

**LIGHTNING SOURCE LLC**  
PUBLISHER OPERATING MANUAL

**Version 5.3**  
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# 1 Overview

Lightning Source LLC (“LS”), Ingram Content Group UK Ltd. (“ICGUK”), or Ingram Content Group Australia Pty Ltd. (“ICGAUS”) Lightning Source Sharjah (“LSSH”) (LS, ICGUK, ICGAUS and LSSH hereafter individually and collectively referred to as “Lightning Source”) provides on-demand printing and distribution services to the book publishing industry. Although services are discussed for all countries in which Lightning Source operates, your specific services and applicable countries will be dependent on your relationship with Lightning Source. Lightning Source stores digital copies of books and prints them on demand as resellers, booksellers, or publishers order books. On-demand printing allows publishers to avoid the costs of inventory, order processing and handling fees. Publishers are able to keep more titles in print for the consumer and generate more profit from each title. Lightning Source has manufacturing locations in the United States, the United Kingdom, Australia, and the United Arab Emirates.

## LIGHTNING SOURCE OPERATING MANUAL

The Lightning Source Print-On-Demand Operating Manual, as updated from time-to-time, details the policies and procedures of LS, ICGUK, ICGAUS, or LSSH (as applicable) for on-demand printing and distribution of books and resides on the applicable Lightning Source website. It is the responsibility of each publisher to ensure that they have the most up to date version of the Operating Manual.

**TO DOWNLOAD THE LATEST OPERATING MANUAL:** 1) Visit [www.ingramcontent.com](http://www.ingramcontent.com). 2) **LOG IN** using your secure username and password. 3) Select **ACCOUNT**. 4) Select **OPERATING MANUALS AND CONTRACT DOCUMENTS**.

# 2 Service Offerings

Lightning Source combines print-on-demand with a variety of order options to match the needs of each publisher.

## Wholesale Distribution

Publishers may (as applicable) designate titles to be available for order by Lightning Source channel partners where orders are placed directly with LS, ICGUK, ICGAUS, or LSSH (as applicable). For sales made through wholesale distribution, publishers are paid the wholesale price of the book less the printing charge for each book sold. See **SECTION 10** (pg. 15) for more details of this offering. For titles a publisher makes available for sale in Ingram Wholesale Services, Lightning Source reserves the right to establish pricing criteria, including maximum and minimum pricing thresholds. Titles failing to meet this criteria will not be enabled for Wholesale Services.

Lightning Source is authorized to manufacture a Title from any worldwide location LS or its affiliates operates a facility, however sales shall be transacted in the territory applicable to the currency provided. For example, if USD pricing is provided for a Title, the sales transactions for such Titles shall occur in the United States; however, Lightning Source has the option to designate which facility ultimately prints the Title for distribution (typically, the location closest to the ultimate purchaser).

## Direct Orders

Publishers may order books directly from LS, ICGUK, ICGAUS, or LSSH. The order is printed with confirmation of printing and shipped to the publisher or printed with confirmation of printing and shipped directly to an address designated by the publisher in the name of the publisher. Publishers are billed for printing, shipping, & handling costs for each book shipped. Orders may be placed through the Lightning Source website or through EDI interfaces directly with Lightning Source systems. See **SECTION 9** (pg. 15) for details of this offering.

Lightning Source is authorized to manufacture a Title from any worldwide location LS or its affiliates has a facility.

# 3 Establishing an Account

**LIGHTNING SOURCE:** 1) Visit <https://myaccount.lightningsource.com/account/signup>. 2) Complete the information for registering. Once your registration is complete, you will have access to your login and password. 3) Follow the steps to the left of your screen in the **CUSTOMER APPLICATION STEPS** box. Based on your selections, you will be provided with a checklist on screen and also through email. 4) Complete any remaining tasks, by following the steps provided which will guide you through the rest of the application process.

Once all required information is approved, your account will be activated. You will normally receive notification of account approval within 2 business days by email. Once you have received your notification, you may begin submitting titles and placing orders over the INGRAM CONTENT website. Your account will be assigned to work with one of our Lightning Source offices: LS office in LaVergne, Tennessee (United States dollar (USD) as the default currency), ICGUK office in Milton Keynes, UK (British Pound (GBP) as the default currency), ICGAUS office in Melbourne, AU (Australian dollar (AUD) as default currency), or LSSH office in Sharjah, UAE (United States dollar (USD) as the default currency).

## 4 Sales and Client Services

Your account will be assigned to work with one of our Lightning Source offices. The main contact information is provided below for each office. In addition, upon the assignment of the representatives who will work with you and your account, a contact number will be provided for account support.

### LS, Lavergne, Tennessee

#### OFFICE HOURS

8:00 AM to 5:00 PM US Central Time, Monday through Friday

#### CONTACT US

Phone: 615.213.5815      Email: [inquiry.lsi@ingramcontent.com](mailto:inquiry.lsi@ingramcontent.com)

#### HOLIDAY CLOSURES

New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day

### ICGUK, Milton Keynes, UK

#### OFFICE HOURS

8:00 AM to 5:00 PM GMT, Monday through Friday

#### CONTACT US

Client Relations Phone: +44 (0) 1908 829500  
Sales Enquiries Phone: +44 (0) 1908 829505

Email: [clientrelationsuk@ingramcontent.com](mailto:clientrelationsuk@ingramcontent.com)  
Email: [enquiries@ingramcontent.com](mailto:enquiries@ingramcontent.com)

#### HOLIDAY CLOSURES

New Year's Day, Good Friday, Easter Monday, May Bank Holiday, Spring Bank Holiday, Summer Bank Holiday, Christmas Day, Boxing Day

### ICGAUS, MELBOURNE, AU

#### OFFICE HOURS

8:00 AM to 5:00 PM Australian Eastern Time, Monday through Friday

#### CONTACT US

Phone: +61 3 9765 4800      Email: [lsiaustralia@ingramcontent.com](mailto:lsiaustralia@ingramcontent.com)

#### HOLIDAY CLOSURES

New Year's Day, Australia Day, VIC Labour Day, Good Friday, Easter Monday, Anzac Day, Queen's Birthday, Pre Grand Final, Melbourne Cup, Christmas Day, Boxing Day

### LSSH, Sharjah, UAE

#### OPERATES MONDAY THROUGH SATURDAY

#### OFFICE HOURS

8:00 AM to 5:00 PM GMT, Customer Support is provided by the ICGUK Office

#### CONTACT US

Client Relations Phone: +44 (0) 1908 829500  
Sales Enquiries Phone: +44 (0) 1908 829505

Email: [clientrelationsuk@ingramcontent.com](mailto:clientrelationsuk@ingramcontent.com)  
Email: [enquiries@ingramcontent.com](mailto:enquiries@ingramcontent.com)

#### HOLIDAY CLOSURES

New Year's Day, Good Friday, Easter Monday, May Bank Holiday, Spring Bank Holiday, Summer Bank Holiday, Christmas Day, Boxing Day

## 5 Pricing Schedules

Product and services are outlined throughout the Operations manual. Current pricing for each can be found in the US, UK, AU, EU, or UAE (as applicable) **PRICING SCHEDULE** document.

### TO DOWNLOAD THE LATEST PRICING SCHEDULE:

1) **LOG IN** to [www.ingramcontent.com](http://www.ingramcontent.com). 2) Select **ACCOUNT**. 3) Select **OPERATING MANUALS AND CONTRACT DOCUMENTS**.

## 6 Product Specifications

### Lightning Source File Creation Guide

The Lightning Source File Creation Guide outlines the requirements for Lightning Source file submissions and expands on specific application settings.

**TO DOWNLOAD THE LATEST FILE CREATION GUIDE:** ) Visit [www.ingramcontent.com](http://www.ingramcontent.com). 2) From the home page, select **RESOURCES**, then **PUBLISHER RESOURCES**. 3) Select **PRINT CREATION TOOLS**. 4) Select **FILE CREATION GUIDE** Or <https://www.ingramcontent.com/publishers-document/file-creation-guide>

### Lightning Source Paper Specifications

The Lightning Source Paper Specifications document provides a list of all standard papers used in the printing of Lightning Source manufactured books. The specific papers used in the manufacturing process are determined by the trim size and/or bind type selected at the time of title setup and submission. LS papers are sourced globally from leading paper mills and there may be slight variations in shade and/or brightness based on the geographic mill location, species of timber used, or country of origin.

### TO DOWNLOAD THE LATEST PAPER SPECIFICATIONS:

1) **LOG IN** to [www.ingramcontent.com](http://www.ingramcontent.com). 2) Select **ACCOUNT**. 3) Select **OPERATING MANUALS AND CONTRACT DOCUMENTS**.

### Cover Specifications

Covers will be printed on white stock as determined by the book type specifications, manufacturing location, and equipment used in the manufacturing process. All paper is acid free and meets all ANSI standards for archival quality paper. Please refer to **LIGHTNING SOURCE PAPER SPECIFICATIONS** for stock information.

#### PAPERBACK TYPES

##### PERFECT BOUND

Perfect bound books are paperback books with four color covers. Glue is used at the spine to apply the cover to the pages.

#### HARDCOVER TYPES

##### CASE LAMINATE

A case laminate uses a printed four-color laminated cover applied to chipboard material. Case laminates are available with Gloss Laminate, Matte Laminate, or Digital Cloth™ Cover (linen textured lamination with non-metallic gold-colored spine text).

Notes: Linen textured lamination is not available in LSAU. Hardcover books are not available in LSSH.

#### DIGITAL CLOTH COVER SPINE TEXT (OPTIONAL)

Text will be in Cheltenham Bold font as the default to print the title, author, and/or other text the publisher designates onto the spine in all 3 eligible fields. Characters available include the 26 upper and lower-case letters, based on the Latin alphabet, numerals 0-9, space, period, comma, hyphen, quote, apostrophe, colon, semi-colon hash/pound sign, question mark, exclamation mark, dollar sign, ampersand, quotation marks, asterisk and the two parentheses. Text is positioned on the spine of the book as the publisher designates during the title setup process.

#### ENDSHEETS

Hardcover bookblocks are bound with crème or white end sheets (leaves) that match the color of the interior paper and are glued into hardcover cases.

## SIMPLEX OR DUPLEX COVERS

Perfect bound titles can be printed with either 4-color simplex (one-sided) or 4-color duplex (two-sided) covers. Duplex covers are available for perfect bound products in limited sizes. Please refer to the [File Creation Guide](#) for available duplex trim sizes. Duplex covers have an additional charge per unit printed. Please refer to the latest **PRICING SCHEDULE** for more information.

## LAMINATION

Titles can be printed with either gloss or matte cover lamination.

## SPINE TEXT

Spine text is allowed for soft cover books with 48 pages or more, and hard cover books with 18 pages or more.

## BINDING AND TRIM SIZES

For a current list of binding and trim sizes, please refer to the PRICING SCHEDULE document or the File Creation Guide.

## CUSTOM TRIM SIZES

Custom trim sizes are available for Perfect Bound, Case Laminate and Dust Jacket books with the following size restrictions on the finished book: \*Note that the dimensions of a Dust Jacket must not exceed the maximum size of: 6.14 x 9.21

### Perfect Bound

White Paper & Groundwood Paper	Crème
Widths available from: 4" to 8.5" or 102mm to 216mm Lengths available from: 6" to 11" or 152mm to 280mm	Widths available from: 4" to 6.14" or 102mm to 156mm Lengths available from: 6" to 9.252" or 152mm to 235mm

### Case Laminate & Dust Jacket

White Paper	Crème & Groundwood Paper
Widths available from: 5" to 8.5" or 127mm to 216mm Lengths available from: 8" to 11" or 203mm to 280mm	Widths available from: 5" to 6.14" or 127mm to 156mm Lengths available from: 8" to 9.252" or 203mm to 235mm

Custom trim sizes larger than 6.14 x 9.21 inches are priced at the larger book print rate.

## BARCODE

All titles in the digital library must have a barcode on the back cover to ensure the product can be tracked throughout the Lightning Source production process and meet industry standards for consumers and booksellers (where applicable).

