

Letter of Intent to do Business

Regarding translation and marketing of e-book

Date of commencement: **DATE OF AGREEMENT**

Parties to this Agreement

The two parties to this agreement (in the following referred to as **The Agreement**) are

YOUR NAME
YOUR ADDRESS

(in the following referred to as **The Translator**)

and

Canine Superior Financial Services Inc. d.b.a. K9joy®

101 Main Street, Porthill, Idaho, 83853 USA, or

3998C Riverview Road, Creston, BC, V0B 1G2 Canada

(in the following referred to as **K9joy**), represented by its Director,
Mogens Eliassen

(together, in the following referred to as **The Parties**).

Background

K9joy® is in possession of the intellectual rights to the e-book specified in Schedule A (in the following referred to as **The E-book**), and is interested in distributing The E-book online to an International audience by making its on-line resources and experience available for the project.

The Translator is interested in making a translation of The E-book (in the following referred to as **The Translation**) to the language specified in [Schedule A](#) (in the following referred to as **The Language**), with the title as specified also in [Schedule A](#), and is interested in marketing The Translation on-line in a joint venture with K9joy.

The Parties agree to the following terms of a joint venture for the marketing and distribution of The Translation:

K9joy Translator Agreement

Scope of The Agreement

1. The Agreement pertains exclusively to The E-book and The Translation identified in [Schedule A](#). Any other K9joy publications will be subject to separate agreements by the addition of another Schedule for each title.
2. Either Party may delegate or assign or transfer specific responsibilities and tasks related to this agreement, as the Party in question sees fit. The delegating Party is responsible for the delegatee or subcontractor performing such duties in accordance with this agreement.
3. The Translator is responsible for a proper and diligent translation of The E-book and delivering it in a format acceptable to K9joy. K9joy will edit, layout, and publish The Translation online from its own web site at <http://k9joy.com> in various versions. Such versions might include:
 - A download of The E-book;
 - The E-book on a CD or DVD or in other tangible form that is suitable to physically transport software;
 - A read version on audiocassette;
 - Printed versions on a print-on-demand basis, possibly using a drop-ship service.
4. All proprietary rights to The E-book and The Translation remain with K9joy, except if K9joy is in default of The Agreement, in which case the Translator may exercise certain rights in regards to using The Translation as specified in points 12 through 19 below.
5. The Translator will translate also the web pages on K9joy's web site that are instrumental for the sales, including the variable text that is stored on K9joy's online database and extracted by the web pages. K9joy will publish the translated web pages the same way as it publishes the similar web pages for the English version of The E-book, making them available for public access on the web site.
6. All sales of The Translation will be conducted by K9joy, who will provide the necessary payment processing and banking services for on-line processing of payments. Alternative methods of payment and the terms and fees for offering them can be established at K9joy's sole discretion.
7. The Translator will sign up as an Affiliate in [K9joy's Affiliate Program](#). The general terms for the relationship between K9joy and

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its Affiliates as expressed in the **K9joy Affiliate Agreement** will be part of The Agreement. The K9joy Affiliate Agreement is available for review on-line at

<http://k9joy.com/affiliates/K9joyAffiliateAgreement.pdf>.

8. The Translator will be paid a fraction of the total revenues generated of The Translation as follows:
 - K9joy will pay The Translator **a royalty on all sales**, regardless who facilitated the sale. This royalty (in the following referred to as **The Royalty**) is calculated as outlined in point 42. The size of The Royalty is specified in [Schedule A](#).
 - K9joy will pay The Translator **affiliate commissions** as outlined in the **K9joy Affiliate Agreement** (in the following referred to as **The Commissions**).
9. The Agreement commences on the date specified in the header of this document, and it may be terminated by either Party giving 6 months written notice. After such termination, either Party is free to use the Translation as is in accordance with the default rules as outlined below in points 12 through 16.
10. The Agreement can be extended to cover also other titles. For each such additional title, a mutually signed additional schedule, similar to [Schedule A](#) and referring to The Agreement, will suffice.
11. Communication between The Parties is in English.

