



Terms and Conditions

Services Agreement

1. Parties

This is a Services Agreement (this "Agreement") between the person ("AUTHOR") listed at the end of this Agreement and Authorhouse, Inc., with its principal offices at 1663 S. Liberty Drive, Bloomington, IN 47403, USA ("SERVICE PROVIDER") for the WORK listed at the end of this Agreement ("WORK").

2. Services

From among the various services outlined at the web site www.authorhouse.com (the "Web Site"), AUTHOR initially has selected and purchased the publishing package and/or other services that are identified in the Publishing Order Form submitted by AUTHOR to SERVICE PROVIDER, AUTHOR hereafter may select and purchase additional services offered from the Web Site. All services selected by AUTHOR from the Web Site, both initially and subsequently, are called the "Services," "SERVICES," or "services." This Agreement, in conjunction with the Terms and Conditions from time to time appearing on the Web Site, shall be binding for the use and fulfillment of each service selected and purchased by AUTHOR.

3. Publish and Distribution Services

AUTHOR hereby grants to the SERVICE PROVIDER the non-exclusive, worldwide rights to print, publish, distribute and sell the WORK in print form.

AUTHOR hereby grants to the SERVICE PROVIDER the non-exclusive, worldwide rights to print, publish, distribute and sell, in the eBook and audio book format, (i) the WORK, in whole or in part, and (ii) any compilations and collective works that include all or part of the WORK. eBook format is defined as any and all electronic formats, presently existing and created in the future, as determined at the sole discretion of SERVICE PROVIDER. eBook Format includes but is not limited to any and all electronic applications, such as Apple and Android applications and other applications, as determined at the sole discretion of SERVICE PROVIDER.

AUTHOR grants SERVICE PROVIDER the rights to exploit the licenses granted in Paragraphs 3 above through all such distribution channels (now or hereafter known), including online or electronic distribution channels (e.g., e-retailers, various web sites, Amazon Kindle, Kindle for iPhone, and the like), as SERVICE PROVIDER deems appropriate.

AUTHOR also grants to SERVICE PROVIDER the rights to use, display, and exhibit the WORK, excerpts from the Work, the title of the Work, and information regarding AUTHOR and/or the WORK (the "LICENSED MATERIALS") in all media now or hereafter known (including all electronic and print media) for the purposes of advertising, marketing and promoting the WORK. Electronic excerpts shall be viewable (at a minimum) on the Web Site, and/or partner web sites that have entered into agreements with SERVICE PROVIDER, in order to facilitate promotion, marketing, distribution, and sales of the WORK. This grant includes SERVICE PROVIDER's vendors, subcontractors, licensees and distributors and SERVICE PROVIDER'S respective affiliates. AUTHOR agrees to promptly provide any information requested by SERVICE PROVIDER for the purposes described above in this paragraph. Additional terms relating to advertising, marketing and promoting the WORK are set forth in Paragraph 16 below.

AUTHOR ACKNOWLEDGES THAT SERVICE PROVIDER HAS NO CONTROL OVER THE PURCHASING DECISIONS OF BOOKSELLERS OR BOOK BUYERS AND CANNOT BE HELD LIABLE FOR THEIR ACTIONS.

4. Storage and Hosting

AUTHOR grants to SERVICE PROVIDER the rights to copy, reproduce, warehouse, host, store, use, transmit and distribute tangible and electronic copies of the LICENSED MATERIALS (in any formats now or hereafter known, and using any computer, telecommunications or other hardware, software and technologies now or hereafter known) as deemed necessary or appropriate by SERVICE PROVIDER to facilitate its exercise and exploitation of the licenses and rights granted to it in Paragraph 3 above. This grant includes SERVICE PROVIDER's vendors, subcontractors, licensees and distributors and SERVICE PROVIDER'S respective affiliates.

5. Other Rights

All rights not expressly granted to SERVICE PROVIDER are reserved to AUTHOR.

6. Term

SERVICE PROVIDER's rights pursuant to Paragraphs 3 and 4 of this Agreement shall extend for three (3) years after the date SERVICE PROVIDER first releases the electronic files of WORK to the printer for publication by SERVICE PROVIDER. This Agreement will automatically renew for consecutive one (1) year term if neither party gives at least thirty (30) days advance written notice, prior to the end of the then-current term, that such party desires to terminate.