For digital files, the publisher should include the barcode and any pricing information in the cover file submission by using the Lightning Source Cover Template.

**TO DOWNLOAD A COVER TEMPLATE:** please visit: <https://myaccount.lightningsource.com/Portal/Tools/CoverTemplateGenerator>



If a barcode is not provided in the digital cover file or if the cover is a hard copy (see **HARD COPY CONTENT** pg. 10), Lightning Source will place one of the following barcodes on the back cover of the book:



Human Readable Pricing  
Price Extension

## EAN BARCODES

For titles with an ISBN, the standard size of the EAN barcode is BwrP72 at 57.6 pt. size. A white box, or equivalent area, of 1.75" x 1.00" for barcode placement should be available on the cover while keeping all textual elements a desired distance from the barcode area. See Image: LS Standard Barcode. No price specification will result in a 90000 extension on the barcode.



## OPTIONAL PRICING IN THE EAN BARCODE

Pricing extensions and human readable prices (up to two allowed) can be included in the barcode box as shown in Image: LS Pricing Barcode. If the price of a book needs to be added, deleted, or revised, the publisher must indicate this in the Special Instructions field when submitting the title to Lightning Source.

## GENERIC BARCODES

If the title does not have an ISBN, a generic barcode will be added to the back cover of the book as shown in Image: LS SKU Barcode. A white box, or equivalent area, of 1.25" x 1.00" for barcode placement should be available on the cover while keeping all textual elements a desired distance from the barcode area.

Cover price revisions made after the initial set up of the book will result in revision charges to the publisher at the rate described in the **PRICING SCHEDULE** document. The list price printed on the book or in the barcode or lack thereof is the publisher's responsibility to confirm.

## Interior Specifications

Interiors will be printed on white or crème stock as determined by booktype specifications, manufacturing location, and equipment used in the manufacturing process. Please refer to the **LIGHTNING SOURCE PAPER SPECIFICATIONS** document for stock information.

### PERFORATION

Perforation of interior pages is available for Color 50 perfect bound products in limited sizes. Within a publisher's designated title, the perforation line would be placed 0.5 inches (12.7 mm) from the bind edge, positioned parallel to the spine, and applied to all pages of an interior. Please refer to the [File Creation Guide](#) for available perforation trim sizes.

Perforation carries an additional charge per page printed. Please refer to the latest **PRICING SCHEDULE** for information. Perforated product is not eligible for **WHOLESALE DISTRIBUTION** (pg. 15) at this time. Perforation is available on LSUS orders only.

### RIGHT-TO-LEFT BOOKS

A right-to-left, or reverse-bound, book has the spine on the right side of the book when it is closed looking at the front cover. This format is commonly used with books printed in Arabic, Hebrew, Chinese or Japanese languages. Right-to-left books read from right-to-left across the page. Interior pages should be set up using the same rules and requirements as other interior files.

### LIGHTNING SOURCE MANUFACTURING INFORMATION

The last page will be blank for insertion of Lightning Source's manufacturing information which is used during the cover/bookblock matching process when the book is bound. The following will be printed on the last page of the bookblock: (1) the book's EAN bar code to ensure the correct cover is applied to the book block during production, (2) a unique production tracking number, and (3) any imprint or printer information required to comply with local or national statutory or regulatory law. Some locations may not include this information.

### PRINT SIGNATURES

Print signatures are the number of pages that are printed at one time on a sheet of paper. The size of the book, the paper used, and the press equipment in manufacturing determine the necessary signature required. Any order manufactured by Global Connect or offset partners will be subject to signatures based on the equipment used at that location.

### FILE CREATION AND DIGITAL LIBRARY

When submitting digital files, a publisher should end the text of their book without padding blank pages (unless required to meet the page minimum for spine text). All text files will be processed and stored in our digital library with a page count that is divisible by two. The last page will be blank for insertion of Lightning Source's manufacturing information. Books that are 6.14" x 9.21" (234 x 156) and smaller will be printed in either six-page (three front/three back) or 4 page (two front/two back) single sheet signatures. Books that are larger than 6.14" x 9.21" (234 x 156) will be printed in four-page (two front/two back) single sheet signatures. Lightning Source will automatically add additional pages to achieve appropriate page counts. Please refer to the [File Creation Guide for further information on creating files](#).

### LIGHTNING SOURCE MANUFACTURING

Books are printed in multiple signatures that can result in additional sheets at the back of the book; however, Lightning Source will not charge for the additional sheets that exceed the number stored in the digital library.

## 7 Submitting Titles

### Title Setup

Title setup charges are one-time "pre-press" charges paid by the publisher each time a new title is submitted to the Lightning Source digital library. The title setup charge is based on the format in which the title is submitted (digital file or hardcopy scan), the format requested (paperback, hardcover with 4-color cover) and the total number of pages in the book. Title setup costs, for scanned titles, are determined by multiplying the number of pages by the appropriate per page charge plus the appropriate cover charge. A book that is submitted for both paperback and hardcover formats constitutes separate submissions and is billed separate setup charges. Any unsubmitted titles that have not had any activity 90 days from date of setup will be automatically deleted from publisher's online account.

## REJECTED TITLES

If a title does not meet the submission standards outlined in the File Creation Guide posted on the Lightning Source website, Lightning Source may either reject the title or charge additional setup fees at an hourly rate. Lightning Source will contact publisher and obtain approval prior to completing or charging for any additional services. If a publisher rejects a proof upon completion of setup by Lightning Source, and the reason for the rejection is not the fault of the publisher, Lightning Source will either work with publisher to correct the title, or credit the publisher for any setup fees that have been billed if setup cannot be achieved. If a publisher rejects a proof, and the reason for the rejection is not the fault of Lightning Source, existing title setup charges will apply if publisher wishes to continue the setup process.

## CUSTOM SERVICE

In the event that non-standard work is necessary by Lightning Source to set up a title, Lightning Source will notify the publisher of custom service charges prior to performing the work. Custom services include: non-standard manipulations to cover or interior that does not fall under 'normal services and offerings' for digital or hardcopy titles, resulting in print-ready files at Lightning Source. Lightning Source expects to receive print-ready manuscript and cover files, and will not perform work of an editorial nature such as proofreading, editing for content, typesetting, or making font alterations throughout a book.

## Titles Not Accepted

Lightning Source takes a necessary stand to uphold the integrity of and reduce bias against independently published works. To align with our industry's needs for content integrity, we will actively remove content from our catalog that is deemed unsuitable according to the criteria specified below, that may be deemed illegal or harmful under applicable law, or that may otherwise harm buyers or the reputations of Lightning Source, its affiliates, our publishers or distribution channels; Lightning Source retains the right to make any such determination in its sole and absolute discretion.

We take violations of law and the proprietary rights of others very seriously. You must ensure that your content does not violate any applicable laws or infringe upon the rights of others, including but not limited to copyright, trademark, privacy, or publicity rights.

1. Summaries, workbooks, abbreviations or similar type content without permission from the original author.
2. Content containing material amounts of blank pages like notepads, scratchpads, journals, or similar type content.
3. Content that mirrors/mimics popular titles, including without limiting, similar covers, cover design, title, author names, or similar type content.
4. Content that is misleading or likely to cause confusion by the buyer, including without limiting, inaccurate descriptions and cover art.
5. Content listed at prices not reflective of the book's literary value.
6. Content scanned from original versions where all or parts contain illegible content to the detriment of the buyer.
7. Content created using automated means, including but not limited to content generated using artificial intelligence or mass-produced processes.
8. Content that is duplicated across titles in the same format in multiple trim sizes.
9. Public domain content may be free to use by anyone or may be licensed for use by more than one party. We will not accept content that is freely available on the web unless you are the copyright owner of that content. We do accept public domain content but may choose not to sell a public domain book if its content is undifferentiated or barely differentiated from one or more other books.



## Title and Content Submission

Titles are submitted through your Lightning Source account. Alternative methods are available to publishers that are submitting 10 or more titles at one time. Please contact your Client Services Representative for alternative submission methods. For more information on how to setup a title, please refer to the **LIGHTNING SOURCE PUBLISHER ACCOUNT USER GUIDE**. For certain business models, we may occasionally ask you to opt into an industry standard pricing or metadata mechanism. This will be presented as an optional/voluntary choice and is normally aimed at increasing your title's availability or reach. When opting into this mechanism, you acknowledge this may impact and/or change the original metadata you initially setup for your title.

## Pricing of Titles

Your title(s) must be listed with an appropriate list price, taking into account the nature and type of content. The list price for any title cannot exceed 250.00 (USD, GBP, AUD). We reserve the right to immediately remove a title(s) from availability from any market(s) or all market(s) for any violation of these price rules. If you believe your book is appropriately priced and exceeds 250.00 (USD, GBP, AUD) you will need to contact your Customer Service Representative to determine if your title will be made available through our distribution channels.

## Title Information

The following information will be required during the title setup process:

- |                             |   |
|-----------------------------|---|
| ✓ Title                     | ✓ Trim Size*                                      |
| ✓ Language                  | ✓ Page Count                                      |
| ✓ Full Description          | ✓ Print ISBN**                                    |
| ✓ Contributor name and role | ✓ Pricing Information**                           |
| ✓ Imprint                   | ✓ Publication Date                                |
| ✓ Subject(s)                | ✓ Indicate if PC (Compilation) PR (Reprint) or NA |
| ✓ Audience                  |   |

\* Trim size selection includes interior color, trim size, bind type, paper type, and lamination.

\*\* Only required for Wholesale Distribution titles.

## Media Types

The following methods can be used to supply content to Lightning Source:

### DIGITAL FILE

Digital files may be uploaded at the completion of the title submission process or by using the automated links provided through your Lightning Source account. Uploads are accepted through the website up to 1.5 GB (zip/stuff compression accepted)

### HARD COPY

Hard copy submissions are physical books to be scanned at Lightning Source. To properly identify content, packing slips are generated on the website at the completion of the title submission process and should be included with material.

## Turnaround Time for Title Setup

### HARDCOVER AND PAPERBACK

Title setup from receipt of book material/metadata in the LS (US) facility until book is available for review of electronic proof or availability to print a physical proof. Once the proof has been approved via your Lightning Source account, short-run orders can be fulfilled. (If title is first shipped to ICGUK or ICGAUS offices for review and forwarded to LS (US) facility, add processing and transit time of 5 to 10 business days.)

Digital setup

3 business days

Scan setup

15 business days

Note: Current turnaround times for SCAN and DIGITAL media options will be provided upon receipt of a website title submission.

### Special Instructions or Notes

The Special Instructions field during title setup or the Notes field during revision uploads should only be used to provide additional information as it relates directly to file submission and processing. Titles submitted with special instructions will not process automatically, and will be reviewed to determine if the request can be accommodated or if custom services fees would apply. These instructions are not visible to manufacturing during the printing of the books. Special instructions should not contain information such as shipping information, requests to expedite, etc.

### Digital File Content

Digital files must be print-ready and meet Lightning Source submission criteria as defined in the [File Creation Guide](#). Files submitted to Lightning Source will go through a two-step validation process to confirm quality submission standards. If a book cannot be reproduced to meet Lightning Source quality standards, we will contact the publisher to discuss reproduction options.

#### FILE SIZE

A file size should not exceed 1.5 GB. If a file exceeds this recommendation, Lightning Source reserves the right to down-sample the bookblock, from 600 dpi to 300 dpi, or reject the bookblock submission. This is only done as a last resort.

#### MULTIPLE EDITIONS OF TITLES

The same digital file for the interior may be submitted for multiple editions of the same title (i.e., paperback, four-color casebound, or jacketed casebound editions) provided the trim size is the same; however, the copyright page in the file must have the correct ISBN(s) listed to match the title. A unique ISBN is required by the book industry for each format. Due to paperback and casebound covers requiring different layouts, separate cover files built to the correct dimensions are required.

#### HIGH DENSITY TITLES

It is recommended that density in a file not exceed 240 percent CMYK total value. If a file encounters issues during processing or printing, Lightning Source will require a corrected file from the customer in order to continue processing or printing any current or future orders.

