General Terms & Conditions

<u>PublishDrive Digital Distribution Agreement</u>

Last modified: November 17, 2023

Welcome to PublishDrive and the future of publishing.

This Digital Distribution Agreement (the "Agreement") is entered into by and between Publisher ("You" or "Publisher") and PublishDrive Inc. ("PublishDrive", "Company," "we," or "us"). The Company through its website (https://publishdrive.com/, the "Website"), offers and provides You with a platform to convert your manuscripts, distribute and market your work, book (in print-on-demand, audiobook or ebook or other formats) and/or your digital content (the "Work") to online retailers worldwide (the "Services"). The following general terms and conditions, along with any documents expressly incorporated by reference (collectively "Terms of Service"), govern the Agreement including your access to and use of the Services and the Website.

The PublishDrive team is here for You. It is better to ask than have any doubts or questions left unanswered so that You can reach us anytime via <u>our contact form</u>. Please don't send us a letter by snail mail, but here is our legal address in case You need it:

PublishDrive Inc.

Registered address: 160 Greentree Drive Dover, Delaware

19904 Address: 428 Broadway, New York, NY 10013

PLEASE READ THIS AGREEMENT CAREFULLY.

1) Why should You read these Terms of Service?

You should read these Terms of Service because they contain our legal commitments to You and a number of DOs and DON'Ts, which You need to be aware of when You use our Website and Services. Please read these Terms of Service carefully to make sure You understand them. By using our Services, You agree to accept and be legally bound by these Terms of Service. If You disagree with the Terms of Service, You should not access or use our Website and the Services.

You should also read our **Privacy Policy**. The Privacy Policy explains how we use your data.

After You accept our terms and conditions, this Agreement will have a binding effect on the assigns, heirs, executors, affiliates, agents, personal representatives, administrators, and successors (whether through merger, operation of law, or otherwise) of each of the parties.

The Service offered by PublishDrive through its Website having the address of www.publishdrive.com is only available to Publishers. They preliminary accept the present Terms of Service, which shall be expressly accepted by the Publisher on the Website during the registration by clicking the "I AGREE" button.

2) Can PublishDrive change these Terms of Service?

We can update and change these Terms of Service from time to time and the most current version of these Terms of Service at the Company's sole discretion by posting revised terms on the Website. We will notify You of such changes by posting the modified version on the Website or through other communications and indicating the last modified date. It is essential that You review the Terms of Service whenever we modify them. If You continue to use the Services after we have posted modified Terms of Service on the Website, You indicate that You agree to be bound by the modified Terms of Service. If You disagree with the modified terms, You may not use the Services anymore.

3) Are You eligible to use this Website and the Service?

You may use the Services only if You are (a) 18 years or older, (b) capable of forming a binding contract with the Company, and (c) are not barred from using the Services under applicable law. By using the Services You represent and warrant that You are of capacity to form a binding contract with the Company and meet all of the preceding eligibility requirements.

4) Delivery Guide and Policies

Accepting our Terms of Services, You also accept the policies outlined in our <u>Delivery Guide</u>.

The guide includes our formatting and content guidelines in detail and the following policies:

- a) Exit policy
- b) Bulk import policy
- c) Free ebooks policy
- d) Spamming and rejection policy
- e) Restricted account policy
- f) Ebook Conversion Terms and Conditions
- g) Print-On-Demand Guideline
- h) Audiobook Guideline

The policies are subject to change following the changes of these Terms of Services.

5) This is not an exclusive, all-or-nothing distribution.

You are the copyright owner, so You decide where You want to publish. You have the right to sell your books in any form embodying the Work, including e-books and other digital formats of any kind (the "Books") or media directly in any store or on your website.

You can choose your stores and retailers where You want to publish through PublishDrive (the "<u>Stores</u>"). You can change your selection at any time. The Stores are disclosed on the <u>Stores</u> <u>Page</u>, and they are retail channels that sell Books to readers.

We keep an eye out for possible duplicates, but please remember: a Book can only be published in one Store via one distributor.

The Company is constantly improving its partnerships with new Stores, which are added to the Company's platform. The Publisher is informed about the new Stores and their terms. Publisher's Work will be automatically sent to the new Stores unless the Publisher decides to opt-out from the new Stores' distribution services. You have a 15-days opt-out period before a new Store is introduced. The Company reserves the right to introduce new Stores with opt-in action required by the Publisher. The Company reserves the right to terminate partnerships with Stores. These decisions are communicated to the Publisher in a written manner.

