# Service Terms and Conditions for Authors

Welcome to Spines! In accordance with the terms below, we will provide you with production, distribution and ancillary services, and help your book get published. We believe that authors should retain their copyrights in their works, which is why, as between Spines and you, you retain all of your ownership rights in and to your books. The complete Spines service terms and conditions for authors are provided below – please read them—our lawyers tell us they are important.

Please read the following Service Terms and Conditions ("Service Terms") carefully before using our Services (as defined below) so that you are aware of your legal rights and obligations with respect to BOOX PUBLISHING TECHNOLOGIES US INC, doing business as "Spines" ("Spines", "we", "our" or "us").

Please note that these Service Terms serve as a binding contract between you and Spines. By using our Services, you expressly acknowledge and agree that you are entering a legal agreement with us and have understood and agree to comply with, and be legally bound by, these Service Terms, together with the <u>Privacy Policy</u> (the "**Terms**"). You hereby waive any applicable rights to require an original (non-electronic) signature or delivery or retention of non-electronic records, to the extent not prohibited under applicable law. If you do not agree to be bound by these Terms, please do not use our Services.

More simply put: These are the terms that govern your use of our services.

#### Background.

Our Services are intended to assist you in producing and distributing your books by means of AI. Spines has embraced AI technologies to speed up the book production process while not compromising on the quality of books. Production, distribution and ancillary services provided by Spines under these Terms shall be referred to as the "Services" and will be provided via the Site (as applicable). Our Services will be provided, as applicable, subject to the terms of your chosen production plan ("Production Plan") and subscription plan ("Subscription Plan") (each, a "Plan") and/or account you create with Spines via the Site, as set forth herein and further detailed on our Site. For clarification, distribution and ancillary Services are only provided subject to a Subscription Plan. Your access to the Site and Services is also subject to our Website Terms and Conditions, available at <a href="https://spines.com/website-terms-and-conditions/">https://spines.com/website-terms-and-conditions/</a> (the "Website Terms"). Capitalized terms not defined in these Service Terms have the meanings ascribed to them in the Website Terms. If there is a conflict between these Service Terms and the Website Terms, these Service Terms will control.

More simply put: We use AI to help you to produce and distribute your book. Our services are provided via our website.

### 2. Modification.

We reserve the right, at our discretion, to change these Service Terms at any time. In the event of any material change to these Terms, we will notify you by providing a pop-up notice on the Site and/or by other means. You may be required to review and accept such changes by ticking the provided confirmation box and/or as otherwise instructed by us. If you do not accept the updated Terms, your access to the Site may be restricted until you do. Any change to these Service Terms will be effective once approved by you as set forth above, except that in the event of non-material changes, such changes will be effective ten (10) days following posting of the revised Terms on the Site, and your continued use of our Services thereafter means that you accept those changes. For clarification, we will not change the content of your Books (as defined below), unless requested by you and subject to these Service Terms. Notwithstanding the above, we will not increase the amount charged to you for production of a Book, or decrease your royalty percentage for such Book, following your purchase of our Services to produce such Book. For clarity, however, we may change pricing or royalties which will apply to future Books, or to future fees for Subscription Plans.

More simply put: We may need to change the terms. You might be required to accept the changes in order to continue using our services.

## 3. Ability to Accept Terms.

The Services are only intended for individuals aged thirteen (13) years or older. If you are under 13 years, please do not use the Services. If you are between 13 and 18 years of age, then you must review these Service Terms with your parent or guardian before using the Services to make sure that you and your parent or guardian understand these Service Terms and agree to them.

More simply put: Our services are not offered to individuals under the age of 13.

#### 4. Payments.

4.1 Fees. By joining to our Services, you agree to pay the fees set out in our pricing page, at <a href="https://spines.com/pricing/">https://spines.com/pricing/</a>, as applicable to your chosen Plan(s) (together with any other payments hereunder, the "Fees"). The Fees are subject to the following terms:

