

Babelcube Standard Agreement for Translation and Distribution

Version: 1.06 (August 31, 2015)

1) Agreement. This Babelcube Standard Agreement for Translation and Distribution ("Agreement") is a binding agreement among Babelcube Inc., a Delaware corporation with address at 737 Downing Street, Teaneck, NJ 07666, United States ("Babelcube"), and the persons identified on the signature page as the Rights Holder and Translator. The "Effective Date" of this Agreement shall be the date it is countersigned by Babelcube.

2) Engagement to Translate

- a) Rights Holder engages Translator to make a translation of the book set forth in Appendix A ("Book") and any auxiliary documents listed in Appendix A ("Supplementary Material") into the language(s) set forth in Appendix A ("Language(s)") (the "Translated Book"). The Translated Book will be distributed in the territory or territories indicated in Appendix A (the "Territory").
- b) Rights Holder engages Babelcube to distribute in the Territory.
- c) Translations can be done by one translator or a team of translators (the "Translation Team"). Each Translator, whether working individually or as a team, are defined as a Translator ("Translator").
 - i) **Lead Translator.** Each translation has a Translator in the role of Lead Translator. The Lead Translator is responsible for managing the project with the author, creating the initial translation, meeting project requirements (such as meeting the timeline), and supporting the author with marketing the book during the period it is distributed by Babelcube.
 - ii) **Editor and Proofreader.** An optional Translator can work on the translation as an Editor and Proofreader and is responsible for enhancing the quality of the translation by reviewing it carefully and making suggested improvements to the Lead Translator.

3) Representations and Warranties.

Rights Holder represents and warrants that:

- a) Rights Holder owns or controls distribution rights to the book set forth in Appendix A ("Book") and has the full right, power and authority to enter into and fully perform this Agreement;
- b) Rights Holder is an authorized account holder of a current user account on babelcube.com;
- c) Rights Holder has obtained all rights necessary for Babelcube to exercise the rights granted under this Agreement;
- d) The sale and distribution of the Translated Book as permitted under this Agreement will not violate any applicable law or infringe upon or otherwise violate the intellectual property, proprietary or other rights of any person or entity, including contractual rights, copyrights, trademarks, common law rights, rights of publicity or privacy or moral rights;
- e) The Book does not contain any defamatory or libelous material as defined by the laws applicable in the Territory, and

- f) Rights Holder will be solely responsible for, and will pay, any third parties any royalties that they are owed with respect to the exercise of the rights granted under this Agreement; and
- g) The Book is currently sold by Amazon, if Amazon supports the book's language.

Translator represents and warrants that:

- a) Translator is free to enter into the Agreement and to perform as required by the Agreement;
- b) Translator is an authorized account holder of a current user account on babelcube.com;
- c) Translator has made no agreements or commitments that prevent or interfere with the performance of Translator's obligations under this Agreement; and
- d) The translation of the Translated Book will be original and will not infringe upon or violate the rights of privacy, publicity, copyright or any other statutory or common law rights of any kind of any third party.

4) Translation Schedule and Guidelines

Rights Holder will provide the Lead Translator with an Electronic copy of the Book that is editable and not protected by any Digital Rights Management protocol. Lead Translator will deliver the first 10 pages of the Translated Book to Rights Holder for Rights Holder's approval by the number of days in Appendix A from receipt of the material to be translated. Lead Translator will deliver the completed Translated Book by the number of days in Appendix A from receipt of the material to be translated, as extended pursuant to Section 5(c)(ii) below, if applicable ("Completion Date"). Lead Translator will deliver the Translated Book in the same Electronic format as the original Book, in an editable file with no protection by any Digital Rights Management protocol. Rights Holder and Lead Translator will deliver the Book and the Translated Book through the mechanisms provided by Babelcube within its platform.

The name of Lead Translator will be prominently displayed inside the Translated Book as the translator. The name of Editor and Proofreader will be prominently displayed inside the Translated Book as the editor.

5) Approvals

a) **Rights Holder Approvals.** Rights Holder will have the following two rights of approval in connection with Translator's creation of the Translated Book (and no other rights of approval): (i) the right to approve the first 10 pages of the Translated Book, and (ii) the right to approve the completed Translated Book.

b) Procedures

- i) Rights Holder agrees to work with Lead Translator in good faith in connection with Rights Holder's rights of approval, to make constructive and specific suggestions to help Translator gain approval, and to not unreasonably deny or delay approval. Rights Holder will provide approval through the approval submission feature provided by Babelcube and agrees that such approval is final once provided. Rights Holder will endeavor to provide approvals or request revisions of the first 10 pages within 5 business days of Lead Translator's submission and of the Completed

Translated Book within 20 business days of Lead Translator's submission (in each case, the "Rights Holder Review Period").

