

**TIME WARNER  
TRADE PUBLISHING**

Little, Brown and Company (Inc.)  
Warner Books, Inc.  
Time Warner AudioBooks

November 13, 2000

Andre Norton  
114 Eventide Drive  
Murfreesboro, TN 37130

Dear Ms. Norton:

Reference is made to the following agreements between you and us (the "Agreements") for publication of the works noted (the "Work(s)"):

<u>Work(s)</u>	<u>Agreement Dates</u>
THE KEY OF KEPLIAN	August 12, 1994
THE MAGESTONE	August 12, 1994
THE WARDING OF WITCH WORLD	August 12, 1994
CIARA'S SONG	July 31, 1997

This letter, when signed by you and by us, will amend the Agreement with respect to your grant to us of Electronic Display rights to the Work(s), as follows (unless otherwise indicated, capitalized terms used herein will have the same meanings as given to them in the Agreement):

A. "Electronic Display rights" means the exclusive right to reproduce, transmit, download or otherwise transfer, manufacture, publish, distribute, market and/or sell the text (which may include photographs, illustrations and all other elements of the Work(s) in its printed form) of the Work(s) (including any revisions thereof), in whole or in part, alone or in conjunction with other written or illustrative materials (e.g., as part of a package, bundle, installment series or other multiple work method), in any and all electronic and/or digital formats or distribution technologies, whether now known or later developed (including, without limitation, the world wide web), without enhancement (i.e., video, illustrations and audio), and the right to license others to do the same. Notwithstanding the foregoing, you will have prior, written approval of substantive changes made in any condensation or abridgment of the Work(s) (such approval not to be unreasonably withheld or delayed).

B. On all Electronic Display editions published by us, we will pay you royalties of: (i) twenty-five percent (25%) of net sales on all copies sold (in the event the Electronic Display edition is sold in conjunction with other work(s) or as part of a package, bundle, subscription, installment series or other multiple work method, the royalty will be multiplied by the share fraction). In the event our imprint publishing the Work(s) generally offers its authors a higher Electronic Display edition royalty, then we will thereafter increase your Electronic Display edition royalty to such higher rate, and (ii) for all subsidiary rights licenses - the percentage(s) of net licensing revenue as provided in paragraph 4 of the Agreement. The disposition of subrights will be without deduction of agent commissions.

C. For purposes of this amendment, the following terms shall have the meanings set forth below:

(i) "Net Sales" means all monies actually received by us from sales of the Electronic Display editions of the Work(s), less any applicable taxes, handling or processing fees (e.g., credit card transaction charges), customer refunds resulting from bona fide ordering, billing or other errors in the transmission of the Work(s), and agent/distribution commissions or fees payable by us to third parties (such as, web hosters and digital rights management providers) incurred in connection with effecting the transaction or transmission of the Electronic Display editions to the customer. No deductions shall be made for normal overhead expenses.

(ii) "Share Fraction" means a fraction, the numerator of which is the number of consumer downloads or readings of the Work(s) and the denominator of which is the number of consumer downloads or readings of all works in the package, group, installment series, subscription, bundle or other form of multiple works offering in which the Work(s) is included.

D. The Territory for the sale and license of Electronic Display rights will be the Territory as provided in paragraph 1(a) of the Agreement (i.e., exclusive in the United States, its territories, possessions and dependencies, Puerto Rico, the Philippines and Canada, and non-exclusive throughout the rest of the world excluding the British Commonwealth, other than Canada).

(i) We agree not to knowingly and systematically sell Electronic Display editions of the Work(s) to any customer located in the countries outside of the Territory (the "Excluded Territory"), or to directly market or promote Electronic Display editions of the Work(s) specifically to customers located in the Excluded Territory. You agree that the casual or inadvertent failure to comply with the foregoing restrictions shall not be deemed a breach by us under the Agreement or otherwise, and such sales shall be deemed included within the rights granted. You acknowledge that we have no control over where our customers resell the Electronic Display editions of the Work(s) and any such sales to and resales by them shall in no way be deemed a breach by us under the Agreement or otherwise.

(ii) Likewise, you agree that any future grant of Electronic Display rights to a publisher in the Excluded Territory (the "Other Publisher(s)") shall provide that the Other Publisher(s): (a) will not directly market or promote Electronic Display editions of the Work(s) specifically to customers located in the United States, its territories, possessions and dependencies, Puerto Rico, the Philippines and Canada, or to knowingly and systematically sell electronic editions of the Work(s) to any customer located therein, (b) agrees that the casual or inadvertent failure by us to comply with the restrictions of subclause (i) shall not be deemed a breach by us under the Agreement or otherwise, and such sales shall be deemed included within the rights granted, and (c) acknowledges that we have no control over where its customers resell the Electronic Display editions of the Work(s) and any such sales to and resales by them shall in no way be deemed a breach by us under the Agreement or otherwise.

(iii) In the event you have already granted Electronic Display rights in the Work(s) to the Other Publisher(s), you agree to use best efforts to obtain the approval and acceptance in writing by the Other Publisher(s) of the terms of subclause (ii) within 30 days of the date of this amendment. For your convenience, we have enclosed a draft of a separate agreement for you to forward to the Other Publisher(s) for signature.

(iv) Provided the Other Publisher(s) agrees to be bound by the provisions of subclause (ii), we make the same agreements and acknowledgements as contained in subclauses (ii)(b) and (ii)(c) with respect to the activities of the Other Publisher(s).

E. The Work(s) shall remain available for sale and deemed "in print" as long as royalties payable to you on sales of the Work(s) total more than \$500, cumulatively, over two consecutive royalty periods.

F. We may use and permit others to use, at no charge, selections and/or one or more chapters from the Work(s), in whole or in part (not to exceed 5,000 words in the aggregate), in any media or format

(including, but not limited to, the world wide web) for advertising, marketing and publicity purposes (both prior to and after initial publication of the Work(s)).

G. We may include editorial content or advertising material for products or services other than the Work(s) in connection with the Electronic Display editions of the Work(s) (for example, we may post ad banners or notices on a web page along with the Electronic Display editions of the Work(s)). You will not be entitled to any compensation in connection with this content or materials.

H. We may include in the Electronic Display editions of the Work(s) advertisements for other Electronic Display editions of other titles by you and our other authors.

I. You and your agent will each receive one free copy of the Electronic Display edition of the Work(s) in a medium selected by us, and additional copies may be obtained for your personal use (not for resale) on the same terms as we generally offer retailers.

J. You acknowledge and agree that the Electronic Display rights may be exercised by our affiliate iPublish.com at Time Warner Books, in which event iPublish.com at Time Warner Books will be bound by all of our obligations and have all of our rights under the Agreement with respect to the exercise of Electronic Display rights to the Work(s).

In the event of any conflict or inconsistency between the terms of this amendment and the terms of the Agreement, the terms of this amendment will govern. Except as modified hereby, the Agreement is ratified, confirmed and remains in full force and effect.

If the above is acceptable to you, please sign where indicated below and return all copies of this letter amendment to us for countersignature.

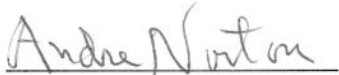
Sincerely yours,

WARNER BOOKS, INC.

By: 

Jamie Raab  
Senior Vice President and Publisher

AGREED:



AUTHOR NAME

Date: 11/29/2000