

Please sign and fax to 901-221-4055, email to info@innovopublishing.com, or mail to our address (as listed in the NOTICES section below).

PARTIES INVOLVED

This "Agreement" is a Contract and is entered into between you, hereafter referred to as "Author", and Innovo Publishing, LLC, hereafter referred to as "Innovo". Your manuscript and all original components are hereafter referred to as "Work" or "Submission".

AUTHOR RIGHTS

Author retains the copyright to his/her Work. Innovo acquires no right of ownership to Author's Work. Author acknowledges and agrees that Innovo is a provider of publishing services only (e.g., altering, storing, printing, marketing, advertising, selling, providing Internet access, etc.) and that Author is responsible for the content of the Work.

AUTHOR PUBLISHING SERVICES PURCHASE COMMITMENT

Author agrees to purchase Innovo publishing services as outlined in Attachment A for the cost and fees noted therein. Payment as defined in Attachment A is due in full upon signing agreement. Author is not required to make any purchases of any Title edition.

INNOVO PUBLISHING COMMITMENT

In consideration of this agreement and based on the payments and services noted herein, Innovo commits to publish the Title/Work in the editions outlined in Attachment A, and based on the terms described herein.

RETAIL PRODUCT & PRICE

Author must set a retail price for his/her Work. The retail price will be included in the barcode on the back cover of Author's book. Retailers/resellers, however, may resell the Work at a discount off of the retail price. Establishing a realistic retail price is important because resellers may not select, purchase, or resell Author's Work if the retail price set by Author is too high compared to similar books—and, of course, consumers may not pay a price they believe is too high. Author understands that after the Work is submitted to Innovo, changes to the retail price require changes to the book cover, barcode, and setup, and will require additional fees to be paid by Author.

WHOLESALE PRODUCT & PRICE

PHYSICAL TITLES: Author must set a wholesale price target for his/her physical Title. The minimum and maximum physical title wholesale ranges permitted are defined in Attachment A. Author agrees and accepts that third (3rd) parties—like Amazon, B&N, Spring Arbor, bookstores, etc.—who agree to resell Author's Title may purchase Author's Title for the wholesale price/discount established. Author understands and accepts that the standard industry "Trade Discount" (i.e., wholesale discount for physical titles) is 55%. Author understands that if he/she sets a wholesale price/discount less than 55% for physical titles, his/her Work may be selected and offered by fewer wholesalers and retailers in Innovo's distribution network. Author understands that the Author's wholesale price must be set greater than Innovo's per title costs and fees.

DIGITAL TITLES: Third (3rd) party resellers require a wholesale discount (or an equivalent agreement) in exchange for carrying/reselling a digital title. Where contractually permitted and enabled by 3rd Party resellers, Innovo will set the Title's digital edition wholesale price/discount (or equivalent agreement) equal to the physical product's wholesale price/discount. However, Author understands and accepts that the wholesale discount (or equivalent charges) for digital Titles required by 3rd parties/resellers may be higher than the 55% Trade Discount for physical products. In those cases, Innovo will automatically offer the digital title for the higher wholesale percent discount required by the 3rd party up to the digital title wholesale discount cap defined in Attachment A.

AUTHOR ROYALTIES & PAYMENT SCHEDULE

Innovo will pay Author royalties on each copy of Author's Work sold to 3rd parties (e.g., Ingram, Spring Arbor, Amazon, B&N, Audible, etc.). The royalty rate for copies sold to 3rd parties is documented in Attachment A and is a percentage of net receipts. Net receipts is defined as the amount of money Innovo receives from the wholesale price (or equivalent agreement for digital titles) of Author's Work, minus all of Innovo's costs and fees including network access, manufacturing, printing, fulfillment, maintenance, management, and returns.

