize us to create a digital copy for offer to Customers until such time that you provide an eBook in compliance with Sections 4.1 or 4.2. If we create a version of an eBook under this Section, then we will immediately remove such version from availability (i) upon receiving a version you provide or (ii) when you are no longer in violation of Sections 4.1 or 4.2.

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- 4.4 Direct Agreements. You will not require a Distributed Publisher to terminate a distribution agreement it has entered into directly with Amazon for the distribution of its digital books (a “**Direct Agreement**”), and you will also not prohibit a Distributed Publisher from entering into a Direct Agreement at any time. For any Distributed Publisher who terminates a Direct Agreement within the one year period prior to that Distributed Publisher’s entering into a Distributed Publisher Agreement with you, you will require that Distributed Publisher to provide the same or greater selection of eBooks for sale through the Program as the Distributed Publisher provided under that Direct Agreement.
- 4.5 Features and Usage. Customer use of the eBook Content is subject to an end user license agreement and our usage policies. We may include and allow in eBooks all features, usage rules, elements and content that we make available on the Kindle platform, including highlights, annotations and notes, text-to-speech and lending (as further set forth below). You will also provide, along with all eBook Content, any features, usage rules, elements and content that you or a Distributed Publisher makes available to other Similar Channels, including the method of distribution (e.g., streaming, partial downloads).
- 4.6 Features and Usage Remedies. If you or a Distributed Publisher allow any Similar Channel to provide any features or functionality that allow or facilitate any person to use or modify a digital book in any manner (including usage rules such as user-lending, text-to-speech, DRM features or device limitations), then you authorize us to enable an equivalent feature or functionality under terms and conditions at least as favorable to us as those provided to the other Similar Channel.
- 4.7 Exclusive Promotions. You warrant that you have, and will preserve, the rights and ability to enter into exclusive promotional opportunities with us with respect to the eBooks. For example, these opportunities may include, but are not limited to, promotional pricing, exclusive selection, exclusive previews, serialized release, or early release of eBooks to Amazon.
- 4.8 Lending. Subject to the terms of this Section 4.8, you may elect not to participate in the Program’s lending feature by notifying us in writing (which may be via e-mail) of the title(s) of the eBook(s) that you would like to exclude from the lending feature. The lending feature allows a Customer to lend a digital book, subject to the following limitations as of the Effective Date: (i) a Customer can lend each eBook once; (ii) the loan will last no longer than 14 days; (iii) the Customer cannot read the eBook while it is on loan; and (iv) any removal of an eBook from the lending feature will only apply to prospective sales of that eBook by you. If you or a Distributed Publisher allow lending of a digital book through a Similar Channel, you will make the corresponding eBook available to lend through the Program.
- 4.9 Correction Fee. We may charge you for our direct costs (a “**Correction Fee**”) associated with the encoding of any eBook you provide to us that contains errors or omissions that you do not correct within 10 business days of our notice to you. We will provide you with notice of the amount of any Correction Fee, which may be through display on a vendor portal we make available to you.

