



## TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES

Whereas:

- a) StreetLib S.r.l., with registered office in Corso Venezia, 10, 20121 Milano (MI), Italy - VAT Registration No. 05338720963. SL, is a company operating in the sector of services related to digital publishing and the production of latest-generation ebooks (i.e., works in various digital formats, including the so-called PDF, ePub and Kindle formats), as well as proprietor of a computer platform which allows Publishers to distribute via internet ebooks and digital content, called “STREETLIB PUBLISH”;
- b) StreetLib USA Inc. is a company owned by StreetLib S.r.l. with offices in 65 30 Kissena Boulevard CEP Hall 2 New York City, NY 11367 US (hereafter, collectively with StreetLib S.r.l.: “SL”)
- c) the Publisher carries out publishing activities and is a publishing company, or an author or another owner of publishing rights, interested in purchasing SL services for the distribution and sale either of ebooks listed in its catalogue, or of printed books listed in its catalogue upon their conversion into digital (ebook) format;
- d) STREETLIB PUBLISH is a computer platform which – in short – allows publishers to upload, store and distribute ebooks for retail sale through online bookstores (*web stores*) belonging to the publishers themselves, third parties or SL;

Given the above, the Publisher and SL (the “Parties”) hereby agree as follows:

### 1. Contract services

1.1. SL undertakes to provide the Publisher with the following services:

1.1.1. - access and use of the STREETLIB PUBLISH platform for the distribution of ebooks by the Publisher. The characteristics of the STREETLIB PUBLISH platform are known to the Publisher and specified in Annex (1). For each ebook the Publisher uploads on STREETLIB PUBLISH, the Publisher shall have to take steps to attribute a unique ISBN different from that of any corresponding printed edition.



1.1.2. - access and use of the STREETLIB PUBLISH platform for offering the ebooks of the Publisher for sale through the StreetLib Store and/or other online bookstores connected to STREETLIB PUBLISH and/or with which the Publisher has stipulated agreements pursuant to point 2.2. of this contract.

1.1.3. - technical assistance by web, email and telephone to the Publisher in uploading the data regarding the ebooks to be distributed through STREETLIB PUBLISH.

1.1.4. - conversion, optional and upon explicit request of the Publisher, into ePub digital format of the books of the Publisher indicated on each occasion to SL. The technical specifications of the original file that must be submitted to SL for conversion, as well as the specifications of the file into which SL shall convert the original file, are specified in annex (2).

1.1.5. - conversion, optional and upon explicit request of the Publisher, into Kindle format of the books cited in point 1.1.4.

## **2. Terms and conditions of the services for access and use of STREETLIB PUBLISH**

2.1. SL shall offer the Publisher access and use of its STREETLIB PUBLISH platform for the distribution by the Publisher of the ebooks through all the online bookstores with which the platform is connected, subject to the consent of the same.

2.2. For the distribution of its books through the STREETLIB PUBLISH platform, the Publisher shall have to stipulate specific agreements for the retail sale via internet with the proprietors of the online bookstores which will be connected to the STREETLIB PUBLISH platform. Except for that provided for below in point 2.5., SL remains extraneous to the aforesaid agreements and does not guarantee the connection with one or more online bookstores. SL ensures the connection of STREETLIB PUBLISH exclusively with its own online bookstores ("SL Online Bookstores" and namely the StreetLib Store). SL will also notify the Publisher of any new online bookstore connected to STREETLIB PUBLISH, with the Publisher remaining entitled to permit or not the sale of its books by these bookstores through STREETLIB PUBLISH.

2.3. In the event the Publisher does not intend to directly proceed with uploading its ebooks on



STREETLIB PUBLISH, it can request SL to perform the uploading service of the data regarding the ebooks intended for distribution through STREETLIB PUBLISH, and for this service the Publisher shall credit SL a fee equal to 10,00 euros + VAT for each ebook to be added.

2.4. The Publisher, in accordance with the characteristics of STREETLIB PUBLISH, shall have the faculty to use the systems for protecting its ebooks, if the ebook format allows it, by means of free Watermarking (application of *ex libris* on the ebooks, also known as “Social DRM”) or Digital Rights Management (DRM) provided by third-party subjects (Adobe Content Server 4). The Watermarking service using technology developed by SL shall be offered to the Publishers free of charge. For the DRM protection with third-party technology (Adobe), SL shall instead charge a price equal to 0.25 euro for each download of a protected ebook.

