



Iguana Books

Reinventing Publishing

Centre for Social Innovation
720 Bathurst Street, 3rd floor, suite 303
Toronto, ON M5S 2R4
416.214.0760

IGUANA BOOK CONTRACT

Revised December 1, 2016

This contract is written in plain language. Although we encourage you to have it reviewed by a lawyer as you would with any contract, please do not have your lawyer rewrite it in traditional legalese. That rather misses the point of using plain language, which is to make the contract easy for everyone to understand.

*Throughout this contract, you will be asked to choose among various options. For each option you wish to select, do so by **initialling** the line beside that option.*

1. The Basics

This contract is between [insert your full legal name] _____ (“Author”) and Iguana Books (“Iguana”).

Author’s name or pseudonym as it is to appear in the Book: _____.

Title of Book: _____ (the “Book”). If the Book’s name changes (as often happens during the production process), that will not in any way change the terms of this contract or invalidate the contract.

Author’s Harmonized Sales Tax status or Goods and Services Tax status. (We need to know whether we have to add tax to payments we send you.)

Please initial one option:

_____ Author is a Canadian resident or citizen and is registered to collect HST/GST.

HST/GST number is: _____

_____ Author is a Canadian resident or citizen and does not have an HST/GST number.

_____ Author is not a Canadian resident or citizen.

2. Pre-publication costs

Iguana Books will provide a detailed budget breakdown of publication costs. Where relevant, Iguana's price quote for prepublication costs constitutes part of this contract.

Please initial one option:

_____ The Author will pay for the quoted pre-publication costs for the Book before the Book enters the production process.

_____ Prepublication costs will be covered by crowdfunding (see Appendix 2).

_____ A third party will pay for the quoted prepublication costs for the Book before the Book enters the production process.

_____ Prepublications costs will be covered by presales or a bulk purchase.

Other books

Please initial one option:

_____ This contract applies only to the Book named above.

_____ This contract applies to the Book named above and all other books that the Author submits to Iguana, unless the Author requests, in writing, that a new contract be signed for a new book.

Choosing the second option does not force the Author to use Iguana to publish other books, nor does it force Iguana to publish other books. If the Author submits other books to Iguana and has chosen the second option above, this contract will apply to those books if Iguana chooses to publish them.

("Submit" in this context means sending Iguana a manuscript, on paper or as an electronic file, and agreeing to pay, either directly or through crowdfunding, the fee that Iguana quotes to produce and distribute the book.) The Author can opt out of this contract for other books simply by not submitting those books to Iguana.

Exception: the Author can specifically request that a new contract be signed for a new book if:

- the Author wants to use a different method than the one chosen above to cover prepublication costs for the new book, or
- the new book has different existing restrictions on its rights than those listed for the Book in "Agency and Rights," below.

Any books that this contract applies to beyond the Book named above will be listed in an Appendix to this contract once they have been submitted to Iguana. Any future contract signed for future books will not affect this contract or how it applies to the Book named above or to any books listed in the Appendix. (If this is itself a new contract for a new book, this contract does not affect how the Author's existing contract with Iguana applies to the Author's existing books published by Iguana.)

3. Agency and Rights

Agent

Please initial one option:

_____ The Author is not represented by an agent for this book.

_____ The Author's agent is:

Agent's name: _____

Agency: _____

Agent's address: _____

Agent's phone number: _____

If an agent is named in this section, all royalties will be paid directly to that agent.

An Author who signs with an agent after signing this contract must let Iguana know of the agency arrangement within 30 days if it is intended to affect this book, and Iguana will deal directly with that agent from then on. Iguana is not responsible if new agency arrangements are not disclosed, so please do let us know.

Existing contracts

Please initial one option:

_____ The Author guarantees that no existing contracts restrict the use of the copyright of this Book.

_____ Existing contracts restrict the rights available.

Please list existing contracts here and attach a copy of each existing contract:

Copyright

The Author retains all copyright in the Book. Iguana will ensure that the Author is identified as the copyright holder in all Iguana editions of the Book as well as sublicensed editions.

Grant of ebook rights

Please initial one option:

_____ The Author wishes to retain all ebook rights. (Check off this option if you do not want Iguana to produce ebook editions of the Book.)

_____ The Author grants Iguana exclusive rights to publish English-language ebook versions of the Book **worldwide**. Iguana will sell ebooks through distribution to online stores and ebook devices.

