MEMORANDUM OF AGREEMENT

made this

BETWEEN Rowohlt Verlag GmbH, Associates International Limited, London (hereinafter called the Proprietor) of the one part Reinbek bei Hamburg in association with Andrew Nurnberg and Andrew Nurnberg Associates Prague, their successors and assigns

AND **Divadelný ústav**, **Jakubovo námestie 12**, **813 57 Bratislava**, **Slovakia**, **VAT number: SK2020829921** (hereinafter called the Publishers) of the other part

WHEREBY it is mutually agreed as follows regarding five titles entitled:

by

(hereinafter referred to as the Work)

- 1. The Proprietor hereby grants to the Publishers the sole and exclusive right for a period of **8 (eight) years** from the date of this Agreement to **publish and sell** the Work in **trade** form, **in one volume**, in the **Slovak** language in all countries where copyright subsists.
- 2. The Publishers shall pay to the Proprietor: a non-returnable advance of EUR 200 (two hundred Euro) per title /totalling EUR 1,000/ payable on signature of this Agreement on account of the following royalties: 8% (eight percent) of the retail price less VAT up to 500 copies sold and 9% (nine percent) thereafter. No royalties shall be payable on review copies and on copies for purpose of publicity, provided such number shall not exceed five percent (5%) of the total print run. Accounts of the sales of the said Work shall be made on the 31st day of December in each calendar year and delivered and settled within two (2) months thereafter. A report of the sales shall be made and sent to the Proprietor so long as the Work shall remain in print. The Publishers may reprint on the condition that they inform the Proprietor in writing beforehand and state the intended printrun and retail price. Within six months of the expiry of this Agreement the Publishers shall withdraw all copies from sale.
- 3. The rights herein granted are assigned to the above-mentioned Publishers solely and shall not be transferred by them nor shall the Work be issued under any imprint other than their own without the written consent of the Proprietor or his agent.
- 4. All rights not specifically granted in this Agreement are reserved by the Proprietor.
- 5. The Publishers undertake to publish their edition of the Work within **30 (thirty) months** from the date of this Agreement, unless otherwise mutually agreed between the Proprietor and the Publishers, failing which this Agreement will automatically terminate and all rights granted hereunder shall forthwith revert to the Proprietor without prejudice to any claims which the Proprietor may have either for monies due and/or damages or otherwise.
- 6. Notwithstanding any other rights which may have been granted to the Publishers in this Agreement, it is hereby understood that the Proprietor retains the right to publish or to allow third parties to publish in the **Slovak** language extracts from or synopses of the Work not exceeding 10,000 (ten thousand) words in length for use in connection with the exploitation of the cinematograph or television films of the Work. For the avoidance of doubt it is hereby confirmed that no cinematograph or television rights in the Work are granted to the Publishers.
- 7. The Publishers warrant that the translation of the Work shall be made completely, faithfully and accurately. Abbreviations or alterations shall not be made in the Work 's title or text except with the Proprietor's prior written consent. No illustrations or other material shall be included in the Publishers' edition of the Work without the Proprietor's prior written consent.
- 8. The Publishers shall print the original title on the back of the title page and the name of the author shall appear in its customary form on the title page and on the jacket/cover and/or binding of every copy and in all advertisements and other announcements of the Work issued by the Publishers or their agents. The Publishers shall not print advertisements of any kind or for any other book other than by the Author in any edition of the Work or on the jacket/cover without the Proprietor's written approval.
- 9. The Publishers shall take all necessary steps to protect the copyright in the Work and undertake to print the copyright notices:

exactly as it appears in the original edition of the Work in addition to any copyright line that may be required to establish copyright in the actual translation. If the Publishers fail to print a correct copyright notice in their edition, they shall pay a penalty fee of EUR 200 (two hundred Euro) to the Proprietor and shall correct the mistake in the following print-run.

- 10. The Publishers shall bear all the expenses of translation, production, publication and advertisement.
- 11. The Licence granted to the Publishers in Clause 1 hereof does not cover any illustrations included in the Work and the Publishers must make their own arrangements with the owners of such illustrations for the right to include the illustrations in their edition.
- 12. No debit balance arising in the Publishers' favour under the terms of other Agreements with the Proprietor for the same Work or other Works shall be offset by the Publishers against any credit balance arising in the Proprietor's favour under the terms of this Agreement.
- 13. Upon publication the Publishers shall send three presentation copies of their edition of the Work direct to the Proprietor c/o Rowohlt Verlag GmbH, Reinbek bei Hamburg, similarly, one to Andrew Numberg Associates Prague s.r.o., Praha
- 14. The Publishers shall report to the Proprietor's representative, Andrew Numberg Associates Prague s.r.o. upon publication of their edition. The Publishers shall advise the Proprietor's representative of the exact number of copies printed, the date of publication and the selling price per copy. The books of account of the Publishers so far as they relate to any matter arising out of this Agreement shall be open to inspection by the Proprietor or the Proprietor's duly authorised representative by appointment at any reasonable time.
- 15. If the Publishers fail to fulfil or comply with any of the provisions of this Agreement within one month after written notification from the Proprietor or his agent of such failure or if they go into liquidation other than a voluntary liquidation for purposes of reconstruction only, then and in either of these events this Agreement shall automatically terminate without prejudice to any claim which the Proprietor may have either for monies due and/or damages and/or otherwise.
- 16. The Proprietor hereby authorizes and empowers the firm of Andrew Numberg Associates International Limited, acting in conjunction with Rowohlt Verlag GmbH, Reinbek bei Hamburg, to collect and receive all sums of money due under the terms of this Agreement and declares that their receipt shall be a good and valid discharge of all persons paying such sums of money due to him. All payments due under the terms of this Agreement shall be made by the Publishers by bank transfer for the gross amount, **free of bank charges**, to

The Publishers shall simultaneously provide a copy of the bank transfer advice note to Andrew Numberg Associates Prague.

- 17. This Agreement shall not be considered valid until signed by both Parties. In the event of payment not being received within six weeks of receipt of fully-executed Agreement by the Publishers, the Agreement shall be automatically rendered invalid without further notice and without prejudice to any monies that may be due.
- 18. The Proprietor reserves the right to charge interest on any amounts overdue under the terms of this Agreement at 4% (four per cent) above the base rate of the
- 19. The Publishers shall not sell or allow for sale copies of the Work at a price below the published/recommended retail price within 12 months of the date of first publication without the written consent of the Proprietor.
- 20. This Agreement shall be considered null and void and all rights to the Works licensed to the Publishers herein shall automatically revert to the Proprietor if and when the Works is out-of-print for more than 6 (six) months.
- 21. All rights shall revert automatically 8 (eight) years from the date of this Agreement.
- 22. This Agreement shall be governed by the laws and procedures of the Federal Republic of Germany, regardless of the place of its physical execution. In the case of a breach of contract by the Publishers, the Proprietor may however elect to proceed against the Publishers according to the laws of the defendant's home courts.
- 23. In the event that any taxing authority imposes any sales, consumption, value-added or similar tax on or in respect of the rights granted herein or in respect of any services to be provided by the Proprietor to the Publishers hereunder including, without limitation, the so-called Goods and Services Tax, such tax shall be borne by the Publishers who shall be solely responsible for the payment of the same and no amount payable by the Publishers to the Proprietor pursuant to this Agreement shall be subject to reduction, withholding, offset or deduction in respect of any such tax.

FOR AND ON BEHALF OF THE PROPRIETOR	
FOR AND ON BEHALF OF THE PUBLISHERS	