6) Can I change the Store selection?

At any time, the Publisher may change its selected Stores on the Company's Website. The Company does not recommend frequent changes in the selection of Stores to avoid operative issues caused by frequent changes.

7) How do I start using the Service?

To access some Website features, including your account information and periodic statements, You will have to create an online account ("Account"). You hereby represent and warrant that the information You provide to the Company upon registration will be true, accurate, current, and complete. You also hereby represent and warrant that You will ensure that your Account information, including your email address, is kept accurate and up-to-date at all times during the term of this Agreement. Our Privacy Policy governs our use of your information, and You consent to all actions we take concerning your information consistent with our Privacy Policy.

You are solely responsible for safeguarding and maintaining the confidentiality of your Account username and password and are responsible for all activities that occur under your Account, whether or not You have authorized the activities. You may not permit any third party to use the Services through your Account and will not use the Account of any third party. You agree to immediately notify the Company of any unauthorized use of your username, password, or Account.

You agree that we may suspend and deny your access to and use of the Services and the Website if we reasonably believe that You have violated or acted inconsistently with the letter or spirit of these Terms of Service or violated our rights or the rights of any third party, or for any other reason, with or without notice to You.

8) What are the distribution rules?

Generally, the Company will publish the author's Work as delivered to us and not edit or modify the Work unless it is needed for commercial purposes. Certain modifications may occur or caused by file or design conversions. The Company does not guarantee accurate preservation of the original Work's format. Publisher shall work with the Company in good faith to promote Publisher Work's availability on the Stores and Company's Website. The Company may refuse to distribute any content based on content or formatting-related issues.

9) How do I deliver the Work for distribution?

You must provide to us, at your own expense, each Work You desire to distribute through our Services, in a digital format as specified by the Company on the Website. We will not return to You any electronic files or physical content or media You deliver to us in connection with the Services. You must deliver all electronic files free and clear of viruses, worms, and other potentially harmful or disrupting code.

Warning: Before any delivery, the Publisher shall warn the Company of any contents permitted for distribution within closed user groups only (e.g., adult content, territory limitation, if there are Territories (as defined below) where the Work shall not be distributed).

10) You can decide to withdraw a Work from publication and distribution anytime for any reason.

Once You make your request to have a Work title removed, our team will begin working to remove the title, but note that it may take 4-6 weeks or longer for the titles to be removed from retail outlets worldwide. PublishDrive shall not be liable for any damage caused by the delayed removal or missed deadlines if the Stores cause the delay. Until we can remove such title, the rights and licenses granted under this Terms of Service will continue to apply to such title. Please note that the Stores may maintain archival copies of such Books solely to permit any authorized continuing access by any end customer who has purchased a license to that Book before its withdrawal from sale.

This Agreement shall not be terminated automatically by the Company's removal of the Work from the Website or Stores' websites or services. For You to terminate this Terms of Service following the removal of any of the Work, You must provide the company with ninety (90) days prior written notice, as described in these Terms of Service.

11) We also have the right to remove your Work.

The Company and the Stores reserve the right to remove and not use or exploit any of the Work from the Website in its sole and absolute discretion, for any reason or for no reason, including if the Company believes such content:

- (1) is offensive, harmful, pornographic, obscene, defamatory unlawful, indecent, inflammatory, false, misleading, fraudulent or otherwise objectionable;
- (2) is the subject of a dispute between You or us and a third party;
- (3) is content to which You cannot document your rights therein upon Company's request;
- (4) violates or is alleged to infringe the intellectual property rights, privacy rights, or other rights or protected interests of a third party;
- (5) is the subject of a takedown notice by a party claiming to own the rights therein, or
- (6) is the subject of any fraudulent activity, or for any other reason in Company's sole and absolute judgment is necessary to protect the business interests of the Company and any of its business partners or Stores.

Suppose your Work or content is rejected by any Store for any reason. In that case, the Company will have no liability to You, and the Company will not offer any refund or credit for any Services.

12) We care about security.

PublishDrive takes action to make sure your Books are protected against illegal copies. The Company works only with Stores that provide copyright protection measurements for selling the Work. We will stipulate within the metadata supplied to distribution outlets the level of digital rights management (the "<u>DRM</u>") required. This will typically be hard DRM where possible or watermarked where there is no option for hard DRM.

13) You set the price.

