

Lunabean, LLC Publishing Contract

Section 1. Publishing Rights

SUMMARY of SECTION 1:

- You agree to give us exclusive (meaning you cannot place your guide on other sites or publish it in another form) OR non-exclusive rights (meaning you can still have your walkthrough on other sites, etc) to publish your guide.
- You agree to allow us to put your guide into the LunaPass guide catalog (our subscription service).
- You agree to letting us put part of, or the full guide, on Lunabean.com (in non-download, HTML form), just as we do with our in-house guides.

AUTHOR agrees to grant to PUBLISHER exclusive (WORK will exclusively appear and/or be sold on Lunabean.com and its properties) OR non-exclusive (WORK may appear and/or be sold on other properties) worldwide rights to publish, distribute, and sell the WORK in:

– eBook Edition (readable-text digital format provided in electronic download, disk, CD/CD-ROM, eBook Reader, PDF, or similar media of presentation).

There is no grant of subsidiary rights sales defined under this Agreement. PUBLISHER may not offer for license or reproduction any portion of AUTHOR's WORK.

AUTHOR agrees to allow PUBLISHER to include WORK as a product in the LunaPass (Lunabean Subscription Service) (see Section 8). AUTHOR agrees to allow PUBLISHER to include work as a free viewable file on the Lunabean.com website without compensation. AUTHOR will receive compensation for sales of individual copies of WORK and for LunaPass members citing work as detailed in Sections 6, 7, and 8.

Section 2. Length of Contract

SUMMARY of SECTION 2:

- The contract is for one year and then automatically renewed monthly thereafter.

This Agreement shall be for a minimum initial period of one (1) year from the actual date of publication, with automatic monthly renewal after that.

Section 3. Termination of Contract

SUMMARY of SECTION 3:

- We can terminate the contract but must notify you and give you 30 days notice and then pull the work from our site.
- You can terminate the contract but must notify us and give us 90 days notice and then we'll pull the work from our site.

PUBLISHER Termination: At any time prior to the publication, or during the publication, or after the publication of the WORK, PUBLISHER may, at its discretion, cancel this contract and remove the WORK from publication or distribution for reasons of poor sales, excessive returns, or any other reasons. PUBLISHER shall give notice to AUTHOR 30-days prior to requested removal from distribution. Notice must be in writing by certified mail or other receipted or traceable delivery service, including email where return acknowledgement is received. When the PUBLISHER removes the WORK from sale, this contract shall terminate and all rights granted shall revert to the AUTHOR. AUTHOR understands that books that have already been purchased and are stocked by bookstores, such as Amazon.com, may be continued to be sold until such stock is exhausted. PUBLISHER has no control over what has already been placed out in the marketplace, but will ensure that no additional books will be printed, distributed, or sold.

AUTHOR Termination: At any time during the initial Contract period as stipulated in the Length of Contract, this Contract may be terminated by the AUTHOR with a 90-day written, certified mail notice or other receipted or traceable delivery service, including email where return acknowledgement is received, and all rights granted the PUBLISHER will revert to AUTHOR at the time of the termination.

At any time after the initial Contract period, this Contract may be terminated by the AUTHOR with a 30-day written, certified mail notice or other receipted or traceable delivery service, including email where return acknowledgement is received, and all rights granted the PUBLISHER will revert to AUTHOR at the time of the termination.

Upon termination, PUBLISHER will remove listing of the WORK from its website and all download-based distributors and advise Books-in-Print that the particular ISBN (if applicable) is no longer in print. AUTHOR shall have the right to purchase any remaining copies of the WORK stocked by the PUBLISHER at the AUTHOR's discount specified below. Any remaining copies of the WORK the AUTHOR chooses not to purchase may be sold or disposed of at the PUBLISHER's discretion. Applicable and adjusted royalties will be paid on any disposed books.

Section 4. AUTHOR Warrantees

SUMMARY of SECTION 4:

- **You guarantee that you wrote the guide and didn't steal/plagiarize any of it.**

AUTHOR warrants that AUTHOR is the author and sole owner of the WORK or has been assigned the rights delineated above; that it is original and contains no matter unlawful in its content, nor does it violate the rights of any third party; that the WORK is not in the public domain; and that the WORK does not infringe on any copyright, trademark, or tradename of any third party. AUTHOR also warrants that these rights are owned or controlled by AUTHOR without encumbrance and that AUTHOR has full power to grant the listed rights to PUBLISHER. If the WORK has been previously published in any form, AUTHOR warrants that the rights granted herein have reverted to the AUTHOR. As an addendum to this agreement, AUTHOR shall present some written memorandum documenting the reversion of the rights granted by any publishing company that may have held rights to the WORK. If a judgment is obtained against PUBLISHER for usurping rights still controlled by another publisher or other entity than PUBLISHER or AUTHOR, the AUTHOR agrees to hold PUBLISHER harmless and to indemnify PUBLISHER for reasonable damages and costs. If PUBLISHER prevails against a suing party or resolves the matter by out-of-court settlement, AUTHOR will be liable to indemnify PUBLISHER for defense and settlement costs if AUTHOR's warrantees are found to be invalid.