2.5. In order to simplify the procedures for offering the ebooks for sale through the online bookstores connected to STREETLIB PUBLISH other than the SL Online Bookstores, with this agreement the Publisher also authorizes SL, without sole agency, to enter into agreements with the online bookstores for the distribution, of the ebook uploaded by the Publisher itself on the STREETLIB PUBLISH platform, without territorial limitations, and thus in Italy as well as abroad. Unless the Publisher gives different instructions to SL, the latter may reach all the agreements with the proprietors of the online bookstores on behalf of the Publisher and perform all the operations deemed useful or necessary for the sale by the Publisher of the ebooks without, however, being able to assign any sole agency in favor of the proprietors of the online bookstores.

Furthermore:

a) the Publisher authorizes SL to accept the terms and conditions offered by third-party subjects for sale through online bookstores even if these terms and conditions entail limitations regarding territorial areas of sale and/or other limitations concerning the methods of distribution or sale, granting SL the broadest faculties in this regard, except for the power to grant sole agency. In particular and by way of example, SL is authorized, in connection to the supply of the services provided by this contract, to host, to reproduce and to transmit via internet the ebooks of the Publisher in Italy and abroad without any territorial limitation and may authorize any online bookstores to reproduce, host, store, distribute, sell, rent out, display, transmit, promote, index and otherwise digitally make available (through all means of online and electronic distribution), the Publisher’s ebooks, without territorial limitations and also allowing innovative uses of the ebook such as text-to-speech, underlining of the texts, notation and streaming. The Publisher authorizes the release of free previews for promotional purposes for a



maximum of 15% of the contents of the ebooks in the formats available on STREETLIB PUBLISH.

b) for the purpose of the distribution by the Publisher, SL shall have the authority to carry out any action or operation connected to the supply of its own services, provided that it does not increase the costs for the Publisher in any way beyond what is agreed upon in this contract;

c) in the event the general contract conditions of certain online bookstores impose the respect of certain best-price conditions, and/or maximum thresholds for the sale price, the Publisher authorizes SL to reach said agreements even by reducing the sale price. In this case SL shall notify the Publisher of the sale price resulting from the agreements with the web stores. For its part, the Publisher undertakes to notify SL of the sale price of the ebook set by the Publisher for sale through other platforms or online bookstores other than those connected to STREETLIB PUBLISH;

d) the procedures for invoicing and payment of the sale proceeds from the distribution of the ebooks shall remain those provided for by this contract;

e) if certain web stores require a mandatory minimum term for the ebook sales agreement, the Publisher authorizes SL to accept such condition, as long as the term of the agreement itself does not exceed the term of 12 months from the conclusion of the agreement and provided that at the expiration of the term, the right to withdraw may be exercised without the payment of penalties;

f) the Publisher authorizes SL to provide its services even if certain web stores require particular modifications, or methods, concerning the technological protection (Digital Rights Management) of the ebook, as long as this does not entail additional costs for the Publisher, and even if it is necessary to apply forms of technological protection to the ebooks different than that provided for in point 2.5 of this contract. It is understood that if the Publisher has decided to use technological protection for the ebook, SL may not provide its services related to the distribution through the online bookstores that do not allow any form of technological protection of the copies;

g) in consideration of the fact that some online bookstores may offer particular services or require particular terms and conditions for the distribution, sale or fruition of the ebooks by the end users, in the event these services or terms and conditions substantially diverge from what is regulated in this contract, the supply of the services by SL with regard to the said online bookstore shall be subject to precautionary authorization by the Publisher;



h) the Publisher acknowledges that any malfunctions of the online bookstores or delays and other non-performance of the bookstores themselves are not attributable to SL, which shall not be held liable for those malfunctions, delays or non-performances of the third-party subjects.

### **3. Conversion of ebooks into various formats**

3.1. The Publisher may decide to convert its ebooks, using the STREETLIB PUBLISH platform, into formats different from those previously uploaded, thus making them available to the online bookstores capable of selling them. Information concerning the availability of the service and its terms and conditions, are stated at the address <https://www.streetlib.com/edit/>.

### **4. Conditions for the sale of ebooks**

4.1 For the distribution by the Publisher of the ebooks through all the online bookstores with which the STREETLIB PUBLISH platform will be connected SL, as a payment for its service, shall apply a commission for each sale equal to the larger of 0.05 euros or 10% of the retail sales made by the bookstores themselves; this percentage shall be calculated on the final sales price to the public of the ebook fixed by the Publisher ("Cover Price"), net of VAT.