Author royalties and net receipts are calculated based on the wholesale price (or equivalent) paid by the 3rd party to Innovo—not the retail price paid by the consumer to the 3rd party. For example, if a 3rd party (like Amazon) buys Author's physical Title from Innovo for a wholesale price of \$5 dollars and resells Title for the suggested retail price of \$10 dollars, Author's royalties would be based on the \$5 dollar wholesale price paid to Innovo (minus Innovo's charges/fees)—not the \$10 dollar retail price paid to the 3rd party by the consumer. Similarly for digital titles, if a 3rd party sold Author's Title for a retail price of \$10 dollars and kept (charged) 60% of the retail sale price as their 3rd Party fee/wholesale discount, Author's royalty would be based on the 40% or \$4.00 dollars remitted to Innovo (minus Innovo's charges/fees).

Applicable taxes will be deducted from Author's royalty payments. Author shall not receive royalties on copies that Author purchases using Author's discount. Royalties will be paid within 45 days of the end of each calendar year quarter (i.e., 4 times per year), except when the returns program is purchased, in which case royalties will be paid 185 calendar days after the last returnable purchase is made. Author is responsible for paying, within 15 calendar days of notice, the total cost of all returns that are in excess of Author's royalty/balance then in Author's Innovo account.

Innovo may withhold royalty payments until total royalties due reaches \$25. In order to receive royalty payments, Author shall provide his/her Social Security Number to Innovo for tax purposes, and Author agrees to keep his/her physical mailing address current by informing Innovo in writing of address and address changes (see NOTICES section below). Royalty payments are not included with Innovo book packages that do not include Innovo's distribution services.

DISCOUNTED BOOK PURCHASES FOR AUTHORS

Author is not required to purchase ANY copies of his/her Work; however, Author may purchase from Innovo one or more copies of his/her Work at Innovo's Author Discount rate documented in Attachment A. This is a significant benefit offered as part of the Author/Innovo relationship. Author discounts rates will normally be reviewed and updated by Innovo annually and any changes will be included in the updated annual author agreement. However, Author understands and agrees that Innovo may unilaterally change the author discount rate at any time to meet business needs and such changes shall be effective immediately and may be implemented without prior notice.

COVER DESIGN & CREATION

Innovo will create a professional, attractive book cover as part of this Agreement. Innovo will design the cover based on the book summary, back cover blurb, and other information supplied by Author. Authors who have graphics, images, or ideas they wish considered in the cover design should submit them with the initial manuscript submission and payment. Innovo will make good faith efforts to consider Author's suggestions, materials, and ideas, but does not guarantee incorporating them into the final cover. Author understands that Innovo shall not create original graphics, images, drawings, or similar components unless such service is purchased and specified in Attachment A; that cover colors as viewed on a computer screen may vary from actual printed colors; that printed cover colors will vary between print runs; and that Innovo will not refund fees due to color variations or book cover errors.

Author Initials _____

SUBMISSIONS & MISCELLANEOUS FEES

Author agrees that his/her manuscript, author biography, back cover blurb, and all other written materials shall comply with Innovo's published Manuscript Submission Guidelines and Innovo's published Submission Checklist, and that all submitted materials are in final, Author-approved, "as is" form. All editing, proofreading, and any other content corrections are to be made by Author before submission. Authors who purchase Innovo's editing or formatting services will submit their manuscript in final, Author-approved, "as is" form once the editing/formatting is complete. Author acknowledges that any changes to previously submitted materials may result in delays and/or additional change-related fees, which are subject to change at any time. Author acknowledges and understands that Innovo will not reimburse or refund fees or replace books due to textual or content errors.

INTERIOR FORMATTING

Innovo will reformat the interior of the Work as needed to create a professional appearance and to ensure the Title will meet printing specifications and requirements. Author will be given the opportunity to review/sign off on any interior formatting changes made by Innovo prior to going to print. Author understands that while Innovo will make good faith efforts to incorporate Author's suggestions or ideas into the final interior format, Innovo does not guarantee it will perform any special or unique formatting requests made by Author. Innovo will not refund fees due to formatting changes or format errors. Additional fees may apply for complex formatting needs as specified in Attachment A.