### Hard Copy Content

Upon receipt of scan content and the title information entered on the website, Lightning Source will review the material and ensure the book meets the Lightning Source submission criteria. Books that meet Lightning Source quality submission standards will be approved for further processing into the Lightning Source digital library. If a book cannot be reproduced to meet Lightning Source quality standards, we will contact the publisher to discuss reproduction options.

A book submitted for scanning will be inspected, **unbound**, and **disassembled**. Original book parts cannot be reassembled and are not returned to the publisher once title setup is complete.

Scanned reproduction quality of halftone images or pictures may vary significantly from the original. Scanned image defects that result from defective original books will not be corrected unless requested by the publisher. Lightning Source recommends that all publishers review proof copies of all books with scanned content.

Some books may require a custom quote of time/cost to complete set up of the book. Factors that may influence this include:

- ✓ Text is in poor condition
- ✓ Colored inks – note that some colored inks cannot be reproduced
- ✓ Hand applied text, logos, or images
- ✓ Non-destructive scanning

Custom Service rates are described in the US, UK, EU, AU, or UAE (as applicable) **PRICING SCHEDULE** document. Lightning Source will confirm all extra processing charges with the publisher prior to executing the work. Contact a Lightning Source Client Services Representative with any questions.

### **SUBMITTING MISCELLANEOUS UPDATES FOR SCAN BOOKS**

Lightning Source will perform minor changes, pricing updates, or page replacements as part of the standard set up fee for hardcopy scan titles at the time of title submission. The publisher must identify page replacements or any changes in the Special Instructions field on the web at the time the book/file is submitted. Revisions made after the initial set up of the book will result in revision or custom service to the publisher at the rate described in the US, UK, AU, OR EU (as applicable) **PRICING SCHEDULE** document. This service is not available for LSSH.

#### **MINOR CHANGES**

Up to 5 minor changes can be performed on a title at no extra charge at the time of title submission. Minor changes include replacement of title or copyright pages, removal/replacement of other text pages, removal or replacement of logos on the cover, and removal of minor text on pages.

Complex changes or more than five (5) will be charged additional fees as determined by Lightning Source. Lightning Source will contact the publisher, provide a price, and obtain permission before proceeding with work.

#### **PAGE REPLACEMENTS**

Page replacements may be submitted in print-ready hard copy format or via a digital file. Print ready pages must be built to trim size and with no crop marks.

#### **PRICING UPDATES**

If the price on the cover of a book needs to be added, deleted, or revised, the publisher must indicate this in the special instructions field when submitting the title to Lightning Source. Specify if this change is to be made to the cover, the barcode, or both. For information regarding BARCODE application and procedures, see page 8.

### **Submitting Titles With Both Digital and Hard Copy Content**

Publisher circumstances may require a digital file (text or cover) to be submitted with scan content (text or cover). The publisher should submit the digital file as usual through your Lightning Source account (adhering to digital submission guidelines) and send the scan material to Lightning Source for processing. The publisher must identify that digital content has been submitted with scan content in the Special Instructions field on the web at the time the original book/file is submitted.

### **Revisions or Resubmissions**

Once the initial setup of a title has been completed and billed, subsequent work or revisions requested by the publisher on the same title is considered a revision or resubmission. Each revision or resubmission to a title sent to Lightning Source is subject to revision fees as designated in the US, UK, AU, EU, or UAE (as applicable) **PRICING SCHEDULE** document. Publisher authorization for this charge is deemed granted once the new file has been uploaded to Lightning Source.

Lightning Source may require formal approval of cover and/or interiors at the completion of the design phase on complex projects. Standard title setup turnaround times apply once the title has been submitted by the PreMedia department into the normal title workflow. Repeated failure of file submissions on a title may incur additional resubmission charges.

### **OPEN ORDERS**

If a title has one or more open orders placed against it, revisions or resubmissions will be processed upon the completion of all outstanding orders. There is no guarantee with regard to how quickly production orders will be fulfilled so the revision or resubmission can be completed. Therefore, revisions will not impact orders in progress but revisions will not be processed until all orders sent to the print floor are complete.

## Public Domain Titles or Internet Compilations

Publishers who submit public domain or internet compilation titles must ensure the content is correctly classified in the Lightning Source database as either PC or PR.

### PC (COMPILATION)

Content consists of public domain content compiled from sources such as Wikipedia, Hathitrust, Internet Archive and other materials covered under the Creative Commons license and which are readily available for free from internet sources.

### PR (REPRINT)

Content developed by scanning, generally with OCR equipment, large numbers of public domain titles. It is frequently difficult to separate these titles from standard reprints which require a new typeset. PR titles are produced with no retypesetting; they also usually have little curation to separate and proofread the OCR scan when it proves inadequate. It is Lightning Source's intention to address concerns related to "PC" or "PR" titles in an effort to maintain our strong reputation in the market – which is of value to both of us – and to ensure the product included in our catalog meets the expectations of those who buy it from us. It is therefore the responsibility of the publisher to: (i) Provide a quality production file free of defect; (ii) Provide content reflective of the original work and/or enhanced above the original material from which it was sourced that provides true value to consumers; and (iii) Provide title information that clearly describes the quality and the source of the content, such that consumers are clearly made aware of what they are buying.

Contact your Client Services or Sales Representative for details on submitting and proper classification of PC and PR titles.

## Multi-Volume Sets

Lightning Source does not offer support for Multi-Volume Sets. If you have a Multi-Volume Set you will need to submit it as individual titles where each title must be ordered individually to receive the complete set.

## Personalize It!

Personalize It! is the ability to personalize the first page on the book's interior of a Lightning Source title at the time of printing. To identify this order, the ISBN barcode on the back cover and the last page of the book will be automatically replaced with a 2D (two-dimensional) barcode along with a unique identifier. **Please note:** in order to apply the 2D barcode, a white box will be placed over the original ISBN barcode. Any design elements in this area may be partially obscured. Only book(s) in this order will receive this change, and the personalized version of the book will not be stored. All other orders for the title will remain unchanged unless a personalization request is submitted on a new order. Due to the personalization, these books are non-returnable and are not available for sale in the Wholesale Distribution channel.

## Proof Copies

A proof copy is a representative sample of the final output of a title. Proofs are available either as digital proofs or in the form of a physical copy. There is a cost incurred for a physical proof; cost is dependent on the booktype and page count of the specific title. Please refer to the latest **PRICING SCHEDULE** for pricing information. All physical proofs include premium traceable shipping (delivery times vary by destination).

Lightning Source highly recommends publishers review physical proofs before electronically approving. By waiving review of a proof, the publisher assumes the risk of any errors originating from the title submission and found within the finished book.

Considerations for choosing a proofing option:

### HARD COPY PROOFS

- ✓ Physical sample of a title
- ✓ Highly recommended for first title or scanned title submissions
- ✓ Best for color sensitive projects

### DIGITAL PROOFS

- ✓ Link available through your Lightning Source account for 30 days until title is approved
- ✓ Provided as a rasterized pdf
- ✓ eProof file sizes are limited to 2GB. When a file is close to this limit, pages are removed from the middle of the content to reduce the file size. A watermark will appear at the bottom of each interior page confirming that pages have been removed. Note: This is displayed only in the eProof file and does not appear when the book is printed.

Examples of items to review in your proof:

- ✓ Have your latest changes been incorporated?
- ✓ Is the pagination correct: odd page numbers on the right/recto pages and even page numbers on the left/verso side?
- ✓ Does your proof contain spelling errors, grammatical errors, or typos that need correction with revision files?
- ✓ Are the text block and page items positioned correctly on the page?
- ✓ ISBN is included and correct: identical on both the cover and copyright pages?
- ✓ Please verify the price you set your title up as and the price on your cover match

Lightning Source will produce the proof according to specifications listed in the below Quality Criteria. A paperback proof will be printed 1-3 business days after the files are processed. A hardcover proof will be printed 2-4 business days after the files are processed. When the publisher approves the proof, the publisher accepts responsibility for any and all content quality issues not covered. The title will not be made available for printing until the proof is approved by the publisher. Lightning Source reserves the right to reduce the frequency of printing proofs to no less than one time per week during above average periods of volume.

## QUALITY CRITERIA

All books printed by Lightning Source shall meet the following quality criteria and consistent with SECTION 8 (pg. 14):

Digital and Hardcover originals:

- ✓ The book has been produced as approved by Publisher in Proof Copies.
- ✓ Text is centered on the page or is consistent with the original submission.
- ✓ Positioning is consistent with the original publisher input
- ✓ Cover and bookblock have correct ISBN/EAN

Hardcopy originals:

- ✓ Text is skewed no more than in the original book
- ✓ Text pages are clean and de-speckled consistent with original submitted materials
- ✓ Changes to the front matter and/or back matter have been made per the publisher's request
- ✓ On a best-efforts basis, halftone renderings will be consistent in appearance with the original book
- ✓ An EAN bar code is reproduced or created on the back cover of the book.
- ✓ Pricing on the cover of the book is added, removed, or updated as requested by the publisher

## MANUFACTURING DECLARATIONS

Titles are manufactured by Lightning Source in the US, UK, EU, AU, or UAE. Titles should not have inaccurate declarations or country of manufacture (titles claiming to be produced on recyclable paper or manufactured in specific countries). Lightning Source reserves the right to update or remove such statements identified during any review processes. By submitting titles to Lightning Source, the publisher agrees to these edits and further agrees Lightning Source is not obligated to communicate these edits to the publisher.

## File Copies

Upon request by the publisher, Lightning Source may provide an electronic copy of original content file(s). Lead times may vary. Please refer to the latest **PRICING SCHEDULE** for more information.

## UAE Permit Requirements

For up to date requirements, publisher should review the National Media Council's website: <https://nmc.gov.ae/en-us>

Practices under National Media Council ("NMC") regulations and other NMC directives and guidelines:

- a. Individual publishers located within the UAE are responsible for obtaining a print permit from the NMC for all titles shipped or sold within the UAE.
- b. Individual publishers located within the UAE are responsible for obtaining a distribution permit from the NMC for all titles shipped or sold within the UAE.
- c. Individual publishers located outside the UAE are not required to obtain any NMC license, permit or approval, whether for printing or distribution, prior to making their titles available within the UAE, provided the title has an ISBN.

## Enabling Wholesale Distribution/Global Distribution Fee

For information on how to enable a title for distribution, please refer to the LIGHTNING SOURCE PUBLISHER ACCOUNT USER GUIDE.

When enabling Wholesale Distribution, an annual Global Distribution Fee is due at setup and each year thereafter on the anniversary date of the title for each title setup for Ingram's Global Distribution Network. The Global Distribution Fee provides distribution of publisher provided metadata in all daily catalogs provided to domestic and international distribution partners (subject to pricing information provided by the publisher). Detailed title listings include standardized BISAC subject coding with up to three subject categories, book description (annotation), and cover image preparation. BISAC subject coding and a book description are required for any title setup for the distribution model.

**IMPORTANT NOTE ON GLOBAL DISTRIBUTION FEES:** Payment of the Global Distribution Fee allows you the option to make your title available to some or all domestic and international distribution partners. In order to include your titles in our catalogs, in addition to paying the Global Distribution fee, you must supply a list price, wholesale discount percentage and wholesale returns option for each individual market you wish to participate in. You are not required to supply this information for every market but a minimum of one market is required. Where you do not supply pricing for any given market, Lightning Source will not include that title in catalogs generated for that market.

Publishers may remove a title at any time, but catalog fees will still be due in full and not prorated. If a publisher should discover incorrect title data displayed by any Lightning Source distribution partners, Lightning Source will first confirm that correct title data is on-file with Lightning Source, and, if not, will correct Lightning Source's database and will provide amended data feeds that can be used by the distribution partner to make necessary changes within its database. Lightning Source has no control over or responsibility for any distribution partner's erroneous display of data, failure to correct data errors brought to its attention, or the timing or delay of any changes to data. Lightning Source will make best efforts to encourage the distribution partner to amend incorrect data.