7. AUTHOR's Right of Termination

AUTHOR shall be entitled to terminate this Agreement effective thirty (30) days after SERVICE PROVIDER's receipt of a written termination notice. Upon the effective date of such termination, the refund policy outlined in Paragraph 5 of Schedule A shall apply and AUTHOR shall have the right to purchase the text and cover digital production files of the WORK in PDF format in accordance with the provisions of Paragraph 8 of Schedule A.

8. Royalty

AUTHOR will be paid Royalty as set forth in Schedule A. AUTHOR understands and hereby agrees to each of the following:

8.1 SERVICE PROVIDER will attempt to send the Royalty Payments to the last address on file and that AUTHOR must promptly cash all royalty payments within 60 days of mailing by SERVICE PROVIDER (the "Payment Cashing Period").

8.2 SERVICE PROVIDER may submit the Royalty Payments that are uncashed for any reason to various state and federal governmental authorities (the "Authorities"), in which case AUTHOR will need to deal directly with the Authorities to attempt to obtain the associated royalty payment funds, with no further responsibility or liability by SERVICE PROVIDER.

9. Submission Guidelines and Payments

AUTHOR shall follow all the submissions procedures and payment requirements attached in Schedule A.

10. Submission Acceptance

SERVICE PROVIDER reserves the right, in its sole discretion, by giving written notice to AUTHOR, not to accept a submission upon receipt. In such event, SERVICE PROVIDER will refund the AUTHOR's submission payment, but SERVICE PROVIDER shall have no obligation to return the submission package or the WORK.

11. Publication

SERVICE PROVIDER intends to publish the WORK within ninety (90) days after receipt of all required materials relating to the WORK, but in no case later than one hundred eighty (180) days after the receipt of all the required materials relating to the WORK. If SERVICE PROVIDER does not make the WORK available within such time, except for delays caused by external circumstances beyond its control, AUTHOR may give written notice to SERVICE PROVIDER to make the WORK available within thirty (30) days. If SERVICE PROVIDER does not do so, this Agreement shall terminate and all rights herein granted shall revert to AUTHOR.

12. Publication Format Terms and Conditions

SERVICE PROVIDER shall publish the WORK in paperback, hardcover, audio book, and/or eBook editions (if selected by AUTHOR as part of the SERVICES). SERVICE PROVIDER shall follow AUTHOR's suggestions for the interior design of the WORK where practicable, provided AUTHOR complies with SERVICE PROVIDER's interior design guidelines, and shall follow AUTHOR's suggestions for the custom-designed cover of the WORK provided AUTHOR complies with SERVICE PROVIDER's cover design guidelines.

In all other respects SERVICE PROVIDER shall determine the details of publication, including the appearance (including on-line presentation), price, production and manufacturing of the WORK. SERVICE PROVIDER will retain final discretion over style and formatting of the WORK and its cover. SERVICE PROVIDER also reserves the right to introduce additional versions of the WORK. SERVICE PROVIDER has the exclusive right to determine whether or not to utilize digital rights management (DRM) technology. AUTHOR acknowledges that AUTHOR may not utilize the formatted WORK, International Standard Book Number (ISBN), and cover with any other SERVICE PROVIDER at any time during or after the term of this Agreement. As the WORK can be available in multiple formats, SERVICE PROVIDER reserves the right to terminate and recommence individual ISBN's of the WORK in each different format selected by AUTHOR.

13. AUTHOR Proof

SERVICE PROVIDER will provide AUTHOR with the proofing option outlined on the Web Site, which AUTHOR has selected as part of the SERVICES. AUTHOR shall have fourteen (14) days to proof the WORK. AUTHOR shall use reasonable efforts to adhere to proofing procedures posted by SERVICE PROVIDER on the Web Site, and it is understood by AUTHOR that SERVICE PROVIDER may terminate this Agreement in the event AUTHOR does not provide the required proofing feedback. If SERVICE PROVIDER terminates publication due to a lack of required feedback from AUTHOR, SERVICE PROVIDER shall not be required to refund any submission payments, or return the submission package or WORK

14. Copyright and Title Registration

SERVICE PROVIDER agrees to include a copyright notice in accordance with AUTHOR's instructions in each copy of the WORK and to secure a unique ISBN for each print, audio book, and eBook version of the WORK.

15. AUTHOR Copies and Discounts

AUTHOR shall be eligible to receive purchase discounts as provided in Schedule A.