4.2 Except for that provided for in the points 2.6 c) and 2.6 g) above, the maximum commission to be credited to the online bookstores chargeable to the Publisher shall be equal to 30% of the Cover Price fixed by the Publisher;

4.3 For each ebook retailed by the online bookstores connected to the STREETLIB PUBLISH platform, SL is authorized to invoice the same bookstores for an amount equal to the Cover Price, net of the commission for the online bookstore. The Publisher, through STREETLIB PUBLISH, shall have the possibility to view the statement of all the sales. The Publisher, on a quarterly basis, shall invoice SL, and in detail StreetLib Srl or StreetLib USA Inc. based on the indications provided from time to time in the user area of STREETLIB PUBLISH, for an amount equal to the Cover Price of the sales shown in the statement, net of the commissions due to the online bookstores and the commission of 10% due to SL. SL shall therefore withhold the commissions of 10% the final public sale price net of VAT, in relation to the sales made by the online bookstores and documented by STREETLIB PUBLISH and the invoice registers, and shall pay the invoices issued by the Publisher within 60 days



from the end of month after receipt of the invoices. The payment shall be made by bank transfer only if the amount of the invoices is over 200 euros, otherwise the payment shall be made by PayPal, provided that the amount is over 30 Euro. If better terms are release, they will be communicated through the website. For sales made through the SL Online Bookstore, SL shall apply a single lump-sum commission equal to 25% of the final public sale price, to which shall be added the commission due for the use of STREETLIB PUBLISH cited in point 4.1.

4.4. In the case in which an ebook has a size larger than 200 MB and up to 1 GB, SL shall invoice the publisher for an additional amount of 0.25 euros + VAT for each purchase made of such ebook and, moreover, 2 euros per year for each ebook on sale between 200 MB and 1 GB as a fee for the higher hosting costs. In the case of ebooks with sizes greater than 1 GB, appropriate quotes shall be made by SL.

4.5 If one Store had different sale or operating conditions in respect to those listed in this Agreement, SL will inform the Publisher about those conditions and the Publisher will have the chance to disable the sales on that Store.

4.6 Some stores apply the so-called Reseller Model, with different sales conditions than the ones previously described. Details of Reseller Model are provided in the Annex 3.

4.7 For specific groups of users, identified in Annex 4, the conditions for sale on Amazon Kindle Store are the ones detailed in the same Annex 4.

## **5. Liability - Intellectual Property - Publisher's representations and warranties – Publisher's obligation to indemnify SL**

5.1. Publisher has exclusive liability with regard to intellectual property rights and exploitation rights regarding the ebooks and any content uploaded and distributed by the Publisher through the STREETLIB PUBLISH platform. The Publisher represents, declares and guarantees SL that the publication and the distribution of the ebook do not violate the intellectual property rights of any third party. In relation to the ebooks, their cover and all their content, including, inter alia, graphics, photographs, videos or sounds, the Publisher represents SL and warrants that it has, and will maintain throughout the term of this contract, the ownership rights in and to the copyright, and all other intellectual property rights, rights, faculties and interests into the content of the ebooks, including, for example, the publication, reproduction, distribution, communication, transmission and rental rights for



the ebooks and its contents, in Italy and abroad, as well as all the secondary and related rights, for which the Publisher remains responsible for providing, within the ebook itself, every indication and warning with regard to the licenses it will release in order to protect its own interests and rights. The Publisher shall, at first demand, indemnify and hold SL, its officers, directors, employees, affiliates, subcontractors, harmless from and against any loss, claim, liability, damage, action or cause of action (including attorneys' fees) brought by a third party, that arise from any breach of the Publisher's representations or warranties set forth herein.

5.2. Should SL become aware, also because of notices or claims by third parties, of the illegality of the ebooks and/or of any digital content uploaded and distributed by the Publisher, in breach of the Publisher's representations or warranties set forth above at 5.1, it shall notify the Publisher. Upon notification, the Publisher shall immediately, and as a precautionary measure, suspend the distribution of the ebooks via STREETLIB PUBLISH, until the dispute will come to be fully cleared. In such event, the Publisher is required to actively cooperate with SL, also by entering into direct contact with the claimants, for the purpose of a prompt clarification concerning the third parties copyright notices and claims, and with regard to any arising dispute, being acknowledged that SL will have the faculty, on its discretion, to provide the third parties with all the information and commercial data regarding the distribution of the disputed ebooks and digital content. Should SL receive from third parties the said notices or claims, it shall have the right, on its sole discretion and until the dispute with the third parties will come to be fully cleared, to suspend any payment regarding the contested titles and to retain, as a warranty for the Publisher's indemnification obligation set forth above at 5.1, any other amount, up to a maximum of five times the value of the overall sales of the contested ebook fulfilled at any time prior to the claims through the STREETLIB PUBLISH, that has to be given by SL to the Publisher under any consideration or otherwise held by SL on behalf of the Publisher.