Grant of printed book rights

Please initial one option:

_____ The Author wishes to retain all print book rights. (Check off this option if you do not want Iguana to produce print editions of the Book.)

_____ The Author grants Iguana the right to print and distribute copies of the Book **worldwide**.

Subsidiary rights

Please select any rights that you would like Iguana to attempt to market on your behalf. Note that it will still be ultimately your choice whether to sign or otherwise accept any agreements Iguana negotiates on your behalf. **If you have an agent, please consult the agent before selecting any of these options.**

Iguana must forward to the Author any expressions of interest it receives regarding any subsidiary rights.

Please initial as many as apply to your Book:

_____ **Foreign English-language print book rights.** Iguana would attempt to sell the right to print and distribute the Book to publishers in various markets. Author's share: 85%. Iguana's share: 15%.

_____ **Foreign-language print book rights.** Iguana would attempt to sell publishers the right to translate the Book into languages other than English, and the right to print and distribute the translated books. Author's share: 50%. Iguana's share: 50%.

_____ **Foreign-language ebook rights.** Iguana would attempt to sell publishers the ebook rights for foreign-language editions of the Book. Author's share: 85%. Iguana's share: 15%.

_____ **Publication of selections** in anthologies, textbooks, and other publications. This includes permissions fees for publishing excerpts of over 100 words in any context. Author's share: 50%. Iguana's share: 50%.

_____ **Audiobook rights and any other audio rights.** Author's share: 50%. Iguana's share: 50%.

_____ **Movie, television, game, radio, any other video, and any future technology** representation of the Book, in any language, in any medium, on any planet, in whole or in part. Author's share: 50%. Iguana's share: 50%.

_____ **Merchandising rights:** the right to use portions of the Book and the names or characters in the Book, or the Author's name or likeness, in connection with advertising or the manufacture or distribution of any product or service. Author's share: 50%. Iguana's share: 50%.

4. Author's Responsibilities

- The Author guarantees that he or she wrote the Book.
- The Author guarantees that he or she owns the copyright to the Book.
- The Author guarantees that the Book is not encumbered by existing contracts, other than those described under "Existing Contracts" above.

- The Author guarantees that the Book:
 - a. does not break any laws;
 - b. does not infringe on anyone's rights in any way;
 - c. is original and is not based on any other book;
 - d. is not libellous; and
 - e. (for non-fiction) is truthful and accurate, based on reasonable research.
- The Author guarantees that he or she has full power to enter into this Agreement.
- The Author guarantees that he or she has permission in writing to use:
 - a. photographs, illustrations, and other graphical matter in the Book (except for material the Author created);
 - b. quoted song lyrics, regardless of length; and
 - c. any other quoted material that is in excess of 100 words in length.

The permission in writing must cover ebook editions of the Book (and print books, if relevant) and must not restrict the number of copies that can be sold.
- The Author retains full copyright in the Book and agrees to indemnify Iguana against any claim, demand, suit or proceeding, or expense of any nature arising out of anything contained in the Book.
- The Author agrees to remove any previous version of the Book from electronic distribution.
- The Author will allow Iguana to use the Author's name (or pseudonym), Author-supplied photographs, video excerpts, and biographical information to market the Book.

5. Iguana's Responsibilities

1. Where relevant, Iguana will provide the Author with a firm price for the prepublication costs in advance.
2. Iguana will edit and design the Book to professional standards and prepare files for various currently dominant ebook and print formats, depending on which rights the author has granted in Section 3 of this contract.
3. If Iguana does not perform the work described in Section 5.2 within one year of the Author authorizing commencement of work on the Book, the Author can request a full refund of any fees paid to Iguana. This condition does not apply if the delays have been caused by the Author.
4. Iguana will stay current with ebook technologies, and will continue to distribute the Book in popular new ebook formats as they arise.
5. Iguana does not under any circumstances ever pay advances.
6. Iguana will make the Book available for sale through other online and electronic booksellers where Iguana has such established relationships in place.
7. Iguana will collect revenues from sales and report on sales to the Author and agent at least monthly, unless the amount accrued is zero.
8. Iguana will pay royalties monthly, as long as at least \$CDN25 of unpaid royalties have accrued.
9. Iguana will send the Author a copy of the ebook file for the Book, normally as an ePUB file, if Iguana publishes an ebook edition. If Iguana publishes a print edition, Iguana will send the Author one print copy of the Book.