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5. Customer Price

- 5.1 Determination of Customer Price. You will at all times set the Customer Price in accordance with Schedule 2 and will identify the Customer Price in the ONIX feed you send us. You will provide Customer Prices in the currency of the applicable Amazon Property (e.g., CAD for www.amazon.ca). You will notify us of any change to the Customer Price via ONIX feeds. It is important that you make available the best prices to our customers. Therefore, you will maintain a Customer Price for each eBook that is no higher than the customer price for any substantially similar digital book for sale via any other Similar Channel in the Territory.
- 5.2 Changes to Customer Price. It is important that you make available the best prices to our customers. Therefore, if you send us an increased Customer Price via ONIX feed, we will apply the increase to the Customer Price after we determine that the Customer Price is still as low as any other price for any substantially similar digital book sold via any other Similar Channel in the Territory.
- 5.3 Pricing Parity Noncompliance. If a digital book corresponding to an eBook you sell is available in a Territory at a lower price than the Customer Price, then we may provide you with written notice (which may be by email) of the noncompliance, and so that we are able to pass along the best prices to our customers, we may reduce the Customer Price on the applicable eBook for so long as the other Similar Channel is offering a lower customer price.
- 5.4 Preorder Low Price Guarantee. Consistent with our preorder price guarantee, if at any time prior to or on the on-sale date for any eBook, you change the Customer Price, then we may ensure that any Customer that has made a preorder for the eBook and any Customer who purchased the eBook on the on-sale date will pay the lowest Customer Price established for that eBook between the time the Customer placed the preorder and the release date for the eBook, notwithstanding the Customer Price that was established at the time the Customer placed the preorder or made a purchase on the on-sale date for the eBook. For example, if you set the Customer Price at \$9.99 for a new eBook prior to its release, and then lower the price to \$8.99 also prior to that eBook's release, then we may reduce the price to \$8.99 for any Customer who had preordered the eBook at \$9.99. In addition, for any eBooks preordered prior to the Launch Date (defined in Section 7.1), we may charge Customers the preorder price for such eBook if it is lower than the Customer Price.
- 5.5 Promotions. If you or a Distributed Publisher from time to time make available to a Similar Channel, or authorize a Similar Channel to make available, a special eBook promotion (including bundles and limited-time, one-off promotions for free or reduced price distribution of particular eBooks), you will make such promotion available to us on the same date and time, and on terms at least as favorable to us (including changed Customer Prices, if applicable), and communicate this information via your regular ONIX feeds or other mutually agreed upon form of notice. We may, in our sole discretion, choose to run any such promotion.

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6. Permitted Use; Promotional Material

- 6.1 Permitted Use. We may use Descriptive Materials for marketing and promotional purposes.
- 6.2 Promotional Material. We may offer, at no charge to customers, access to: up to 20% (calculated based on that text marked as “body” in the html) or the first chapter, whichever is greater (“**Access Limits**”); the cover images; flap copy; and front matter and back matter, of the eBook. If you allow another Similar Channel to offer a higher percentage of the eBook, you will allow us to provide access to that higher percentage. You acknowledge that the content included in such promotional materials will not be subject to any form of DRM and may be available for search and display by Internet and other electronic search engines. We may also offer customers more than the Access Limits before purchase, for “preview,” “look-inside,” “read-inside,” or other similar customer preview functionality, so long as such functionality has Distributor-approved security measures (such as limited page views, timed access, or another security measure).

7. Further Distributor Obligations

- 7.1 Launch Date. The effective date for commencement of our services in connection with the sale of eBooks by you will be a mutually agreed upon date, but in no event earlier than the date on which you have provided all eBook file(s), materials, pricing and metadata information for the eBooks necessary to allow us to launch (the “**Launch Date**”).
- 7.2 eISBNs. You will provide us with eISBN numbers to all eBooks that are the same as the eISBN numbers on the same titles that you provide to any Similar Channel.
- 7.3 Delivery Method. You will ensure the accuracy of and deliver all relevant eBook files to us in accordance with our delivery and format specifications. You will ensure the accuracy of and deliver all metadata for each eBook, including any updates, via ONIX feed. You will deliver all metadata for new titles no later than 90 days prior to the release date of that eBook.
- 7.4 Business Model Parity.
- (a) Definitions.
- (i) “**Alternative Business Model**” means the Distributor’s or any third party’s sale or commercial distribution of your digital books to customers in the Territory by any business model other than via a Primary Business Model (e.g. subscription, serialization, rental, bundling with physical books, or book clubs) by download, partial downloads (e.g. per page), streaming or any other form of digital distribution.

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- (ii) **“Primary Business Model”** means the sale or commercial distribution of your digital books by a Similar Channel to customers for perpetual use by download, partial downloads (e.g. per page), streaming or any other form of digital distribution.
- (b) **Parity.** For any Alternative Business Model that you enter into with any third party or implement yourself, you will notify us no later than 30 days prior to launch of the business model and offer us the opportunity to make your eBooks available for sale or commercial distribution on at least the same terms and conditions on or before your digital books become available for sale or commercial distribution to customers under the Alternative Business Model.

8. Sales and Returns

8.1 Distributor Sales. As between Distributor and Amazon:

- (a) We will process payments from all Customers.
- (b) We will apply our usual credit and collection standards and policies in our relationships with Customers.

