

Stipend Offer Terms and Conditions for Special Titles

- 1. General Offer Terms.** This stipend offer ("Stipend Offer") is for a non-recoupable stipend of \$100 per finished hour of audio, up to a maximum of \$2,500 ("Stipend"), paid to Producers who both enter (i) into Royalty Share Deals by March 31, 2012 (the "Stipend") for eligible titles that ACX has specifically identified as eligible for this Stipend Offer and (ii) complete full production of the title and have the Rights Holder approve the final audiobook within 60 days of your original acceptance of ACX Production Standard Terms for this title. Titles eligible for a Stipend under this Stipend Offer will be identified either in an email to you or on the ACX website.
- 2. Eligibility.** This Stipend Offer is open to all ACX Producers who enter into Royalty Share Deals by March 31, 2012 for titles that ACX has specifically identified either in an email to you or on the [ACX website](#) as eligible for this Stipend Offer. Rights Holders are not eligible for this Stipend Offer. Stipends are only available on Royalty Share Deals. Pay-for-Production Deals are not eligible. Offer is non-transferrable and may not be applied to any other ACX account.
- 3. Stipend Offer Period.** This Stipend Offer begins on July 5, 2011 and expires at 11:59 pm EDT on March 31, 2012 (the "Stipend Offer Period"). You must accept an Offer on a Royalty Share Deal by 11:59 pm EDT on March 31, 2012 in order for the deal to qualify for this Stipend Offer and complete full production of the title and have the Rights Holder approve the final audiobook within 60 days of your original acceptance of the ACX Production Standard Terms for this title. Audible is not responsible for: (a) lost, misdirected, late, or incomplete Offer acceptances or for inaccurate information contained in an Offer or in an acceptance that renders an acceptance null and void, or (b) any technical, network, telephone, computer, hardware or software, malfunctions of any kind, or inaccurate transmission, or failure to receive any acceptance on account of technical problems or traffic congestion on the Internet or at any website.
- 4. Restrictions.** Limit up to 5 stipends per account, including Stipends and any other stipend offer through ACX. Once an account has qualified for 5 Stipends as part of this Stipend Offer or any other stipend offered through ACX, any additional Royalty Share Deals the account enters into on ACX that would qualify for a Stipend under these Stipend Offer Terms and Conditions will be automatically ineligible.
- 5. Offers by Rights Holders and Audible.** In order to be eligible to receive a Stipend, you must receive an Offer for a Royalty Share Deal during the Stipend Offer Period and complete full production of the title and have the Rights Holder approve the final audiobook within 60 days of your original acceptance of the ACX Production Standard Terms for this title. Audible is not responsible for the number of Offers for Royalty Share Deals that Rights Holders or Audible make during the Stipend Offer Period or the timing of the final approval given by Rights Holder of a finished audiobook.
- 6. Approvals of Finished Audiobooks; Termination of ACX Audiobook Production Agreement.** Both Rights Holders and Audible may approve or disapprove a finished eligible audiobook to which this Stipend Offer applies in their sole discretion. In the event a Rights Holder or Audible does not approve a finished eligible audiobook to which this Stipend Offer applies within 60 days of offer acceptance by the Rights Holder or the applicable ACX Audiobook Production Agreement is terminated for any reason, you will not receive the Stipend.
- 7. AFTRA.** If you're a member of AFTRA or have opted to participate in AFTRA Health and Retirement and you plan to personally perform narration services for an eligible audiobook (instead of subcontracting a narrator) for which you've received an Offer for a Royalty Share Deal during the Stipend Offer Period, you may accept the Offer subject to contributions to your AFTRA Health and Retirement account ("H&R") by clicking the "Accept with AFTRA H&R" button on the Production Offer Page. If you

properly accept an Offer for a Royalty Share Deal during the Stipend Offer Period by clicking the “Accept with AFTRA H&R” button, in order for a portion of the Stipend to be directed to your AFTRA H&R, you must comply with the Health and Retirement Contribution Conditions for AFTRA Producers posted on the ACX website. If you fail to accept an Offer for a Royalty Share Deal with the “Accept with AFTRA HR” button or you fail to comply with any term of the Health and Retirement Contribution Conditions for AFTRA Producers, you will still be eligible for the Stipend but all payments due you under the applicable ACX Audiobook Production Agreement will not qualify for AFTRA contribution and no portion of the Stipend will be directed to your H&R. The Health and Retirement Contribution Conditions for AFTRA Producers apply to this Stipend Offer.

8. **Payment of Stipends.** To receive the Stipend, you must send Audible an invoice for the total Stipend after the finished eligible audiobook is approved on ACX by the Rights Holder (or by Audible in the case of titles posted by Audible). The invoice should contain a) the title of the Audiobook, b) the Rights Holder name or a statement that the book has been posted by Audible, c) the total number of hours of finished audio contained in the Audiobook, and d) the total Stipend amount using a calculation of \$100 multiplied by the total number of hours of finished audio. Send the invoice via email to ACX Stipend Accounts Payable at StipendInvoice@ACX.com. All invoices and Stipend amounts are subject to verification by Audible in its discretion. If Audible confirms the information in your invoice, Audible will send you a check for the appropriate Stipend amount to the address you provide on the invoice within 60 days after Audible receives the invoice. If you accepted an Offer for a Royalty Share Deal by clicking the “Accept with AFTRA HR” button and have otherwise complied with the Health and Retirement Contribution Conditions for AFTRA Producers, Audible will pay an additional amount equal to 11.5% of the Stipend and send it to AFTRA to fund your AFTRA H&R after the Rights Holder, or Audible, as applicable, approves the finished eligible audiobook and Audible receives the required invoice from you.
9. **Taxes.** Producers are responsible for all taxes or other fees (including interest and penalties) (“Taxes”) arising from the payment of Stipends. Audible may deduct or withhold any Taxes that Audible determines it is obligated to deduct or withhold from any Stipend, and payment to a Producer of a Stipend as reduced by such deductions or withholding will constitute full payment and settlement to Producer of the Stipend.
10. **Disqualification.** Audible may, in its discretion, disqualify any Producer from participating in this Stipend Offer if the completed audiobook does not meet the quality standards set forth in the [ACX Rules For Audiobook Production](#) or the Producer is found to be: (a) acting in violation of these Stipend Offer Terms and Conditions or any other term or condition of ACX or any agreement on ACX to which the Producer is a party, or (b) engaging in fraudulent activity with respect to this Stipend Offer or any other offer or service made available through ACX.