Section 5. Copyright Ownership and Registration

SUMMARY of SECTION 5:

- **You guarantee that you own the copyright to the guide, which you do if you wrote it, and didn't sign away rights to anybody.**

The AUTHOR is the owner of the copyright of the WORK. As a condition of this Agreement, the PUBLISHER agrees to print in every copy of the WORK a Copyright Notice identifying the AUTHOR as the owner of the copyright in the manner that complies with the regulations of the US Copyright Act and the Universal Copyright Convention.

Since AUTHOR owns the copyright, AUTHOR is responsible for registering that copyright with the US Copyright Office, including payment of any fees and the costs of preparing printed and/or electronic documentation of the work as required by the US Copyright office. PUBLISHER shall be listed as the publisher of the WORK in all formats indicated in Section I. AUTHOR understands that if AUTHOR chooses not to register the copyright with the US Copyright office, AUTHOR may be limited in the damages that could be awarded in court if there is a copyright violation. PUBLISHER will place a copyright notice

on all versions of the WORK, using the year of first release if no other information is available.

Section 6. Royalty Payment for LunabeansGuides.com eSellerate Store

SUMMARY of SECTION 6:

- We'll pay you US\$2.00 per guide sold for Exclusive rights to publish your guide.
- We'll pay you US\$1.00 per guide sold for Non-Exclusive rights to publish your guide.

In compensation for a grant of EXCLUSIVE rights, the PUBLISHER hereby agrees to pay AUTHOR the following Royalty Commissions:

US\$2.00 per WORK sold (US\$2.00 per unit sold) via the LunabeansGuides.com eSellerate Store (see Section 7).

In compensation for a grant of NON-EXCLUSIVE rights, the PUBLISHER hereby agrees to pay AUTHOR the following Royalty Commissions:

US\$1.00 per WORK sold (US\$1.00 per unit sold) via the LunabeansGuides.com eSellerate Store (see Section 7).

AUTHOR will receive no royalties on copies of WORK considered complimentary, i.e., nor royalties for any WORK that is returned. Although net sales are not a factor in the royalty payments, net sales are defined as the Total Dollar amount that is actually received by the PUBLISHER from the wholesale or retail sale of the WORK minus the Total Dollar amount of any Returns of the WORK and minus any transaction fees incurred by the PUBLISHER to sell the book. Wholesale amounts vary with each wholesaler/distributor. Consignment placements are not considered sales until PUBLISHER receives payment.

Section 7. Royalty Payment Schedule and Statements – eSellerate Store

SUMMARY of SECTION 7:

- eSellerate handles the payments for us. You'll sign up for an account with them and they'll pay you automatically.

PUBLISHER utilizes eSellerate (www.eSellerate.net) to sell and distribute eBooks.

AUTHOR agrees to enter into an eSellerate SplitPay contract

(<http://splitpay.esellerate.net>) via eSellerate and all payments for eBooks sold via

eSellerate shall be paid by eSellerate according to their schedule and contract stipulations.

Section 8. Royalty Payment for Guides in the LunaPass Subscription Service

SUMMARY of SECTION 8:

- If a person signs up for the LunaPass, and cites your guide we'll pay you US\$2.00 if your guide is EXCLUSIVE or US\$1.00 if your guide is NON-EXCLUSIVE.
- We'll send you monthly statements and will pay you via PayPal as long as your total is more than US\$10.00 (once you hit \$10, we'll PayPal you the money).

PUBLISHER will pay AUTHOR US\$2.00 (if entered into Exclusive contract) or US\$1.00 (if entered into Non-Exclusive contract) for each new LunaPass subscriber that signs up for the service and enters AUTHOR's WORK in the "What Guide(s) Brought You Here?" field as seen at www.lunabean.com/amember/signup.php.

PUBLISHER utilizes PayPal payment system for all payments and AUTHOR agrees to maintain a PayPal account. PayPal payments will be transferred within fifteen (15) days after the end of the calendar month. Royalties earned for the month shall be paid contemporaneously with issuance of the royalty statement except as noted below. Payments are to be made by PayPal in United States Dollars.