8.2 Returns. We may issue credits or refunds to any Customer as a service to you in accordance with our usual business practices (including allowing returns of eBooks purchased as gifts). For credits and refunds, you will grant us a credit for an amount equal to the Customer Price (or that portion of the Customer Price credited or refunded to the Customer, as applicable) paid by Customer for the eBook, less Commission.

9. Commission

9.1 Commission. You will pay us the Commission on each sale of an eBook by you via the Program. The sale of an eBook occurs when Amazon receives payment from a Customer for an eBook. The Commission will be (i) compensation for our services under this Agreement, and (ii) reimbursement of those costs associated with the digital storage and the operational offer and delivery of eBooks through the Amazon Properties.

9.2 Parity for Commission. You will ensure that the Commission is at all times during the term of the Agreement no less than any commission you pay to any other agent, reseller or distributor under a Primary Business Model.

9.3 Taxes on Commission. The Commission payable by you under this Agreement is exclusive of any applicable Taxes. If we are required to collect any Taxes on the Commission, you will pay such Taxes in addition to the Commission.

10. Taxes

10.1 Tax Responsibility. As between the parties, you are responsible for the collection and payment of any and all Taxes. You are responsible for the

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payment of any and all Taxes to the appropriate tax authorities and represent that you are, or will be, registered to collect , and pay, or will pay, Taxes in those jurisdictions in which you are required to do so. For greater certainty, you hereby acknowledge and agree that we are not responsible for the payment or remittance of any Taxes that are or may become payable with respect to any sale of eBooks by you to any governmental authority, and no communications of any kind at any time between you and us or our affiliates in connection with this Agreement do, will, or will be considered to affect your responsibility under this Section 10.1. All fees, commissions or other amounts payable to us are exclusive of any applicable Taxes and to the extent Taxes are required to be collected or withheld, you will pay such taxes in addition to the amounts otherwise payable.

- 10.2 Collection of Taxes. You will provide us with all tax collection settings necessary for Amazon to calculate and collect the Sales Taxes, including your tax nexus and product tax code assignments (“**Tax Settings**”) in the format required by Amazon’s tax calculation services. You will also provide us with sufficient evidence to confirm that you are registered for GST/HST purposes under Subdivision d of Division V of Part IX of the Excise Tax Act and any provincial legislation pursuant to which tax is being collected by you from your customer. We will collect from Customers and pay the amounts of Sales Taxes to you, based on your Tax Settings. For the avoidance of doubt, the tax calculation services are limited to the calculation of Sales Taxes and do not apply to any other taxes. As between the parties, you are responsible for the collection and payment of any and all Sales Taxes. We hereby specifically disclaim any responsibility for or obligation to verify, and make and give no representation, warranty, guarantee, advice or guidance regarding, and you hereby acknowledge and agree that no communications of any kind at any time between you and us or our respective affiliates in connection with this Agreement are, will be or will be considered or deemed to be representations, warranties, guarantees, advice or guidance of any kind regarding: (a) the accuracy of the tax rules or tax methodology used to collect Sales Taxes, the application of Taxes to your transactions or of the tax jurisdiction assignment functionality or sales and use tax rates, or (b) whether or not the amounts we collect pursuant to this Agreement will fulfill your obligations to collect Sales Taxes. You hereby acknowledge and agree that no communications of any kind at any time between you and us or our respective affiliates in connection with this Agreement are or will be considered or deemed to be representations, warranties, guarantees, advice or guidance of any kind regarding: (a) the accuracy of the tax rules or tax methodology used to collect Taxes, the application of Taxes to your transactions or of the tax jurisdiction assignment functionality or sales and use tax rates, or (b) whether or not the amounts we collect pursuant to this Agreement will fulfill your obligations to collect Taxes.
- 10.3 Tax Reports. We will provide you with tax reports for each calendar month that detail the transaction information necessary for you to remit Canadian Sales Taxes to the relevant tax authorities as soon as reasonably practicable. We will deliver Sales Tax reports in an electronic form and will include in them, on a transactional basis, sales tax by province, city and postal code, date of sale and description of property sold.