- ii) Lead Translator agrees to work with Rights Holder in good faith to make revisions reflecting Rights Holder's suggestions, to the extent practicable. Lead Translator will make at least one set of revisions to the first 10 pages of the Translated Book, if requested by Rights Holder, and will make at least three sets of revisions to the completed Translated Book, if requested by Rights Holder. In each case, Lead Translator will endeavor to make revisions within 10 business days (the "Translator Revision Period").

c) Deemed Approvals

- i) First 10 pages. If Rights Holder does not respond to a request for approval of the first 10 pages of the Translated Book (or a new version of the first 10 pages revised in response to Rights Holder's suggested changes) within 5 business days of submission by Lead Translator, Lead Translator or Babelcube will send Rights Holder a written notice requesting approval. If Rights Holder does not respond to the written request for approval within 5 business days after Babelcube or Lead Translator sends the notice, Rights Holder will be deemed to have given approval.
- ii) Completed Translated Book. If Rights Holder does not respond to a request for approval of the completed Translated Book (or a new version of the completed Translated Book revised in response to Rights Holder's suggested changes) within 20 business days, Rights Holder will be deemed to have given approval, unless Rights Holder provides Lead Translator written notice prior to the expiration of the 20 day business period requesting up to 10 additional business days, in which case the 10 business day approval period will be extended by the number of business days equal to the extension requested by Rights Holder. Rights Holder may request up to 10 additional business days after this first extension. The Completion Date for the Translated Book will be extended by the number of additional business days granted to Rights Holder for submission of Rights Holder's approval in accordance with the foregoing extension request process.

d) Resubmissions and Resolution or Termination in the Event of Impasse

- i) First 10 pages
 - A. If Rights Holder rejects the first 10 pages of the Translated Book submitted by Lead Translator, Rights Holder must provide specific and detailed feedback and requests for changes and corrections to Lead Translator. Lead Translator will make revisions based on Rights Holder's feedback. In the event Lead Translator fails to submit a revision to Rights Holder within the Translator Revision Period or if Lead Translator submits a revision to Rights Holder within the Translator Revision Period and Rights Holder rejects the revision within the Rights Holder Review Period, then either party may terminate this Agreement by providing written notice of termination to the other no later than 10 business days following the end of the Translator Revision Period or the date on which Rights Holder rejected the revision, as applicable. No fee or compensation of any kind

will be payable by either party to the other in connection with any termination of this Agreement pursuant to the foregoing sentence.

In the event Lead Translator fails to submit the first 10 pages of the Translated Book by the Delivery Date for the first 10 pages, cancellation terms are described in Section 10 of the Agreement.

ii) Completed Translated Book

- A. If Rights Holder rejects the Completed Translated Book submitted by Lead Translator, Rights Holder must provide specific and detailed feedback and requests for changes and corrections to the Lead Translator. Lead Translator will make revisions based on Rights Holder's feedback and resubmit a revised version. In the event Rights Holder has rejected two or more revisions, Lead Translator will be entitled to request that Babelcube determine whether a revision rejected by Rights Holder should be deemed acceptable. If Lead Translator requests Babelcube's review, Lead Translator and Rights Holder will each have 10 business days to provide Babelcube a written statement of not more than two pages of their respective reasons as to why the revision should or should not be approved. Lead Translator and Rights Holder will submit their written statements to Babelcube via email to support [at] babelcube [dot] com. Babelcube will compare the completed Translated Book to the first 10 pages approved by Rights Holder for consistency in quality and general consistency with industry standard high quality Translated Books. Babelcube will make a recommendation to both Rights Holder and Lead Translator as to whether the completed Translated Book should be deemed approved. If Babelcube determines that the revision made by Lead Translator should be approved and Rights Holder agrees, the revision will be deemed approved by Rights Holder. If Babelcube determines that the revision made by Lead Translator should be approved and Rights Holder does not agree, the revision will be deemed disapproved by Rights Holder and Rights Holder may terminate this Agreement by payment of a cancellation fee to Translator in accordance with Section 10(b).