You set the price ("Digital List Price") of your Work (including VAT if applicable and excluding sales tax if applicable). You can even set a different price for different currencies. If You need to make any changes, You can do so at any time. You can schedule price promotions.

We will try our best to ensure that your Work is sold at the digital list price You set. Different Stores in different business models may offer your Work at different prices, such as in subscription or discounted prices in wholesale. If that happens, PublishDrive will calculate and pay royalties based on 15).

If the price You set does not meet the Stores' requirements (e.g., price tiers), we will try to fit it to the closest price tier (on the higher end). You can always opt-out from a Store if You don't want us to change the price. If there is any mistake in the price displayed for your Work, please let us know immediately, and we'll do our best to fix it. If there is a mistake in the price display or inaccuracy, the Company will have no liability to You. We do not warrant or make any representations regarding the accuracy or reliability of the information on the Website.

We (and many of the Stores) accept free Books. Read our free Books policy in the Delivery Guide.

14) Our Partnership:

As the Publisher and author:

You own all Intellectual Property rights, and copyright to the Works shall remain the property of the Publisher. You grant to PublishDrive the non-exclusive, worldwide right to digitally publish, distribute, market, print or cause to be printed, and sell and to license others to do so ("Publish"), the Work, as necessary to carry out the Services You select during the term of these Terms of Service, or such more limited territories to which You specifically limit the territory in the registration process (the "Territory"), including the right to:

a. Reproduce, format, reformat, digitize, and convert the Work into any form of Book in any form or format; Use and cite 5% of the Work/Books for promotional goals. In addition, the Company and the Stores shall be entitled to distribute, publicly perform, publicly display and

otherwise make available, for promotional purposes, free of charge, portions of the Work ("Reading Samples") in any form of media (including but not limited to Facebook, blogs, Google, Twitter, etc.), to promote the license, sale, and distribution of Books; In case that the Publisher did not provide Company with Reading Samples of the Work, the Company or the Stores, are entitled to produce their Reading Sample of such Work and to make use thereof for promotion of the Work. The Reading Samples are usually up to 10% of the volume of the Work. However, some Stores (such as GooglePlay) require a minimum amount of 20% of the volume of the Work as a Reading Sample;

- b. In case you have opted, through PublishDrive, for the creation of audiobooks by Apple of your manuscript, Book (in print-on-demand, ebook or other formats) and/or your digital content (the "Underlying Work"), to be marketed, sold and delivered by Apple according to the Addendum to the Digital Audiobook Distribution Agreement entered into by Apple and PublishDrive("Apple Audiobook Addendum"), adapt and prepare audiobooks as derivative works of your Underlying Work and retain a copy of each such audiobook for purposes of distribution and marketing under these Terms of Service. Except as specifically authorized herein, PublishDrive shall not materially modify, edit or otherwise materially change in any way, the textual content and/or artwork in the Underlying Work, provided that modifications for technical or formatting purposes, including, without limitation, resizing of any artwork, shall not be considered "material" for purposes of this Subsection "b". Notwithstanding the foregoing, PublishDrive may exercise its discretion to omit material prior to the first chapter and after the last chapter of the Underlying Work, consistent with industry standards (e.g., copyright notices, dedications, accolades and text about the author) from the audiobook. PublishDrive shall also be authorized to create clips of the audiobooks to promote the sale thereof. The rights and licenses granted to PublishDrive in this Subsection "b" shall extend to PublishDrive's third-party agents and subcontractors who perform services for PublishDrive in connection with the exploitation of the rights granted hereunder.
- c. Use the Work and metadata as may be reasonably necessary or desirable for us to exercise our rights under this Terms of Service;
- d. Authorize Stores to use your cover artwork, metadata, and product description You provide for your Work for marketing purposes without notification;
- e. Make the necessary changes to this Agreement to comply with Stores' rules and regulations not mentioned above; and
- f. Authorize our Stores to perform any one or more of the activities specified above.
- g. Publisher allows the Company to carry out research and development activities with their content to improve the quality of the Company's service.