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- 10.4 Tax Information. You will promptly provide to us the name, address and country of tax residence for a Distributed Publisher upon request by us. Prior to any payment being received under this Agreement, you will provide us with properly executed U.S. Internal Revenue Service Forms either for yourself or for any Distributed Publisher. You will also provide us with any information requested from time to time to allow us to satisfy any reporting or compliance obligations we may have under applicable laws.
- 10.5 Cooperation. Each party agrees to use commercially reasonable efforts to cooperate and provide assistance to each other with respect to any potential federal or provincial sales tax audit in connection with activities under this Agreement. The parties agree that the only information we will be required to provide under this Section 10.5 is information that is readily available using our existing information systems, and we will not be responsible for modifying or creating new systems to obtain any required or requested sales and/or use tax information relating to federal or provincial sales tax audit. Each party agrees that any costs incurred in connection with such cooperation and assistance will be borne solely by the party incurring such costs.

11. **Payment to Distributor; Backup Documentation**

- 11.1 Statements. We will maintain accurate records of your sales of eBooks via the Program. We will send statements (each a “**Statement**”) to you on a monthly basis, by the 15th day of each calendar month, for all eBook sales occurring in the preceding month. We will include at a minimum the following information in each Statement, separately for each eBook: author, title, ISBN, Customer Price, number of copies sold, net proceeds due to Distributor and Territory of the Customer. In addition to the Statements, we will provide to you the reports set forth in Schedule 1 (List of Reports/Data to be Provided). No later than 1 year after the date on which a Statement is issued, to the extent that you have questions about the data we supply in any Statement, the parties will engage in good faith efforts to resolve such questions and, upon your reasonable request, we will furnish backup documentation relevant to such data provided and/or information concerning the manner in which such data was collected and calculated. You will treat all documentation furnished as our confidential information in accordance with Section 18.
- 11.2 Payments. We will send you all payments, together with a copy of the applicable Statement, at [●], no later than ninety (90) days from the end of the calendar month in which your sales have occurred. We may make all payments net of (i) any credits or refunds issued pursuant to and in accordance with this Agreement, (ii) bad debt and (iii) the Commission plus applicable Taxes thereon for that applicable month. We will pay you by Electronic Funds Transfer (“EFT”), or by check if EFT is not (or not yet) available to you.

12. **Term and Termination**

- 12.1 Term. The term of the Agreement will commence on the Effective Date and, subject to this Section 12, will continue for a period of 2 years (the “**Initial Term**”) and thereafter will renew for successive one-year period(s) (the

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- “Additional Term(s),”** and together with the Initial Term, the **“Term”**) until terminated by either party upon 90 days' written notice in advance of the end of the Initial Term or any Additional Term.
- 12.2 **Termination.** Either party may terminate this Agreement upon notice to the other if the other materially breaches a material term of this Agreement, unless that breach is remedied by such party within thirty (30) days of being given notice to remedy the breach by the other party.
- 12.3 **New Model Termination.** If you enter into a reseller business model or any other business model in which a Similar Channel is able to set the final Customer Price or discount from a Customer Price that you set (**“New Model”**), you will notify us no later than 30 days prior to launch of such New Model and offer us the opportunity to enter into a New Model for digital books with you on or before your digital books become available from that third party under the New Model, on terms at least as favorable as those granted to such third party. If we elect to enter a new agreement with you pursuant to this Section 12.3, this Agreement will be terminated and superseded by the terms of such new agreement.
- 12.4 **Effect of Termination.** All rights to eBook Content acquired by Customers prior to the end of the Term will survive termination, and all rights and obligations that by their nature or as stated to continue beyond termination will survive any termination of this Agreement, including confidentiality obligations and indemnification. We may retain archival copies of the eBook Content after the Term and use the content for customer service purposes, in support of Customer transactions commencing during the Term, and to provide access or copies of the eBook Content to Customers who obtained rights to the eBook Content during the Term. After the Term, we may continue to display all Descriptive Materials in connection with the Program, although our right to fulfill orders for new copies of the eBooks has expired. For example, we may continue to display this content within customers' buying histories, in customers' “Listmania” compilations, or in connection with similar features and in other areas of the Amazon Properties.
- 12.5 **Survival.** Sections 8–29 of this Agreement will remain in full force and effect following the termination or expiration of this Agreement. The expiration or early termination of this Agreement will not relieve us of our obligations to account and make any payments with respect to eBooks sold under this Agreement.
13. **License.** You authorize us to: (a) reproduce, distribute, display, transmit, communicate to the public, promote, index, and otherwise digitally make available for sale by you (via all means of online and electronic distribution), the eBook Content in connection with the Program; (b) display the eBook Content for the purposes of marketing and selling eBooks and in connection with the Program; (c) transmit, reproduce, reformat and otherwise use the eBook Content as mere technological incidents to and for the limited purpose of technically enabling the foregoing (e.g., caching to enable display); (d) convert, encode, encrypt, and decrypt the eBook files as necessary; and (e) modify and correct any issues in the technical quality of the eBook files. The exercise of the