5.3. The Publisher represents to SL and warrants that each and all the ebooks, their cover, and all of their content shall not be illegal and shall not be spam, or have contents, data or information that are illegal or contrary to personal data regulation, good morals and/or public order and that the ebooks and their content do not violate the online bookstores' terms and conditions for the sale of the ebooks; in particular the ebook shall not contain pornography, child pornography and/or in any case contents which are obscene, defamatory or abusive, or contents that are discriminatory or offensive in relation to religions, races, gender or nationalities or offensive to third parties in general. The Publisher shall, at first demand, indemnify and hold SL, its officers, directors, employees, affiliates, subcontractors, harmless from and against any loss, claim, liability, damage, sanction, action or cause of action (including attorneys' fees) brought by a third party that arises from any breach of the Publisher's





representations or warranties set forth herein.

5.4. Should SL become aware of a breach of the Publisher's representations or warranties set forth above at 5.3., or receive from third parties, because of that breach, notices, contestations or claims, it shall notify the Publisher. Upon notification, the Publisher shall immediately, and as a precautionary measure, suspend the distribution of the ebooks via STREETLIB PUBLISH, until the dispute will come to be fully cleared. In such event, the Publisher is required to actively cooperate with SL, also by entering into direct contact with the claimants, for the purpose of a prompt clarification concerning the third parties claims and with regard to any arising dispute, being acknowledged that SL will have the faculty, on its discretion, to provide the third parties with all the information and data regarding the distribution of the disputed ebooks and digital content. Moreover, should SL receive from third parties the said notices or claims, it shall have the right, on its sole discretion and until the dispute with the third parties will come to be fully cleared, to suspend any payment regarding the contested titles and to retain, as a warranty for the Publisher's indemnification obligation set forth above at 5.3, any other amount, up to a maximum of the overall sales of all the Publisher's ebooks fulfilled through the STREETLIB PUBLISH platform, that has to be given by SL to the Publisher under any consideration or otherwise held by SL on behalf of the Publisher.

5.5 Both SL and the Publisher reciprocally acknowledge that this agreement, except for that expressly provided for by it and needed for its execution, does not provide for nor imply any transfer or license of the intellectual property rights regarding the Publisher's ebooks and the copyrights or industrial property of the Publisher and SL respectively. If, in the supply of the services, the ebook of the Publisher or other material uploaded by him on STREETLIB PUBLISH should bear the logo or brand or trademarks of SL or other brands or distinctive marks owned by or at the disposal of SL itself, these references must not be understood as implicit license to use them. Commercial data, data and metadata, generated by the distribution and any processing of the same arising out the distribution through the STREETLIB PUBLISH, are a property of, and in the disposal of, SL. The Publisher acknowledge that the technology, software, digital contents, logos, trademarks, brands copyrights and generally all the intellectual and industrial property rights held by SL are not transferred through this contract.

5.6. The Publisher will take care and remains solely responsible for the fulfilment of any legal requirements regarding the publication of the ebooks, for which the Publisher is fully and exclusively liable, therein including the obligations of legal deposit and any connected tax obligations.





## **6. Term of the agreement**

6.1. The agreement concluded by the Publisher with SL is open-ended, except for the cases referred below at paragraph 7.

6.2. At any time, the Publisher has the authority to communicate its decision to withdraw from the agreement and thus to terminate the provision of the services by SL, with or without just cause, simply by giving advance notice of 30 days, even by an email message sent to the following email address of SL: [support@streetlib.com](mailto:support@streetlib.com).

6.3. At any time, SL has the authority to communicate its decision to withdraw from the agreement and thus to terminate the provision of the services by SL, with or without just cause, simply by giving advance notice of 30 days, even by an email message sent to the email address of the Publisher provided during registration on the platform.

6.4. It remains understood between the parties that the communication of termination will obligate the parties themselves to carry out as much as possible for the consequent withdrawal from the relations with the other computer platforms or stores for the distribution of the ebooks of the Publisher, without prejudice to the constraints and regulation of the termination as specified in the agreements entered into by SL with the aforesaid subjects.

6.5. The parties may also decide on the withdrawal from the performance of only one or some of the services offered by SL, to be exercised with the same procedures provided for the withdrawal from the entire relationship. The withdrawal of the Publisher does not release the Publisher from payment of the consideration of the services already rendered, just as the withdrawal of SL does not release SL from performance of the services for which it has already obtained payment of the consideration.

