



**Ocean Cooperative Publishing
Launch Program**

AGREEMENT

1. Parties

This is an agreement (hereinafter "**this Agreement**") between:

_____ of _____

(hereinafter "**the Author**"), the Author being the creator and copyright holder of a literary work provisionally entitled

"_____ (hereinafter "**the Work**");

and

Ocean Cooperative Publishing of Wright Crescent, Kingston, Ontario, Canada K7L 4T8 (hereinafter "**Ocean Cooperative**").

2. License to function as publisher for hire

The Author hereby grants to Ocean Cooperative the exclusive, worldwide license to print, market, distribute and sell the Work in print form in the English language for the term of this Agreement. The Author also grants to Ocean Cooperative the right to use portions of the Work, its cover and author information for marketing and advertising purposes in order to facilitate sales of the Work. The Author grants to Ocean Cooperative the right to store, use, transmit and distribute electronic copies of the Work as required to facilitate the printing and distribution process. This grant includes Ocean Cooperative's vendors and affiliates.

3. Rights

a. All rights not expressly granted to Ocean Cooperative in this Agreement are reserved to the Author. Design and editorial work performed by Ocean Cooperative (while under subsequent invoice agreements allowable by this Agreement) with the Author shall be deemed 'work for hire' and the

property of the Author. The Author shall have final approval on any editorial or design work performed by Ocean Cooperative.

b. The Author retains the right to set the retail price of the Work at the Author's own discretion though not so low as to produce a sale that is lower than print cost. The Author retains the right to set the wholesale discount at any level, but not so high as to produce a sale that is lower than the print cost. In order for the Work to be distributed by Ocean Cooperative's distribution partners, the wholesale discount offered must be at least 20% off the retail price.

c. The Work will be published under whichever of the "Ocean Cooperative " imprints Ocean Cooperative deems to be most appropriate and effective for the title in question.

4. Term and Annual Renewal

Ocean Cooperative's print/distribution rights shall extend indefinitely unless cancelled under the terms of section 5, below.

5. Right of Cancellation

The Author or Ocean Cooperative may cancel this agreement at any time for any reason with 30 days written notice to the other party to this Agreement.

6. Services and products pertaining to the Work, to be provided to the Author by Ocean Cooperative under Ocean Cooperative's *Launch* program:

a. Pre-publication

- Registration of ISBN: International Standard Book Number.
- Registration of EAN Barcode with optional retail price.
- Copyright page with copyright to appear: title of work and name of author, year of publication.
- Library of Canada control number, and Library of Congress control number where permitted, to appear on copyright page.
- Full book design, interior and cover, up to ten hours of design time. See Section 13.
- Consultation to the Author or the Author's agents in respect to proofreading guidelines.
- Pre-press preparation of digital files of the Work as required by the printer.
- All negotiations related to the industry-standard production of hard copies of the Work by a recognized print-on-demand printer and the distribution of such copies through wholesaler Ingram and such on-line retailers as Amazon.com, BarnesandNoble.com and others.
- All negotiations related to the optional industry-standard production of digital copies of the Work by Amazon.com for use on Kindle and other electronic devices.
- PDF proof by email and first paper copy of the hard copy edition by priority mail for final approval.

b. Post-publication

- Promotion of the book and author through the web sites maintained by Ocean Cooperative
- Announcement of the book's publication by a press release carried by at least one independent commercial wire service.
- Monthly sales reports and payment to the Author of royalties received from the distributor for sales made through Ocean Cooperative's distribution network. Such royalties are payable to the Author based on the formula of "retail list price, minus wholesale discount, minus print cost, minus any applicable handling fees from Ocean Cooperative, its accounts or its vendors." (See 7b, below.) The balance of the sales receipts are owed to the Author and are to be paid as "Author Earnings."
- Availability to the Author of copies for direct purchase according to Print Cost Formulas and Discount Schedule (See 7c, below).

7. Print Cost Formulas and Discount Schedule:

a. Print cost formulas:

OCP authors may order book copies of the Work in any quantity, but discount pricing for books begins at 15 copies or more per order. For orders of 1 to 14 copies, Ocean Cooperative will add \$2 per unit to the prices described in the formulas set out below, which are based on a 15-copy order. These same formulas are used to establish print cost on distributed sales.

"Trade books" have black and white interiors with color covers

"Color books" have color throughout.

b. Trade Book Formulas for 15-copy Orders and Distributed Sales of Any Quantity

(See "*Shipping and Handling*", below, for non-distributed orders.)