### PROMOTING TITLES/INGRAM ADVANCE

For information on how to select the promotion option for a title, please refer to the **LIGHTNING SOURCE PUBLISHER ACCOUNT USER GUIDE**.

**Ingram Advance** is a monthly catalog that is distributed to booksellers and libraries around the world. Titles are eligible to be included in **Ingram Advance** only once, when they are first released through Lightning Source. With this marketing service, Ingram will produce a short paragraph describing the title. Retail pricing information and a black & white cover image will also be included. A publisher may request that a title be advertised in **Ingram Advance** only at the time a title is submitted to Lightning Source for initial set-up. Due to print deadlines, titles submitted to **Ingram Advance** will not appear in the catalog until 3-4 months after a title has been approved to print and will be invoiced separately after the annotation appears in the magazine.

## 8 Quality Standards for Book Production

Lightning Source books (those printed within Lightning Source facilities) are printed using digital printing equipment. Lightning Source recommends that publishers request and review proof copies of all books submitted to Lightning Source to ensure print expectations are met.

### Printed Book Quality Standards

Lightning Source performs quality checks throughout the production process. Lightning Source books are checked to ensure the following:

- ✓ All pages are included in the book, in accordance with supplied materials
- ✓ Cover is applied with correct vertical, horizontal, and angular alignment within 1/16 inch (0.0625 in.) or 2mm variance
- ✓ Binding is applied firmly and squared to the book block. No excess adhesive is visible after trimming.
- ✓ Book is cut square within 1/16 inch (0.0625 in. or 2 mm) variance
- ✓ Cover and Book Block match
- ✓ Print positioning is subject to +/- 1/16 inch (0.0625 in. or 2 mm) variance

Due to the volume of pages printed at the Lightning Source operation, it is not feasible to review each individual book to ensure quality. Considering this, Lightning Source spot checks a sample of books to ensure print quality is of a consistent high quality.

### QUALITY OR MANUFACTURING DEFECTS

Units with verified defects due to manufacturing or quality errors exceeding the tolerances stated in this section are only eligible for review if a claim is submitted up to 45 days from the date the unit is manufactured.

**Please Note:** LSSH Only, publishers have 15 days to file a claim for quality and quantity errors.



## INK VOIDS (JET OUTS)

Due to the nature of inkjet technology, voids –white lines 1/600 of an inch in width– will occur from time to time. These voids should not exceed one or more of the following criteria: a void consisting of two adjacent lines that result in a void of 1/300 of an inch or greater, or more than three voids on any given page.

**Please note:** There may be variations between orders, including proof orders. These variations occur due to differences in location and equipment used to produce separate orders.

## Color Considerations

The primary colors used in our printing technology are Cyan, Magenta, Yellow, and Black (CMYK). Information to remember regarding differing color models:

- ✓ CMYK color printing differs from offset printing processes that use traditional offset inks.
- ✓ CMYK color printing also differs from monitors that display Red, Green & Blue (RGB). A color defined and displayed in the RGB color space (i.e. your computer monitor) will look slightly different than one defined and displayed in the CMYK color space.
- ✓ If you have selected a Pantone Matching System (PMS) color in your application file, the actual color will look different on your computer screen than on the printed piece you receive. It is best to convert spot colors to CMYK before finalizing files.

**Please note:** There will likely be color variations across cover types (Perfect, Case Laminate, and Jacket) between orders. These variations occur due to differences in location and equipment used to produce separate orders.

The best way to check and review color from our printing processes is to view a printed proof. Due to our demand-driven manufacturing process, Lightning Source cannot manipulate any color settings on files that have been submitted.

Lightning Source papers for Premium Color are sourced globally from leading paper mills and there may be slight variations in color and/or brightness based on the geographic mill location, species of timber used, or country of origin.

## High Ink Density Titles

High density ink titles are those titles where a single or double-sided page(s) within the interior of a book contains a high level and/or area of Black or CMYK ink saturation, which, when printed on Lightning Source printing equipment, ultimately causes curling of pages. Lightning Source may be unable to fulfill a B&W or Color print order due to areas of high ink density coverage within these titles. Where we identify a title with high density ink coverage we may, in our discretion, move the title to Premium Color at no additional charge to the publisher for a period of 30-days. After 30 days, the publisher can elect to either; (i) cancel the title or (ii) agree to a new print cost per unit and continue to print orders as Premium Color. Print cost per unit to be agreed on a title-by-title basis, as titles are identified.

## Timber-Product Paper Sourcing Program

Lightning Source takes care to select paper that is high quality from sound suppliers primarily from SFI, FSC or PEFC certified mills for the books we manufacture. These programs are defined as:

- Forest Stewardship Council™ (FSC®) The FSC® Council is a non-profit organization, promoting the environmentally appropriate, socially beneficial and economically viable management of the world's forests.
- Sustainable Forestry Initiative® (SFI®) The Sustainable Forestry Initiative is an independent, internationally recognized non-profit organization responsible for the SFI certification standard, the world's largest single forest certification standard.
- Programme for the Endorsement of Forest Certification™ (PEFC™) The PEFC™ Council is an independent, non-profit, non-governmental organization which promotes sustainability-managed forests through independent third-party certification.

More information about Lightning Source's paper sourcing program and the book types that are manufactured from certified sourced mills are available at: [www.ingramcontent.com/publishers/resources/environmental-responsibility](http://www.ingramcontent.com/publishers/resources/environmental-responsibility)

## CERTIFICATION LOGOS

The right to affix the initial or any logo of **FSC®**, **SFI®**, or **PEFC™** to the bookblock or cover of any book manufactured by Lightning Source is prohibited. The placement of a logo, initial, or any claims of certification cannot be placed in or on a book by a publisher. If a logo, initial, or any claim of certification is included on the bookblock or cover from a prior printing it must be removed by the publisher before the book is submitted to Lightning Source's digital library. If Lightning Source discovers a logo, initial, or claim of certification in or on a book, Lightning Source will remove the certification claim at the publisher's expense.

## 9 Publisher Direct Orders and Procedures

A publisher may order books directly from Lightning Source via the following order methods:

### Web Orders

Orders may be placed by the publisher on the Lightning Source website. Orders carry different turnaround times based on the print service level chosen when the order is placed. Where available, publisher may elect to expedite the printing time by indicating this in the appropriate order field on the Lightning Source website. Express and Rush Orders are given higher printing priority than economy. An additional surcharge is billed for these services. Further information is available from your Client Services Representative. The print service level does not ensure priority shipping; shipping methods must be determined separately.

### Edi Drop Ship Orders

EDI orders are placed by publishers who have sufficient volume to directly integrate with Lightning Source via EDI (Electronic Data Interchange). EDI provides additional features such as automated ordering, order confirmation, shipping notification, and custom address labeling. Details about EDI Drop Ship ordering can be found in SECTION 16 (pg. 34). Revisions must be submitted prior to placing any orders.

## 10 Wholesale Orders

### LS

Lightning Source utilizes Ingram's distribution network to make most titles available to over 39,000 bookstores, online retailers, libraries, and schools to order your book. Lightning Source may make your titles available through Wholesale orders to all or select channels. **Each channel has their own method for determining if a title is available and the availability status of a title on their website and, as a retailer, they are free to do so.** It is important to remember that although a website may list your title as unavailable or display an extended available time, stores can still order your book. **Because your book is print-on-demand, your book is always virtually "in stock" and available to order from Lightning Source.** We strive to provide retail channels timely updates with current information so they have the potential to show available Lightning Source titles as "in stock" to their customers. We do recommend that you refer your readers to the channels who show your title with immediate availability. For titles a publisher makes available for sale in Ingram Wholesale Services, Lightning Source reserves the right to establish pricing criteria, including maximum and minimum pricing thresholds. Titles failing to meet this criteria will not be enabled for Wholesale Services.

Lightning Source is authorized to manufacture a Title from any worldwide location LS or its affiliates operates a facility, however sales shall be transacted in the territory applicable to the currency provided. For example, if USD pricing is provided for a Title, the sales transactions for such Titles shall occur in the United States; however, Lightning Source has the option to designate which facility ultimately prints the Title for distribution (typically, the location closest to the ultimate purchaser).

### ICGUK

Orders are received by ICGUK from in-country and out-of-country resellers and retail customers, printed on-demand, and delivered by ICGUK to the resellers or retailers in countries where ICGUK has relationships. Publishers only need to provide pricing in British pounds sterling (GBP) to enable Wholesale orders and ICGUK will sell to resellers and retailers in GBP located in various countries. Alternatively, Publishers may choose to sell their titles in GBP only in the UK, by selecting this option within their ICGUK account. Many of our retailers and resellers in the European Union, prefer to trade in Euros. Publishers also have the option to add pricing in Euros, enabling them to access a wider range of trading partners. The publisher pays no shipping or handling charges on the order. ICGUK remits the publisher, Publisher Compensation, as defined below, for each unit sold. For titles a publisher makes available for sale in Ingram Wholesale Services, Lightning Source reserves the right to establish pricing criteria, including maximum and minimum pricing thresholds. Titles failing to meet this criteria will not be enabled for Wholesale Services.

Lightning Source is authorized to manufacture a Title from any worldwide location LS or its affiliates operates a facility, however sales shall be transacted in the territory applicable to the currency provided. For example, if USD pricing is provided for a Title, the sales transactions for such Titles shall occur in the United States; however, Lightning Source has the option to designate which facility ultimately prints the Title for distribution (typically, the location closest to the ultimate purchaser).

### ICGAUS

Publishers may designate titles to be available for order by ICGAUS reseller and retail partners throughout Australia or New Zealand. Orders are received from ICGAUS resellers and retail customers, printed on-demand, and delivered by ICGAUS to the resellers or retailers. The publisher pays no shipping or handling charges on the order. ICGAUS remits the publisher, Publisher Compensation, as defined below, for each unit sold. For titles a publisher makes available for sale in Ingram Wholesale Services, Lightning Source reserves the right to establish pricing criteria, including maximum and minimum pricing thresholds. Titles failing to meet this criteria will not be enabled for Wholesale Services.

Lightning Source is authorized to manufacture a Title from any worldwide location LS or its affiliates operates a facility, however sales shall be transacted in the territory applicable to the currency provided. For example, if USD pricing is provided for a Title,



the sales transactions for such Titles shall occur in the United States; however, Lightning Source has the option to designate which facility ultimately prints the Title for distribution (typically, the location closest to the ultimate purchaser).

## LSSH

Orders are received by LSSH from in-country and out-of-country resellers and retail customers, printed on-demand, and delivered by LSSH to the resellers or retailers in countries where LSSH has relationships. Publishers only need to provide pricing in United States Dollars (USD) to enable Wholesale orders and LSSH will sell to resellers and retailers in USD located in various countries that are served by LSSH. Alternatively, Publishers may choose to sell their titles in USD only in the United Arab Emirates, by selecting this option within their LSSH account. The publisher pays no shipping or handling charges on the order. LSSH remits the publisher, Publisher Compensation, as defined below, for each unit sold. For titles a publisher makes available for sale in Ingram Wholesale Services, Lightning Source reserves the right to establish pricing criteria, including maximum and minimum pricing thresholds. Titles failing to meet this criteria will not be enabled for Wholesale Services.

Lightning Source is authorized to manufacture a Title from any worldwide location LS or its affiliates operates a facility, however sales shall be transacted in the territory applicable to the currency provided. For example, if USD pricing is provided for a Title, the sales transactions for such Titles shall occur in the United States; however, Lightning Source has the option to designate which facility ultimately prints the Title for distribution (typically, the location closest to the ultimate purchaser).

## Publisher Compensation

For wholesale book orders to resellers or retailers, LS, ICGUK, or ICGAUS (as applicable) pays the publisher the wholesale price of the book, less the cost of printing the book. The cost of printing is based on a per unit cost for each book plus a cost per page.

**TO DETERMINE COMPENSATION:** 1) Refer to the US, UK, AU, or EU (as applicable) **PRICING SCHEDULE** document for the unit and per page cost of printing the book. 2) The Wholesale price minus the print cost equals the compensation the publisher receives from each book printed.