ANNUAL MAINTENANCE FEE FOR PHYSICAL EDITIONS

Author shall pay an annual maintenance fee for each title that is created for sale as a physical product (e.g., paperback book, hardback book, Music CD, etc.). The exact amount of the physical edition annual fee is defined in Attachment A. The fee is due at the time this agreement is signed, and thereafter on January 1 of each subsequent year. The annual maintenance fee must be received by Innovo by January 31 of each year, or Author will be in breach of this agreement. Annual maintenance fees are non-refundable and subject to yearly changes. Innovo may deduct this annual fee from royalty payments if Author does not pay this annual fee separately by the due dates noted.

DIGITAL NETWORK ACCESS FEES FOR DIGITAL EDITIONS

Author shall pay digital network access fees for each title that is created for sale as a digital product (e.g., eBook editions, digital audio book editions, digital music, digital videos, etc.). The digital network access fees include a per sale digital network access fee with a minimum, cumulative annual network access fee. The fee amounts are outlined in Attachment A. The per sale digital network access fee is deducted from the proceeds at the time of each digital sale. If the minimum annual network access fee amount has not been met by the end of each calendar year, the unpaid balance of the minimum fee amount is due at the beginning of the next calendar year (i.e., on January 1 of each year). The minimum annual network access fee must be paid in full to Innovo by January 31 of each year, or Author will be in breach of this agreement. Innovo may deduct this fee from royalty payments if Author does not pay this annual fee separately by the due dates noted. Digital network access fees are non-refundable and subject to yearly changes.

DISTRIBUTION TIME SCHEDULES & GUARANTEE

Innovo intends to publish Author's Work within 85 days, unless Innovo's RUSH service has been purchased, in which case the Work is targeted to be published within 45 days. The timeframe starts when the signed, written agreement, full payment, and the final version of all author materials, including the final edited manuscript, have been received by Innovo. If RUSH service is purchased and is not met, Author will receive a full refund of the RUSH service fee plus 3 free paperback copies of his/her Work, unless the

delay was due to Acts of God or Author-caused delays (e.g., slow response; lack of Internet or email capability; excessive correction requests, resubmissions, etc.). Publishing is considered complete when the print-on-demand version of the Work has been made available for distribution through Innovo's distribution network. Additional time beyond the 45- or 85-day period is required for Innovo's network of wholesalers, resellers, and retailers to review, select, and offer the Work to consumers.

RIGHTS GRANTED

Author grants Innovo limited, non-exclusive rights to alter, store, print, distribute, market, advertise, promote and sell the Work globally. Innovo may, at its own internal expense (nonretail, non-royalty paying), print and/or distribute copies of all Title editions for promotional or marketing purposes. Author acknowledges and agrees that Innovo is a provider of publishing services only (e.g., storing, printing, marketing, selling, providing Internet access, etc.) and that Innovo assumes no responsibility for reviewing or correcting the content of the Work.

TERM, TERMINATION, & EXCLUSIVITY

This Agreement is non-exclusive. Author may enter into another publishing agreement for this Work at any time. Either party may terminate this Agreement at any time in writing (see NOTICES section below) with or without cause. If Author terminates Agreement after submission of a manuscript and payment, Innovo shall, at its discretion, offer either a pro-rated credit or a pro-rated refund of the publishing services fees as follows: 75% credit or refund if Agreement is terminated within 3 calendar days or less; 50% if between 4 and 6 days inclusive; 25% if between 7 and 9 days inclusive. No credit or refund will be offered after 9 calendar days. Publishing services fees are defined in this section as fees directly related to a book package such as Innovo's Basic, Pro, or Blockbuster packages. Fees for other add-on or individual pre-production or post-production services such as scanning, editing, cover design, or advertising are not refundable.