16. Title and AUTHOR Information

SERVICE PROVIDER may post pertinent information regarding AUTHOR or the WORK on the Web Site, as well as SERVICE PROVIDER's vendors and affiliates' web sites, in order to provide the Services in accordance with the terms of this Agreement. The information may include elements of the submission package, such as the AUTHOR biographical sketch and description of the WORK. SERVICE PROVIDER may also post or disseminate, on any web sites or in other media, additional information that SERVICE PROVIDER in its discretion believes may help promote AUTHOR or WORK. If SERVICE PROVIDER requests such information, AUTHOR agrees to promptly provide the requested information. This Paragraph 16 shall not be construed in any way to limit any of the rights and licenses granted to SERVICE PROVIDER in Paragraphs 3 and 4 above.

17. SERVICE PROVIDER Bankruptcy

If SERVICE PROVIDER commences bankruptcy proceedings, all rights herein granted to SERVICE PROVIDER shall revert to AUTHOR.

18. Termination by SERVICE PROVIDER

Upon giving thirty (30) days advance written notice, SERVICE PROVIDER may terminate publication of the WORK without cause, at which point all rights herein granted to SERVICE PROVIDER shall revert to AUTHOR. SERVICE PROVIDER also reserves the right to terminate this Agreement and to discontinue publication of the WORK at any time, effective upon forwarding written notice to AUTHOR, if, in SERVICE PROVIDER's judgment, the WORK may subject to SERVICE PROVIDER to the risk of litigation or other adverse commercial consequences. If such notice is given prior to publication of the WORK, SERVICE PROVIDER will refund amounts paid by AUTHOR less a \$150 fee to defray setup costs, and neither party will have any further obligations to the other. Notwithstanding anything to the contrary set forth elsewhere herein, AUTHOR's representations, warranties and indemnities set forth in Paragraphs 19 and 20 shall survive any termination or expiration of this Agreement, regardless of the reason therefore.

19. AUTHOR Warranties

AUTHOR represents and warrants the following to SERVICE PROVIDER:

(i) AUTHOR is the sole author of the WORK and the sole owner of the copyright in the WORK; AUTHOR either is the sole owner of the copyright in any associated cover or interior graphics supplied by AUTHOR for the WORK or has secured written permission (which AUTHOR will furnish to SERVICE PROVIDER together with any required third party credits) to use the same in the WORK; and AUTHOR has full power, authority and right to enter into this Agreement and to grant the rights herein granted;

(ii) This Agreement does not conflict with any arrangements, understandings, or agreements between AUTHOR and any other person or entity;

(iii) The WORK is not in the public domain and is entirely original except for portions thereof for which legally effective written licenses or permissions have been secured;

(iv) The WORK and all rights therein are free of liens, claims, interests or rights in others of any kind;

(v) The WORK as submitted, and its publication by SERVICE PROVIDER, and the WORK'S title do not and will not violate or infringe upon any rights of any other person or entity, including, without limitation, copyrights, trademark rights, trade secret rights, other intellectual property rights, contract rights, privacy rights, or publicity rights;

(vi) The WORK is not defamatory, slanderous, libelous, or obscene, or in any other way illegal; and any recipes, formulae, instructions, or recommendations contained in the WORK are not and will not be injurious to any reader, user, or any third person; and

(vii) All information in the submission package is accurate.

20. Indemnification

AUTHOR agrees to indemnify and hold harmless SERVICE PROVIDER, its AFFILIATES and any seller of the WORK from and against any losses, lost profits, damages, liabilities, judgments, awards, decrees, settlements, or expenses (including, without limitation, reasonable attorney's fees and court costs) arising from, connected with, or by reason of any breach or alleged breach of any of the representations and warranties set forth in Paragraph 19 above. All representations, warranties and indemnities made by AUTHOR herein shall survive termination of this Agreement. "AFFILIATES" means owners, shareholders, officers, directors, managing members, employees, parents, subsidiaries, affiliated companies, licensees, distributors, vendors, subcontractors, advertisers, Internet service providers, attorneys, and accountants and any other person or entity to whom SERVICE PROVIDER extends its representations and warranties to in connection with the production, dissemination, transmission, promotion, publication, or distribution of the WORK or the exercise of any rights therein or derived therefrom. In defending any such claim, action or proceeding, SERVICE PROVIDER shall have the right to defend with attorneys of its own selection and to settle the same, and AUTHOR shall fully cooperate in the defense thereof.