In the event Lead Translator fails to submit the completed translation of the Translated Book by the Delivery Date for the complete translation, cancellation terms are described in Section 10 of the Agreement.

- e) **Babelcube Approval.** At any time, before or after publication, Babelcube may review the completed Translated Book for consistency with industry standard high-quality translated books. Babelcube will have the right to accept or reject the Translated Book in its discretion or provide instructions on how to meet Babelcube's standards for completed translated books. If Babelcube rejects the Translated Book, this Agreement will terminate and no party to this agreement will have any claim against any other party.

6) Exclusive Right of Translator to Produce Translated Book

Rights Holder will not produce or sell, or grant any third party the right to produce or sell, a translated version of the Book in the Language(s) for distribution in the Territory during the exclusive distribution period granted to Babelcube and set forth in Section 7. Translator understands that if Rights Holder or Translator terminates this Agreement as permitted in this Agreement, Rights Holder will be free to engage another Translator to produce the Translated Book and will have no further obligation to Translator with respect to the Translated Book.

7) Distribution By Babelcube

a) Rights Holder grants Babelcube the exclusive license to use, reproduce, display, market, sell and distribute the Translated Book throughout the Territory in all formats now known or hereafter invented from the Effective Date until the date that is five (5) years from such Effective Date (such 5 year period, the "Initial Distribution Period"). After the Initial Distribution Period, this Agreement will renew automatically for additional one (1) year terms (each, a "Renewal Distribution Period") unless Rights Holder or Babelcube provides notice of termination to the other party at least 60 days prior to the end of the Initial Distribution Period or then-current Renewal Distribution Period in accordance with the notice provisions provided below. During the Distribution Period (as defined below) Rights Holder will not, and will not permit any third party to, directly or indirectly distribute, sell, or offer for sale the Book, or any portion thereof, in the language(s) the Rights Holder provided Babelcube for distribution in the Territory in any format.

The Initial Distribution Period and each Renewal Distribution Period (if any), in either of the above cases, is the "Distribution Period."

b) Right to Edit. Babelcube may modify, reformat, encode, adapt and edit the Translated Book to make the Translated Book compatible with the Babelcube service, including but not limited to by (a) adding Babelcube's standard distributor information, and (b) removing flaws or elements that are, in Babelcube's judgment, incompatible or inconsistent with the Babelcube service (e.g., spelling errors, grammatical mistakes, etc.).

c) Additional Territories. Rights Holder may expand the Territory at any time by adding additional territories (each, an "Additional Territory"). If Rights Holder wants to grant Babelcube distribution rights in an Additional Territory, Rights Holder may notify Babelcube by emailing Babelcube at support [at] babelcube [dot] com or using such other means as Babelcube may provide for provision of notice of Additional Territories. By notifying Babelcube that Rights Holder wishes to include Additional Territories, Rights Holder makes all representations and warranties in Section 3 of this Agreement with respect to the Additional Territories. The "Territory" will be deemed to include each Additional Territory as of the date of Right Holder's notice to Babelcube and Babelcube's distribution rights under this Agreement will automatically extend to include the Additional Territory.

- d) **Excerpts.** Rights Holder will provide Babelcube a verbatim excerpt of the Translated Book not exceeding 10 pages in length or 10% of the total page count of the finished Translated Book, whichever is longer. During the Distribution Period, Babelcube will have the right to use, reproduce, display and distribute such excerpt or any other excerpts from the Translated Book in any media now known or hereafter invented for purposes of advertising and promoting the Translated Book and the Babelcube service. Any such excerpts will not exceed 10 pages in length or 10% of the total page count of the finished Translated Book, whichever is longer, and will be a verbatim excerpt from the Translated Book (each, a "Babelcube Excerpt"). Babelcube grants Rights Holder and Translator a non-exclusive, non-transferrable, non-sublicensable license to use a Babelcube Excerpt solely for purposes of promoting the Translated Book.
- e) **Cover Art.** During the Distribution Period, Babelcube will have the right to use and distribute any cover art, graphics, images, or other artwork related to the Translated Book that Right Holder provides to Babelcube ("Artwork") and the title of the Translated Book in any media now known or hereafter invented for purposes of advertising and promoting the Translated Book and the Babelcube service. Rights Holder will provide Artwork needed to distribute the book, including cover art with the translated title of the book, to Babelcube via the Babelcube online system or as otherwise instructed by Babelcube. Babelcube may modify and/or reformat the Artwork.
- f) **Right of Publicity Grant.** During the Distribution Period, Rights Holder grants Babelcube the right to use the Book's author name, approved likeness, and approved biographical information in the Territory in any media now known or hereafter invented for purposes of advertising and promoting the Translated Book and the Babelcube service. Rights Holder will, promptly, on request, provide Babelcube an image and brief written biography suitable for use by Babelcube in the marketing of the Translated Book. Any image or biographical information the Rights Holder provides will be deemed approved by the Book's author upon submission to Babelcube. If Rights Holder is not the author of the Book, Rights Holder agrees to obtain for Babelcube the right to use, during the Distribution Period, the author's name, likeness, and biographical information in the Territory in any media now known or hereafter invented for purposes of advertising and promoting the Translated Book and the Babelcube service.