Default Rules in Case of Disagreement or Termination

12. In case The Agreement is terminated by written notice or as a result of disagreement between The Parties or for other reasons, each party shall have the right to use The Translation under the following terms:
 - Each Party shall pay the other Party a Default Royalty of the gross revenue generated by The Party from the sales of The Translation. The Default Royalty is calculated as outlined in point 42, and its size is specified in [Schedule A](#).
 - Updates and revisions of The Translation must be made in accordance with this agreement, particularly points 21 and 33-34.

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13. For verification of payments being accurate, either Party may, at its own expense, contract a third Party to conduct an investigation of the other Party's sales records.
14. In case any significant discrepancies between the records and the paid royalties are found, the offending Party will pay all costs associated with the investigation, in addition to any due royalties, which will be doubled. "Significant discrepancies" shall, in this context, mean royalties due but not paid in excess of an amount specified in [Schedule A](#) as The Discrepancy Limit.
15. In case of any moderate discrepancies, the Parties will split the costs of the investigation 50/50. "Moderate discrepancies", in this context, shall mean royalties due but not paid, when they are less than The Discrepancy Limit, but more than 10% of the due royalties is more than 90 days overdue.
16. In case of any minor discrepancies between the records and the paid royalties is found, the due royalties must be paid immediately. "Minor discrepancies", in this context, shall mean royalties due but not paid, when less than 10% of the due royalties are overdue by more than 90 days. Any repeated cases of "minor discrepancies" shall be dealt with as "moderate discrepancies" if any payments are 90 days overdue.

Default Rules in Case of Breach of Agreement

17. If a Party has proof that the other Party is in breach of The Agreement, the offended Party may give the offending Party 1 month's written notice to rectify the offense and restore compliance with The Agreement. If compliance is not restored within this time frame, The Agreement is considered terminated, except for the above ["Default Rules in Case of Disagreement or Termination"](#), whereas those rules still apply as to the offending Party's obligations.
18. Failure of a Party to notify the other Party of a breach of The Agreement shall not forfeit this Party's right to use this rule at a later time. However, if compliance is restored, the past offense will not be considered a valid reason for executing any rights in accordance with point 17 above; only a repeated offense will do that.

Default Rules in Case of Non-Enforceability

19. The possible fact of any parts of The Agreement being non-enforceable will not affect any of the enforceable parts of it. All enforceable parts will remain in force, and The Parties will substitute the non-enforceable parts with enforceable parts that represent the original intent as closely as possible.

Specific Rights, Duties, and Responsibilities of K9joy

20. K9joy will provide a complete copy of the master file of the original E-book, free of charge, to the Translator.
21. From time to time, K9joy may publish updates and revisions of The E-book and/or the web pages related to it. K9joy will forward those, free of charge, to The Translator for revision of The Translation, no later than one month after publication of those revisions in English.
22. K9joy will ensure that proper ISBN numbers to the published versions of The Translation will be assigned.
23. K9joy will publish the web pages for The Translation as part of its web site, but is not obliged to include those pages in any paid advertising or specific promotional efforts. K9joy is not in any other way responsible for promotion and marketing of The Translation or the translated web pages.
24. K9joy will assist The Translator as requested for communication with third parties that require a decision that will go beyond The Translator's authority in accordance with The Agreement.
25. K9joy will provide an e-mail account for The Translator on the k9joy.com domain.
26. K9joy will make a number of sequential autoresponders available for The Translator in proportion to the number of such autoresponders used for The E-book. The content of the letters in those sequential autoresponders is to be provided by The Translator in accordance with an outline that is approved by K9joy. Management of those autoresponders remains under K9joy's control.
27. K9joy will pay The Translator an additional royalty when those autoresponder follow-up letters are all provided. This additional royalty is referred to as The Additional Royalty. It is calculated as outlined in point 42, and its agreed size is specified in Schedule A.

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28. The Translator gets the right to first refusal to make those autoresponder follow-up letters. If they are not done within 3 months from K9joy requesting this, K9joy is free to subcontract someone else to do this work and earn The Additional Royalty associated with it.
29. K9joy will further permit The Translator to also translate other K9joy public materials, specifically including all articles and publications issued by K9joy or published on K9joy's domain, including
 - Public articles;
 - Contents of newsletters, including "The Peeing Post" and "K9joy Affiliate News";
 - Information on K9joy public web pages;
 - Information on K9joy Affiliate web pages.