21. Notices

Except as otherwise provided in Paragraph 24 below, all notices must be given in writing and sent by fax or overnight courier, (e.g., FedEx, UPS, Airborne Express, or DHL) to AUTHOR's address and fax number specified below and to SERVICE PROVIDER's addresses and fax number displayed on the Web Site on the date of the notice. Faxed notices will be deemed given on the date of transmission, provided that for faxed notices the party giving the notice must maintain evidence showing the successful transmission. Notices sent by overnight courier shall be deemed given two days after the date of delivery to the courier. Notwithstanding the foregoing, e-mail notices may be used for matters involving proofing and publication of the WORK.

22. Additional Instruments Terms and Conditions

AUTHOR agrees to complete and execute the title submission form and AUTHOR biographical sketch (and all additional instruments reasonably requested by SERVICE PROVIDER to confirm and effectuate this Agreement.

23. Copyright Infringement

If during the term of this Agreement the copyright in the WORK is infringed, AUTHOR hereby authorizes SERVICE PROVIDER, at SERVICE PROVIDER's sole expense, to commence an action for copyright infringement in AUTHOR's name. Any recoveries from such litigation shall be applied first to reimburse SERVICE PROVIDER for its expenses incurred in such litigation and thereafter any remaining balance shall be divided equally between SERVICE PROVIDER and AUTHOR. SERVICE PROVIDER shall have no liability to AUTHOR if SERVICE PROVIDER elects, in its sole discretion, not to commence such an action. If SERVICE PROVIDER does not bring such an action, AUTHOR may do so at AUTHOR's sole expense. Any recoveries from such litigation commenced by AUTHOR shall be applied first to reimburse AUTHOR for AUTHOR's expenses incurred in such litigation and thereafter any remaining balance shall be divided equally between AUTHOR and SERVICE PROVIDER.

24. Amendments

SERVICE PROVIDER may amend this Agreement, including but not limited to amendments to royalty payment structure and timing, at any time with 30 days electronic or written notice to AUTHOR. Such notice may be made to AUTHOR via electronic mail, facsimile, or postal mail. AUTHOR will be deemed to have accepted and agreed to these amendments unless AUTHOR submits a written request to terminate this Agreement via written notice to SERVICE PROVIDER at the address in Section 1 within 30 days of the notice of amendments. In the event that AUTHOR terminates this Agreement pursuant to this Section 24, SERVICE PROVIDER shall refund according to the refund provisions of paragraph 5 of Schedule A, which shall be AUTHOR's sole and exclusive remedy in the event of AUTHOR's disagreement to the amendments

25. Purchase of Additional Services

In the event AUTHOR, after submitting his or her initial Publishing Order Form with this Agreement, purchases additional services relating to the WORK from SERVICE PROVIDER or its AFFILIATES, the Terms and Conditions available on the Web Site at the time in question will take precedence for those services. Further information regarding additional services is available on the Web Site.

26. General Provisions

This Agreement shall be governed by the internal laws of the United States, State of Indiana as a contract fully executed, without regard to conflict of laws rules, and shall be binding upon the heirs, executors, administrators and assigns of AUTHOR and upon the successor and assigns of SERVICE PROVIDER. AUTHOR hereby agrees and consents to the exclusive jurisdiction of the courts of the State of Indiana, in the United States of America, for any disputes relating to this Agreement. AUTHOR hereby agrees not to commence an action against SERVICE PROVIDER or its AFFILIATES in any court outside of the State of Indiana in the United States of America. Any assignment of this Agreement or any part thereof by AUTHOR without SERVICE PROVIDER’s prior written consent shall be null and void. SERVICE PROVIDER may assign this Agreement. If any term or provision of this Agreement is illegal or unenforceable, then, nonetheless, this Agreement shall remain in full force and effect and such term or provision shall be deemed deleted or curtailed only to such extent as is necessary to make it legal or enforceable. This Agreement, together with Schedule A and the portions of the Web Site referred to above or in Schedule A, represent the complete understanding between the parties as to its subject matter and supersede all prior understandings, if any, as to its subject matter. Other than amendments by SERVICE PROVIDER according to Section 24 above, no modification, amendment, or waiver shall be valid or binding unless made in writing and signed by all parties hereto.