During the Distribution Period, Rights Holder grants Babelcube the right to use and distribute free copies of the Book for promotional purposes.

- g) **Exercise of Rights and Sublicense.** Babelcube may exercise any of the rights granted to it under this Agreement or discharge any of its obligations under this Agreement through any third party. Babelcube may sublicense any of the rights granted to it under this Agreement to any third party and may permit any sublicensee to sublicense the rights Babelcube grants to it. Babelcube will remain responsible for each sublicensee's compliance with this Agreement.

h) Babelcube Controls its Distribution Decisions. Babelcube will have sole discretion over all decisions related to its distribution of the Translated Book. Rights Holder understands that Babelcube is under no obligation to distribute the Translated Book or, if Babelcube commences distribution of the Translated Book, to continue to distribute the Translated Book and that Babelcube makes no assurance to Rights Holder that Babelcube will aid the sale of any minimum number of units of the Translated Book. Notwithstanding the foregoing, if, within 6 months after the finished Translated Book is delivered to Babelcube, Babelcube has not started distributing the Translated Book, Rights Holder may send Babelcube notice in accordance with the notice provisions provided below requesting that Babelcube commence distribution of the Translated Book. If Babelcube does not commence distributing the Translated Book within 3 months after Babelcube confirms receipt of said notice, this Agreement may be terminated upon 30 days' notice provided by Rights Holder in accordance with the notice provisions provided below and all rights in the Translated Book granted to Babelcube in this Agreement will revert to Rights Holder.

8) Distribution and Payment Terms

- a)** Rights Holder engages Babelcube to distribute the Translated Book in the Language(s) in the Territory during the exclusive distribution period granted to Babelcube as set forth herein.
- b)** As full consideration for all services performed by Translator under this Agreement, and provided Translator is not in breach of this Agreement, for all sales of the Translated Book in the Language(s) in the Territory, Babelcube will pay Translator the royalty amount set forth on Appendix B.
- c)** Translator is responsible for all of Translator's costs and expenses in producing the Translated Book.
- d)** As full consideration for the rights held by the Rights Holder under this Agreement, and provided Rights Holder is not in breach of this Agreement, for all sales of the Translated Book in the Language(s) in the Territory, Babelcube will pay Rights Holder the royalty amount set forth on Appendix B.

9) Withholding and Offset of Royalty Payments

Translator understands and agrees that Translator will not be entitled to payment of royalties if Translator is in breach of any of its obligations to Babelcube or to another Babelcube participant under any Babelcube agreement applicable to the Translated Book. In that case, royalties due Translator will continue to accrue, but royalty payments may be withheld until Translator cures the applicable breach. Further, any indemnity or other payment that Translator owes Babelcube may be offset against royalty payments that Babelcube owes Translator.

If Rights Holder is in breach of any of Rights Holder's obligations to Babelcube ("Breach") or if a third party has asserted that Rights Holder did not have all rights required to grant the rights that Rights Holder grants in this Agreement ("Third Party Claim"), royalties rightfully

due to Rights Holder or Translator on the Translated Book will continue to accrue, but Babelcube is entitled to withhold the royalty payments until Right Holder cures the Breach or fully resolves the Third Party Claim. Rights Holder will notify Babelcube of any Breach or Third Party Claim of which Rights Holder is aware within 5 days after Rights Holder learns of the Breach or Third Party Claim. Further, Babelcube is entitled to offset amounts that Rights Holder owes Babelcube related to a Translated Book against royalty payments Babelcube owes Rights Holder on the applicable Translated Book.