You also agree that:

a. The copyright in the Work shall belong to the author or the party that the Author cites as the copyright holder. Please note that your sole responsibility is to file your copyrights and any other intellectual property with the appropriate governmental body. It is also your responsibility to place a copyright notice on the copyright page or some other prominent place in the Work; Subject to our rights under this Agreement, You remain the copyright

- owner of the Work and You own all right, title, and interest in and to (i) the Work, (ii) the Reading Samples, (iii) all copyrights and equivalent rights embodied therein, and (iv) all materials furnished by You;
- b. In case you have opted for Apple Audiobook Addendum and subject to the terms and conditions set forth herein, except for your ownership of the Underlying Work, PublishDrive owns all right, title and interest in and to the audiobooks created by PublishDrive (or by Apple through PublishDrive), including all worldwide copyrights and other intellectual property rights therein, which right, title and interest will be acquired by Apple immediately upon creation of the audiobook in accordance with the Apple Audiobook Addendum
- c. Neither the exercise of the rights authorized under this Terms of Service nor any materials embodied in the content nor its sale or distribution as authorized in this Terms of Service will violate or infringe upon the intellectual property, proprietary or other rights of any person or entity, including, without limitation, contractual rights, copyrights, trademarks, common law rights, rights of publicity, or privacy, or moral rights, or contain defamatory material or violate any laws or regulations of any jurisdiction;
- d. You represent and warrant that the Work does not advocate hateful, discriminatory, or racist views or actions toward others and does not contain offensive, harmful, pornographic, obscene, defamatory, unlawful, indecent, inflammatory, false, misleading, fraudulent, or otherwise objectionable content;
- e. You represent and warrant that the Work does not contain any advertisements of content that is primarily intended to advertise or promote products or services, multiple hyperlinks to
 - advertisements, competitors' website links, spam or affiliate marketing pages;
- f. You will ensure that all Work delivered under this Terms of Service complies with the technical delivery specifications provided by us in the Delivery Guide.

We mutually agree that:

- a. Each party represents that it is authorized to enter into this Terms of Service on the terms and conditions set forth herein.
- b. Each party represents and warrants that it will not act in any manner that conflicts or interferes with any existing commitment or obligation of the other party. No agreement previously entered into by the party will interfere with the performance of its obligations under this Terms of Service.
- c. Each party represents and warrants that it shall perform its obligations hereunder in full compliance with any applicable laws, rules, and regulations of any governmental authority having jurisdiction over such performance. We make no guarantees whatsoever about any minimum sales or uses of the Work or any revenue to be earned under this Terms of Service.
- d. In case you have opted for Apple Audiobook Addendum, Publisher hereby represents and warrants to PublishDrive that (i) the Underlying Work has been cleared for use by PublishDrive as set forth hereunder, and (ii) Publisher has obtained all the necessary rights to allow for PublishDrive's production, distribution and marketing of the audiobooks, as set

forth hereunder or under these Terms and Conditions, as applicable. Publisher shall be responsible for and timely pay all royalties fees and/or sums payable with respect to the Underlying Work, including artwork, metadata and other materials provided by Publisher and/or PublishDrive's authorized use thereof hereunder.

15) How much do I earn?

Whichever <u>business model</u> the Stores use, we calculate your share of royalties based on a) the digital list price, b) the retail price/sales price the Book was sold or c) Stores' revenue.

In the case of print-on-demand Books in the wholesale business model, production costs are covered by the Publisher - they are deducted from the royalties earned from Stores. Thee Publisher covers the production, delivery, handling, and taxation costs in direct distribution for print-on-demand Books.

Your final royalties will be calculated using the percentage list for each Store communicated on the Website.

16) How much do I pay for the Service?

Good news: with PublishDrive, You keep all your royalties after the Stores' standard deductions. You'll receive the same royalties You would as publishing directly with Stores. We charge a fixed monthly subscription fee for Books in different plans. You control which plan You choose.

One Book or title of the Work accounts to either one - particular - edition of one ebook format, or one audiobook, or one print-on-demand Book.

By purchasing a monthly subscription, You agree to an initial and recurring monthly subscription fee at the then-current monthly subscription rate (available on the Website). You accept responsibility for all recurring charges until You cancel your subscription. You may cancel your monthly subscription at any time, subject to the terms of our cancellation policy in 19).

Automatic monthly renewal terms: Once You subscribe, PublishDrive will automatically process your monthly subscription fee with a monthly payment in the next billing cycle. PublishDrive will continue to automatically process your subscription fee monthly at the set subscription rate until You cancel your subscription.

For the monthly subscription, You pay the current monthly subscription rate, and You accept the limitations of the plan communicated on the Website (e.g., the number of Books). Fixed fees and any credits given to You are non-refundable. PublishDrive communicates in email and/or on the Website if there are more plans available for You on the platform, so You can freely choose the best suitable option for You.