## **7. Termination of the agreement**

7.1. If a party materially breaches this contract, then the other party may terminate it upon written notice if the breaching party fails to cure the breach within 30 days after notice of a breach. SL has the right to immediately terminate the contract or to immediately suspend the provision of its services in case of any breach or claimed breach, respectively, of the representations or warranties set forth in paragraph 5 above.



## **8. Permanence of the end-users' rights**

8.1. It remains acknowledged between the Parties that after the termination, or in case of earlier termination, of this agreement, and so also beyond the terms of its duration, the rights of the end users who have legally purchased rights or faculties concerning the ebooks during the implementation period of this contract should be granted. Therefore, the Publisher authorizes SL to keep a copy of the ebook even beyond the termination of the agreement for the sole scope to grant the end-users the full exercise of their faculties related to the ebook itself, such as, for example, the download of the ebooks and the supply of post-sale services. The Publisher also authorizes SL to allow the same faculty to the intermediaries and the online bookstores through which, during the implementation period of this contract, the distribution of the ebook has taken place.

## **9. Platform's maintenance and updates**

9.1. The Publisher acknowledges that, during the supply of services, there can be temporary inactivities of the STREETLIB PUBLISH platform due to technical causes, maintenance, software updates, replacement of hardware, instability or disconnection of the connections with the Publisher's devices and/or with the online bookstores, including those of SL itself. It remains understood that there can be temporary inefficiencies, delays or malfunctioning regarding the connection of the STREETLIB PUBLISH platform with one or more online bookstores, including those of SL itself, due to delays in internet services or malfunctioning of third parties.

## **10. Terms for execution of the services by SL**

10.1. The estimated terms for supply of the aforesaid services are the following:

10.1.1. One week as from the signing date of this agreement for access to the STREETLIB PUBLISH services referred to in point 1.1.1;

10.1.2. One week as from the signing date of this agreement for the activation of the technical assistance service referred to in point 1.1.2.

10.2. SL shall have the faculty to extend the terms for the supply of the services up to 30 working days,

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after which the Publisher shall have the faculty to withdraw from the contract by simply giving written notice to SL and having the right to restitution of all materials or files already delivered to SL, without any charges whatsoever.

### **11. Obligations of good faith in the interpretation and execution of the agreement - Integration of the agreement**

11.1. Considering the innovative nature of the services covered by this agreement, the Parties reciprocally acknowledge that during the term of the agreement the Parties themselves shall endeavour, in good faith and with the obligation to safeguard mutual interests related to its execution, to produce any reasonable integration which may be imposed by technical reasons, legislative innovations, novelties in the application procedures of tax obligations, etc.

### **12. Acceptance of this terms and conditions by the Publisher - Conclusion of the agreement**

12.1. The request for registration on the STREETLIB PUBLISH site with the entering of the data provided by the Publisher required by the online forms constitutes an invitation to SL to provide its services. Following the request for registration by the Publisher, SL will send a copy of these terms and condition, as a contract proposal, via an email message sent to the address provided by the Publisher containing the credentials with the link for access to the service. The agreement on these terms and conditions is considered concluded at the moment in which the Publisher, having received the email message with the service access credentials, accepts the proposal by activating the service through the link indicated in the email message received. The Publisher shall preserve his access credentials carefully and may not transmit them to third parties, as they are strictly personal. The email message with which SL will send the contract proposal will also contain a copy of this terms and conditions in digital format and the link to display and download the current Price List. It remains understood that the purchase of the individual services may occur only after registration and under the Price List that can always be viewed on the STREETLIB PUBLISH platform at the time of each individual purchase.

12.2. With the completion of the registration procedure on the STREETLIB PUBLISH platform, the Publisher shall confirm that he has carefully examined and accepted all the terms, conditions and methods of use of the services covered in this document.

12.3. Upon registration for the STREETLIB PUBLISH service, the Publisher undertakes to



communicate, for the entire duration of the relationship, his own personal data, accurate and complete, and any variation of the same, necessary for invoicing and any tax or contractual obligation.

12.4. Any notices to be given hereunder by SL to the Publisher shall be sent at the addresses provided during the registration or at its registered office.

12.5. Any notices to be given hereunder by the Publisher to SL shall be sent at the following address: [info@streetlib.com](mailto:info@streetlib.com).