**OR USE THE COMPENSATION CALCULATOR:** <https://www.lightningsource.com/pubcompcalc.aspx>

Publisher may select from the publisher compensation payment methods\* listed below:

- USD ACH direct deposit (must be US based bank) - No minimum
- USD PayPal – \$30.00 minimum
- CAD ACH direct deposit (must be Canada based bank) - \$25.00 minimum
- GBP BACS direct deposit (must be UK based bank) - No minimum
- EUR BACS direct deposit (must be EUROZONE based bank) - €25.00 minimum
- AUD BACS direct deposit (must be AU based bank, NO NZL banks) - \$25.00 minimum

Payments will be made to the publisher, via selected payment method, 90 days\*\* from the end of the month in which the sales are reported\*\*\*.

Negative publisher compensation will report through accounts payable with immediate terms and will be reflected in the next month's report publisher facing report. Negative publisher compensation can occur where the combination of retail price and discount do not result in enough publisher compensation to cover the cost of printing the book. Use our publisher compensation calculator to ensure your pricing is setup correctly.

**\*PLEASE NOTE:** Certain payment methods require minimum compensation thresholds be met prior to payments being issued. Regardless of chosen payment method or currency, Lightning Source may issue payments by check in USD. The ability to change payment currencies is provided for business reasons and should not be used to attempt to make foreign exchange gains. If foreign exchange gain use is suspected the facility may be suspended without warning.

\*\* Payments are made to Public Domain / Mass Produced providers 180 days from the end of the month in which the sales are reported.

\*\*\*If publisher's compensation is less than the minimum thresholds for the selected payment method in a month, publisher compensation will be paid in the next applicable month that cumulative compensation is over the applicable threshold.

## TERMS OF SALE

Publishers determine the suggested retail list price and wholesale discount of each book submitted to Lightning Source. The publisher may change the list price and/or wholesale discount by notifying Lightning Source at least 45 days in advance of the effective change, and the change will be updated in the Lightning Source system on the first day of Lightning Source's fiscal accounting month that falls after the elapse of the 45-day period. The publisher determines the wholesale price at which it sells the book to Lightning Source.

Lightning Source pays the publisher the wholesale price less the cost of printing for each book printed. A standard trade discount of 55%, with a "returnable" status allows for the widest availability through most resellers and retailers. While Lightning Source accepts short discounts off of list price, setting a short discount significantly limits the distribution of a title in the retail market. Minimum allowed discounts can vary and can be found on the Lightning Source web account title setup page. You are solely responsible for ensuring your pricing is appropriate for the allowable discounts. Some major chain retailers and resellers may not order a short discount book. There is no guarantee that any given reseller or retailer will make any given title available.

## WHOLESALE RETURNS

The publisher determines if a book will be returnable or non-returnable. If a book is returnable resellers or retailers may return the book to the publisher for a refund, and any book returned to Lightning Source by a reseller or retailer may be returned to the publisher. Specifications on returns can be found in SECTION 17 (pg. 36). All titles are printed non-returnable in UAE.

## MONTHLY PUBLISHER REPORTS

Lightning Source will provide a monthly, electronic, Sales & Publisher Compensation Report to the publisher via email transmission. Publisher email addresses are collected during the new account application process. The email transmission will include both a statement image in PDF format, as well as a spreadsheet version (.xls file). At a minimum, Lightning Source monthly reports include: book title, ISBN, Quantity Shipped, Wholesale Price of book sold, cost of printing, and net compensation per title. Statements will be emailed within five (5) business days of Lightning Source's accounting month end, and will include sales for the current month.

## 11 Order Fulfillment

From time to time, large variations in order volume, equipment failure, order transmission problems, non-supported product formats or the handling of operational issues may either cause the delay of an order, or result in the order being fulfilled from an Lightning Source print facility that is not nearest geographically to the order's 'ship to' address. The publisher should consider the possibility of delays in setting expectations and commitments with customers. Current service level times for the bind type(s) ordered and printing location (country) will be provided during web order submissions. For additional information, please contact your Client Services Representative.

### Turnaround Times (Tat) for Order Fulfillment

TAT is defined as beginning on the next business day after the order is submitted and ending on the day the order is ready for shipment. Once an order is submitted for printing, the print turnaround time starts on the following business day, if the order is submitted by 3:00 PM CST for the US, AEST for AU, and BST/DST for UK.

Example: If you submit an order by 3:00 PM on Tuesday, it will be routed to the print facility on Wednesday to begin printing. If an order is placed after 3:00 PM it is considered the next day's order and will begin printing two business days later.

Publishers should refer to print TAT information on the order page of their account, during the order submission process.

PUBLISHER DIRECT ORDERS	PAPERBACK	HARDCOVER
Lightning Source offers two different ways for orders to be placed. All publishers can place orders through our website. If you are a large publisher with EDI capability, and placing more than 50 orders per day - we would recommend EDI integration with our systems. Speak to a sales representative for more information on EDI services.		
<b>ECONOMY</b> From receipt and acceptance of order from the publisher to Lightning Source shipment of the order.	3-5 business days	7-10 business days
<b>EXPRESS</b> From receipt and acceptance of order from the publisher to Lightning Source shipment of the order.	2 business days	3-5 business days
<b>RUSH</b> From receipt and acceptance of order from the publisher to Lightning Source shipment of the order.	1 business day	2 business days
<b>HIGH VOLUME (US ONLY)</b> (minimum quantities apply- see section HIGH VOLUME for more information)	10 business days	15 business days
<b>NOTES:</b> Please note that the working week for the LSSH facility is Monday through Saturday (closed Sunday).		

PUBLISHER DIRECT ORDERS	PAPERBACK	HARDCOVER
LSUS – PERFORATION PRODUCTS (US ONLY)	5 business days	
ICGAUS - Premium, Color products and any Duplex cover	10 business days	

PRINT TO ORDER/WHOLESALE ORDER	PAPERBACK	HARDCOVER
From receipt and acceptance of the order (from wholesaler/distributor/retailer/bookseller), to the shipment of the order (to the wholesaler/distributor/retailer/bookseller)	2 business days	5 business days
<b>NOTES:</b> Please note that the working week for the LSSH facility is Monday through Saturday (closed Sunday).		
<b>ICGAUS</b> - Premium, Color products and any Duplex cover product.	10 Business Days	

## Extended Service

This service is only available in the LS Market (US) at this time. The extended service level may be designated during order submission through the Web or EDI order processes when minimum quantities are met for available product types

- 750 units or more
- Black and White or Color products only

This service offers deeper discounts in exchange for longer printing times. Product specifications must match the standard Lightning Source product specifications just like any other order. When designating this service level, LS will print either using its own digital printing (within Lightning Source facilities) or an outsource print vendor depending on the product ordered or current capacity. Digital Cloth™ Cover booktypes ordered for Extended Service may be bound as traditional linen cloth.

Lightning Source subcontractors will manufacture books using similar techniques or specifications as Lightning Source. Due to these variances, subcontracted printings of a title will be slightly different from those digital printings of the same title printed by Lightning Source. These variations can include, but are not limited to, print quality and halftone/image quality. Outsource print vendors may utilize different, but comparable, paper when printing an order, shipping/packing materials, or carton quantities when fulfilling orders.

## Order Submissions

### QUANTITY VALIDATION

Lightning Source recommends that the publisher review details of all orders and contents of titles before authorizing printing. Lightning Source will require an additional acknowledgment on orders of 500 or more units, at the time the order is placed, regardless of order submission type, service level, or shipping designation. An email address and acceptance of the order review statement is required at the time of order submission.

### ORDER CANCELLATION

Lightning Source provides customers with the option to cancel orders up to 30 minutes from the time the order has been submitted. This applies to orders submitted through the Lightning Source website. For information on how to cancel an order, please refer to the **LIGHTNING SOURCE PUBLISHER ACCOUNT USER GUIDE**.

For order submitted through the EDI Drop Ship program, please review **Section 16** (pg. 34) regarding the drop ship order process.

## Shipping

### SHIPPABLE ORDER

A Shippable Order is an order pending production and shipment by virtue of the fact that:

- ✓ A digital image of the ordered book has been established and is in production with Lightning Source.
- ✓ Publisher has authorized the release of the Order Shipment.
- ✓ The order has been received in the Lightning Source order management system.
- ✓ All required order and shipping information, necessary to process and fulfill the order to exact specifications and instructions, has been provided to Lightning Source.

### PACKING

Lightning Source prepares a packing list for each outbound shipment that contains the publishers name and return address. A publisher's order will not be consolidated and packed with orders of any other Lightning Source publisher. Resellers or publisher distribution centers should discuss consolidated delivery arrangements with a Lightning Source Sales Representative.

**PACKAGING**

Publisher orders are shipped in unbranded, brown, Kraft, single-walled corrugated cartons having a minimum corrugating test weight of 275 pounds (125 kilograms). All cartons and boxes are unbranded. Carton size and shape is closely matched with each order to minimize packaging materials usage and ensure sturdy packaging, thereby minimizing transit damage. Lightning Source determines the size specific carton by the number of books in the shipment and the size of the individual books.

**LABELING**

Each order shipped by Lightning Source is labeled with standard carrier pre-approved formats. The label includes the publisher's name and return address. The label format has been developed in conjunction with major carriers to optimize the flow of packages into their delivery and tracking systems. Labels will include the shipment number, purchase order number, routing and delivery service, and carton tracking information. Multiple carton shipment labels also sequentially specify each carton within the total number of cartons contained in the shipment.

**RETURN SHIPMENT PROCESSING**

Lightning Source only accepts and processes returned shipments of books delivered to its facilities, where the original shipment was undeliverable as addressed, or the customer refused delivery. It is the publisher's responsibility to confirm delivery, return, or refusal. In the event a package is routed back to LSUS due to an incorrect address or refusal, LS will hold the package for five (5) scheduled business days for publisher to provide disposition. LS is not responsible for packages remaining at our facility after 5 business days, except where Publisher has provided LS with disposition of such packages during this five-day period. Books returned by the publisher's customer, that were originally delivered and received by the customer, must be returned directly to the publisher. Lightning Source assesses actual shipping fees per returned shipment.

**CARRIER CONSIDERATIONS**

Tracking of packages is available via the Lightning Source website. Tracing and proof of delivery is only available with certain carriers and service levels. In the event that your customer does not receive their package, the customer should contact the publisher to initiate tracing procedures. The publisher is responsible for all replacement orders, and the order must be resubmitted electronically with a new PO number. The publisher should contact their Client Services Representative to initiate any POD (Proof of Delivery) or tracing requests. Lightning Source must be notified of non-receipt or damaged product within 60 days of shipping.

**SHIPPING OPTIONS**

Customer pick-up is not available from the Lightning Source facilities. Lightning Source offers many choices of delivery service to publishers, while ensuring that each choice offered is both dependable and economical in relation to the service level. For orders originating from the United States, LS will arrange for freight directly on a prepaid basis and the publisher will be charged for the cost of freight at carrier published rates. If publisher or publisher's customer requires additional options or special freight billing options (such as collect or third party), contact your sales or Client Services Representative for more information.

The below charts outline shipping methods and service level information for each facility.

<b>LS (US) DOMESTIC SHIPPING METHODS/SERVICE LEVELS</b>						
<b>COMMERCIAL GROUND</b>	<b>RESIDENTIAL GROUND</b>	<b>BASIC SHIPPING</b>	<b>OVERNIGHT</b>	<b>RESIDENTIAL OVERNIGHT</b>	<b>2ND DAY AIR</b>	<b>RESIDENTIAL 2ND DAY AIR</b>
Delivery to most commercial addresses in the 48 contiguous states in the U.S. within 1 to 6 days of shipment date, based on the location of the Ship to address.	Delivery to most residential addresses in the 48 contiguous states in the U.S. within 1 to 6 days of shipment date, based on the location of the Ship to address.	Delivery to all 50 states, Puerto Rico and the U.S. Virgin Islands in approximately 7 to 10 days of shipment date.	Delivery to most commercial addresses in the 48 contiguous states in the U.S. and Puerto Rico by 10:30am the next business day, after shipment date.	Delivery to most residential addresses in the 48 contiguous states in the U.S. and Puerto Rico by 10:30am the next business day, after shipment date.	Delivery to most commercial addresses in all 50 states in the U.S. and Puerto Rico by the end of the second business day after shipment date (shipments to certain locations in Alaska and Hawaii require additional time in transit).	Delivery to most residential addresses in all 50 states in the U.S. and Puerto Rico by the end of the second business day after shipment date (shipments to certain locations in Alaska and Hawaii require additional time in transit).
Shipments are traceable.	Shipments are traceable.	Limited or no traceability.	Shipments are traceable.	Shipments are traceable.	Shipments are traceable.	Shipments are traceable.