Suppose You request physical copies of the Work to be sent directly to You or another third party without retail distribution ("Direct Distribution Services"). In that case, Publisher shall pay PublishDrive for all printing charges, service fees charged by third parties/Stores, freight and

postal charges incurred on behalf of Publisher, and any taxes as may be applicable production, taxation, and shipping costs.

Suppose You choose to use any Direct Distribution Services for the Work. In that case, You are responsible for collecting taxes (such as sales tax or VAT), and PublishDrive has no responsibility and liability.

There might be a one-time or annual work listing fee that needs to be covered by the Publisher for some Stores. These additional fees are communicated on the Website, so the Publisher can decide whether they want to sell their Work on the Stores with extra charges. These listing fees are non-refundable if a Work is withdrawn from the database. Stores have the right to replace Works at their costs that do not meet the quality standards for distribution.

If there are additional Services You'd like to buy via the Website, You can pay via credit card/Paypal/bank transfer for the amount and Services as it is communicated on the Website.

17) How do I pay for the Service?

You agree that your credit/debit card or Paypal account will be charged immediately when your paid subscription starts. Your payment will be recurring, so your fee will be charged on the same day every month. Fixed fee payments are non-refundable.

You agree that your credit/debit card or Paypal account will be charged immediately when You decide to buy any additional Services from PublishDrive.

18) How can I change plans?

If You change your mind, no problem; You can change your plan anytime.

If You upgrade, it will be effective immediately. The cost of your new plan will be applied directly with proration. We adjust the new plan's first charge(s) based on how many days are left in the billing cycle and charge the Publisher the newly-calculated pro-rata amount immediately (if any).

If You downgrade and You have more titles on sale than your plan allows, You have to withdraw titles to fit into the limitation of the new plan.

19) What is your cancellation policy?

You can cancel your subscription anytime, but it will go into effect immediately. After cancellation, your royalty earnings will be paid out to You after all taxation and payment information is filled in your Account. You can withdraw your titles at any time without prior notice. Please submit a <u>ticket</u> if You want to delete your Account.

20) What if I do not pay You?

If we do not receive payment from your credit card provider or your credit card expires or gets rejected, You agree to pay all amounts due upon demand. Following any such non-payment,

we may require You to provide a valid credit card before using the Services. We may decide to terminate the Service provided to You.

If You do not pay the fee, we are eligible to deduct the subscription fee from your royalties and keep your Books on sale until we cover the subscription fee.

You authorize us to charge outstanding fees and other amounts due us against any credit card You have on file with us. We reserve the right to take all steps necessary to collect payments due from You, including but not limited to legal action and using third-party collection agencies.

If your Account is more than 30 days past due and is forwarded to a collections agency, You will additionally be liable for any recovery fees charged by the agency. You are solely responsible for any fees charged to your credit card by the issuer, bank, or financial institution, including, but not limited to, membership, overdraft, insufficient funds, and over the credit limit fees. You agree to notify us about any billing problems or discrepancies within 90 days after they first appear on your credit card statement. If You do not bring them to our attention within 90 days, You agree that You waive your right to dispute such problems or discrepancies. We may do an audit process on all outstanding fees quarterly. We may modify the price, content, or nature of the Services at any time, but we may provide notice of any such changes by email, on the notice board within PublishDrive, or by publishing them on the Website.

21) How can I get a refund?

Your subscription payment is non-refundable. If You receive any gift credits, they are non-refundable, and they cannot be exchanged for other purposes.

22) How do I receive payments?

a. We will make payments to You (by ACH, wire or electronic transfer, Paypal, or similar entity) when the amounts credited to You exceed the default payment threshold or the minimum threshold amount You set (the "Threshold Amount") in your Account. The default setting for Threshold Amount is available in your Account, and it can be overridden. Payments will occur within one (1) month from the date You receive your monthly earnings report. At our sole option, we may also elect to make payments to You at such other times as we deem appropriate, even if You have met the Threshold Amount. We are constantly looking for the best payment options. The current payment terms can always be found here. If the amount does not exceed the Threshold Amount, the Company has the right to hold back the transaction until it exceeds it. The Publisher is responsible for any fees (e.g., wire transfer and other fees, charged by Publisher's bank or any intermediary banks). Publisher shall provide the Company with correct and actual banking information of the Publisher. Otherwise, the Company has the right to withhold payment until the next payment cycle. In addition, the Company has the right to withhold payment also in the event that any Store withholds, for whatever reasons, the payment of any amount payable to the Company which includes the royalties due to You.