1. Standard trade paperback. Trim sizes: 5 x 8, 5.5 x 8.5, 6.14 x 9.21, 6.69 x 9.61, 7.5 x 9.25, 7.44 x 9.69. Multiply the number of pages by 0.017, then add the *base unit cost of \$2.90*. A 120-page book will cost $120 \times 0.017 = \$2.04 + \$2.90 = \$4.94$

2. Standard trade hardcover (no dust jacket). Minimum page count is 108 pages. Calculated as the standard trade paperback except that *base unit cost is \$10*. A 120-page book costs \$12.04.

3. Standard trade hardcover with dust jacket. Base unit cost is \$11.55. A 120-page book costs \$13.59.

4. Large trade paperback. Trim sizes: 7x10, 8.25x11, 8.268x11.693 (A4). Multiply the number of pages by 0.023, then add the *base unit cost of \$3.40*. A 120-page book will cost $120 \times 0.023 = \$2.76 + \$3.40 = \$6.16$. Books of 48 to 104 pages have a fixed total price of \$5.56

5. Large trade hardcover, no dust jacket. Multiply the number of pages by 0.023, then add the *base unit cost of \$10.00*. A 120-page book will cost $120 \times 0.023 = \$2.76 + \$10.00 = \$12.76$.

Color Book Formulas for 15-copy Orders and Distributed Sales of Any Quantity

6. Small color paperback (5.5x8.5)

- 4 to 16 pages saddlestitch \$5.00 per unit
- 20 to 48 pages saddlestitch \$4.00 base unit + cost page multiplier of 0.09.
- 24 to 480 pages perfect bound \$4.00 base unit + cost page multiplier of 0.09.

7. Medium color paperback (8.5x8.5)

- 4 to 16 pages saddlestitch \$5.50 per unit
- 20 to 48 pages saddlestitch \$4.00 base unit + cost page multiplier of 0.09.
- 24 to 480 pages perfect bound \$4.00 base unit + cost page multiplier of 0.13.

8. Large color paperback (7x10, 8x10, 8.5x11)

- 4 to 16 pages saddlestitch \$5.50 per unit
- 20 to 48 pages saddlestitch \$4.50 base unit + cost page multiplier of 0.1.
- 24 to 480 pages perfect bound \$4.00 base unit + cost page multiplier of 0.13.

c. Discount Schedule for Author Book Purchases:

Quantity purchases earn base unit discounts as follows. Quantity discounts are based on a per-order per-title to a single ship-to address. Different ship-to addresses are considered different orders under this agreement. (Example based on 120 page paperback book)

- 1 to 14 copies: Add \$2.00 per unit to 15-unit cost.
- 15 to 49 copies: As per formulas above.
- 50 to 99 copies: 5% discount
- 100 to 249 copies: 10% discount
- 250 to 499 copies: 20% discount
- 500+ copies: 25% discount

d. Shipping and Handling

Handling: \$2.00 per order (Per ship to address and per ship method)

Shipping: Quoted with invoice.

8. Author earnings on print/distribution sales

Author will be paid Author Earnings on sales that come through Ocean Cooperative's print/distribution network. Author Earnings are based on the formula of retail price, minus wholesale discount, minus print cost. Print cost for distributed sales is set at the 15-copy rate regardless of the number of units ordered. The minimum wholesale discount acceptable to Ocean Cooperative's vendors such as Amazon and Ingram is 20%. Retail price and wholesale discount may be set at the Author's discretion. Retail price and wholesale discount however may not result either singly or in combination in a sale that produces less revenue than print cost.

Example: 120 page paperback

Retail cost: \$15.00

Recommended wholesale discount: 40%

Net sales receipt: \$9.00

Print cost: \$4.94

Author Earnings: \$4.06

Example: 320 page paperback

Retail cost: \$16.95

Recommended wholesale discount: 36%

Net sales receipt: \$10.84

Print cost: \$8.34

Author Earnings: \$2.50

Example: 320 page paperback

Alternate wholesale discount: 20%

Retail cost: \$16.95

Net sales receipt: \$13.56

Print cost: \$8.34

Author Earnings: \$5.22

9. Author Earnings: Payments and Reporting

Author Earnings and sales are reported and paid monthly on sales receipts received by Ocean Cooperative the preceding month. Payments are made by check and mailed no later than the 15th of every month. (e.g. Author Earnings based on March sales receipts received by Ocean Cooperative in March are due April 15th. If Author Earnings are less than twenty-five U.S Dollars (\$25) due in a single month the balance will be applied to the next month until Author Earnings due equal or exceed

twenty-five U.S. Dollars (\$25). No sales reports will be generated in months in which no sales of the Work occurred through Ocean Cooperative's distribution network. Ocean Cooperative receives payment for sales through most wholesalers 90 days from month of sale. Since Ocean Cooperative payments as Author Earnings are based on monies received, the time from sale to payment to Author is roughly 120 days. Though Ocean Cooperative will make every effort to collect sales receipts, Ocean Cooperative shall not be held liable for the failure of third-party vendors to pay on sales receipts.