- (i) Unless local regulation requires that the Fees be inclusive of applicable taxes, customs and duties, the Fees are and shall be exclusive of all taxes, customs and duties, which shall be solely borne by you. The cost of shipping (if any) shall be as specified during your subscription process.
- (ii) Cancellation of your Plan(s) is subject to our Cancellation Policy available at <a href="https://spines.com/cancellation-policy/">https://spines.com/cancellation-policy/</a>, as amended from time to time (the "Cancellation Policy"). If a material change in the Cancellation Policy occurs, we will provide you with notice of the material change and information regarding how to cancel your Plan(s).
- (iii) Fees may be subject to advance or periodic payment (of all or part of such Fees), as set forth during the Plan onboarding process ("**Process**"). We may offer you a periodic payment option of the applicable production Fees when you join a Subscription Plan. All payments under these Service Terms shall be made via the payment method specified during the Process. If not otherwise specified in the Process, Fees are charged instantly.
- (iv) It is hereby clarified that we reserve the right to report any unpaid Fees to credit bureaus, and/or otherwise take any necessary action in connection with the collection of unpaid Fees.
- (v) Unless terminated in accordance with the Cancellation Policy, Subscription Plans shall automatically renew for successive subscription periods, at the then-current Fees set out at our pricing page, at <a href="https://spines.com/pricing/">https://spines.com/pricing/</a>. Spines may notify you prior to such automatic renewal. Some jurisdictions do not allow automatic renewals of consumer contracts, so auto renewal may not apply to you, in which case your Subscription Plan shall expire at the end of the then-current Subscription Plan period and shall only renew upon your consent. Following our receipt of your timely Cancellation Notice (as defined in the Cancellation Policy), your Subscription Plan will not renew.
- (vi) Revisions of your Books during the production process may be subject to additional payment if the applicable production step was already approved by you. For example, once you have proofread your manuscript and approved the manuscript copy as final, further revisions to your manuscript may be subject to additional payment. In addition, if you request that we replace the currently distributed version of your Book with a new version of the applicable Book, an additional fee shall apply.
- (vii) Provided that you have paid the applicable Fees, you will be entitled to submit your Book for production within one (1) year from the commencement date of your Subscription Plan and/or within any other time frame authorized by us in writing following your request ("Submission Period"). Following such Submission Period, we will provide our Services only subject to an additional payment of the applicable Fees (at our then-current rates).
- (vii) We may offer discounted fees for subsequent Books submitted by you, as presented at the author dashboard at <a href="https://dash.spines.com/">https://dash.spines.com/</a> and provided you have joined a Subscription Plan.
- (viii) We may offer additional ancillary services to you as part of our Services, subject to additional payment, all as set forth in the Platform and subject to these Terms.

More simply put: Our services are offered for payment. You can cancel your Plan in accordance with our Cancellation Policy. Your Plan automatically renews unless you cancel your Plan in accordance with our Cancellation Policy. We may charge you more if you ask us to replace the distributed version of your book with another version. You have one year from when you joined our services to submit your book to our website.

4.2 Sales Royalties. Subject to your payment of the applicable Subscription Plan Fees, you are entitled to receive 70% of the Net Sales Royalties (defined below) received by Spines from distribution of your Books, once such Net Sales Royalties exceed, in the aggregate, US \$25 (with respect to all of your distributed Books) within the period applicable to your Subscription Plan (which may be on a weekly, monthly or quarterly basis, as set forth during the Process) (such period, the "Payout Period"). The term "Net Sales Royalties" means gross revenue received by Spines, less any applicable taxes. Net Sales Royalties payment will be calculated in accordance with a periodic sales report we will provide you, if applicable, via the Site with respect to each applicable Book, following the end of each applicable Payout Period (provided that sales have occurred within such Payout Period) (the "Periodic Sales Report").

Once Net Sales Royalties have exceeded US \$25 in the aggregate (with respect to all of your distributed Books), in order to be entitled to the above royalties you must submit a payment withdrawal request ("Payment Withdrawal Request") via the Site. You are permitted to make Payment Withdrawal Requests at any time during the Term and for ninety (90) days thereafter, after which you irrevocably waive your right hereunder to receive payment of the applicable royalties. If applicable, royalty payments will be made, following the processing of your Payment Withdrawal Request, in accordance with the terms set forth in the Periodic Sales Report. We may require you to provide additional documentation if required by applicable law in order to process your Payment Withdrawal Request. We shall be entitled to deduct from the royalties payable to you any sums that you may owe us at any time. Following payment of Net Sales Royalties (if any), your balance will be reset.

More simply put: If you have joined a Subscription Plan, we will issue periodic sales reports regarding the sale of your book(s), accessible via the website. After a net amount of US\$ 25 is received, you will be entitled to withdraw your royalties. You must withdraw your payments yourself using the website.

#### 5. Materials we provide.

5.1 Materials. Any material provided by Spines as part of the Services, including but not limited to any digital (ebook) and/or audio (audiobook) files of your Books and/or any POD files which are prepared by us ("**Materials**"), is owned by us and/or our licensors and may be protected by applicable copyright or other intellectual property laws and treaties. It is hereby clarified that as further detailed in Section 6 below, you retain all of your ownership rights in and to your Books.

