

Memorandum of Licensing Agreement

made this February 13, 2001
between

**Andre Norton,
c/o Sternig & Byrne Literary Agency
3209 S. 55th Street
Milwaukee, WI 53219-4433
USA**

(hereinafter called The PROPRIETOR), of the one part,
**EKSMO PUBLISHERS LLC
P.O. Box 8
Moscow 123298
Russia**

(hereinafter called The PUBLISHER), of the second part, whereby it is mutually agreed as follows regarding the WORK entitled:

KNAVE OF DREAMS and QUAG KEEP by Andre Norton

1. The PROPRIETOR hereby grants to the PUBLISHER the sole and exclusive right to translate and publish the said WORK in **regular trade book form in Russian** language, subject to the terms and conditions following, and guarantees that he has full power and authority to make this agreement and grant.
2. The PUBLISHER agrees to publish its edition of the said WORK within - **18** - months of the date of this agreement. If the PUBLISHER fails to do so, this agreement shall be cancelled automatically and the PROPRIETOR shall resume possession of the LICENSE and of all rights granted to the PUBLISHER hereunder, without prejudice to any monies already paid or to become due.
3. The PUBLISHER agrees to publish its edition of the said WORK in **10.000 copies** and to pay as royalties the sum equal to **see below** % (percent) of **publisher's price** of to **be est. later** per printed copy of the said WORK as follows:
 - a) **\$ 1.500, payable on signature of this Agreement as non-returnable advance guarantee against agreed royalties,**
 - b) **Remaining royalties, accounted at rate of 10% of publisher's price for hard cover omnibus edition, and 8% of publisher's price for paperback edition, payable on publication for all printed copies**
4. All amounts payable hereunder shall be converted into **US\$** at the exchange rate in force on the date when each payment becomes due. If the PUBLISHER fails to pay all advances and royalties due not later than six weeks from the dates as agreed in this Agreement, the PROPRIETOR or his designated agent shall have the right to insist on the interest of 1% (one percent) per month to prevent its losses or to cancel this agreement without prejudice to any previous arrangements or promises.
5. This agreement becomes valid only after the receipt of the aforesaid advance by the PROPRIETOR's representative and shall be treated as cancelled and never executed if the said advance doesn't reach the PROPRIETOR or his representative within four weeks from the date of the respective invoice supplied as the integral part of this Agreement. All payments due under this Agreement shall be made to:

**P. & R. Permissions & Rights Ltd.
ALPHA BANK LTD.
3 John Kennedy Street, P.O. Box 51746
3508 Limassol
CYPRUS**

**US \$ Acc. Nr 115-10741-0601-1
GB £ Acc. Nr. 115-10741-0602-4**

6. The PUBLISHER shall notify the PROPRIETOR's representative, latest four weeks after publication of the exact date of publication of the licensed WORK, final print run, sales price, exchange rate valid at the date of publication and of the dates of all payments and photocopies of all transfer documents.
The PUBLISHER agrees to permit the PROPRIETOR's representative to inspect at any time during working hours books of account and records dealing with production and sale of the licensed WORK to verify the correctness of publisher's accountings. Should the PROPRIETOR's representative find errors of accounting amounting to 5% or more of the declared royalties, the PUBLISHER agrees to pay all costs of accounting.
The PUBLISHER shall, upon request from the PROPRIETOR's representative, supply an affidavit or certified statement, certifying by the PRINTER the number of copies of the WORK manufactured for the PUBLISHER.

7. Four (4) sample copies of the translated Work should be mailed to:
The Proprietor, at the address as stated on page one,

and one (1) sample copy to:
P.& R. Permissions & Rights Ltd.

Bolshaya Bronnaya St., 6A, Room 412, Moscow 103670, RUSSIA

8. (a) The translation of the said WORK shall be made faithfully and accurately. Abbreviations or alterations shall be made in the text thereof only with the prior written consent of the PROPRIETOR.
(b) The original title of the said WORK shall appear on the back of the title page of every copy issued in the aforesaid translation and each copy published hereunder shall contain on its title page immediately following, in the English language, the copyright notice which appears in the original edition of the WORK, together with the letter "c" within a circle, and the year when first publication takes place hereunder, and the name of Author and a statement to the effect that all rights are reserved by the Author throughout the world, if not otherwise stated hereinafter.

Copyright © **KNAVE OF DREAMS © 1975 by Andre Norton**
QUAG KEEP © 1978 by Andre Norton

- (c) The name of the author shall appear in its customary form in due prominence on the title page and binding of every copy produced and on all advertisements of the said WORK issued by the PUBLISHER or his agents.
9. Advertisements may not be inserted or printed in any edition of the WORK, whether issued by the PUBLISHER or its License, without the PROPRIETOR's prior written consent.
10. In the event of the disposition of any performance or motion picture rights in the said WORK, the PROPRIETOR or author may grant the purchaser the privilege to publish or cause to be published in the language excerpts, synopses, novelizations, serializations, scenarios and/or summaries in the aggregate not to exceed 10,000 words or 10% of the WORK and/or of any photoplay based on the WORK for the purpose of advertising and exploiting such rights only, provided all steps are taken which may be necessary to protect the copyright on the WORK, but such novelizations and/or serializations shall not be made to appear as if written by the author.
11. This license is granted to the above named PUBLISHER solely and shall not be assigned by the PUBLISHER without the prior written consent of the PROPRIETOR, which consent shall not be unreasonably withheld.
12. Should the PUBLISHER be declared bankrupt or violate any of the terms of this agreement and not rectify such violation within one month after having received written notice from the PROPRIETOR or PROPRIETOR's representative to do so, then and in this event all rights to publish and sell the said WORK in the said translation shall revert to the PROPRIETOR who shall be at liberty to arrange for such rights elsewhere, without prejudice, however, to any monies already paid or then due or to become due under this Agreement up to the date of such termination.
13. All rights now existing or which may come into existence hereafter and which are not specifically granted herein are reserved exclusively by the PROPRIETOR, including serializations, magazine rights, radio, TV video and audio rights. Anything herein to the contrary notwithstanding, this license applies solely to the text of the Work and does not grant any rights in any photographs or other images included in or on the jacket or cover of the Proprietor's editions of the Work. Should the Proprietor in its discretion provide the Publisher with a copy of any such photographs or images (in electronic form or otherwise), the provision of such a copy by the Proprietor would be solely for the Publisher's convenience in the event that the Publisher is able to obtain permission to use the photographs or images from the owners of the relevant rights therein and shall not be construed as giving the Publisher any right to use any such photographs or images in or in connection with its edition(s) of the Work.
14. This agreement is valid for **three** years from the date hereof and the rights herein granted shall revert automatically to the PROPRIETOR on **February 13, 2004**. This agreement is limited strictly on the terms and period stated herein and any arrangements for additional printings shall be subject to a new agreement.
If, during the term of this Agreement, the PUBLISHER's inventory for the licensed edition of the WORK is exhausted - and the PUBLISHER fails to reprint copies and pay royalties due on such reprint - within 90 days of the PROPRIETOR's written demand that the PUBLISHER reprint copies of its edition, this Agreement shall thereupon automatically terminate.
15. This agreement shall be governed according to the laws of the state of New York and United States of America, regardless of its place of execution.

EKSMO PUBLISHERS LLC.

P.O. BOX 8

MOSCOW 123298 RUSSIA

Signed _____

Signed  _____

(PUBLISHER)