### **13. Annexes**

The following annexes are an integral part of this contract:

Annex (1): Description of the STREETLIB PUBLISH platform

Annex (2): File specifications

Annex (3): Reseller sales conditions

Annex (4): Conditions for sale on Amazon Kindle store of titles from “Indie Publishers”

The Publisher declares that it has examined the privacy policy statement, rendered on the SL’s website at the following link <https://www.streetlib.com/privacy> according to art. 13 of Italian Law n. 196/2003 on the protection of personal data, and gives its consent for SL to use and store the data provided to SL for the execution of this agreement.



## **ANNEX 1: Description of the STREETLIB PUBLISH platform**

STREETLIB PUBLISH is a platform to permit the Publisher the distribution of ebooks and accessory digital content and for the sale of the same through dedicated stores or external stores.

STREETLIB PUBLISH is based on three architectural elements:

- STREETLIB PUBLISH Server: Server containing the entire web system and the storage of the list items complete with accessory content.
- Amazon S3: Simple Storage Service of Amazon for the archiving of all the content sold to each buyer and on which any DRM has already been applied.
- Adobe Content Server: Adobe service for the application and management of digital rights on the products sold.

The platform can be managed by a web front-end which can be customized in contents and layout by the administrators of the same.

STREETLIB PUBLISH also makes its own content available through appropriately developed web service calls. Thus the external stores that would like to integrate with the platform can sell the contents offered by the platform.

The distribution platform allows access to various types of users, including:

Admins (AD): the platform managers;

Content Suppliers (CS): the publishing companies and, more generally, the content suppliers;

Digital content managed by STREETLIB PUBLISH:

ebooks in various digital formats, such as PDF, ePub, mobipocket;

generic files without limitations on their type as accessory content.

Protection systems applied to the ebooks.

Three options are available:



- DRM: through Adobe Content Server 4;
- Social DRM: application of user-customized watermarks;
- No DRM, direct distribution.

For some formats one or more protection criteria may not be applicable; in that case, they will not be applied at the time of sale.

The functions available on the front-end for the CS are the following:

- upload of new books;
- inclusion of metadata, accessory data for cataloguing and searches;
- inclusion of accessory content for each book;
- modifications to owned content;
- search of own books based on metadata included;
- selection of the protection policies for each book;
- management of the accessory materials on own books;
- access to reports on own content sold.



## ANNEX 2: File Specifications

### *Specifications of the files submitted for conversion*

For each book to be submitted for conversion, the following files must be provided:

- PDF print file containing the entire book in a single file excluding, if possible, the cover;
- Complete source files in InDesign or QuarkXPress format with clear indication, if the book is not contained in a single file, of the logic used to reconstruct the structure of the book. In order to enable proper reading of the books, the fonts used for the composition should also be delivered together with the source files.
- Cover file in JPG or PNG format, with dimensions of at least 600x800 pixels at the resolution of at least 72 dpi.

The PDF, source and cover files must all have the same name, so that they are immediately identifiable.

It will also be necessary to provide the list of ISBN numbers regarding the digital version of each book (different from the ISBN of the paper version) and the other metadata of the books to be converted (such as the author, title, publishing company) following a scheme provided by SL at the start-up of the conversion.

The books belonging to the same series will have to be delivered in a zip file. Inside this zip file, the files regarding the same book will have to be placed in the same folder bearing the name of the book itself.

Depending on the specific cases, more details may be required for improved conversion of the books.

### *Specifications of the files converted by SL*

Each book will be converted into ePub format, as defined by the specifications of the IDPF organization ([www.idpf.org](http://www.idpf.org)) at the time this Agreement is signed. In particular, the ePub files delivered will be validated, upon delivery, using the *epubcheck* validation tool (<http://code.google.com/p/epubcheck/>).

All the images, including the cover, contained in the ePub file will be optimized to allow minimization





of the overall size of the file, so as to render the download by the end customers faster.

The delivered files will be completely open and not encrypted, thus freely examinable, modifiable and which can be integrated by the Publisher.



### **ANNEX 3: Reseller sales conditions**

The growth and territorial expansion of the Stores to which the Publish platform is connected and the multitude of contractual forms required by said Stores ensure that StreetLib must request authorizations from the Publisher on some conditions that allow StreetLib itself to operate and distribute your ebooks following the developments of the market. Thus also according to the so-called “reseller model”, in the Stores and territories that request it, the number and significance of which are growing.

Such conditions and authorizations are intended, for those Stores and territories to which they will be applied, as supplemental and sometimes substitutional to those already present in the contracts in effect between the Publisher and StreetLib.