5.2 Use of Materials. You shall not use any Materials, including but not limited to any digital files, outside of the Site, unless otherwise approved in writing by Spines.

More simply put: We own all rights in the materials we provide to you as part of our services (but you still own your Books). This includes the digital (ebook), audio (audiobook) and POD files that we prepare. You cannot use these materials outside of our website.

#### 6. Books you provide.

6.1 Responsibility. The Site may permit the submission, hosting, sharing and publishing of digital manuscripts, texts, articles and/or books and/or associated materials provided by you (e.g. book cover images or voice samples) (collectively, "Book(s)"). You understand that whether or not such Books are produced and/or distributed, we do not guarantee any confidentiality with respect to any Book. You shall be solely responsible for your Books and the consequences of posting, publishing or uploading them. We have complete discretion whether to produce and/or distribute your Books and we reserve the right in our sole discretion, to monitor, censor, edit, remove, and/or delete any Books posted on the Site at any time and for any reason. It is hereby clarified that following your approval of a Book's publication and/or distribution, no changes, alterations and/or other corrections to a Book shall be permitted, unless agreed by Spines in writing. Spines may require you to pay an additional fee for making such approved changes, alterations and/or corrections, as further set forth in Section 4.1 above.

More simply put: We can decide whether or not to publish or distribute the books (or other materials) you submit to our website. We can also decide to remove books posted on the website at any time. Corrections of your book after it has been approved for publication are not permitted, unless we agree to make such corrections (which may be subject to additional changes).

6.2 Ownership. You represent and warrant that you own or have the necessary rights and permissions to use and to authorize Spines to use all Intellectual Property Rights (defined below) in and to your Books, and to enable inclusion and use thereof as contemplated by the Site and these Terms. For clarity, you bear all risk with respect to and shall be responsible for obtaining all necessary consents, rights and/or licenses (including paying any applicable royalties), if any, to use the Books (including for the provision and modification of the relevant Book). Spines shall not be liable for any claims of any kind (including copyright, publicity and/or privacy rights or breach of contract claims) made by any third party in connection with your Books. "Intellectual Property Rights" means any and all rights, titles and interests, whether foreign or domestic, in and to any and all trade secrets, patents, copyrights, service marks, trademarks, know-how, or similar intellectual property rights, as well as any and all moral rights, rights of privacy, publicity and similar rights of any type under the laws or regulations of any governmental, regulatory, or judicial authority, foreign or domestic. As between Spines and you, you retain all of your ownership rights in and to your Books, provided that any Materials provided by Spines to you, including digital files of your Books, shall constitute property of Spines and shall be used by you only in accordance with these Terms. Notwithstanding the above limitation regarding your use of the Materials and/or Section 5.2 above (but always subject to Section 8 below), to the extent that you (i) join a Production Plan; and (ii) pay, upon joining such Production Plan: (a) all applicable Production Fees in full; and (b) an amount equal to 5 years of the applicable Subscription Plan Fees; then you shall be free to use any such Materials without limitation. Subject to your provision of the necessary information, we may offer you, free of charge, a digital certificate confirming that your Book file was in your possession as of a certain date ("Digital Certificate"). Spines provides the Digital Certificate AS-IS, without any warranties and/or representations, express or implied, including without limitation with respect to the accuracy and/or the correctness of such Digital Certificate. Spines shall not be liable for any claims, damages and/or liabilities suffered or alleged to be suffered by you and/or any third party in connection with such Digital Certificate.

More simply put: You own all IP in your books. This means that you can copy or create derivative works of your books (such as plays or movie scripts), but you cannot use the digital, audio or hard copies we provide as part of the services, for these purposes. We count on you to have all necessary rights in connection with the books and other materials you submit to our website. If you join a Production Plan and pay all applicable Production Fees in full, as well as an amount equal to 3 years of the applicable Subscription Plan Fees, then you are free to use any files we provide as part of the services. We may offer you, on an "AS-IS" basis, a digital certificate confirming that your book file was in your possession as of a certain date.

6.3 License to Books. By submitting the Book to Spines, you hereby grant Spines a worldwide, non-exclusive, royalty-free, license during or after the Term to, directly or indirectly, use, reproduce, sell (including for use to train a Large Language Model), distribute, modify (as instructed by you), prepare derivative works of, display, and perform the Books in connection with the Site, Services and Spines' business, including without limitation for producing and distributing part or all of your Book (and derivative works thereof) in any media formats and through any media channels and, and you hereby waive any moral rights in your Book in connection with such license, to the extent permitted by law.

More simply put: You agree to give us a license to use your books in connection with our services and business. For example, you agree that we may distribute your book on Amazon or at Barnes & Noble.