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preceding rights is solely for the purposes of rendering our services to you under this Program. We may permit our affiliates and independent contractors to exercise the rights that you grant to us in this Agreement. We are responsible for our affiliates' and independent contractors' compliance with, or breach of, the terms of this Agreement. This Agreement does not require us to exercise any of the above rights.

14. **Ownership and Control.** As between the Parties, all rights, title and interest in and to the eBooks and related material you provide will remain your or your licensors' property. We or our licensors retain all ownership rights in and to the copyrights and all other rights and interests in and to the Program and the Amazon Properties. We are solely responsible for, and will have full discretion with respect to the design, operation and marketing of the Program and the Amazon Properties. We have no obligation to list, market or fulfill orders for the eBook Content. Nothing in this Agreement restricts us from exercising any right we may have pursuant to another applicable permission or have at law in the absence of this Agreement.
15. **Distribution via Amazon Affiliates.** Distributor acknowledges that there may be certain territories in which one of Amazon's affiliates may be the entity that fulfills orders for the eBooks as a service to the Distributor, and Distributor agrees that such affiliate may on notice to Distributor, exercise directly and on its own behalf the rights granted under this Agreement in the applicable territory(ies) and that, in such circumstance, Distributor and the applicable Amazon affiliate will be parties to an agreement on terms identical to those contained in this Agreement.
16. **Security; Geo-filtering.**
 - (a) Security. Unless we mutually agree otherwise, we will use DRM in connection with the download of the eBooks, and we may use any available digital book DRM technology.
 - (b) Geo-filtering. We will use a territory-to-customer matching system designed to limit the distribution of eBooks to Customers in the applicable Territory ("**Geographic Filtering System**"). You acknowledge that any Geographic Filtering System we use will not be able to fully prevent the delivery of eBooks to Customers outside the applicable Territory and agree that our use of a Geographic Filtering System in distributing an eBook constitutes delivery to a Customer in the applicable Territory.
17. **Warranties, Indemnities and Limitation of Liability**
 - 17.1 Of Distributor. You represent and warrant that (i) you have obtained all rights from the applicable rightsholders necessary for us to perform the services set forth in this Agreement; (ii) you are acting as a principal under this Agreement and you are not acting as an agent on behalf of any Distributed Publisher or on behalf of any other party; (iii) you have provided to us a fully executed U.S. Internal Revenue Service Forms as required and they are true, complete and

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correct; (iv) you are and will be solely responsible for accounting for and paying any royalties to any Distributed Publishers, co-owners or co-administrators of the eBooks that may be due to them as a result of this Agreement; (v) you are duly authorized or registered by the applicable government authority to collect any Taxes, the amount of which we collect pursuant to Section 10.2, and you will provide, upon our request, documents proving such registration or authorization; and (vi) you are in compliance with and will be solely responsible for the withholding and remittance of any taxes applicable to payments you make to Distributed Publishers, co-owners or co-administrators of the eBooks that may be due to them as a result of this Agreement, and you are in compliance with and will continue to comply with any and all information reporting obligations with respect to payments you make to such persons. You will indemnify, defend and hold us, our officers, directors, employees, affiliates, subcontractors and assigns (“**Indemnified Parties**”) harmless from and against any loss, claim, liability, damage or cause of action (including reasonable legal fees) (“**Claim**”) brought against the Indemnified Parties that arises from or is related to (a) any breach by you of your obligations, representations or warranties in this Agreement or any claim that an eBook in whole or in part infringes, misappropriates, or violates the intellectual property rights of any third party or contains any defamatory material; (b) your actual or alleged breach of any obligations in this Agreement relating to Taxes or Sales Taxes; or (c) Taxes and/or or Sales Taxes or the collection, payment or failure to collect or pay or remit the Taxes and/or Sales Taxes.