- b. We are obligated to withhold royalties and offset them against future payments based on taxation law, in particular, US federal taxes. Our exercise of these rights does not limit other rights we may have to withhold or offset royalties or exercise other remedies. If we pay You a royalty on a sale and later issue a refund, return, or credit for that sale, we may offset the amount of the royalty previously paid for the sale against future royalties or require You to remit that amount to us.
- c. If the Company receives notice of any claim, demand, action or suit or other legal proceeding alleging facts inconsistent with your warranties and representations, or if the Company has, in its reasonable business judgment, a reason to suspect that your Account has been subjected to and/or involved in fraudulent activities, the Company reserves the right to discontinue posting of monies to your Account and block your ability to otherwise withdraw funds from there, until satisfactory resolution and explanation of the suspect activities is obtained. To the extent that any fraudulent activities are determined to be caused by your or your affiliates' actions or omissions, any costs incurred by the Company (including legal fees and costs) in connection in addition to that may, in addition to its other remedies, be deducted by the Company from any monies otherwise payable to You hereunder. Certain Stores may also have policies related to fraud and suspected fraudulent activities, and You agree that such policies shall be binding upon You hereunder.

23) Payments terms are simple.

It is your responsibility to notify the Company if your payment method has changed by making the appropriate changes to your company account settings.

Your royalties will be paid out one (1) month after You receive your official earnings report. We use a self-billing system to create invoices for publishers.

We welcome publishers worldwide, but all the Services provided under these Terms of Service are quoted and provided in U.S. dollars unless otherwise indicated.

By signing up, You confirm that PublishDrive is eligible to create an invoice in your name based on sales reports using a self-billing system. You are exempt from any additional billing costs (posting, tracking, fees of electronic billing, etc.). For the self-billing to work, we will ask You to provide us with legal data according to your country of origin laws. If You refuse to give the information on time or give false or pseudo information, PublishDrive owns the right to refuse the activity of self-billing. We will not issue any payments without a valid invoice.

In replacement of any other auditing rights, You may request a certification from a chartered accountant, once a year at maximum, confirming that PublishDrive has completely and correctly accounted for your remuneration from time to time. If any deviation amounting to more than 5% at your expense,

PublishDrive shall be liable to pay the auditing fees; otherwise, You shall be liable to pay such fees.

Royalty earning reports: All accounting details will be available and updated in your account area on the Website and sent to the Publisher every month. Such a report will contain all the transactions with the end customers in all countries and through all the Stores and is based on the royalty payments You receive. Different Stores may provide royalty earnings reports monthly, or quarterly, so PublishDrive will include royalties from Stores whenever their accounting period allows it. You can follow the accounting and payment schedule of Stores here.

Sales analytics: Some Stores provide us with live sales data, which is collected for the Publisher in almost real-time. Other Stores' sales data will be updated in the Sales analytics functionality with delay. This is displayed on the Website with interactive analytics and charts where the Publisher can filter information regarding their Books. Real-time sales data proceeds are estimated and might be incorrect. Only the official royalty earnings report contains all the official data regarding Work sales.

Chargeback: Stores might issue chargeback or refund in earning reports that mean that end customers refunded the title so that they will appear as negative items on earnings reports. If a Store issues a refund to a customer for the Work, such a refund will be charged to You, the Publisher. Refunds charged back to You in any given month shall not exceed one percent (1%) of all sums received by PublishDrive in the month in which such refund was issued. Regardless of return status, the Publisher agrees to reimburse costs related to any physical Work returned due to inaccurate setup requirements. Suppose PublishDrive has paid You Publisher compensation for a printed title which is later returned. In that case, we will offset such previously paid Publisher compensation against any amounts we owe to You or require You to remit payment to us for the returned unit immediately. The return status for Direct Distribution Services is non-returnable.

Returns (in the case of print-on-demand copies): All Works published and distributed in print copy format in wholesale or direct distribution) throughout the business operations of PublishDrive, are non-returnable. Regardless of return status, the Publisher agrees to reimburse PublishDrive for costs related to any Work returned due to inaccurate title setup requirements. Suppose we have paid You Publisher compensation for a printed title which is later returned. In that case, we will offset such previously paid Publisher compensation against any amounts we owe to You, or require You to immediately remit payment to us for the returned unit. The return status for Direct Distribution Services is non-returnable.

24) Tax Information.