10. Submission Guidelines

Author must be able to submit manuscripts in a form acceptable to Ocean Cooperative. Manuscripts must be submitted in a single MS Word document with a minimum of formatting. Acceptable formatting includes italics, bold and underlines, paragraph indentations, chapter headings and subchapter headings. Special fonts and/or unique design components should not be included with manuscript submission, but sent in a separate document. If Ocean Cooperative is unable to open or use documents sent by Author after reasonable effort has been made, Ocean Cooperative may either decline the submission and refund Author any monies due, or charge Author a mutually acceptable hourly rate to continue its efforts. Manuscripts may be submitted to Ocean Cooperative as CD by mail or by email attachment.

11. Submission Acceptance

Ocean Cooperative reserves the right, at its sole discretion, by giving written notice to Author, not to accept a submission upon receipt. Ocean Cooperative shall have no obligation to return the submission package or the Work.

12. Author's Contribution

Upon signature to this Agreement, the Author agrees to make his or her sole financial contribution to the publication of the Work under the terms of this Agreement. This contribution shall be the sum of eight hundred and ninety-five United States dollars (US\$895). Both parties to this Agreement agree that, save for the purchase of hard copies by the Author at the Author's sole request, no other payment is due under the terms of this Agreement.

13. Publication

Ocean Cooperative undertakes to publish the Work within sixty (60) days or less after receipt of all required materials relating to the Work, but in no case later than ninety (90) days after the receipt of all the required materials relating to the Work. If the Ocean Cooperative does not make the Work available within such time, except for delays caused by external circumstances beyond its control, the Author may give written notice to Ocean Cooperative to make the Work available within thirty (30) days. If Ocean Cooperative does not do so, this Agreement shall terminate and all rights herein granted shall revert to the Author.

14. Design Process

The Author may submit to Ocean Cooperative design ideas and art for either cover or book interior, though these submissions are not to be included in the manuscript itself. Or at the Author's request, a professional Ocean Cooperative designer will make recommendations and submit via e-mail two or three cover and two or three interior design mock-ups. There are no specific limitations as to what may be included in either the interior design or the cover design, or as to how the design process will proceed. If, in the judgment of Ocean Cooperative's designer, a design will require more than 10 hours work, Ocean Cooperative will notify the Author in advance of the author incurring any extra billing, which is otherwise at the rate of \$65/hour. In the unlikely event that Ocean Cooperative fails to produce a design acceptable to the Author, the Author may cancel this publishing agreement and will be refunded the publishing fee less the used portion of the design time billed at \$65/hour.

15. Proofs of Work

Ocean Cooperative will provide the Author with first proofs of cover and interior in PDF format. The Author shall have fourteen (14) days to proof the Work. The Author shall use reasonable efforts to adhere to proofing procedures provided by Ocean Cooperative and it is understood by the Author that Ocean Cooperative may terminate this Agreement in the event the Author does not provide the required proofing feedback. If Ocean Cooperative terminates publication due to a lack of required feedback from the Author, Ocean Cooperative shall not be required to refund any submission payments, or return the submission package or Work. Ocean Cooperative will mail to the Author a *second and final proof* as a first copy printing of the actual book as it will be made available to others after publication. The Author's approval of final proof initiates the publishing process. Changes made to the final proof that are not the result of printer error are subject to hourly rate charges in the event that the 10/hour design time has already been used, and to resubmission charges from the printer. Resubmission charges are \$50 for covers and are based on page count for interiors. Ocean Cooperative will advise the Author to the best of its ability of current resubmission charges, which are subject to change without notice .

16. Copyright

Ocean Cooperative agrees to include a copyright notice in accordance with the Author's instructions in each copy of the Work and to secure a unique ISBN for each print or eBook version of the Work.