6.4 Prohibited Content. You agree that you will not display, post, submit, publish, upload or transmit an Book that: (i) is unfair or deceptive under the consumer protection laws of any jurisdiction; (ii) is copyrighted, protected by trade secret or otherwise subject to third party proprietary rights, including privacy and publicity rights, unless you are the owner of such rights; (iii) creates a risk to a person's safety or health, creates a risk to public safety or health, compromises national security, or interferes with an investigation by law enforcement; (iv) impersonates another person; (v) promotes illegal drugs, violates export control laws, relates to illegal gambling, or illegal arms trafficking; (vi) is unlawful, defamatory, libelous, threatening, pornographic, harassing, hateful, racially or ethnically offensive, or encourages conduct that would be considered a criminal offense, gives rise to civil liability, violates any law, or is inappropriate; (vii) involves theft or terrorism; or (viii) is otherwise malicious or fraudulent.

More simply put: Do not provide any book (or other content) that infringes other peoples' rights or that is defamatory, pornographic, hateful, racist or otherwise inappropriate.

#### 7. Privacy.

We will use any personal information that we may collect or obtain in connection with the Services in accordance with our privacy policy which is available at: <a href="https://spines.com/privacy-policy/">https://spines.com/privacy-policy/</a>. You agree that we may use personal information that you provide or make available to us in accordance with the Privacy Policy.

#### 8. Warranty Disclaimers.

- 8.1 Applicable law may not allow the exclusion of certain warranties, so to that extent certain exclusions set forth herein may not apply.
- 8.2 THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS, AND WITHOUT WARRANTIES OF ANY KIND EITHER EXPRESS OR IMPLIED. SPINES HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AND THOSE ARISING BY STATUTE OR FROM A COURSE OF DEALING OR USAGE OF TRADE.
- 8.3 YOU SPECIFICALLY ACKNOWLEDGE THAT SPINES SHALL NOT BE RESPONSIBLE FOR THE BOOKS AND THAT THE RISK OF HARM OR DAMAGE FROM THE FOREGOING RESTS ENTIRELY WITH YOU.
- 8.4 YOU FURTHER ACKNOWLEDGE AND AGREE THAT DUE TO THE NATURE OF OUR USE OF DATABASES AND/OR ARTIFICIAL INTELLIGENCE FOR GENERATING BOOK COVER IMAGES, BOOK COVER IMAGES MAY NOT BE UNIQUE, AND OTHER SPINES CUSTOMERS MAY RECEIVE AND SELECT IDENTICAL OR SIMILAR BOOK COVER IMAGES WHEN USING OUR SERVICES. SPINES DISCLAIMS ANY AND ALL RESPONSIBILITY IN CONNECTION WITH THE USE OF IDENTICAL OR OTHERWISE SIMILAR BOOK COVERS BY DIFFERENT CUSTOMERS.
- 8.5 YOU CONFIRM THAT CONTENT YOU PROVIDED TO SPINES DOES NOT VIOLATE ANY THIRD PARTY'S PRIVACY OR INTELLECTUAL PROPERTY OR OTHER RIGHTS, AND THAT NO CONTENT ABOUT THIRD PARTIES IS DEFAMATORY. You shall be solely responsible for replying to any third party request and/or complaint in connection with your Book. In the event that Spines receives any such request and/or complaint, it will direct it to you.

More simply put: We provide our services on an "AS-IS" basis.

8.6 EXCEPT AS EXPRESSLY STATED IN OUR PRIVACY POLICY, SPINES DOES NOT MAKE ANY REPRESENTATIONS, WARRANTIES OR CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE SECURITY OF ANY INFORMATION YOU MAY PROVIDE OR ACTIVITIES YOU ENGAGE IN DURING THE COURSE OF YOUR USE OF THE SITE AND/OR THE SERVICES.

# 9. Limitation of Liability.

9.1 TO THE FULLEST EXTENT PERMISSIBLE BY LAW, SPINES SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, EXEMPLARY, SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OF ANY KIND, OR FOR ANY LOSS OF DATA, REVENUE, PROFITS OR REPUTATION, ARISING UNDER THESE TERMS OR OUT OF YOUR USE OF, OR INABILITY TO USE, THE SERVICES, EVEN IF SPINES HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages, so the above limitations may not apply to you.

9.2 IN NO EVENT SHALL THE AGGREGATE LIABILITY OF SPINES FOR ANY DAMAGES ARISING UNDER THESE TERMS OR OUT OF YOUR USE OF, OR INABILITY TO USE, THE SERVICES EXCEED THE TOTAL AMOUNT OF FEES, IF ANY, PAID BY YOU TO SPINES FOR USING THE SERVICES DURING THE THREE (3) MONTHS PRIOR TO BRINGING THE CLAIM.