17.2 Of Amazon. We represent and warrant that we have full power and authority to enter and perform our obligations under this Agreement. We will indemnify, defend and hold you harmless from and against any third party Claim that the software and other intellectual property we own or control (excluding the eBooks themselves) and use to perform our obligations under this Agreement, infringes or misappropriates the intellectual property rights of any third party.

17.3 Limitation of Liability. Except as specifically provided in this Agreement, neither Distributor nor Amazon makes any express or implied representation or warranty to the other. Except with respect to (i) the parties’ respective indemnification and confidentiality obligations hereunder, or (ii) willful or grossly negligent misconduct by either party, neither Distributor nor Amazon will be liable to the other for (a) any lost profits or any other consequential, indirect, incidental, punitive or special damages arising out of or in any way related to this Agreement, even if such party has been advised or is aware of the possibility of such damages; or (b) damages arising out of or in any way related to this Agreement, whether in contract, warranty, tort (including negligence or other theory), extra-contractual liability or otherwise, in an aggregate amount in excess of \$100,000.

18. **Confidentiality**

18.1 Nondisclosure and Nonuse. Any information we provide that is marked “confidential,” or that under the circumstances surrounding disclosure a reasonable person would understand to be confidential, is our confidential and proprietary information, and you will not disclose this information to any third

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party or use it for any purpose other than the performance of this Agreement. Sales information will be considered “confidential information” of Amazon. You will not show or distribute this Agreement to any third party, including the Distributed Publishers, their authors, your authors or the respective agents and/or attorneys of any of them nor will you disclose any information regarding this Agreement or its terms except as specifically permitted in paragraphs 18.2 and 18.3. As between the parties, we will own all customer data and personal information Customers or prospective Customers provide, although we will make various non-personally identifiable information of Customers available to you in accordance with Schedule 1 (List of Reports/Data to be Provided).

- 18.2 Disclosures Required by Law. You may disclose confidential information as required to comply with binding orders of governmental authorities if you (i) give us prior written notice sufficient to allow us to seek a protective order or other appropriate remedy; (ii) disclose only information that is required by the governmental entity; and (iii) use commercially reasonable efforts to obtain confidential treatment for any information to be disclosed.
- 18.3 Disclosures to Distributed Publishers and Authors. You may disclose the promotional requirements in Sections 4.7 and 5.5 to your Distributed Publishers and you may provide them with sales data that is solely related to their own sales as long as that sales data aggregates sales on Amazon with sales on Similar Channels so as to make the Amazon data indistinguishable. You and your Distributed Publishers may disclose this aggregated sales data to your respective authors as long as the information is solely related to that author’s own sales and any sales data disclosed in accordance with this sentence will not be deemed confidential information as used by that author or their designated representatives. Subject to this exception for subsequent use of sales data by authors, you may only make the disclosures permitted by this paragraph after the recipient has agreed to maintain the confidentiality of those disclosures.
19. **Force Majeure.** If, because of act of God; accident; fire; lockout; strike; riot; act of public enemy; law regulation, rule, or other cause beyond the control of Distributor or Amazon, the performance of Distributor's or Amazon's obligations hereunder is delayed or prevented, such delay or prevention will not be considered a breach of this Agreement, nor will it trigger any indemnification right pursuant to Section 17, above. However, if such event continues for a period of ninety (90) days or more, Distributor or Amazon will have the right to terminate this Agreement upon written notice to the other party.
20. **Not a Joint Venture.** Nothing in this Agreement will be deemed to constitute a joint venture or partnership between the parties. Neither party will have the right to bind the other in any manner, except as otherwise specifically provided herein.
21. **Assignment.** This Agreement will bind and inure to the benefit of the parties and their respective successors and permitted assigns. No assignment of this Agreement, voluntarily or by operation of law, will be binding upon either of the parties without the prior written consent of the other (which may not be unreasonably withheld), except for an assignment to a parent, subsidiary or

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affiliated company, or in connection with the sale or transfer of all or substantially all of the assets of either party. We may contract with third party service providers to aid us in furtherance of certain of our obligations under this Agreement (e.g., data processing services), provided that such third party service providers are subject to the terms of this Agreement and that we are and will be responsible for the performance of the third party service providers.