If a breach by Translator or Rights Holder is not cured after 12 months, Babelcube will no longer be responsible to accrue or pay royalties from the time of breach.

10) Additional Rights of Termination

a) Termination with No Termination Fee. In addition to the rights of the parties to terminate this Agreement without payment of fees pursuant to Sections 5, 17, the parties may terminate this Agreement with no fee or compensation of any kind owing to each other as follows: (i) Lead Translator may terminate this Agreement without reason until the Rights Holder approves the Completed Translated Book, provided that Lead Translator provides written notice of termination to Rights Holder; and (ii) Rights Holder may terminate this Agreement if Lead Translator fails to deliver the first 10 pages of the Translated Book or the final version of the Translated Book for Rights Holder's approval by the applicable date set forth in Appendix A and fails to do so within 48 hours of either the Rights Holder's written request to Lead Translator to do so or a written reminder from Babelcube.

b) Termination with Termination Fee. In addition to the rights of the parties to terminate this Agreement without payment of fees pursuant to Sections 5, 10(a), and 17, Rights Holder may terminate this Agreement by provision of written notice of termination to Lead Translator and Babelcube subject to payment of a termination fee.

i) Before final version of the Translated Book has been approved

Before the Completed Translated has been approved, as a termination fee, Rights Holder must pay Translator (which could be a Translation Team) a cancellation fee equal to \$500, plus all reasonable, documented costs Translator incurred in producing the Translated Book prior to the date of Rights Holder's provision of written notice of termination.

Rights Holder may not cancel Translator's engagement under this Section 10(b)(i) after Lead Translator has completed the Translated Book and has been given approval by Rights Holder as detailed in Section 5.

ii) After final version of the Translated Book has been approved

If the Rights Holder is unable to comply with this agreement because of a preexisting conflicting legal obligation(s) and the Completed Translated Book has been approved, the Rights Holder may terminate this Agreement by giving written notice of termination to Lead Translator and Babelcube subject to payment of a termination fee. As a termination fee, Rights Holder must pay Translator (which

could be a Translation Team) a cancellation fee equal to \$750, plus all reasonable, documented costs Translator incurred in producing the Translated Book prior to the date of Rights Holder's provision of written notice of termination.

- 11) Ownership.** Subject to the restriction on Translated Book production rights above and the distribution rights granted by Rights Holder to Babelcube, Rights Holder will retain all right, title, and interest in and to the Book and the Translated Book, including the copyright in the Book and the copyright in the Translated Book. Translator agrees that the Translated Book is a "work made for hire" to the full extent permitted by applicable law, with all copyrights in the Translated Book owned by Rights Holder. To the extent that the Translated Book does not qualify as a work made for hire under applicable law, Translator assigns to Rights Holder all right, title and interest and all intellectual property rights Translator may have in and to the Translated Book including, but not limited to, all copyright or rights of authorship (including moral rights) in the Translated Book. Translator agrees to execute all documentation reasonably required to evidence the ownership interests and rights of the Rights Holder.
- 12) Indemnification.** Rights Holder will defend Babelcube, and its subdistributors, and their respective officers, directors, employees, and agents (the "Babelcube Parties") from any losses, costs, or liabilities incurred by any of them (a) as a result of a breach by Rights Holder of any of Rights Holder representations or warranties in this Agreement, (b) as a result of Rights Holder failure to meet any of Right Holder's other obligations set forth in this Agreement or with respect to Babelcube generally or (c) as a result of Rights Holder negligence, strict liability or intentional misconduct (individually, a "Claim", and collectively, the "Claims"). Rights Holder will indemnify each Babelcube Party against any liability (including reasonable attorneys' fees) incurred by that Babelcube Party relating to any Claim, except to the proportional extent the liability is caused by the negligence or intentional misconduct of that Babelcube Party as determined by a final, non-appealable order of a court having jurisdiction. Rights Holder will not consent to the entry of a judgment or settle without the Babelcube Parties' prior written consent, which may not be unreasonably withheld. Rights Holder will use counsel reasonably satisfactory to the Babelcube Parties, and the Babelcube Parties will cooperate in the defense. If any Babelcube Party reasonably determines that any Claim might have an adverse effect, that Babelcube party may take control of the defense at its expense (without limiting Rights Holder's indemnification obligations). Right Holder's obligations under this Section 12 are independent of its other obligations under this Agreement.
- 13) LIMITATION OF LIABILITY.** BABELCUBE IS NOT LIABLE TO RIGHTS HOLDER OR TRANSLATOR UNDER ANY CIRCUMSTANCE FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE, OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR OPPORTUNITIES.
- 14) Assignment.** Rights Holder may not assign any of Rights Holder's rights and obligations under this Agreement without Babelcube's prior written consent. Babelcube may assign any of its rights and obligations under this Agreement. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the Parties and their respective

successors and assigns. Any attempted assignment in violation of this Section 14 will be null and void.