More simply put: We care about our authors but we cannot assume liability for everything. Our liability towards you, in any case, is limited.

#### 10. Indemnity.

You agree to defend, indemnify and hold harmless Spines and our affiliates, and our respective officers, directors, employees and agents, from and against any and all claims, damages, obligations, losses, liabilities, costs and expenses (including but not limited to attorney's fees) arising from: (i) your use of the Services; (ii) your Books; and/or (iii) your violation of these Terms.

More simply put: If we are sued because of how you used our services, your books, or violation of these terms, you have to pay any damages and also our costs.

## 11. Term and Termination.

These Service Terms are effective until terminated by Spines or you (the "Term"). For clarity, your cancellation of the Subscription Plan constitutes termination of these Terms. Spines, in its sole discretion, has the right to terminate these Service Terms and/or your access to the Services, immediately at any time and with or without cause (including, without any limitation, for a breach of these Terms). Spines shall not be liable to you or any third party for termination of the Services. If you object to any term or condition of these Terms, or any subsequent modifications thereto, or become dissatisfied with the Services in any way, your only recourse is to immediately discontinue use of the Services and send us a Cancellation Notice (as defined in the Cancellation Policy). Upon termination of these Terms, you shall cease all use of the Services. Upon termination of these Service Terms and/or your Subscription Plan, we will cease providing you with any Services, including any distribution Services. Please be aware, however, that your Books may still appear on certain distribution channels for a certain period of time following such termination, until actually removed by the third party distribution channels (which can be weeks or even months). Spines shall bear no responsibility and shall have no liability in connection with any late removal of such Books from the applicable distribution channels following termination of these Service Terms and/or your Subscription Plan. Please also be aware that in some cases your Books may be offered for sale in the secondary market by third parties. Spines has no control over this, and shall bear no responsibility and shall have no liability in connection with any such sale and/or other distribution of your Books in the secondary market. This Section 11 and Sections 5 (Intellectual Property Rights), 6.3 (License to Books), 7 (Privacy), 8 (Warranty Disclaimers), 9 (Limitation of Liability), 10 (Indemnity), and 12 (Independent Contractors) to 14 (General) shall survive termination of these Terms.

More simply put: We may terminate your use of our services at any time. If you are unhappy with these terms, do not use our services, and send us a cancellation notice. Following termination, your books may still appear on distribution channels for a certain period of time, until removed by them. Your books may also be offered by third parties in the secondary market.

#### 12. Independent Contractors.

You and Spines are independent contractors. Nothing in these Terms creates a partnership, joint venture, agency, or employment relationship between you and Spines. You must not under any circumstances make, or undertake, any warranties, representations, commitments or obligations on behalf of Spines.

More simply put: You and Spines are independent entities.

## 13. Assignment.

These Terms, and any rights and licenses granted under these Terms, may not be transferred or assigned by you to any third party, but may be assigned by Spines without restriction or notification to you. Any prohibited assignment shall be null and void.

More simply put: We can assign these terms, without any restriction or notification to you. You cannot do the same.

#### 14. Governing Law.

Spines reserves the right to discontinue or modify any aspect of the Services at any time. These Terms and the relationship between you and Spines shall be governed by and construed in accordance with the laws of Delaware, without regard to its principles of conflict of laws. You agree to submit to the personal and exclusive jurisdiction of the courts located in Delaware and waive any jurisdictional, venue, or inconvenient forum objections to such courts, provided that Spines may seek injunctive relief in any court of competent jurisdiction.

More simply put: The law and courts of Delaware apply here.

## 15. General.

These Terms, together with the Website Terms, shall constitute the entire agreement between you and Spines concerning the Services. If any provision of these Terms is deemed invalid by a court of competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of these Terms, which shall remain in full force and effect. All headings and

summaries of the clauses of these Terms are included for convenience purposes only and are, by their nature, incomplete, and should not be relied upon in the interpretation of these Terms. No waiver of any term of these Terms shall be deemed a further or continuing waiver of such term or any other term, and a party's failure to assert any right or provision under these Terms shall not constitute a waiver of such right or provision. YOU AGREE THAT ANY CAUSE OF ACTION THAT YOU MAY HAVE ARISING OUT OF OR RELATED TO THE SERVICES MUST COMMENCE WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES. OTHERWISE, SUCH CAUSE OF ACTION IS PERMANENTLY BARRED.

More simply put: If you have a claim against us in connection with the services, bring it up within one year.

Last updated: January 2025