The contract is laid out following the so-called “agency”, or “commission agent”, distribution model in which the Publisher sets the final public price of the ebook (cover price) sold by the Store. In the “wholesale” or “reseller” model, the Publisher sets a list price and the Store sets the final public price. For each sale, the Store must in any case pay the Publisher at least 50% of the list price. StreetLib, in turn, has the right to 10% of the list price.

Having to extend the distribution possibilities for your books to the aforesaid sales model, with the understanding that you can always decide to exclude some Stores from the distribution channels of your ebooks offered by the Publish platform, we are therefore requesting that you approve the following supplemental and additional conditions of the agreement in effect, without prejudice to the foregoing:

1. For the Stores that will sell according to the “reseller model” the Publisher shall not specify a cover price, that is the price for sale to the public, but a List Price for each ebook.
2. The Stores shall be free to set the public sale price of each ebook at their own choice, independently of the List Price (and thus, for example, they will also be able to decide to sell the ebook at 40% of the List Price).
3. For each sale made according to the reseller mode, the Stores shall in any case pay the Publisher a price (hereafter: “Cost of Sales”) equal to a minimum of 50% of the List Price net of VAT of each ebook. In turn, StreetLib shall apply a Distribution Commission equal to 10% of the List Price net of VAT of each ebook. For each sale made, therefore, the Publisher shall receive a consideration equal to



the Cost of Sales less the Distribution Commission.

For example, if the List Price of an ebook set by the Publisher is equal to 10 euros excluding VAT, the Cost of Sales will then be equal to 5 euros, the Distribution Commission will be equal to 1 euro and the Publisher will be entitled to 4 euros, regardless of the public sale price decided by the Store in its capacity of “reseller”. StreetLib shall collect the price from the Stores on behalf of the Publisher and transfer it to the latter, according to that provided in the agreements in effect, withholding its own commission.

4. If the same ebook is sold in the same territory also according to the “agency” (or commission agent) model, in which the Publisher sets the public sale price (hereafter: Sale Price), the Publisher undertakes to ensure that 70% of the Sale Price excluding VAT is not less than the Cost of Sales excluding VAT. Otherwise the Publisher agrees to the adjustment of the List Price so that this condition is met.

Given the example in the previous point, in which the List Price of an ebook set by the Publisher in the “reseller model” is equal to 10 euros excluding VAT and the Cost of Sales will be equal to at least 5 euros, if the Publisher will distribute its ebooks in the same territory also through the “agency” model, it will have to set the Sale Price equal to or higher than 7.143 euros ( $70\% \text{ of } 7.143 = 5.00$ ). The Distribution Commission shall in any case be equal to 1 euros.

5. The List Price of each ebook cannot be greater than the price of any more economical paper version of the same ebook. Otherwise the Publisher agrees that the Store can adjust the List Price so that this condition is met.

6. The List Price shall be the same for all the Stores that use the “reseller” model.

7. The Publisher grants the Stores that have used the “agency” model to date, in which the Publisher sets the Sale Price, the option to use this “reseller” model.

8. The Publisher authorizes StreetLib to accept, if requested by the Stores, alignment clauses of the conditions, of the “most-favoured nation” type.

8. In the case in which the Publisher concludes an agreement directly with a Store with the “reseller” model, it may in any case request StreetLib to act as the distributor. If StreetLib agrees to do so, the Publisher undertakes to provide access to all the analytical statements of the sales and the business terms practiced by such Store towards the Publisher. For each sale, the Store shall pay the Publisher its share, while StreetLib will invoice the Publisher 8% on such share as the Distribution Commission.

9. The list of Stores that use the “reseller” model and the territories in which they apply it can be



consulted within the Publish web interface

10. The Publisher allows StreetLib to deposit the ebooks on the servers indicated by all the Stores that request it so that they will be reproduced and distributed from there.

11. Without prejudice to the authorizations already existing in favour of StreetLib, StreetLib may allow the Stores: a) to enable on the ebooks any device and rule for use (for example, Digital Rights Management), element, content or other function, including the copy-and-paste and the text-to-speech; b) to implement other forms of economic utilization of the ebook, making available to the users methods of use such as fixed-term licenses, subscriptions, streaming or partial downloads of the ebook; c) to reproduce, create copies, convert, encode, encrypt, decrypt, transmit and execute the files of the ebook, d) to make modifications and corrections of elements regarding the technical quality of the files of the ebook and metadata for improved reproduction on its respective dedicated readers, if applicable;

12. The Publisher guarantees that it will make the ebooks available for distribution through StreetLib no later than the date on which a digital version of the book will be available for the first time on any territory.