- 15) Confidentiality.** Rights Holder and Translator will (a) protect Babelcube's information that is identified as confidential or that reasonably should be considered confidential; (b) use such information only to fulfill their obligations under this Agreement; and (c) return such information to Babelcube promptly when this Agreement terminates.
- 16) Right of Publicity Grant.** Translator agrees that Rights Holder and Babelcube will have the right to use Translator's name, likeness, and biographical information in marketing for the Translated Book in any media without time or use restrictions. Translator will, promptly on request, provide Rights Holder and Babelcube an image and brief written biography suitable for use by Rights Holder and Babelcube in the marketing of the Translated Book.
- 17) Failure to Perform.** If Translator is prevented from performing by reason of Translator's accident or mental or physical disability or incapacity ("incapacity"), or if Translator refuses or neglects to perform Translator's services ("default"), then Babelcube may suspend Translator's services and compensation from the date of such incapacity or default. If Translator is prevented or interrupted in the production of the Translated Book by reason of any event beyond Translator's reasonable control, including governmental law, acts of God, strike, armed conflict, death, or any similar cause ("force majeure event"), then Babelcube may suspend Translator's services and compensation for the duration of such force majeure event. If Translator's failure to continue to produce the Translated Book due to incapacity or a force majeure event continues for a period of 20 consecutive business days, Babelcube may provide Translator written notice of termination. This Agreement will automatically terminate 10 business days after Translator's receipt of this written notice from Babelcube if Translator fails to cure Translator's inability to perform within 10 business days. In the event of any such termination, Translator's rights to produce the Translated Book will terminate, the Translated Book translation rights in the Book for the Language and Territory will revert to Rights Holder, and Babelcube will owe no payment to Translator.
- 18) Independent Contractor.** Translator will provide services to Rights Holder and Babelcube on an independent contractor basis. Translator is solely responsible for the payment of all taxes applicable to all sums paid to Translator hereunder. Translator will have no authority to bind Rights Holder or Babelcube in any way or to make any commitments to anyone on behalf of Rights Holder or Babelcube without Rights Holder's or Babelcube's prior written consent.
- 19) Assignment.** Rights Holder may assign its rights hereunder in whole or in part to any person, firm or corporation, and such rights may be assigned by any assignee thereof, but no such assignment will relieve Rights Holder of any of its obligations under this Agreement. Translator's services are of a unique, extraordinary, and personal character which gives them a peculiar value, and therefore may not be assigned by Translator. Any purported assignment by Translator will be null and void.

- 20) General.** This Agreement constitutes the entire understanding between Babelcube, Rights Holder and Translator with respect to the subject matter hereof, supersedes all other agreements and understandings between the parties, and may not be modified or amended, except by a writing signed by all parties, provided that, to be valid, any writing that amends this Agreement must otherwise comply with the terms and conditions of Babelcube. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement. A waiver by either party of any term or condition of this Agreement in any instance will not be deemed a later waiver of such term or condition or of any later breach thereof, or as a waiver of any other term or condition in this Agreement. This Agreement, and all rights and duties of the parties, will be governed by and enforced in accordance with the laws of the United States of America, excluding any conflict of law's provisions. All disputes with respect to matters under this Agreement or with respect to this Agreement will be subject to the exclusive venue and jurisdiction of the courts sitting in the State of Delaware. All notices that either party is required or desires to serve on the other will be provided through the Babelcube messaging system or to an address that a party has provided to the other party for provision of notices through the Babelcube messaging system, or to the address detailed by each party in Section 1. Notice will be deemed given when notice is provided through the Babelcube messaging system and in a writing sent to a party's physical address via registered mail, return receipt requested. The date of that is 24 hours following the date of registered mailing will be deemed the date of service or delivery. The party sending notice will also provide Babelcube a copy of such notice at support [at] babelcube [dot] com.
- 21)** This Agreement may be executed either:
- a)** Through acceptance via the online process at Babelcube.com, or
 - b)** In counterparts, each of which shall be deemed to be an original and such counterparts together shall constitute one and the same agreement. The delivery of an executed counterpart copy of this Agreement by facsimile or telecopy or by electronic transmission in portable document format (PDF) shall be deemed to be equivalent of the delivery of an original executed copy thereof.