Terms and Conditions

By completing the following and submitting the required materials, AUTHOR agrees to all the terms and conditions in this Agreement.

Name: _____

Street Address: _____

City, State, Zip Code: _____

Phone: _____

Fax: _____

Email: _____

SSN: _____

Title of Work: _____

U.S. Copyright No. – if any _____

Date: _____ Signature: _____

Schedule A

1. Royalty from Book Sales

Print Book Sales

On all sales by SERVICE PROVIDER of printed copies of the WORK, SERVICE PROVIDER will pay AUTHOR an amount as follows:

On retail, wholesale or consumer sales, excluding sales to AUTHOR, SERVICE PROVIDER will pay AUTHOR an amount equal to the List Price of the WORK less the Distribution Services Charge. Distribution Services Charge includes purchase discounts and costs that relate to printing, taxes and any applicable shipping charges.

No amounts will be paid on copies provided free of charge or sold via the AUTHOR DISCOUNT Program.

eBook and Audio Book Sales

On all sales by SERVICE PROVIDER of eBook and audio book formats of the WORK, SERVICE PROVIDER will pay AUTHOR an amount as follows:

On all sales, SERVICE PROVIDER will pay AUTHOR an amount equal to fifty percent (50%) of the payments SERVICE PROVIDER receives from the sale of eBook and audio book copies of the WORK net of returns.

No amount will be paid on copies provided free of charge or sold via the AUTHOR DISCOUNT Program.

Royalty Payments

Royalty Payment will be determined quarterly and paid to AUTHOR in US DOLLARS within sixty days after the quarter ends if the amount of the Royalty exceeds \$75. If the quarterly Royalty amount does not exceed \$75, this Royalty amount will be added to the subsequent quarterly Royalty amount due (Cumulative Royalty) until the Cumulative Royalty amount due reaches the \$75 payment threshold. The Cumulative Royalty will be paid to AUTHOR within sixty days after the quarter end in which the Cumulative Annual Royalty first exceeds \$75. If the Cumulative Royalties do not exceed \$75 at the end of each third fiscal quarter the Cumulative Royalties will be paid to AUTHOR within sixty days after the close of the third quarter. Any Royalties due will be reduced by any outstanding amounts owed by AUTHOR to SERVICE PROVIDER and/or withheld pursuant to governing laws.

SERVICE PROVIDER has the right to require that all royalty distributions be completed through Electronic Funds Transfer (ETF). The offering of EFTs to AUTHOR is at the sole discretion of SERVICE PROVIDER. AUTHOR assumes all risk of improper EFT payments due to invalid or out dated EFT information provided by AUTHOR. SERVICE PROVIDER has the right to pass all costs associated with correcting improperly transmitted EFTs to AUTHOR through reductions in AUTHOR Royalties.

Providing updated and accurate information to SERVICE PROVIDER, in regards to Royalty Payments, is the sole responsibility of AUTHOR. If accurate information cannot be obtained by SERVICE PROVIDER through reasonable means, Royalties will be accumulated until AUTHOR provides accurate Royalty payment information as determined by the SERVICE PROVIDER (*d*) **Tax Withholding and Taxpayer Identification Number**. All royalty payments will be subject to applicable tax requirements.

For US Residents:

If AUTHOR is a US Resident and wishes to be exempt from withholding tax on royalty payments, the AUTHOR must submit a completed Form W-9 providing the AUTHOR'S Social Security Number or Taxpayer Identification Number ("TIN").

For Non-US Residents:

If AUTHOR is a non-U.S. Resident and wishes to receive applicable treaty withholding rates the AUTHOR must apply for a U.S. tax identification number, ("TIN") by filing IRS Form W-7 and provide to our offices a valid IRS Form W-8BEN containing the U.S. tax identification number

In the event that AUTHOR fails to provide SERVICE PROVIDER with the proper aforementioned documentation and information, or fails to fully comply with the provisions of these Terms and Conditions, SERVICE PROVIDER will have the obligation to withhold from royalties amounts owed to AUTHOR any moneys required to be deducted or withheld in compliance with the United States withholding tax guidelines or other governing laws. AUTHOR will have no right to seek reimbursement from SERVICE PROVIDER for such withholdings and payment by SERVICE PROVIDER to the proper authorities.