Royalty amounts that do not exceed \$10.00 for the month will not be paid that month, but will be accumulated until an amount of \$10.00 or greater in royalties is met. At that time royalties will be paid with the next monthly statement. AUTHOR will receive a monthly royalty statement regardless of whether a royalty payment is issued.

It is the AUTHOR's responsibility to communicate with the PUBLISHER any change in PayPal Account, or Electronic Mail address. If AUTHOR fails to advise PUBLISHER of any changes in the above that prevent the timely payment of royalties, PUBLISHER is authorized to hold, without penalty, payment of royalties until current information is received.

In the event that additional WORKs by the same AUTHOR are currently being marketed by the PUBLISHER, royalty accounts from all such titles may be combined with that for this WORK.

Section 9. Editing

SUMMARY of SECTION 9:

- We can edit your guide. In most cases this is simply formatting and/or spelling.

PUBLISHER has the right of final approval of AUTHOR's manuscript. PUBLISHER may assign an editor to coordinate with AUTHOR in making edits and revisions. The AUTHOR will be notified prior to any and all substantial changes. The AUTHOR will not be required to pay for the services of an editor assigned by PUBLISHER. PUBLISHER may make corrections of typographical, or grammatical errors without AUTHOR's consent.

Section 10. AUTHOR/PUBLISHER Indemnification

SUMMARY of SECTION 10:

- **We agree to hold each other harmless in the case of any claims that would breach the contract.**

AUTHOR shall indemnify, defend and hold harmless PUBLISHER and its owners and affiliates, editors, shareholders, officers, directors, partners, associates, agents and representatives and the PUBLISHER shall indemnify, defend and hold harmless the AUTHOR from any and all claims, debts, demands, suits, actions, liens, proceedings and or prosecutions ("Claims") based on allegations which, if true, could constitute a breach of any of the foregoing warranties, and any and all liabilities, losses, damages and expenses including, but not limited to, attorney's fees and court costs. Each party to this Agreement shall give prompt notice to the other party of any Claims. No compromise or settlement of any Claim shall be made or entered into without the prior written approval of the AUTHOR and PUBLISHER. If a Claim is filed, PUBLISHER shall have the right to suspend payments otherwise due to AUTHOR under the terms of this Agreement as security for AUTHOR's obligations under this section.

Section 11. Copyright Infringement

SUMMARY of SECTION 11:

- **You own the copyright and it's your responsibility to defend it.**

PUBLISHER is not obligated to initiate legal proceedings should a Claim arise regarding a third party infringing the AUTHOR's or PUBLISHER's rights. If such a Claim arises, AUTHOR and PUBLISHER may sue either jointly or severally. PUBLISHER shall not be held liable for failing to take action upon a Claim.

Section 12. Laws and Venue

SUMMARY of SECTION 12:

- Our business is based in Oregon and this contract is entered into under Oregon's laws.**

The PUBLISHER is a Limited Liability Corporation, organized under the laws of the State of Oregon. The laws of the State of Oregon shall govern this Agreement. Recognizing the expense, distraction, and uncertainty resulting from litigation of disputes which may arise under this Agreement, the parties have agreed that except as specifically provided herein they shall submit any and all disputes arising in any way under this Agreement to the American Arbitration Association for final disposition in accordance with its rules, provided that the Arbitrator shall have no authority to award punitive damages.

Notwithstanding the foregoing, nothing in this Agreement shall be deemed to deprive a party of the right to equitable relief in a court of competent jurisdiction respecting rights to its intellectual property or use thereof under this Agreement. Any proceeding under this paragraph shall be brought in the federal or state courts in Oregon. A judgment may be entered in a court of competent jurisdiction based on any award rendered in arbitration or other proceeding conducted by the parties pursuant to this paragraph.

Section 13. Understanding of All Parties

SUMMARY of SECTION 13:

- We haven't entered into any agreement outside the bounds of this contract.**

The Agreement contains the entire understanding of the parties with regard to the subject matter hereof and no warranties, representatives, promises or agreements have been made between the parties other than expressly herein set forth, and neither PUBLISHER nor AUTHOR shall be, nor are they bound by, any warranties, representations, promises or agreements not set forth herein. The Agreement supersedes any previous agreement or understanding with respect to the WORK and cannot be modified except in writing by all the parties hereto. Upon execution, this Agreement shall be absolutely binding and fully enforceable and shall inure to the benefit of the parties hereto, their successor, personal representative, heirs and assigns.