13. The Publisher agrees that for promotional purposes access will be offered to up to 10% of the ebook (calculated on the text marked as the “body” in the html) or to the first chapter, cover, introduction and afterword of the ebook. This content will not be able to be protected by DRM.

14. The Publisher authorizes StreetLib to retain a copy and distribute the ebook on the platforms even after termination of the agreement, for the sole purpose of guaranteeing the supply of the service to those customers who have purchased the ebook before termination of the agreement itself and to supply them after-sales services.



#### **ANNEX 4: Conditions for sale on Amazon Kindle store of titles from “Indie Publishers”**

Starting from January 15th 2018, following conditions are applied on Amazon Kindle Store to everyone classified as “Indie Publisher”, i.e.:

- "Authors", meant as physical persons, not companies who publish ebooks/books.
- Non professional publishers, i.e. companies whose final products may be identified by Amazon as not professional enough. The categorization is made from time to time by Amazon and StreetLib will explicitly inform them if a company falls into this category.
- Self publishing companies using StreetLib Publishing

For the users classified as Indie Publishers two revenue models can be applied, based on the conditions described hereafter:

- Standard Option: in this model, the Publisher gets 25% of the List Price per each sale
- Enhanced Option: in this model, the Publisher gets a share of the List Price minus Delivery Costs specified further below.

In detail, the Publisher will get:

- 60 % of the List Price in Europe (excluded Andorra, Austria, Germany, Liechtenstein, Luxembourg, Spain and Switzerland), USA, Canada, Australia and New Zealand
- 50% in Andorra, Austria, Germany, Liechtenstein, Luxembourg, Spain and Switzerland
- 25% \*without subtracting the delivery cost\* everywhere else, for example in Latin America.

In the case of Enhanced Option, Delivery Costs are:

Amazon.com	USD \$0.15/MB Minimum: USD \$0.01
Amazon.ca	CAD \$0.15/MB Minimum: CAD \$0.01



Amazon.co.uk	£0.10/MB Minimum: £0.01
Amazon.de Amazon.fr Amazon.es Amazon.it Amazon.nl	€0.12/MB Minimum: €0.01
Amazon.com.au	AUD \$0.15/MB Minimum: AUD \$0.01

Books are filed under the Standard or Enhanced Option based on their List Price (included VAT if applicable):

	File Size	Minimum List Price	Maximum List Price
Standard Option	Less than 3 MB	USD \$ 0.99 CAD \$ 0.99 GBP £ 0.99 EUR € 0.99 MXN \$ 11.99 AUD \$ 0.99 INR ₹ 49 BRL R\$ 1.99 JPY ¥ 99	USD \$ 200 CAD \$ 200 GBP £ 150 EUR € 215 MXN \$ 2500 AUD \$ 220 INR ₹ 10,999 BRL R\$ 400 JPY ¥ 20,000
Standard Option	Between 3 and 10 MB	USD \$ 1.99 CAD \$ 0.99 GBP £ 1.49 EUR € 1.99 MXN \$ 23.99 AUD \$ 1.99 INR ₹ 69 BRL R\$ 3.99 JPY ¥ 99	USD \$ 200 CAD \$ 200 GBP £ 150 EUR € 215 MXN \$ 2500 AUD \$ 220 INR ₹ 10,999 BRL R\$ 400 JPY ¥ 20,000



Standard Option	10 MB or greater	USD \$ 2.99 CAD \$ 2.99 GBP £ 1.49 EUR € 2.99 MXN \$ 34.99 AUD \$ 3.99 INR ₹ 99 BRL R\$ 5.99 JPY ¥ 99	USD \$ 200 CAD \$ 200 GBP £ 150 EUR € 215 MXN \$ 2500 AUD \$ 220 INR ₹ 10,999 BRL R\$ 400 JPY ¥ 20,000
Enhanced Option	Any size	USD \$ 2.99 CAD \$ 2.99 GBP £ 1.99 EUR € 2.99 AUD \$ 3.99	USD \$ 9.99 CAD \$ 9.99 GBP £ 9.99 EUR € 9.99 AUD \$ 11.99

If the title is in Public Domain, the Standard Option is applied.

If an ebook has also a physical edition, the List Price of the ebook will have to be lower than:

- 100% of physical list price in the case of Standard Option
- 80% of physical list price in case of Enhanced Option

If the list price is not indicated in all the currencies, StreetLib will convert the price in missing currencies and apply the Standard or Enhanced options accordingly.