22. **Entire Agreement.** This Agreement sets forth the complete and entire understanding of the parties and supersedes all previous agreements, understandings and representations with respect to the subject matter hereof. No party has entered into this Agreement in reliance on any oral or written agreement, representation or warranty of any other party or any other person which is not made or repeated in this Agreement. However, the foregoing will not preclude liability for any fraudulent statement or act.
23. **Modification and Severability.** Any modification to this Agreement must be executed in writing by the parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, such determination will not affect any other provision hereof, and the unenforceable provision will be replaced by an enforceable provision that most closely meets the commercial intent of the parties.
24. **Notices.** We will send all notices and other communications to you at the e-mail address or the mailing address set forth below. You will send all notices and other communications relating to this Agreement to the applicable Amazon e-mail address set forth below, with a paper copy to the corresponding mailing address. Either of us may from time to time change such information by giving the other party notice of such change in accordance with this Section 24.

If to Amazon, to:

Via courier: General Counsel, Amazon
410 Terry Avenue North
Seattle, WA 98109-5210

Via mail: General Counsel, Amazon
P.O. Box 81226
Seattle, WA 98108-1226

If to Distributor, to:

[address]

25. **Remedies.** To the extent permitted by applicable law, the rights and remedies of the parties provided under this Agreement are cumulative and, except as otherwise provided in this Agreement, in addition to any other rights and remedies of the parties at law or in equity.
26. **Headings and Interpretation.** In this Agreement, (i) the headings are for convenience of reference only, and will not limit or otherwise affect the meaning

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- hereof; (ii) references to the singular include references to the plural; (iii) references to a Section or Schedule are to a Section or Schedule to this Agreement, and references to this Agreement include the Schedules; and (iv) the expression “including” will mean “including without limitation.”
27. **Counterparts.** This Agreement may be executed by facsimile or electronic scan and in counterparts, each of which will be deemed an original, but all of which will constitute one instrument.
28. **No Third Party Beneficiaries.** This Agreement is for the sole benefit of the parties and their authorized successors and permitted assigns. Nothing is intended to confer upon any person or entity, other than the parties and their authorized successors and permitted assigns, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.
29. **Language.** The parties have expressly requested that this Agreement and any ancillary document be drafted in the English language. Les parties ont expressément requis que la présente convention et tous les documents y afférant soient rédigés en langue anglaise. This Agreement has been executed solely in the English language. In case of any conflicts or inconsistencies between the original English text and any translations of it (including any translations attached hereto), the English text will prevail.
30. **Jurisdiction.** All disputes arising out of or in connection with this Agreement will be governed by the laws of the State of Washington, without reference to rules governing conflict of laws or the U.N. Convention on Contracts for the International Sale of Goods. The parties agree to exclusive jurisdiction and venue of the courts of King County, Washington, with respect to any claims arising under this Agreement.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Agreement on the date(s) specified below.

AMAZON SERVICES INTERNATIONAL, INC. [DISTRIBUTOR NAME], Distributor

By: _____ By: _____

Title: _____ Title: _____

Date: _____

Date: _____

SCHEDULE 1
LIST OF REPORTS/DATA TO BE PROVIDED

- (a) digital ISBN as provided in Distributor's metadata;
- (b) title;
- (c) sales units;
- (d) Customer Price;
- (e) Commission; and
- (f) amount due Distributor.

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SCHEDULE 2 MAXIMUM PRICES

Distributor will determine in its discretion a Customer Price, except that Distributor will at all times ensure that:

1. For all eBooks, the Customer Price (together with any applicable transaction or value added tax) will be no higher than 25% of the lowest priced corresponding physical edition in the Territory.
2. Any eBook without a corresponding physical edition will be priced at \$9.99 or less.