Memorandum of Agreement

made this

fifth

day of

October, 1989

between Andre Norton represented by Agentur Luserke,
Brunnenstr. 7/4,
D-7259 Friolzheim

care of GPA Gerd Plessl Agentur- und Verlagsgesellschaft mbH, Linprunstraße 38, 8000 München 2, West Germany (hereinafter called the PROPRIETOR) of the one part, and

Art Phoenix/KULCS Vállalkozási és Kereskedelemfejlesztó KFT, Hatvan u. 15, Debrecen, Hungary

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

STAR MAN'S SON by Andre Norton

- 1. The PROPRIETOR hereby grants to the PUBLISHER the sole and exclusive right to translate and publish the said WORK(S) in volume form, trade edition in the Hungarian 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(S) within twelve months of the date of this agreement. If the PUBLISHER fails to do so, the 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 then due.
- 3. The PUBLISHER agrees to publish its edition of the said WORK(S) in-----40.000------copies, each volume, and to pay to PROPRIETOR'S representative G.P.A.-München as royalties the sum equal to see below of retail price of 75 Forint per printed/**XX copy of the said WORK(S) and due to be paid as follows:

PUBLISHER shall pay US\$ 1.000,-- outright for the limited print-run of 40.000 at the retail price of 75 Forint. In the event of the edition exceeing 40.000 copies and/or the published price exceeding Forint 75, the royalty rate of 6% of the retail price per printed copy. The amount of US\$ 500,-- becomes due on signature of this agreement, and the balance due to the final retail price and print-run on publication. All amounts due hereunder are payable without any deductions.

All amounts payable hereunder shall be converted into **SEXMMEN** US Dollar at the exchange rate in force on the date when payments are due. If the PUBLISHER fails to pay all advances and royalties due in time 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 arising out of the difference in exchange rates.

- 4. The PUBLISHER shall arrange for transfer of said payments as mentioned above, and this agreement becomes valid only after receipt of the aforesaid payments by G.P.A.-München, as PROPRIETOR'S representative. The PUBLISHER shall notify the PROPRIETOR'S representative of the exact date of publication of the said WORK(S) and also of the retail price of his edition offered for sale.
- 5. The PUBLISHER shall report to the PROPRIETOR'S representative G.P.A.-München on sales once/twice yearly as of December 31st and/or June 30th, and pay any amounts due in cash within 30 (thirty) days thereafter. The PUBLISHER agrees to permit the PROPRIETOR or his designated agent, to inspect its books of account at any time.
- 6. Four (4) sample copies of the translated edition should be sent to the following address:

Agentur Luserke, Brunnenstr. 7/4, D-7259 Friolzheim

and

Two (2) sample copies of the translated edition should be sent to

GPA Gerd Plessl Agentur- und Verlagsgesellschaft mbH, Linprunstraße 38, 8000 München 2, BRD

- (a) The translation of the said WORK(S) 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(S) 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 or on the 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.

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- (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 advertisments of the said WORK(S) issued by the PUBLISHER or his agents.
- 8. Advertisements may not be inserted or printed in any edition of the WORK(S), whether issued by the PUB-LISHER or its Licensee, without the PROPRIETOR'S prior written consent.
- In the event of the disposition of any performance or motion picture rights in the said WORK(S), the PROPRIETOR or author may grant the purchaser the privilege to publish or cause to be published in the Hungarian language excerpts, synopses, novelizations, serializations, language excerpts, synopses, novelizations, serializations, scenarios and or summaris in the aggregate not exceed 10.000 words or 10% of the WORK(S) and/or of any photoplay based on the WORK(S) 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(S), but such novelizations and/ or serializations shall not be made to appear as if written by the author.
- 10. This license is granted to the above-named PUBLISHER solely and shall be transferred by him only with the prior written consent of the PROPRIETOR.
- 11. 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'S representative to do so, then and in this event all rights to publish and sell the said WORK(S) 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 moneys already paid or then due or to become due under this Agreement up to the date of such termination.
- 12. All rights now existing or which may come into existence hereafter and which are not specifically granted herein are reserved exclusively by the PROPRIETOR. This License does not include the right to reproduce illustrations, photographs, quotations or other copyrighted material incorporated in the PROPRIETOR'S edition of the said WORK(S), unless otherwise provided for herein.
- 13. This agreement is valid for five years from the date hereof and the rights herein granted shall revert automatically to the PROPRIETOR on October 5, 1994. This agreement is limited strictly on the terms and period stated herein and any arrangements for additional printings or periods of time shall be subject to a new agreement.
- 14. All disputes hereunder shall be settled by defendant's competent home courts.

ART PHOENIX KET

Agentur Luserke

Signed

(PUBLISHER) ART PHOENIX/KULCS

D - 7259 Friolzheim

Telefon 07044/42291