6. Mutual Responsibilities

1. The Author and Iguana will work together to make the Book as good as it can be.
2. The Author and Iguana will make the editorial process as smooth as possible. Iguana will provide the Author with a copy of the edited manuscript to check. The Author will answer all editorial queries and will try not to undo the editing.
3. The Author and Iguana will consult on the cover design, and Iguana will send cover roughs to the Author (and the Author's agent, if applicable) for comment. As much as possible, Iguana and the Author will try to agree on a cover that both parties like. In the case of a dispute, Iguana chooses the final cover.
4. Our print design process is based on pre-designed templates, and Iguana will not normally change any elements of the design upon an author's request. The costs incurred for any changes to the templates will be charged back to the Author.

7. Marketing

Iguana normally puts each title on the Iguana website, setting up specific pages for the Author and the Book. We do what we can to get word of the Book out to the public, but the Book will need the Author to be working to market it. Beyond those basics, this contract does not include marketing.

Additional marketing services are available, for a fee, through external services.

8. Book pricing

Iguana is bound by agreements with some bookstores in regard to pricing, and in some cases may have little or no price-setting flexibility.

Pricing of ebooks: Iguana tries to set the price for each ebook at the point that is likely to maximize sales revenue for that book (rather than maximizing the number of copies sold).

Pricing of print books: the price we charge for print books is usually based on the printing cost for that book, and may change if the printing cost rises or falls, and as exchange rates fluctuate.

As in all things, Iguana welcomes the Author's input on what price to charge. But Iguana has final authority on pricing matters.

9. Royalties

Royalties on ebooks

Where the Author, a third party, or crowdfunding has paid for the Book's production costs, Iguana pays 85% royalties on the net proceeds of sales of ebooks. That is, the Author gets 85% of any revenue Iguana gets from the sale of the ebook.

Royalties on print books

Iguana pays a 10% royalty on print books. The royalty is a percentage of the cover price of the book, not the sale price.

10. Samples and Promotions

1. For websites that show a portion of the Book's contents to readers, Iguana will limit such free samples to no more than 5% of the content of the Book wherever possible. (Some websites, such as booksellers' sites, set their own minimums for sample content, requiring a full chapter or a minimum word count. In these cases Iguana will provide a free sample of either 5% of content or the minimum required, whichever is smaller.)
2. Iguana is allowed to send out as many review copies of the Book as it sees fit. Where appropriate, Iguana will send out print review copies, even if Iguana has only the right to sell ebook editions of the Book. Iguana normally sends out ebooks to reviewers. Iguana will cover the cost of sending out a total of five print copies for review or marketing purposes, including submissions for awards. If the Author requests that additional review copies be sent out, those copies will be charged to the Author at cost. If Iguana decides to send out more than the five copies provided for in this section of the contract, the Author will not be charged for those copies.
3. Any fees for submission of the Book for awards will be covered by the Author, except in cases where Iguana decides to submit the Book for an award.
4. If the Author and Iguana agree on a royalty payable for bulk or promotional sales, Iguana may sell bulk or promotional sales of the book at a discount.
5. Where Iguana gives away copies of the Book for review or other promotional purposes, the Author is not paid a royalty for those copies.

11. Ending This Contract

1. The Author can end this contract at any time by giving three months' written notice. The Author can end the contract with less than three months' notice by paying a \$500 administration fee.
2. Iguana can end this contract at any time with no notice. (That practice sounds unfair, but we need the right to take the Book off the market immediately if a lawsuit or other problem requires us to do so.)
3. **Low sales** This contract will remain in force until the Book in all of its forms and all associated products covered by this contract generate sales totalling less than \$375 in a complete calendar year. If total sales of the Book and all associated products fall below that threshold, either party has the option to terminate the contract by giving one month's written notice. (This arbitrary-sounding number is based on the cost of keeping the book in the distribution system for a year.) If this contract covers more than one book, the \$375 threshold in this section applies individually to each book, so that the contract's provisions can be cancelled for any book that falls below the threshold, while the contract remains in force for books whose sales are above the threshold.
4. **Non-payment** The Author can terminate the contract if Iguana doesn't pay the royalties due, if the royalties due are above the minimum payment threshold of \$CAN25. If royalties aren't paid, the Author may make written demand for payment, and if no monies are forthcoming within 30 days, the agreement is cancelled.
5. **Bankruptcy** If Iguana goes bankrupt, the contract terminates and all rights revert to the Author automatically.

What happens when the contract terminates?

On termination of the contract, all rights revert automatically to the Author.