Signed:

Babelcube:

Babelcube Inc.
737 Downing Street
Teaneck, NJ 07666, USA

By: Mark Dresdner

Position: CEO

Date: (“Effective Date”)

Rights Holder:

Name of Rights Holder:

Address:

Translator(s):

Name of Lead Translator:

Address:

Name of Editor and Proofreader:

Address:

APPENDIX A

The Book

Book Title:

Book Author:

Language:

Word count (approximate):

Additional documents:

LANGUAGE(S)

To be translated into:

TERRITORY

Territories:

DELIVERY DATES

Days from receipt of material to be translated:

First 10 pages:

Completed Translated Book:

SHARE OF TRANSLATOR ROYALTIES

Lead Translator's share:

Editor and Proofreader's share:

Appendix B

Royalty Terms

These **Translated Book Royalty Payment Terms and Procedures for Babelcube Exclusive Distribution Rights** ("Royalty Terms") set forth the terms by which Babelcube will calculate and pay royalty payments owed to Rights Holder and Translator in connection with Babelcube's distribution of the Translated Book ("Royalties"). The Translator royalties cover all Translators involved, including all members of the Translator Team, if there is one. These Royalty Terms form a part of the Babelcube Standard Agreement for Translation and Distribution ("Agreement"). Capitalized terms used in these Royalty Terms but not defined have the meaning assigned to them in the Agreement.

Babelcube will pay Royalties to Rights Holder and Translators only on Babelcube Net Sales Receipts (as defined below) it receives from sales of the Translated Book. Babelcube has the right to withhold any taxes on the royalty payments it deems required by law to be withheld and remitted to a relevant tax authority. Withholding tax will be deducted from Royalties. Babelcube will calculate Royalties using the variable Royalty Rate below.

Net Sales Receipts means the monetary amount received by Babelcube from sales of each unit sold by Babelcube and Babelcube's sub-distributors, less any cash incentives, promotional discounts, sales or use taxes, excise taxes, value-added taxes, duties, distribution fees, and returns ("Net Sales Receipts").

Royalty Rates

The percentage royalty rate that Babelcube will use to calculate Royalties ("Royalty Rate") will depend on the US Dollar value of Net Sales Receipts of the Translated Book received by Babelcube. The Royalty Rate will vary based on the cumulative US Dollar value of Net Sales Receipts as provided in the following chart, and will change as more units are sold.

Net Sales Receipts	Royalty Rate for Rights Holder	Royalty Rate for Translator (Translator Team, if working as a team)
From 0 to 2,000 US Dollars	30%	55%
From 2,000 to 5,000 US Dollars	45%	40%
From 5,000 to 8,000 US Dollars	65%	20%
From 8,000 US Dollars	75%	10%

Royalty Calculation. During the Distribution Period, Royalties for each sale will be calculated by multiplying the Royalty Rate set forth in the chart above by Babelcube's Net Sales Receipts received from the Translated Book during the immediately preceding monthly period. No Royalty will be paid on the transmission or distribution of downloads or other copies of the Translated Book distributed for free for purposes of review, sample, advertising, publicity or promotion.

The sharing of the royalties among Translators within a Translation Team are determined by the Translators and are part of this agreement.

Royalty Statements and Payments. Babelcube will provide the Rights Holder and Translator a statement of Royalties, together with a payment in the amount of any Royalty due, on a calendar monthly net 60 day basis from the time Babelcube receives payment, commencing with the first full month after the Translated Book is first offered for sale by Babelcube. If the Royalties owed to for any accounting period are less than \$50, Babelcube will have the right to withhold making a payment and carry such payment forward to the next monthly reporting period. Babelcube has the right to deduct from each royalty payment fees based on the payment method and if payment currency is not US Dollars. Any Babelcube royalty statements Babelcube provides will be considered final and incontestable three (3) months from the date the statements are provided by Babelcube, if it does not receive notice of objection to the statements within that period of time.