

**Random House, Inc. Terms of Sale  
U.S. DISTRIBUTORS**

**2008 DISTRIBUTOR MARKETING PROGRAMS**

**DISTRIBUTOR MARKETING ALLOWANCE (DMA):**

Distributors may earn a Distributor Marketing Allowance based on the appropriate percentage of previous year's (January 1 to December 31) net purchases of RH titles:

Adult* & Children's:	0.50% (all imprints/formats except Prima Games & RH Value)
Prima Games:	1.0%
RH Value:	2.0%

\*Accounts on the Adult Freedom Incentive Plan are eligible for the Adult Freedom Sales Marketing Investment Pool in lieu of the Adult DMA.

This allowance is not to be used for microfiche, line listings, or web-site listings. This allowance may be used to reimburse the distributor for the actual cost of the distributor's catalogs, mailings, or brochures that advertise and illustrate RH titles. All such promotions/events must be approved in writing in advance by a RH sales representative. Documentation of the actual cost of the promotion and proof of ad must be furnished for reimbursement. Reimbursements for co-op claims will be made by credits issued to the accounts. Accounts must be in good credit standing to receive co-op reimbursement. All claims must be made within 90 days subsequent to the end of the calendar year.

**EDUCATION & LIBRARY ALLOWANCE:**

Distributors who distribute to the **Education & Library market** may earn an allowance based on the appropriate percentage of previous year's (January 1 to December 31) net purchases of RH titles:

Adult:	0.75% (all imprints/formats except Prima & Games Children's)
Prima Games:	1.0%
Children's:	1.5%

This allowance is not to be used for microfiche, line listings, or web-site listings. This allowance may be used to reimburse the distributor for the actual cost of the distributor's catalogs, mailings, or brochures that advertise and illustrate RH titles to this market. All such promotions/events must be approved in writing in advance by a RH sales representative. Documentation of the actual cost of the promotion and proof of ad must be furnished for reimbursement. Reimbursements for co-op claims will be made by credits issued to the accounts. All claims must be made within 90 days subsequent to the end of the calendar year.

**\*ADULT FREEDOM PLAN SALES MARKETING INVESTMENT POOL (Adult Only):**

Distributors who distribute to the **Mass Merchandise market**, that have also signed up for the 2008 Adult Freedom Incentive Plan, may earn an allowance based on the appropriate percentage of previous year's (January 1 to December 31) net purchases of RH titles:

A pool of 1% of the mass merchandise distributor's total previous year's net billing, including all formats, will be established to support and drive sales initiatives with the mass merchandise distributor and the respective retailers. This pool is paid on only approved programs and each initiative must be submitted in writing with approval by the Divisional Director and NY office.

**Send all coop claims directly to:**

Random House, Inc. Distribution Center  
400 Hahn Road, Westminster, MD 21157  
ATTN: Coop Administration Department

**The deadline for all calendar year 2007 claims is March 31<sup>st</sup>, 2008. The deadline for all calendar year 2008 claims is March 31<sup>st</sup>, 2009.**

**Note:** Audio downloadable/digital, BOT, Business Development, Calendars, CodeNotes, Distribution Clients, Net-priced product, Proprietary product, Potter Style, Remainders, RH Discontinued Operations are not included in any of these programs. Separate programs may be available. Contact your Sales Rep for details.

**Minimum Advertised Price**

While retailers are free to charge whatever price they wish for RH titles, in no event may co-op advertising funds be used to advertise a retail price more than 45% below the manufacturer's stated cover price.

*RANDOM HOUSE, INC. RESERVES THE RIGHT TO CHANGE TERMS OF SALE AT ANY TIME.*

*<http://www.randomhouse.com/bookseller/terms.html>*

*Updated: 12/20/07*