Such translation work is not subject to any royalty payments, but The Translator may use it in his/her general promotional efforts and publish and distribute them at no charge, provided K9joy gets a copy for its own publication.

30. K9joy will make any such translations available on its web site and will take care of all technical aspects of this, including layout and coding, based on The Translator's text. There are no charges for such services.
31. K9joy will use its best efforts and all reasonable means to maintain the web pages and the on-line access to The Translation through its web host but will not be liable for any loss or damage of any nature whatsoever for any disruption in these services caused by technical issues or any other issues of any nature over which K9joy has no control.
32. K9joy will allow The Translator access to follow up on sales related to The Agreement through [K9joy's Affiliate Program](#).

Specific Rights, Duties, and Responsibilities of The Translator

33. When K9joy forwards the original or a revision/update of The E-book, The Translator will translate the material and return the results to K9joy within 3 months from receiving them, so they can be included in The Translation. The Parties might agree to a specific deadline for the initial translation to be done that is different from this. Such a Translation Deadline is specified in [Schedule A](#) if applicable.

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34. The Translator will assist with any additional translations needed for the purpose of publishing, updating, or revision of the relevant web pages for K9joy relating to the sale of The Translation. This includes translation of essential technical input for the web pages, such as keywords and meta tags, hidden text, and input text from the on-line database as required for the functioning of the web pages. Such translation work is subject to a time limit of 1 month from the date K9joy requests the work done.
35. The Translator is responsible for all communication to people who require communication in The Language, as long as such communication exclusively pertains to marketing and promotion of The Translation in The Language. This particularly includes customer inquiries and communication with marketing organizations, such as editors, publishers, various organizations, and all other marketing contacts that reasonably require communication in The Language.
36. The Translator is granted the option of translating and/or adjusting also all follow-up e-mails K9joy uses to back up the sales of the English version of The E-book. The Translator forfeits this right by not delivering the work within 3 months from it being requested by K9joy. Such work is subject to The Additional Royalty, as agreed between The Parties in point 42 and [Schedule A](#), effective from the day K9joy implements the work, which must be no later than 1 month after receiving it.
37. The Translator will join [K9joy's Affiliate Program](#), which will be used to monitor sales and calculate commissions. The Translator will be entitled to commissions on sale of The Translation as well as on any other K9joy products that are subject to [K9joy's Affiliate Program](#), on the same terms as all other K9joy Affiliates, in accordance with the [K9joy Affiliate Agreement](#).
38. The Translator is free to advertise and promote The Translation as any other Affiliate of K9joy can advertise and promote K9joy's products. This particularly includes that The Translator may use all the tools published by K9joy for its Affiliates and translate those into The Language and use them. No further permission is necessary for this, as long as The Translator updates the use of such translations in accordance with K9joy's general adjustments and revisions of its tools for Affiliates. Such updates and revisions will be published on K9joy's exclusive web pages for affiliates, accessed through <http://k9joy.com/affiliates>, via the control panel, and through K9joy's broadcast service for affiliates, "K9joy Affiliate News". Subscription information is on the web site and accessible through the Affiliate

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control panel. It is The Translator's responsibility to ensure that he/she receives such updates of tools for and modifications to the K9joy Affiliate Agreement.

39. The Translator warrants to K9joy that he/she will not use any false or misleading claims and that he/she will hold K9joy harmless for any damages or claims against K9joy arising from The Translator's advertising and marketing in any case where such marketing material is not approved by K9joy prior to its use.
40. In case K9joy should be unable to provide the specified web services and payment processing services for a period of 30 days or more, The Translator has the right to find and use alternative services for sale of The Translation and pay any party appointed by K9joy in accordance with the "[Default Rules in Case of Disagreement or Termination](#)", until The Agreement is terminated or K9joy rectifies the problem.