AUTHOR WARRANTIES

Author represents, warrants, and guarantees that he/she is the only, sole, and exclusive author of the Work; that Author is the owner of any trademarks and/or trade names related to the Work; that Author is the owner of the copyright to the Work including all of its materials/contents (or has secured and, in all respects, gained the full legal right to include the materials/content in the Work); that the Work is original and is not plagiarized, libelous in any respect, or illegal in any way; that the entire content is Author's own creation and does not contain anyone else's creation(s)—unless Author has secured, licensed, paid for, or, in all respects, gained full legal rights to include and sell other's creations as part of the Work; that the Work does not contain any obscenity or hate literature; that if any portion of the work is fiction, it does not represent any real person or real event in any way whatsoever; and that Author has the full and complete legal right to enter into this Agreement.

AUTHOR INDEMNITIES

Author agrees to pay for and indemnify Innovo and its founders, members, employees, representatives, advisors, and successors from any and all manner of claims, liabilities, damages, expenses (including attorney's fees), awards and judgments resulting from claims and/or legal suits, or proceedings regarding ownership, libel, slander, plagiarism, copyright infringement, trademark infringement, privacy violations, misappropriation, and any similar claims or actions resulting from the use, publication, sales, marketing, and/or advertising of the Work and/or the Author's breach of any warranty in this Agreement.

INNOVO PUBLISHING DECISION RIGHTS

Innovo reserves the right to decline to publish or to publish under an alternate imprint, this Work or any Work that contains, or is later found to contain, material that is deemed by Innovo to be offensive, graphically sexual in nature, libelous, profane (e.g., contains profanities), slanderous, which violates copyright, or which is in opposition to or is inconsistent with historical and traditional Christian principles and values. Innovo may cancel this Agreement if the Work is found to contain content that is inconsistent with the above statements. If Innovo terminates this Agreement on the basis of these decision rights, Author may receive a partial credit or refund. Author shall not use the Innovo name, logo, or any Innovo references or materials to market, advertise, or otherwise promote this Work or any Work Innovo declines to publish or publishes under an alternate imprint.

INNOVO INTELLECTUAL PROPERTY & PROPERTY RIGHTS

Author who have paid in full for their Innovo services may use the book cover design and interior layout design created by Innovo for Author's Work, provided Author licenses any 3rd party stock photos included in the cover or interior design and Author adheres to the stock photo license agreement & terms. Author agrees that Innovo retains all intellectual and property rights and ownership of all physical and/or electronic data, files, and materials that Innovo creates or prepares during Innovo's activities to store, print, distribute, market, sell, and/or publish Author's Work, regardless of where these physical or electronic artifacts created and/or prepared by Innovo may be maintained.

NOTICES

All official notices to Innovo must be submitted in writing to Innovo at 3541 Waterford Cove N, Suite 1, Collierville, TN 38017.

LOSS OF MATERIALS & DAMAGES

Innovo will take reasonable efforts to care for and to return in the condition they were received materials (e.g., diskettes, CDs, artwork, photographs, etc.) submitted by Author to Innovo to support publication of Author's Work; however, Innovo is not responsible for any damages or loss of Author materials, and Author is responsible for paying return shipping costs in advance.

COMPLETE AGREEMENT

This written Contract or "Agreement" contains the sole and entire agreement between the parties and shall supersede any and all other prior express or implied agreements between the parties. This Agreement may not be modified or amended except in writing, signed by the party against whom such modification or amendment is sought to be enforced.

LAW & VENUE

The Author and Innovo agree that the laws of the State of Tennessee shall govern this Agreement.

The undersigned hereby agrees to all terms and conditions of this Agreement.

(Author; Printed Name)

(Author; Signed Name)

(Date)

Please sign, date, and then fax this form to 901-221-4055, or email to info@innovopublishing.com, or mail this form to Innovo Publishing, LLC, 3541 Waterford Cove N, Suite 1, Collierville TN, 38017.

Author Initials _____