

NOVELLA Contract

AGREEMENT made this Xth day of __, 20__ between _____ whose residence address is _____ (hereinafter called the Author); and Shroud Publishing LLC whose principal place of business is at 121 Mason Rd., Milton, NH 03851 (hereinafter called the Publisher);

WITNESSETH:

In consideration of the mutual covenants herein contained, the parties agree as follows:

GRANT

The author hereby grants and assigns to the Publisher the exclusive 1st North American rights to publish in English in book form, a Work now entitled _____ (hereinafter called the Work), which title may be changed only by mutual consent in writing.

REPRESENTATIONS AND WARRANTIES

Recognizing the provisions of the above GRANT, the Author represents that he is the sole proprietor of the Work and that the Work to the best of her knowledge does not contain any libelous matter and does not violate the civil rights of any person or persons, does not infringe any existing copyright and has not heretofore been published in book form. The Author shall hold harmless and indemnify the publisher from any recovery finally sustained by reason of any violations of copyright or other property of personal right; provided, however, that the Publisher shall with all reasonable promptness notify the Author of any claim or suit which may involve the warranties of the Author hereunder; and the Author agrees fully to cooperate in the defense thereof. The warranties contained in this article do not extend to drawings, illustrations, or other material not furnished by the Author.

DELIVERY

The Author will deliver the work. On _____

PUBLICATION

The Publisher agrees to publish the Work in book form at its own expense at a catalogue retail price of not less than \$_____ per novella soft cover copy not later than twelve months after the delivery of the completed Work. In the event of delay from causes beyond the control of the Publisher, the publication date may be postponed accordingly, but not to exceed eighteen months from the delivery of the completed work.

COPYRIGHT

The Publisher, upon first publication of the Work, agrees duly to copyright it in the United States of America and Canada in the name of the Author, and to take all necessary steps to protect the copyright in the United States and Canada and under the Universal Copyright Convention.

EDITING AND PROOFREADING

The Publisher shall make no changes in, additions to, or eliminations from the manuscript without the consent of the Author, and in order to obtain such consent, shall submit the copy-edited manuscript to the Author for her approval. Upon request, the Publisher shall furnish the Author with complete galley proof and/or page proof of the Work, including front matter. The Author agrees to return such proof to the Publisher with her corrections within thirty (30) days of the receipt thereof by him.

ROYALTIES AND LICENSES

The Publisher shall pay to the Author or her duly authorized representatives, the following advances and royalties;

Individual soft cover:

Royalties in the amount of % of the retail price for copies sold directly by the publisher;

Royalties in the amount of % of the retail price for copies sold via a distributor, online retailer, or traditional retailer, reseller or similar entity.

An advance of \$ under their agreement payable within 30 days of publication. No further royalties or payments shall be paid to the author without the execution and signing of an additional contract. Nor shall the author be paid royalties for author copies.

All royalties will be paid on a calendar quarterly basis beginning the first full quarter after publication.

AUTHOR'S COPIES

The Publisher agrees to present to the Author five (10) free copies of the regular edition of the Work, and the Author shall be permitted to purchase further copies for her personal use at a discount of forty percent (40%) of the retail price.

REVERSION AND TERMINATION

If the Publisher shall, during the existence of this agreement, default in the making of payments as herein provided, within thirty (30) days after written notice of such default, this agreement shall terminate at the expiration of such thirty (30) days without prejudice to the Author's claim for any monies which may have accrued under this agreement or to any other rights and remedies to which the Author may be entitled.

If the Publisher shall fail to publish the Work within the period provided in Paragraph 4, or otherwise fail to comply with or fulfill the terms and conditions hereof, or in the event of bankruptcy, etc., this agreement shall terminate and the rights herein granted to the Publisher shall revert to the Author. In such event all payments theretofore made to the

Author shall belong to the Author without prejudice to any other remedies which the Author may have.

BANKRUPTCY AND INSOLVENCY

If a petition in bankruptcy shall be filed by or against the Publisher, or if it shall be adjudged insolvent by any court, or if a Trustee or a Receiver of any property of the Publisher shall be appointed in any suit or proceeding by or against the Publisher, or if the Publisher shall make an assignment for the benefit of creditors or shall take the benefit of any bankruptcy or insolvency Act, or if the Publisher shall liquidate its business for any cause whatsoever, this agreement shall terminate automatically without notice, and such termination shall be effective as of date of the filing of such petition, adjudication, appointment, assignment or declaration or commencement of reorganization or liquidation proceedings, and all rights granted hereunder shall thereupon revert to the Author.

RESERVED RIGHTS

All rights in the Work now existing, or which may hereafter come into existence, not specifically herein granted are reserved to the AUTHOR for her use at any time. Reserved publication rights include, but are not limited to, the right to publish or cause to be published in any form, excerpts, summaries and novelizations or dramatizations and motion pictures of the Work, thereof, to be used for advertising and exploitation of motion pictures and televised motion pictures or dramatizations based upon the Work. The Publisher retains all rights to electronic publication or exploitation of the Work by any means or in any form now existing or which may hereafter come into existence, including but not limited to distribution over computer networks or in recorded form on CD-ROM, diskette, or other magnetic or optical digital media

ASSIGNMENT

No assignment of this contract, voluntary or by operation of law, shall be binding upon either of the parties without the written consent of the other; provided, however, that the Author may assign or transfer any monies due or to become due under this agreement.

ARBITRATION

Any controversy or claim arising out of this agreement or the breach thereof shall be settled by arbitration in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award may be entered in the highest court of the forum State or Federal, having jurisdiction. Such arbitration shall be held in the City of New York unless otherwise agreed by the parties. The Author may, at his option, in the case of failure to pay royalties, refuse to arbitrate, and pursue her legal remedies.

NOTICES

Any written notice required under any of the provisions of this agreement shall be deemed to have been properly served by delivery in person or by mailing the same to the parties hereto at the addresses set forth above, except as the addresses may be changed by

notice in writing; provided, however, that notices of termination shall be sent by registered mail.

WAIVER

A waiver of any breach of this agreement or of any of the terms or conditions by either party thereto, shall not be deemed a waiver of any repetition of such breach or in any wise affect any other terms or conditions hereof; no waiver shall be valid or binding unless it shall be in writing, and signed by the parties.

INFRINGEMENT

If during the existence of this agreement the copyright shall be infringed, the Publisher may, at its own cost and expense, take such legal action, in the Author's name if necessary, as may be required to restrain such infringement or to seek damages therefor. The Publisher shall not be liable to the Author for the Publisher's failure to take such legal steps. If the Publisher does not bring such an action, the Author may do so in his name at her own cost and expense. Money damages recovered for an infringement shall be applied first toward the repayment of the expense of bringing and maintaining the action, and thereafter the balance shall belong to the Author, provided, however, that any money damages recovered on account of a loss of the Publisher's profits shall be divided equally between the Author and the Publisher.

DOCUMENTS

If any of the rights granted to the Publisher revert to the Author, the Publisher shall execute all documents which may be necessary or appropriate to revest all such rights in the Author, and shall do so promptly, delivering said documents no later than thirty (30) days after receipt of the Author's request for such documentation.

LAW

This agreement shall be construed in accordance with the laws of the State of New York.

INHERITANCE

This agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators and assigns of the Author, and upon and to the successors and assigns of the Publisher.

ALTERATION

This agreement may not be modified, altered or changed except by an instrument in writing signed by the Author and the Publisher

X _____
AUTHOR

X _____
Witness for the Author

X _____
PUBLISHER

X _____
Witness for the Publisher