17. Title and Author Information

The Author agrees to provide Ocean Cooperative with a 50 to 100-word description of the Work, and a 50 to 100-word biography to be posted at wholesale and reseller accounts such as Amazon.

18. Ocean Cooperative Bankruptcy

If Ocean Cooperative commences bankruptcy proceedings, all rights to the Work shall immediately revert to the Author.

19. Termination by Ocean Cooperative

Upon giving thirty (30) days advance written notice, Ocean Cooperative may terminate publication of the Work without cause, at which point the rights to the Work immediately revert to the Author. Ocean Cooperative 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 Ocean Cooperative's judgment, the Work may subject Ocean Cooperative to the risk of litigation or other adverse commercial consequences. If such notice is given prior to publication of the Work by Ocean Cooperative, Ocean Cooperative will refund all amounts paid by the Author to Ocean Cooperative, and neither party will have any further obligations to the other except that the Author's representations, warranties and indemnities set forth in Paragraphs 19 and 20 shall survive the termination of this Agreement. Ocean Cooperative shall pay any accrued royalty income due the Author within sixty (60) days of the end of the calendar quarter during which Ocean Cooperative stops selling the Work.

20. Author Warranties

The Author represents and warrants the following to Ocean Cooperative: (i) The Author is the sole author of the Work and the sole owner of the copyright in the Work; the Author either is the sole owner of the copyright in any associated cover or interior graphics supplied by the Author for the Work or has secured written permission (which the Author will furnish to Ocean Cooperative together with any required third party credits) to use the same in the Work; and the 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 the 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 Ocean Cooperative, do not and will not violate or infringe upon any personal or proprietary rights, including, without limitation, copyrights, trademark rights, trade secret rights, contract rights, privacy rights, or publicity rights of any other persons; (vi) the Work is not defamatory 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.

21. Indemnification

Author agrees to indemnify and hold harmless Ocean Cooperative, 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, but the Author shall not be liable for any matter inserted in the Work by Ocean Cooperative or its licensees. All representations, warranties and indemnities made by the Author herein shall survive termination of this Agreement. "Affiliates" means owners, shareholders, officers, directors, employees, parents, subsidiaries, affiliated companies, licensees, distributors, advertisers, Internet service providers, attorneys, and accountants and any other person or entity to whom Ocean Cooperative extends its representations and warranties 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, Ocean Cooperative shall have the right to defend with attorneys of its own selection and to settle the same and the Author shall fully cooperate in the defense thereof.

22. Notices

All notices must be given in writing and sent by overnight courier, (e.g., FedEx, UPS, Airborne Express, or DHL) to the Author's address and fax number specified below and to Ocean Cooperative's address displayed at Ocean Cooperative's Web site on the date of the notice. 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.

23. Additional Instruments

The Author agrees to complete and execute the title submission form and author biographical sketch and all additional instruments reasonably requested by Ocean Cooperative to confirm and effectuate this Agreement.

24. Copyright Infringement

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

25. Amendments

Ocean Cooperative may amend this Agreement, including but not limited to amendments to Author Earnings structure and timing, at any time with 30 days electronic or written notice to the Author. Such notice may be made to the Author via electronic mail, facsimile, or postal mail. The Author will be deemed to have accepted and agreed to these amendments unless the Author submits a written request to terminate this agreement via written notice to Ocean Cooperative at Ocean Cooperative's address in Section 1 within 30 days of the notice of amendments, which shall be the Author's sole and exclusive remedy in the event of the Author's disagreement to the amendments.

26. General Provisions

This Agreement shall be governed by the internal laws of the Province of Ontario as a contract fully executed, and shall be binding upon the heirs, executors, administrators and assigns of the Author and upon the successor and assigns of Ocean Cooperative. Any assignment by the Author without Ocean Cooperative's prior written consent, such consent not to be unreasonably withheld, shall be null and void. Ocean Cooperative 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 represents the complete understanding between the parties as to its subject matter and supersedes all prior understandings, if any, as to its subject matter. No modification, amendment, or waiver shall be valid or binding unless made in writing and signed by all parties hereto.

By affixing their signatures below, and by the Author submitting the required materials and the Author's Contribution as described in 12, above, the Author and Ocean Cooperative agree to all the terms and conditions of this Agreement.


(signed) _____
(The Author)

(Date Signed)

(Printed Name of Author)

(Address of Author)

(Title of Work)



(signed)

(dated)

Robert Buckland,

for **Ocean Cooperative Publishing,**

9 – 115 Wright Crescent, Kingston, Ontario, Canada K7L 4T8