P.O. Boxes and Military Addresses cannot be used as a Ship-To Address.	P.O. Boxes and Military Addresses cannot be used as a Ship-To Address.		P.O. Boxes and Military Addresses cannot be used as a Ship-To Address.	P.O. Boxes and Military Addresses cannot be used as a Ship-To Address.	P.O. Boxes and Military Addresses cannot be used as a Ship-To Address.	P.O. Boxes and Military Addresses cannot be used as a Ship-To Address.
		Shipment cannot be insured.				
		Not recommended for carton shipments.				
		Publisher assumes all risk of damage or loss.				
		Only available for orders of 26 units or less.				

### LS (US) INTERNATIONAL SHIPPING METHODS/SERVICE LEVELS

CANADA GROUND	INTERNATIONAL ECONOMY	INTERNATIONAL PREMIUM
Delivery to most commercial addresses in the 10 provinces of Canada within 3 to 7 days of shipment date, based on the location of the Ship-To address.	Delivery to most countries and territories to the destination country's mail system. Shipment times and reliability vary based on the destination country's mail system.	Delivery to more than 200 countries and territories by 10:30 am the second business day, after shipment date, and delivery to most other areas by the end of the second business day.
Shipments are traceable.	These shipments are <b>not</b> traceable.	Shipments are traceable.
P.O. Boxes <b>cannot</b> be used as a Ship To Address.	P.O. Boxes <b>cannot</b> be used as a Ship-To Address.	P.O. Boxes <b>cannot</b> be used as a Ship To Address.
<b>LSUS quoted freight rates exclude import duties, taxes, brokerage fees, custom fees and document preparation fees. The recipient of the package will be responsible for paying these additional fees.</b>	This shipping method, in exchange for lower shipping cost, does not offer damage insurance or shipment tracking to the ultimate recipient. When you select this method of international shipment, you waive all liability against LSUS, or the carrier, for damage or loss of the shipment.	<b>Quoted freight rates exclude import duties, taxes, brokerage fees, custom fees and document preparation fees. The recipient of the package will be responsible for paying these additional fees.</b>
Packages are picked up on Tuesdays and Fridays.		

**ICGUK SHIPPING METHODS/SERVICE LEVELS**

DESTINATION	ECONOMY	STANDARD	PREMIUM	RUSH
<b>UK</b>	Suitable for small parcels up to a maximum of 2 kilograms (typically 2 books).	Suitable for small parcels up to a maximum of 2 kilograms (typically 2 books).	Suitable for all parcel sizes	Suitable for all parcel sizes.
	Delivery to most address in the UK by the third business day following dispatch (although not guaranteed).	Delivery to most address in the UK by the third business day following dispatch (although not guaranteed).	Delivery to most addresses in the UK by the next business day following dispatch (although not guaranteed). Delivery to Scottish and Scottish Island addresses and most Northern Ireland addresses is normally within 2 business days	Delivery to most addresses in England and Wales for timed, next business day delivery before 10:00 am (although not guaranteed). Add one extra business day for deliveries to Northern Ireland and Scottish Highlands and islands
	Shipments are <b>not</b> trackable.	Shipments are <b>not</b> trackable.	Shipments are guaranteed and trackable	Shipments are guaranteed and trackable
			Remote area locations** may be subject to additional charges and longer delivery times.	Remote area locations** may be subject to additional charges and longer delivery times. Where applicable, these surcharges are included in the rates displayed on the Lightning Source order page.
<b>EUROPE (27 countries in EU only)</b>	Not available for EU27 destinations	Suitable for small parcels up to a maximum of 5 kilograms.	Suitable for all parcel sizes.	Suitable for all parcel sizes.
		Delivery to most address in the EU27 within 4 to 7 days.	Delivery to most EU27 to most destinations within 2 - 7 business days	Delivery to most EU27 to most destinations within 2 business days
		Shipments are <b>not</b> trackable.	Shipments are trackable and insured.	Shipments are trackable and insured.
		Service is available as DAP (Delivery at Place: Duties and Taxes are NOT included in the order) Please note this was formerly known as DDU (Delivery Duty Unpaid).  OR IOSS where an IOSS registration number is included (VAT Charges managed by Publisher via IOSS)	Service is available as: DAP: Delivery at Place: Duties and Taxes are NOT included in the order. DAP is only to be used for Business-to-Business (B2B), or Business-to-Customer (B2C) orders over 150 EUR.  OR DDP: Delivery Duties Paid: Duties and Taxes are included in the order.  OR IOSS (VAT Charges managed by Publisher via IOSS)	Service is available as: DAP: Delivery at Place: Duties and Taxes are NOT included in the order. DAP is only to be used for Business-to-Business (B2B), or Business-to-Customer (B2C) orders over 150 EUR.  OR DDP: Delivery Duties Paid: Duties and Taxes are included in the order.  OR IOSS (VAT Charges managed by Publisher via IOSS)
<b>REST OF WORLD</b>	<b>Not available for rest of world destinations</b>	Suitable for small parcels up to a of 2 to 5 kilograms.	Suitable for all parcel sizes.	Not available for rest of world destinations
		Delivery to most address ROW within 6 to 10 days.	Delivery to nearly 200 countries within 2 to 3 days	
		Shipments are NOT trackable or insured	Shipments are trackable and insured	
		Delivery to most address in the EU within 6 to 10 days.	Service is sent DAP (Delivery at Place – Duties and Taxes are NOT included in the order)	
	Shipments are <b>not</b> trackable.	Remote Area Surcharges apply to premium services based on surcharges levied by our carriers. Where applicable, these surcharges are included in the rates displayed on the Lightning Source order page.		

## EU27 COUNTRIES

Austria	Cyprus	Germany	Latvia	Poland	Spain
Belgium	Denmark	Greece	Lithuania	Portugal	Sweden
Bulgaria	Estonia	Hungary	Luxembourg	Romania	
Czech Republic	Finland	Republic of Ireland	Malta	Slovakia	
Croatia	France	Italy	Netherlands	Slovenia	

All other European destinations are treated as Rest of World

### NOTES

REMOTE AREA SURCHARGES apply to premium services based on surcharges levied by our carriers. Where applicable, these surcharges are included in the rates displayed on the Lightning Source web order page. Common examples of surcharges are as follows:

- ✓ Europe Premium: All Alpine areas within Europe plus offshore islands, add £13.00.
- ✓ ROW Premium: Most African and Caribbean countries add £13.00.

For a comprehensive list of surcharge areas please contact your Clients Services Representative.

HIGH VOLUME SHIPMENTS or for orders returning freight pricing in excess of £200, we may be able to negotiate improved rates with our carriers. Please contact your Client Services Representative for more information.

IMPORTANT NOTE ON INTERNATIONAL SHIPPING - the Publisher is the exporter of record for all international EDI Drop Ship shipments fulfilled by ICGUK. Certain information to perform international shipping may not be available to ICGUK (e.g. order value for customs purposes, commercial invoices for freight-forwarders). The publisher is responsible for all assessed penalties resulting from improperly declared shipments. For information about fulfilling customs, importing and freight forwarder requirements, the publisher should contact their ICGUK Client Services Representative.

## ICGAUS SHIPPING METHODS/SERVICE LEVELS

DESTINATION	ECONOMY	STANDARD	PREMIUM	RUSH
<b>AUSTRALIA</b>	Best suited for parcels up to 5 kgs but parcels up to 22 kgs allowed.	Suitable for all parcels up to 30 kgs.	Suitable for all parcels up to 30 kgs.	Suitable for all parcels up to 30 kgs.
	Non-Trackable	Trackable but delivery date not guaranteed.	Trackable but only freight reimbursed if lost.	Trackable but only freight reimbursed if lost.
	Contents Non-Insured	Contents Non-Insured	Contents Non-Insured	Contents Non-Insured
	Delivery in 2 to 10 business days following dispatch based on distance to destination following dispatch.	Delivery in 1 to 11 business days following dispatch based on distance to destination following dispatch.	Delivery within 2 business days following dispatch based on distance to destination following dispatch.	Overnight, weekday delivery to most urban areas, with some exceptions being second day, based on distance to destination following dispatch.
	This service will deliver to P. O. Boxes. Suitable for 3 kg and under and can deliver to private residences.	This service <b>cannot</b> deliver to P. O. Boxes or private residences. Suitable for 3 kg and over.	This service can deliver to P. O. boxes and private residences.	This service can deliver to P. O. Boxes and private residences.
<b>NEW ZEALAND</b>	Best suited for small parcels up to 5 kgs but parcels up to 22 kgs allowed.		Suitable for small parcels up to 30 kgs.	See Premium.
	Non-trackable.		Trackable but delivery date not guaranteed.	
	Contents Non-Insured		Contents Non-Insured	
	Delivery in 2 to 10 business days following dispatch based on distance to destination following dispatch.		Up to 2 business days delivery based on distance to destination following dispatch.	
	This service can deliver to P. O. Boxes and private residences.		This service cannot deliver to P. O. Boxes.	
<b>REST OF WORLD</b>	Available at a later date	Available at a later date	Available at a later date	Available at a later date



**NOTES**

REMOTE AREA SURCHARGES may apply for some premium or rush premium based on surcharges levied by the carriers. Where applicable, these surcharges are included in the rates displayed on the Lightning Source web order page. For a comprehensive list of surcharge areas please contact your ICGAUS Client Services Representative.

HIGH VOLUME SHIPMENTS or for large, single orders, we may be able to negotiate improved rates with our carriers. Please contact your ICGAUS Client Services Representative for more information.

INTERNATIONAL SHIPPING- The publisher is the exporter of record for all international EDI Drop Ship shipments fulfilled by ICGAUS. Certain information to perform international shipping may not be available to ICGAUS (e.g. order value for customs purposes, commercial invoices for freight-forwarders). The publisher is responsible for all assessed penalties resulting from improperly declared shipments. For information about fulfilling customs, importing and freight forwarder requirements, the publisher should contact their ICGAUS Client Services Representative

IMPORTANT NOTE ON INTERNATIONAL SHIPPING: *All International shipments are sent DUP basis (Duty Unpaid). The quoted freight rates exclude import duties, taxes, brokerage fees, custom fees and document preparation fees. The recipient of the package will be responsible for paying these additional fees.*

**LSSH SHIPPING METHODS/SERVICE LEVELS**

DESTINATION	COURIER	STANDARD
<b>DOMESTIC</b>	<b>NEX</b>	Shipments are trackable
		There are no weight limits for domestic deliveries.
		NEX will endeavour to deliver within the emirate's city limits within 24 hours of collection. NEX will endeavour to deliver outside of the emirate's city limits within 24-48 hours of collection. NEX will make 3 delivery attempts per shipment. Their customer will call the Customer to re-confirm delivery After the 1st unsuccessful delivery attempt following with a SMS alert after that. Unsuccessful shipments will be returned automatically to Xerox after 3 attempts.
		All domestic shipments will be made by NEX and delivered by road, and to the address stated on the job order.
		<b>There is no provision for delivery to PO boxes.</b>
		The Customer, or the Customer's representative is required to sign and receive the shipment in person if they have apparent authority to accept the shipment in the name and on behalf of the Customer. Shipment addresses should always include the Customer's complete address, phone number and email.
<b>INTERNATIONAL</b>	<b>FEDEX</b>	Shipments are trackable
		There are no weight limits for international deliveries. However, size and weight restrictions on multiple pallet shipments apply and will vary by country. Details are available upon request.
		FedEx will endeavour to deliver within to 2-3 days of collection assuming no customs delay in the country of delivery. Addresses in remote area may require an additional day, assuming no customs delay in the country of delivery. Transit times are provided to Xerox for each address at the time of booking. Accordingly, Xerox will notify Lightning Source FZE of any extensive transit time delay by email.
		All international shipments will be made by FedEx and delivered by air and road, and to the address stated on the job order.
		There is no provision for delivery to PO boxes.
		The Customer, or the Customer's representative is required to sign and receive the shipment in person if they have apparent authority to accept the shipment in the name and on behalf of the Customer. Shipment addresses should always include the Customer's complete address, phone number and email.
		<b>EXPRESS</b> FedEx International for shipments within the Middle East Region with Express service to countries specified below:
		Bahrain, Cyprus, Egypt, Israel, Jordan, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Syria, Turkey, Yemen



## 12 File Storage and Security

Electronic files are stored in a secure, password-protected database. Access to the files is limited to authorized Lightning Source personnel. Lightning Source implements daily, weekly, and monthly backups of the document library in industry-accessible formats. Backup files are stored in an off-site secure environment in the USA.