2. Submissions

Online Submissions are submitted at SERVICE PROVIDER's website in an automated manner. AUTHOR must upload: All information requested during the online submission process,

A copy of the WORK in an electronic format listed as acceptable on the SERVICE PROVIDER's website, and

All graphics (if AUTHOR chooses to provide) in an electronic format listed as acceptable on the SERVICE PROVIDER's website.

Submissions by Mail are sent via U.S. mail or by express courier. AUTHOR must submit in one package: (1) Signed hardcopy of the Publishing Agreement, (2) Fully completed current title submission form, (3) Payment for Services (if not previously received), (4) Copy of the WORK in an electronic format listed as acceptable on the SERVICE PROVIDER's website, and (5) All graphics (if AUTHOR chooses to provide) in an electronic format listed as acceptable on the SERVICE PROVIDER's website.

The package must be sent to Authorhouse Publishing Services, 1663 S. Liberty Drive, Bloomington, IN 47403.

SERVICE PROVIDER is not responsible in any manner for materials never received or lost in transit.

3. Pricing

SERVICE PROVIDER reserves the exclusive right to determine the price of the paperback, hardcover, audio book, and eBook format of WORK. Should costs change or market conditions warrant the SERVICE PROVIDER at its discretion may modify the price of the paperback, hardcover, audio book and eBook. Should this happen, the ROYALTY will change accordingly.

3.1 Author Flex Pricing Service

AUTHOR may, at their discretion, choose to participate in the AuthorHouse Flex Pricing service. In exchange for a service fee of \$250, AUTHOR will have access to the AuthorHouse Pricing Calculator for the purpose of setting the list price of the AUTHOR's WORK. The AUTHOR may choose any list price of any version of the WORK, so long as it is in excess of the minimum list price for the particular format of the WORK. SERVICE PROVIDER reserves the right to modify pricing for paperback and hardcover versions in the Author Flex Pricing Service at its discretion.

4. Payments

The fees for publishing and related services shall be based on the current information displayed on the submissions area of the SERVICE PROVIDER's website. SERVICE PROVIDER may change the fee structure, at any time, at its sole discretion. In the event that a fee is established based on input from AUTHOR, the fee can be reviewed by SERVICE PROVIDER. If

Terms and Conditions SERVICE PROVIDER believes the fee structure should be higher than the pricing estimated based on AUTHOR input, SERVICE PROVIDER will contact AUTHOR to request additional payment before starting the publication process. Payment for services and related fees must be made with a major credit card (accepted cards as listed on SERVICE PROVIDER's website) and shall be made to Authorhouse, Inc.

5. Refunds

If AUTHOR terminates this agreement for any reason other than a breach of contract by SERVICE PROVIDER, AUTHOR agrees to pay SERVICE PROVIDER any amounts due on services purchased. SERVICE PROVIDER will refund amounts paid by AUTHOR as follows:

Prior to submission of manuscript, 100% of purchase price less \$150 administrative fee.

After submission of manuscript, but prior to start of interior design 50% of purchase price.

After start of interior design, but prior to final sign-off 25% purchase price.

After six months from contract date all refunds are at the discretion of the SERVICE PROVIDER.

6. AUTHOR Discounts

AUTHOR shall have the right to purchase copies of WORK at a discount off the list price and will be applied based on each individual order. The discount rate applied to an individual order will be based on the discount tables on the book sales area of the SERVICE PROVIDER's website at the time each order is placed. SERVICE PROVIDER has the discretion to change these discount rates at any time. All AUTHOR orders must be paid in full prior to printing.

7. Title Maintenance

SERVICE PROVIDER will make the WORK available for free for the first twelve (12) month period. SERVICE PROVIDER has the right to charge an annual title maintenance fee for each version of the WORK for each additional twelve (12) month period that the WORK remains available through SERVICE PROVIDER. The fee will be based on the current information displayed, at the time of the charge. SERVICE PROVIDER may deduct the title maintenance fee from any future royalty payments due AUTHOR.

8. Production Files

AUTHOR shall have the right to purchase the text and cover digital production files of the WORK in PDF format upon the effective date of termination of this Agreement.

The fees for AUTHOR's purchase of such files shall be two hundred fifty (\$250) for the interior production files and two hundred fifty (\$250) for the cover files.

Upon such purchase by AUTHOR, SERVICE PROVIDER shall remove all references to SERVICE PROVIDER in such digital files prior to delivering them to AUTHOR.