If either party ends the contract, all royalties or fees owing by one party to the other must be paid within 90 days after the date the contract ends.

If Iguana ends the contract, Iguana will send the Author copies of all files needed to produce future editions of the Book and copies of all permissions documents that might be needed for future editions. If the Author ends the contract, Iguana will send those files and permissions documents upon payment by the Author of a \$500 administration fee.

12. Governing Law

This contract is deemed to have been entered into in the Province of Ontario, Canada, and shall be interpreted according to the laws of Ontario and of Canada. The parties, by signing the contract, consent to have any disputes about the contract settled under the jurisdiction of, and in the courts of, Ontario.

13. Succession

This contract is binding on all parties and on their heirs, administrators, and successors. Either party can assign the contract in any way they wish.

This contract, along with the quote for prepublication costs, constitutes the entire agreement of the parties relating to the subject matter addressed in this contract. This contract supersedes all prior communications, contracts, or agreements between the parties with respect to the subject matter addressed in this contract, whether oral or written.

14. Confidentiality

This contract is always available on Iguana’s website. We consider any financial arrangements, the options the Author has chosen, and the Author’s contact information to be confidential, but all other aspects of the form of this contract are completely public.

Signed

Author

Date

Signed

Kathryn Willms, Publisher, Iguana Books

Date

Appendix 1: Author Details

Please complete and return with your contract. This is the basic information we need to get started working with you.

First Name:

Last Name:

Pseudonym (if applicable):

Date of Contract Signing:

Email Address:

Home Phone:

Cell Phone:

Work Phone:

Mailing Address:

Billing Address: (if billing address is the same as mailing address, please check this box)

Agent: (if applicable)

Name:

Phone and email:

For Iguana use

Client number:

Contract version / specifics: **June 1, 2016**

Title:

Release date:

Marketing:

Editing:

Appendix 2: Crowdfunding

Authors can choose to crowdfund prepublication costs. If the Author chooses this option, responsibilities are outlined as follows:

Iguana's Responsibilities

Iguana must provide the Author with a detailed budget, representing the services necessary to create the Book to Iguana standards. This includes an estimate of the crowdfunding fees (Iguana's set-up charge, the crowdfunding site's commission, and the estimated cost of rewards). The estimated cost of rewards includes both the cost of books and shipping of all reward books to the Author. The Author may choose to add additional budget to cover other reward items, like printing and mailing postcards or bookmarks. This budget (plus any extra services the Author opts for) comprises the crowdfunding goal.

Iguana will provide the Author with a minimum goal. This represents the minimum funds necessary to pay for the publication of the Book.

Iguana Books will provide a Crowdfunding Guide and edit campaign materials created by the Author.

Although Iguana Books will endeavour to support the crowdfunding campaign over social media channels, it is not liable for marketing the campaign or its success or failure.

All monies raised during the campaign will be sent directly to Iguana Books. If the Author has added third-party services to the budget AND the campaign reaches its goal, Iguana will send the Author the monies allocated to third-party services within 30 days of the end of the campaign.

If the crowdfunding campaign does not bring in the required minimum goal, Iguana has the option of cancelling this contract. All monies raised will be returned to supporters and the Book will not be published.

If the crowdfunding campaign exceeds its goal, extra funds will be forwarded to the Author within 30 days of the end of the campaign.

Author Responsibilities

The Author may add third-party services to the budget, such as marketing.

By choosing crowdfunding, the Author is not liable for publication costs. All expenses will be covered by the proceeds of the crowdfunding campaign.

Author will create all campaign materials.

Author will endeavour to market the crowdfunding campaign to their network.

If the crowdfunding campaign does not bring in the required minimum goal, the Author has the option of making up the shortfall.

Authors are responsible for shipping rewards for fulfillment.

If the crowdfunding campaign brings in extra funds, the Author has the right to choose how these are used.

Crowdfunding Sites

Author may choose which crowdfunding site they would like to use. However, the following stipulations apply:

The crowdfunding site must allow for either all-or-nothing or a set minimum.

As stated above, authors are responsible for creating campaign materials; if the site requires a video, the Author is responsible for the organization and costs of production.

Disclosure

PubLaunch.com is a crowdfunding site for books used by Iguana authors. Although Iguana Books operates as a separate entity, it is partially owned by the same partners as PubLaunch.com.

Signed

Author

Date

Signed

Kathryn Willms, Publisher, Iguana Books

Date