Payments

41. Payments to The Translator are made on a monthly basis in accordance with the general provisions of the [K9joy Affiliate Agreement](#). The terms of that agreement are part of The Agreement.
42. All Royalties (both The Royalty, The Additional Royalty, and The Default Royalty) are specified in [Schedule A](#) as percentages of the retail price of a download of The E-book. The Royalties of other versions of The Translation (CD, printed copy, etc.) will remain the same dollar amounts, regardless K9joy charging a higher price for those in order to cover its production costs of such more expensive versions.
43. K9joy cannot alter the Royalties without mutual consent. However, K9joy has the right to change the retail price of a download of The Translation, in which case the specific dollar amounts for The Royalty, The Additional Royalty, and the Default Royalty will change in accordance with the agreed percentages for those as specified in [Schedule A](#).
44. There are no up-front fees payable to or from either Party. Payments are exclusively as outlined above.

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Hardcover Publishing

45. K9joy covenants that it will give The Translator the right to first refusal to a joint venture regarding printing The Translation and publishing it as a standard hardcover book through a publishing house. Such an invitation cannot be given before January 01, 2006, and it must encompass a complete financial proposal, including a specific offer from a publisher. The Parties will enter into such an agreement with a publisher on the basis of a 50/50 split of both investment required and revenue earned. Each Party may collaborate with third-party investors and assign a third-party payee to receive the revenue from such a joint venture.
46. If The Translator refuses to participate in the investment required for the joint venture, the rules as under described under the section of The Agreement named ["Default Rules in Case of Disagreement or Termination"](#) will apply to the total revenue obtainable from this publishing venture. This will not affect any other parts of The Agreement. From the date of the proposal being presented in writing, The Translator has 1 month to accept or decline the proposal that must allow for another 2 months before any investment is payable.

Additional Provisions:

47. K9joy will give credit to The Translator on all published versions of The Translation. The Translator may use a pseudonym or pen name (fictitious name) if desired.
48. K9joy will give The Translator the right to first refusal of any marketing initiatives for The Translation it becomes aware of and wants to pursue. If The Translator does not pursue such an option, K9joy is free to do it itself. If The Translator does not respond to such an invitation within 10 business days or does not take observable action on it within 1 month, K9joy may take this as a refusal.
49. K9joy warrants that it will not duplicate contacts to people and organizations that The Translator has already contacted as part of his/her marketing plan, provided The Translator has made K9joy aware of this by forwarding copies of proof of the contact efforts. This covenant will still be enforceable if The Agreement is terminated for reasons that are not related to breach of The Agreement.
50. Neither Party gives any covenants as to what kinds of results any of their respective businesses will obtain from The Agreement.

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51. The Parties covenant to each other that they are in possession of all necessary authority to enter into The Agreement and that The Agreement, to the best of their knowledge, does not infringe on any third party rights.
52. The Parties further covenant that The Agreement represents what the Parties agree to, there being no other agreement in place between them regarding this matter, except as exclusively disclosed in The Agreement.
53. The Agreement is subject to the laws of the State of Idaho, whose Courts of Law will provide final settlement of any dispute between the Parties.

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The signatories below covenant that they are authorized to enter into this agreement on behalf of the Party that they represent and that the Agreement will have binding effect on that Party.

For The Translator:

_____ Date: _____
YOUR SIGNATURE

Witnessed by:

_____ Name: _____
Address: _____

For K9joy®:

_____ Date: _____
Mogens Eliassen

Witnessed by:

_____ Name: _____
Address: _____

SCHEDULE A

Regarding Letter of Intent to do Business, regarding translation and marketing of e-book, commencing **DATE OF AGREEMENT**

The two parties to this agreement are

YOUR NAME
YOUR ADDRESS

and

Canine Superior Financial Services Inc. d.b.a. K9joy®
101 Main Street, Porthill, Idaho, 83853 USA, or
3998C Riverview Road, Creston, BC, V0B 1G2 Canada

Referring to the above agreement, The Parties particularly agree to the following details:

The E-book: **TITLE OF THE E-BOOK**

The Language: **YOUR LANGUAGE**

Title of The Translation: **TITLE OF THE TRANSLATION**

Translation Deadline: **DATE**

The Royalty: **12 %**

The Additional Royalty: **3%**

The Default Royalty: **10%**

The Discrepancy Limit: **US\$1,000**

Affiliate Commissions: as specified in K9joy's Affiliate Agreement

Signed:

Date

YOUR SIGNATURE

Date

Mogens Eliassen for K9joy®