

not by way of limitation, film strips based on the story and film strips or motion picture photographed directly from the book), phonograph, and broadcasting rights and electronic, mechanical or visual reproduction rights; publication of your work in the British Commonwealth; publication of your work in foreign languages; publication of your work and selections therefrom in anthologies, compilations and digests; picturized book versions microprint and microfilm versions. In order to afford you the opportunity to consult with us on book rights, we will advise you before making any disposition

In the case of each of the rights specified in this paragraph 10, the net proceeds of its disposition (after all commissions, foreign taxes and other charges) shall be shared as follows: fifty per cent (50%) to Atheneum, twenty-five per cent (25%) to you, and twenty-five per cent (25%) to Phyllis Miller, except that as to British Commonwealth and foreign translation rights the division of net proceeds shall be forty per cent (40%) to you, forty per cent (40%) to Phyllis Miller, and twenty per cent (20%) to Atheneum, and except that as to first serial, dramatic, motion picture, phonograph and broadcast uses the division of net proceeds shall be forty-five per cent (45%) to you, forty-five per cent (45%) to Phyllis Miller, and ten per cent (10%) to Atheneum.

any recovery. If we proceed alone, you shall permit the action to be brought in the name of Atheneum, and you shall take such steps necessary, including the execution of such documents as may be required, to enable us to proceed.

12. ON PUBLICATION OF YOUR WORK we shall deliver to you ^{five} ~~ten~~ copies without charge and you shall have the right to purchase further copies at a discount of 40% from the publisher's retail price. You shall have the right to purchase copies of editions made especially for libraries and sold at an established discounted price rather than a retail price at a discount of 33 1/3% from the publisher's price.

13. YOU HAVE ADVISED US THAT

Mr. Larry Sternig
Larry Sternig Literary Agency
742 Robertson Street
Milwaukee, Wisconsin 53213

is acting as your representative in connection with your work. All sums which may be due you under this agreement shall be paid to your representative, and such payment shall be a full and complete discharge to us. A copy of any notice required by this agreement to be given to you shall be sent to your representative.

14. A. WE SHALL RENDER TO YOU ON March thirty-first and September thirtieth of each year semi-annual statements of account as of the preceding December thirty-first and June thirtieth. Each statement shall be accompanied by payment of all sums due thereon. In reporting sales we may withhold a reasonable reserve for future returns. If in any six-month period the total payments due are less than \$10.00, we may defer the rendering of statements and payments until such time as the sum of \$10.00 or more shall be due.

B. The amounts paid to you hereunder during any one calendar year (despite anything to the contrary in paragraph 11A) shall not exceed \$_____. If in any one calendar year the sums accruing to you from this agreement shall exceed this amount, you shall be paid the excess amount only in the succeeding calendar year or years, provided that the total amount to be paid in any succeeding year shall not exceed said annual maximum.

You may, upon written request, examine our books of account insofar as they relate to your work.

15. A. IN CASE WE FAIL TO KEEP YOUR WORK in print (and for all purposes of this paragraph the work shall be considered to be in print if it is on sale by us in any edition or if it is on sale in any edition licensed by us during the term of this agreement) and you make written request of us to keep it in print, we shall, within sixty days after the receipt of your request, notify you in writing whether or not we intend to do so, and if we elect to do so, we shall have six months thereafter in which to comply. If we fail to comply (unless the failure is due to circumstances beyond our control), or if we do not desire to keep your work in print, then this agreement shall terminate and all of the rights granted to us shall revert to you.

B. In case of such termination you shall have the right for thirty days thereafter on prior written notice to us to purchase the plates, if any, of your work at one-third of their manufacturing cost, including composition, and any remaining copies or sheets of your work at the manufacturing cost. If you fail to do so, we may dispose of all of them as we see fit, subject to the provisions of paragraph 8 of this agreement.

C. Nothing contained herein shall affect our right to sell remaining copies of your work on hand at the date of termination of this agreement, nor shall such termination affect any license or other grant of rights, options or contracts made to or with third parties by either of us prior to the termination date, or the rights of either of us in the proceeds of such agreements.

16. PRIOR TO REMAINING YOUR WORK under paragraph 8G, we shall make reasonable effort to notify you and afford you the opportunity to purchase all or part of such overstock at the remainder price.

17. YOU SHALL EXECUTE AND DELIVER TO US whatever documents and assignments of copyright or other papers as may be necessary to fulfill the terms and intent of this agreement.

18. IF WE ARE ADJUDICATED A BANKRUPT by a court of competent jurisdiction or if we make an assignment for the benefit of creditors, then this agreement shall terminate and all of the rights granted by you hereunder shall revert to you and the provisions of sub-paragraphs b and c of paragraph 15 shall be applicable.

19. ANY RIGHTS IN YOUR WORK not specifically granted to us hereunder are reserved to you. You agree, however, not to exercise or dispose of any of your reserved rights in such a way as to affect adversely the value of any of the rights granted to us under this agreement.

20. THIS AGREEMENT shall be deemed made in, and shall be in all respects interpreted, construed and governed by the laws of, the State of New York, and the parties agree to litigate any controversy, claim or dispute arising out of or in connection with this agreement or the breach thereof solely in Supreme Court of the State of New York, New York County, which the parties agree shall have exclusive jurisdiction to which the parties hereby submit.

21. ANY NOTICE CALLED FOR in this agreement shall be sent by mail to you or to us at the addresses set forth above. Either of us may designate a different address by notice given in the same manner.

22. THE WAIVER of a breach of, or of a default under, any of the terms of this agreement shall not be construed a waiver of any subsequent breach or default. No waiver or modification of this agreement shall be valid unless in writing and signed by both of us.

23. THIS AGREEMENT shall inure to the benefit of and be binding upon you, your heirs, personal representatives and assigns and upon us, our successors and assigns. We shall not assign this agreement without your consent, except that no consent shall be required if such assignment is made in connection with the transfer of all or a substantial part of our business.

24. We shall pay to you upon signing this agreement the sum of fifteen hundred dollars (\$1,500.00), said sum to be your advance against monies earned under the terms of this agreement.

IF THE FOREGOING correctly states your understanding of our agreement, please sign the enclosed copy of this letter where indicated below and return it to us, whereupon it will constitute a binding agreement between us.

Very truly yours,

By Margaret K. McElderry
ATHENEUM PUBLISHERS INC.
Margaret K. McElderry
Consulting Editor and Director
of Margaret K. McElderry Books

Accepted and Agreed to: _____

Date _____

Social Security No. _____