The Stores are responsible for collecting and remitting any taxes imposed on their respective sales of your Work to customers. You are responsible for any income or other taxes due and payable resulting from payments to You by the Company under this Agreement. Publisher will indemnify, reimburse, defend and hold harmless from any tax claims and assessments (including interest and penalties) PublishDrive, its parent, subsidiaries and affiliates, and their respective officers, directors, employees, and agents may be required to pay concerning VAT, GST, sales, use, gross receipts, business activity, and similar type taxes based on the Services performed by PublishDrive on behalf of Publisher according to this Agreement.

In the case of Direct Distribution Services, Publisher will be responsible for all taxes relating to the sale and distribution of the Works and the Services provided by PublishDrive to Publisher under this Agreement, including sales, use, personal property, gross receipts, business activity, VAT, GST, and similar type taxes and will be responsible for the collection, self accrual, reporting, and remitting of all such taxes and fees to the applicable authorities/jurisdictions.

Publisher agrees to pay PublishDrive any sales, use, gross receipts, business activity, VAT, GST, and similar type taxes that PublishDrive is required to charge and collect and are imposed due to Services rendered under this Agreement.

25) We both want your success with as many marketing options as possible.

We also want your Book to become successful, and we would like to help. This is why You will need to agree to the following:

- a. Names and Likenesses. You grant to us, during the Term, the right to use and to authorize our Stores to use the names and approved likenesses of, and biographical material concerning any writers, authors, artists, or publishers, as well as Work or publication name, in any marketing materials for the sale, promotion and advertising of the applicable Work, which is offered for sale or other use under the terms of this Terms of Service (e.g., an author, writer, publisher, or artist name and likeness may be used in an informational fashion, such as by textual displays or other informational passages, to identify and represent authorship and publishing credits of the applicable author, writer, or artist in connection with the exploitation of applicable Work).
- b. **Promotion.** You grant to our Stores and us the right to market, promote and advertise the Work as available for purchase or license, as they and we determine in our and their discretion.

26) We support Appropriate Behavior.

- a. Copyright Infringement Policy/DMCA. If You believe that your copyright or your rights under intellectual property laws are being violated by any content posted on or transmitted through the Website or products advertised on the Website, please contact us so that we may investigate the situation and, if appropriate, remove the offending content and/or advertisements. For us to investigate your claim of infringement, You must provide us with the following information:
- An electronic or physical signature of the person authorized to act on behalf of the owner of the copyright or other intellectual property interest;
- A description of the copyrighted work or other intellectual property that You believe has been infringed;
- A description of where the material that You claim is infringing is located or identified on the Website;
- Your name, address, telephone number, and e-mail address;

- A statement by You that You have a good faith belief that the disputed use is not authorized by the copyright or intellectual property owner, its agent, or the law; and
- You made a statement under penalty of perjury that the information submitted to us is accurate and that You are the owner of the copyright or intellectual property or authorized to act on behalf of the owner of the copyright or intellectual property.
- b. Usage of our name and logo. Publisher shall not use the names, service names or trademarks or logos of, or otherwise identify or refer to, PublishDrive in any press releases, publications, websites, reports, studies, publicity, marketing or promotional materials, without the prior, written approval of PublishDrive in each instance, except that Publisher may publicly refer to PublishDrive as the publisher of the Work without any approval of PublishDrive.

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27) PublishDrive's liability is limited.

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Any liability of the parties for loss or damage caused by slight negligence shall be excluded unless concerning any loss or damage the breaching party is to be held liable for in consequence of non-performance of any essential obligation, the fulfillment of which is a fundamental prerequisite for this Agreement to be implemented duly and properly and on the adherence to which the parties may generally rely (so-called cardinal obligations) on. In such an event, the breaching party shall be liable for damages to property and such financial losses attributable to the respective breach and could reasonably be anticipated upon execution of this Agreement.

PublishDrive shall not be liable to You for special, incidental, consequential, or punitive damages of any nature, for any reason, including, without limitation, the breach of this Agreement or any termination of this Agreement, whether such liability is asserted based on contract, tort (including negligence or strict liability) or otherwise, even if we have been warned of the possibility of such damages.

28) You agree to indemnify PublishDrive.

You agree to indemnify, defend and hold harmless the Company, its shareholders, officers, directors, employees, agents, distributors, vendors, and affiliates from and against any third party claims, demands, liabilities, costs, or expenses, including reasonable attorneys' fees, resulting from or arising out of your breach of any of these Terms of Service.