### Content/Digital File & Related Data Retention and Deletion

Lightning Source will retain digital content as noted below:

LS Web2Print / Transient Print:

- Content file retention: no more than 60 days from live date of title.
- Title & order data retention: Accessible through the Lightning Source website for no more than 18 months from live date of title or date of order submission.

LS POD Retention:

- Content files for each book will be retained by LS for one-hundred-eighty (180) days from the date a book is cancelled, or one-hundred-eighty (180) days from the date your account is closed, whichever occurs first. Earlier deletion is upon request only. Metadata is not deleted.

## 13 Doing Business with Lightning Source Around the World

Many publishers use Lightning Source for services in multiple countries. This section is designed to help publishers understand how their accounts will be handled when taking advantage of the services offered by each operating unit. For purposes of this discussion, an “operating unit” is one of our companies incorporated in the country in which it prints and sells books.

### Primary Operating Unit Assignment

Each Lightning Source publisher is assigned to a primary operating unit. The operating unit to which a publisher’s account is assigned depends on the country of origin. (See **SECTION 15** pg. 28) The following table outlines the general rules that we use to assign accounts to operating units.

COUNTRY OF ORIGIN	PRIMARY OPERATING UNIT	COUNTRY OF OPERATING UNIT
Americas (North, Central, South)	Lightning Source LLC	United States of America
UK, Europe, Middle East, Africa, Asia	Ingram Content Group UK Ltd.	United Kingdom
Australia, New Zealand	Ingram Content Group Australia Pty Ltd.	Australia
United Arab Emirates	Lightning Source Sharjah	United Arab Emirates

### Global Distribution Fee, Title Setup and Related Services

Certain services, fees, and billing will always be provided to a publisher by the primary operating unit. These fees include Global Distribution Fee, title setup and title setup related services (See **SECTION 7** pg. 7). The following table outlines the fee schedules, prices and billing and payment currencies that apply based on your account assignment.

IF YOUR PRIMARY OPERATING UNIT IS:	LS	ICGUK	ICGUK	ICGAUS	LSSH
And your country has adopted the Euro	N/A	No	Yes	N/A	N/A
Then the applicable pricing document will be:	US Pricing Schedule	UK Pricing Schedule	EUR Pricing Schedule	AUD Pricing Schedule	LSSH Pricing Schedule
And billing will be in the following currency:	USD	GBP	EUR	AUD	USD
And invoices may be paid in the following currency <sup>1</sup> :	USD	GBP	EUR	AUD	USD

<sup>1</sup> Orders placed over the Internet or invoices paid via our online payment option may be settled with a local or foreign currency credit card. Credit card payments will be charged when the order is submitted. The credit card service will automatically convert the amount from the transaction currency to the currency of the credit card.

## Print Orders (Publisher Direct)

Once a publisher's primary account is established, the publisher will be able to submit print orders to its primary operating unit through that account as described in SECTIONS 9 and 10 of this Operating Manual. However, many publishers desire to submit print orders to other Lightning Source operating units to speed delivery of orders to their customers in other parts of the world and to save on freight and logistics costs. Each operating unit has a separate price list that is based on the local currency of the operating unit. When placing orders with operating units that are not the primary operating unit, the fee schedules applicable to the operating unit where the order is being placed will be used for calculating the resulting invoice. If a publisher wishes to place orders with other Lightning Source operating units, contact the assigned Client Services Representative in your primary operating unit and request that a secondary account be set up with the other operating unit(s).

If the publisher plans to submit orders exclusively via Lightning's secure website, then there is no need to sign a contract with the foreign operating unit. However, if the publisher plans to set up an EDI ordering link with a secondary operating unit, the publisher must sign a Print-On-Demand Agreement with the secondary operating unit prior to establishing the EDI ordering links. The following table outlines the fee schedules and currencies, contracts and operating manuals applicable to each operating unit.

IF YOU PLACE AN ORDER WITH THE FOLLOWING OPERATING UNIT:	LS	ICGUK	ICGUK	ICGAU	LSSH
And your country has adopted the Euro	N/A	No	Yes	N/A	N/A
Then the applicable pricing document will be:	US Pricing Schedule	UK Pricing Schedule	EUR Pricing Schedule	AUD Pricing Schedule	US Pricing Schedule
And you will be billed in the following currency:	USD	GBP	EUR	AUD	USD
And you may pay invoices in the following currency <sup>2</sup> :	USD	GBP	EUR	AUD	USD
And your orders will be governed by the following operating manual:	Lightning Source Print on Demand Publisher Operating Manual				
And you will need to sign the following agreement if you plan to place EDI orders:	You will need to sign a contract for each Lightning Source entity providing services you request prior to account implementation.				

<sup>2</sup> Orders placed over the publisher secure website or invoices paid via our online payment portal may be settled with a local or foreign currency credit card. Credit card payments will be charged when the order is submitted. The credit card service will automatically convert the amount from the transaction currency to the currency of the credit card.

## Wholesale Distribution Services

If a publisher would like Lightning Source to sell its books and print them on-demand for direct orders from resellers or retailers in markets around the world, then the following table outlines the actions that must be taken to set up titles to participate in the various markets. Once a title is set up under the primary account, there are no additional fees or charges required to make the title available for sale in additional markets. Each operating unit will use the same print-ready PDF file. Print files and changes to these files are continuously synchronized across operating units once the publisher has given permission for an operating unit to sell a particular title.

IF YOU WOULD LIKE YOUR BOOKS SOLD IN:	THE UNITED STATES <sup>3</sup> AND CANADA	THE UNITED KINGDOM <sup>5</sup>	EURO CURRENCY COUNTRIES (INCLUDED IN UK CONTRACT)	AUSTRALIA	UNITED ARAB EMIRATES
You will need to sign the following agreement:	You will need to sign a contract for each Lightning Source entity providing services you request prior to account implementation.				
Then you will need to assign a retail price and wholesale discount to each title you want sold in each market in the following currency:	USD (and CAD if you also desire to authorize distribution in Canada)	GBP	EUR	AUD	USD
Your sales will be reported monthly in the following currency:	USD	GBP	EUR	AUD	USD
And you will be paid for sales in the following currency <sup>4</sup> :	USD	GBP	EUR	AUD	USD
And operating procedures will be governed by the following operating manual:	Lightning Source Print on Demand Publisher Operating Manual				

<sup>3</sup> This option also includes distribution through Ingram International. Ingram International sells books on an export basis to customers in over 100 countries around the world; thereby, giving your titles world-wide distribution.

<sup>4</sup> You may elect to have your sales paid in any of the following currencies: USD, AUD, GBP, EUR, CAD; however, it will not change the reporting currency. Contact your client services representative if you would like to change your payment currency.

<sup>5</sup> This option includes distribution through ICGUK on an export basis to customers in various countries around the world; thereby, giving your titles near world-wide distribution.

## GLOBAL CONNECT

Global Connect offers greater market reach and connectivity to consumers by expanding Lightning Source's own print and distribution footprint in key territories by pursuing alliances around the world.

Through the Global Connect Program ("GCP"), "wholesale like" Print to Order solutions are offered in countries where LS does not have physical production facilities. The GCP is a Wholesale Services transaction available through Lightning Source which provides the opportunity for the sale, printing, and distribution of the titles through print channels located in various countries throughout the world (the "GCP Market"). GCP Markets' will show titles as available and will print them as orders come in from their local channels and retailers. Unless otherwise agreed, by entering a US retail price and wholesale discount, we will make publisher's titles available in each current GCP Market and those additional territories as they become available. Once a title is active in a GCP Market, a publisher may change such GCP Market availability upon thirty (30) day notice to Lightning Source. Publishers may also elect to participate in a GCP Market by designating unique pricing by Market or region offered within the GCP.

For more information on this service please see **SECTION 18** (pg. 40).

## 14 Publisher Invoices and Payment of Invoices

Lightning Source will invoice the publisher for each distinct type and unit of service on individual invoices as further described below.

### BILLING

#### TYPES OF INVOICES AND INVOICE DATES

The publisher may determine the type of service being billed by looking at the "Order Type" code in the upper right section of the invoice. The following table lists all of Lightning Source's "Order Type" codes for POD, the services to which they relate, the date invoices are created, and any invoice grouping rules that apply.

ORDER TYPE CODE	INVOICE TYPE CODE	ORDER TYPE / SERVICE DESCRIPTION	TIMING OF INVOICES	GROUPING RULE
TS	Inv-TS	Title Setup Services (including original titles setups, revisions, custom charges and proofs not ordered via the Lightning Source website)	Invoices are created on the day that the related services are completed. For original title setups, the billing date is the date that Lightning Source has completed the setup, printed and reviewed an internal proof copy, and determined that the proof conforms to Lightning Source's quality standards.	One invoice is generally created for each ISBN for which a setup service has been completed.
PP	Inv-PP	Publisher Physical Proof Copies ordered via the Lightning Source website	Invoices are created on the day that the physical proof is shipped to the publisher.	One invoice is generally created for each physical proof ordered.
DS	Inv-DS	Publisher Direct - Drop Ship Orders	Invoices are created on the day that the complete or partial order is shipped.	One invoice is created for each publisher purchase order / ship-to address. More than one invoice may be generated per purchase order if the order is split into multiple shipments due to different manufacturing lead times.
SR	Inv-SR	Publisher Direct - Orders	Invoices are created on the day that the complete or partial order is shipped.	One invoice is created for each publisher purchase order / ship-to address. More than one invoice may be generated per purchase order if the order is split into multiple shipments due to different manufacturing lead times.
	DCF-POD	Market Distribution Plan	Invoices are created at the end of the first month that a title is available to be printed and subsequently at the end of the month in which each title's setup anniversary falls	Publisher will receive a single monthly invoice for all titles. The invoice "Order Type" field will be blank, but the comments section of the invoice will indicate "POD Market Distribution Plan for the Month of XXX"
	Inv-Adv	Ingram Advance Magazine Advertising Fees	Monthly catalog that is distributed to booksellers and libraries around the world	Publisher will receive a single monthly invoice for all titles included in the Ingram Advance Magazine.

### ALTERNATIVES FOR PUBLISHERS WITH HIGH INVOICE VOLUMES

If publisher invoice and shipment volumes are high, Lightning Source has the ability to consolidate its billings into single weekly or monthly invoices per each order type, if desired and requested by the publisher. This option reduces invoice volumes and makes it easier for some publishers to process payment. Contact your Credit Representative for more information on consolidated billing options.

### METHOD AND FREQUENCY OF INVOICE TRANSMISSION

Invoices are sent to publishers via email transmission. Publisher email addresses are collected during the new account application process. The email transmission will include both invoice images in PDF format, as well as a spreadsheet version (.xls file). Invoice files are generally transmitted to publishers every Monday and include all invoices generated by the billing system during the previous week. Publishers may request to receive paper invoices instead of electronic invoices; however, additional charges may apply.