29) We have Links to other Websites and Services.

The Website may include links to other internet sites maintained by third parties ("<u>Linked Sites</u>"). We provide Linked Sites to You solely as a convenience, and the inclusion of Linked Sites does not imply endorsement by us of the Linked Sites. You access Linked Sites at your own risk, and by accessing them, You leave the Website. Linked Sites are not under our control, and we are not responsible for the contents of any Linked Site.

30) How a Notice should be given.

Any notice, approval, request, authorization, direction, or other communication under this Terms of Service shall be given in writing. It shall be deemed to have been delivered on the delivery date, if sent by electronic mail to the addresses provided by You upon registration on the Website, or as correctly updated.

31) Disclaimers.

Except as otherwise expressly provided, the Website, the Services, and any third-party content, software, services, or applications made available in conjunction with or through the Website, are provided on an "as is" basis. We disclaim all warranties of any kind, either express or implied, including, without limitation, implied warranties of merchantability and fitness for a particular purpose. We do not warrant that your use of the Website will be uninterrupted or error-free or that the Website or its server is free of viruses or other harmful elements. Although we endeavor to provide accurate information, we do not warrant or make any representations regarding the accuracy or reliability of the information on the Website. Your use of the Website is at your own risk. Neither the Company nor any of its affiliated or related entities or content providers shall be liable to any person or entity for any direct or indirect loss, damage (whether actual, consequential, punitive, special, or otherwise), injury, claim, or liability of any kind or character whatsoever based upon or resulting from your use or inability to use the Website or any information or materials provided on the Website. We are not liable for any defamatory, offensive, or illegal conduct of any user. You understand and agree that You use, access, download, or otherwise obtain information, materials, or data through the Website or any associated sites or applications, and offer the Work via the Services, at your discretion and risk, and that You will be

solely responsible for any damage to your property (including your computer system, handset, or any other device or peripheral used in connection with the Website) or loss of data that results from the download or use of such material or data. If You are dissatisfied with the Website or any materials on the Website or with any of these Terms of Service, your sole and exclusive remedy is to discontinue using the Website.

32) Force Majeure.

The Company will not be liable to You for any failure or delay in the performance of its obligations under this Terms of Service caused by any event or circumstance beyond its control, including, but not limited to, denial-of-service attacks, insurrection, fires, flood, storm, explosions, acts of God, war, terrorism, and labor conditions.

33) We are independent contractors.

The parties hereto agree and acknowledge that the relationship between them is that of independent contractors. These Terms of Service shall not be deemed to create any agency, partnership, or joint venture, and neither party is the other's agent, partner, or employee.

34) Waiver.

Any waiver by either You or the Company of any provision or condition of the Terms of Service shall not be construed or deemed to be a waiver of any other provision or condition of the Terms of Service, nor a waiver of a subsequent breach of the same provision or condition, unless such is expressed in writing and signed by the party to be bound.

35) Governing Law and Jurisdiction.

The Website is controlled and operated by the Company from its offices in New York. Although the Website can be accessed from other locations, by accessing the Website, You agree that these Terms of Service shall be governed by and construed by the laws of the State of Delaware, without giving effect to its conflicts of law principles. You also consent to personal jurisdiction in the State of Delaware for any dispute arising hereunder.

36) Severability.

If any portion of these Terms of Service is unlawful, void, or unenforceable, the remaining provisions will remain in place.

37) Assignment.

The Company may assign its rights and obligations under this Terms of Service at any time to any party. You may not assign your rights and obligations under this Terms of Service without obtaining Company's prior written consent.

38) Entire Agreement.

The Terms of Service, Privacy Policy, and all additional terms constitute the entire Agreement between You and the Company concerning the Services and the Website and supersede all prior and contemporaneous negotiations, agreements, proposals, and understandings of both written and oral Website and the Services.

39) These Terms and Conditions can end.

But we hope it will not. :)

The term of this Terms of Service will commence when You first access or use the Services or otherwise accept this Terms of Service and will continue, unless and until terminated by either You or us. If You want to delete your Account, submit a <u>ticket</u> with the following information: (i) your username; (ii) the email address associated with your Account; and (iii) "Termination of Digital Distribution Agreement" in the subject line of the email. Your Books will be withdrawn, and your Account will be deleted from PublishDrive operations depending on whether You have any unpaid royalties on our platform. We will use your data in compliance with the Privacy Policy ().

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