## PAYMENT OF INVOICES

### CURRENCY AND PAYMENT TERMS

Lightning Source invoices can be issued in USD, GBP, EUR or AUD currency as follows:

#### TITLE RELATED SERVICES

For title related services (Title setup, Revisions, Global Distribution Fees, Ingram Advance), the currency is assigned to the publisher based on the publisher's country of origin (See SECTION 15).

#### PRINT RELATED SERVICES

For print related services (Publisher Direct drop ship or short run orders), the currency is assigned based on the operating unit where the books are printed (e.g., United States operating unit = USD).

When a Lightning Source publisher sets up an account, the publisher can provide a credit card and agree to pay for all orders via credit card. The Lightning Source publisher can also submit a credit application to attempt to qualify for a credit limit with payment terms of net 30 days from invoice date. Lightning Source may request payment in advance via a cashier's check or credit card based on the credit standing of the publisher.

## 15 Countries & Related LS Primary Operating Unit

Primary Operation Unit:

**US = Lightning Source LLC; UK = Lightning Source UK Ltd; AUS = Ingram Content Group Australia Pty Ltd.; SH = Lightning Source Sharjah**

Specific countries are contingent upon current applicable export compliance.

COUNTRY NAME	ISO3 CODE	REGION	PRIMARY OPERATION UNIT	INVOICE CURRENCY
United States	USA	North America	LSUS	USD
United Kingdom	GBR	Europe	ICGUK	GBP
Albania	ALB	Europe	ICGUK	GBP
Algeria	DZA	Africa	ICGUK	GBP
American Samoa	ASM	Australia	ICGUK	GBP
Andorra	AND	Europe	ICGUK	EUR
Angola	AGO	Africa	ICGUK	GBP
Anguilla	AIA	North America	LSUS	USD
Antarctica	ATA	Antarctica	ICGUK	GBP
Antigua and Barbuda	ATG	North America	LSUS	USD
Argentina	ARG	South America	LSUS	USD
Armenia	ARM	Europe	ICGUK	USD
Aruba	ABW	North America	LSUS	USD
Australia	AUS	Australia	ICGAUS	AUD
Austria	AUT	Europe	ICGUK	EUR
Azerbaijan	AZE	Europe	ICGUK	USD
Bahamas	BHS	North America	LSUS	USD
Bahrain	BHR	Asia	SH	USD
Bangladesh	BGD	Asia	ICGUK	USD
Barbados	BRB	North America	LSUS	USD
Belarus	BLR	Europe	ICGUK	GBP
Belgium	BEL	Europe	ICGUK	EUR
Belize	BLZ	North America	LSUS	USD
Benin	BEN	Africa	ICGUK	GBP
Bermuda	BMU	North America	LSUS	USD
Bhutan	BTN	Asia	ICGUK	USD
Bolivia	BOL	South America	LSUS	USD
Bosnia and Herzegovina	BIH	Europe	ICGUK	GBP
Botswana	BWA	Africa	ICGUK	EUR

COUNTRY NAME	ISO3 CODE	REGION	PRIMARY OPERATION UNIT	INVOICE CURRENCY
Bouvet Island	BVT	Antarctica	ICGUK	GBP
Brazil	BRA	South America	LSUS	USD
British Indian Ocean Territory	IOT	Africa	ICGUK	USD
Brunei Darussalam	BRN	Asia	LSUS	USD
Bulgaria	BGR	Europe	ICGUK	EUR
Burkina Faso	BFA	Africa	ICGUK	GBP
Burundi	BDI	Africa	ICGUK	GBP
Cambodia	KHM	Asia	ICGUK	USD
Cameroon	CMR	Africa	ICGUK	GBP
Canada	CAN	North America	LSUS	USD
Cape Verde	CPV	Africa	ICGUK	EUR
Cayman Islands	CYM	North America	LSUS	USD
Central African Republic	CAF	Africa	ICGUK	GBP
Chad	TCD	Africa	ICGUK	GBP
Chile	CHL	South America	LSUS	USD
China	CHN	Asia	ICGUK	USD
Christmas Island	CXR	Australia	ICGUK	GBP
Cocos (Keeling) Islands	CCK	Australia	ICGUK	GBP
Colombia	COL	South America	LSUS	USD
Comoros	COM	Africa	ICGUK	GBP
Congo	COG	Africa	ICGUK	GBP
Congo, The Democratic Republic of The	COD	Africa	ICGUK	GBP
Cook Islands	COK	Australia	ICGUK	GBP
Costa Rica	CRI	North America	LSUS	USD
Cote D'ivoire	CIV	Africa	ICGUK	GBP
Croatia (Local Name: Hrvatska)	HRV	Europe	ICGUK	EUR
Cuba	CUB	North America	LSUS	USD
Cyprus	CYP	Europe	SH	EUR
Czech Republic	CZE	Europe	ICGUK	EUR
Denmark	DNK	Europe	ICGUK	EUR
Djibouti	DJI	Africa	ICGUK	GBP
Dominica	DMA	North America	LSUS	USD
Dominican Republic	DOM	North America	LSUS	USD
East Timor	TMP	Asia	ICGUK	USD
Ecuador	ECU	South America	LSUS	USD
Egypt	EGY	Africa	SH	GBP
El Salvador	SLV	North America	LSUS	USD
Equatorial Guinea	GNQ	Africa	ICGUK	GBP
Eritrea	ERI	Africa	ICGUK	GBP
Estonia	EST	Europe	ICGUK	EUR
Ethiopia	ETH	Africa	ICGUK	GBP
Falkland Islands (Malvinas)	FLK	South America	LSUS	USD
Faroe Islands	FRO	Europe	ICGUK	GBP
Fiji	FJI	Australia	ICGUK	GBP
Finland	FIN	Europe	ICGUK	EUR
France	FRA	Europe	ICGUK	EUR
French Guiana	GUF	South America	LSUS	EUR
French Polynesia	PYF	Australia	ICGUK	GBP
French Southern Territories	ATF	Antarctica	ICGUK	GBP

COUNTRY NAME	ISO3 CODE	REGION	PRIMARY OPERATION UNIT	INVOICE CURRENCY
Gabon	GAB	Africa	ICGUK	GBP
Gambia	GMB	Africa	ICGUK	GBP
Georgia	GEO	Europe	ICGUK	GBP
Germany	DEU	Europe	ICGUK	EUR
Ghana	GHA	Africa	ICGUK	GBP
Gibraltar	GIB	Europe	ICGUK	GBP
Greece	GRC	Europe	ICGUK	EUR
Greenland	GRL	North America	LSUS	USD
Grenada	GRD	North America	LSUS	USD
Guadeloupe	GLP	Europe	ICGUK	EUR
Guam	GUM	Australia	ICGUK	GBP
Guatemala	GTM	North America	LSUS	USD
Guinea	GIN	Africa	ICGUK	GBP
Guinea-Bissau	GNB	Africa	ICGUK	GBP
Guyana	GUY	South America	LSUS	USD
Haiti	HTI	North America	LSUS	USD
Heard and Mc Donald Islands	HMD	Antarctica	ICGUK	GBP
Holy See (Vatican City State)	VAT	Europe	ICGUK	EUR
Honduras	HND	North America	LSUS	USD
Hong Kong	HKG	Asia	ICGUK	USD
Hungary	HUN	Europe	ICGUK	EUR
Iceland	ISL	Europe	ICGUK	GBP
India	IND	Asia	ICGUK	USD
Indonesia	IDN	Asia	ICGUK	USD
Iran (Islamic Republic of)	IRN	Asia	ICGUK	USD
Iraq	IRQ	Asia	ICGUK	USD
Ireland	IRL	Europe	ICGUK	EUR
Israel	ISR	Asia	SH	USD
Italy	ITA	Europe	ICGUK	EUR
Jamaica	JAM	North America	LSUS	USD
Japan	JPN	Asia	ICGUK	USD
Jordan	JOR	Asia	SH	EUR
Kazakhstan	KAZ	Asia	ICGUK	USD
Kenya	KEN	Africa	ICGUK	GBP
Kiribati	KIR	Australia	ICGUK	GBP
Korea, Democratic People's Republic of	PRK	Asia	ICGUK	USD
Korea, Republic of	KOR	Asia	ICGUK	USD
Kuwait	KWT	Asia	SH	USD
Kyrgyzstan	KGZ	Asia	ICGUK	USD
Lao People's Democratic Republic	LAO	Asia	ICGUK	USD
Latvia	LVA	Europe	ICGUK	EUR
Lebanon	LBN	Asia	SH	USD
Lesotho	LSO	Africa	ICGUK	GBP
Liberia	LBR	Africa	ICGUK	GBP
Libyan Arab Jamahiriya	LBY	Africa	ICGUK	EUR
Liechtenstein	LIE	Europe	ICGUK	GBP
Lithuania	LTU	Europe	ICGUK	EUR
Luxembourg	LUX	Europe	ICGUK	EUR
Macau	MAC	Asia	ICGUK	USD

COUNTRY NAME	ISO3 CODE	REGION	PRIMARY OPERATION UNIT	INVOICE CURRENCY
Macedonia, The Former Yugoslav Republic of	MKD	Europe	ICGUK	EUR
Madagascar	MDG	Africa	ICGUK	GBP
Malawi	MWI	Africa	ICGUK	GBP
Malaysia	MYS	Asia	ICGUK	USD
Maldives	MDV	Asia	ICGUK	USD
Mali	MLI	Africa	ICGUK	GBP
Malta	MLT	Europe	ICGUK	EUR
Marshall Islands	MHL	Australia	ICGUK	GBP
Martinique	MTQ	Europe	ICGUK	EUR
Mauritania	MRT	Africa	ICGUK	GBP
Mauritius	MUS	Africa	ICGUK	GBP
Mayotte	MYT	Africa	ICGUK	EUR
Mexico	MEX	North America	LSUS	USD
Micronesia, Federated States of	FSM	Australia	ICGUK	GBP
Moldova, Republic of	MDA	Europe	ICGUK	GBP
Monaco	MCO	Europe	ICGUK	EUR
Mongolia	MNG	Asia	ICGUK	USD
Montserrat	MSR	North America	LSUS	USD
Morocco	MAR	Africa	ICGUK	EUR
Mozambique	MOZ	Africa	ICGUK	GBP
Myanmar	MMR	Asia	ICGUK	GBP
Namibia	NAM	Africa	ICGUK	GBP
Nauru	NRU	Australia	ICGUK	GBP
Nepal	NPL	Asia	ICGUK	USD
Netherlands	NLD	Europe	ICGUK	EUR
Netherlands Antilles	ANT	South America	LSUS	USD
New Caledonia	NCL	Australia	ICGUK	GBP
New Zealand	NZL	Australia	ICGAUS	AUD
Nicaragua	NIC	North America	LSUS	USD
Niger	NER	Africa	ICGUK	GBP
Nigeria	NGA	Africa	ICGUK	GBP
Niue	NIU	Australia	ICGUK	GBP
Norfolk Island	NFK	Australia	ICGUK	GBP
Northern Mariana Islands	MNP	Australia	ICGUK	GBP
Norway	NOR	Europe	ICGUK	GBP
Oman	OMN	Asia	SH	USD
Pakistan	PAK	Asiav	SH	USD
Palau	PLW	Australia	ICGUK	GBP
Palestinian Territory, Occupied	PSE	Asia	SH	USD
Panama	PAN	North America	LSUS	USD
Papua New Guinea	PNG	Australia	ICGUK	GBP
Paraguay	PRY	South America	LSUS	USD
Peru	PER	South America	LSUS	GBP
Philippines	PHL	Asia	ICGUK	USD
Pitcairn	PCN	Australia	ICGUK	GBP
Poland	POL	Europe	ICGUK	GBP
Portugal	PRT	Europe	ICGUK	EUR
Puerto Rico	PRI	North America	LSUS	USD
Qatar	QAT	Asia	SH	USD
Reunion	REU	Africa	ICGUK	EUR



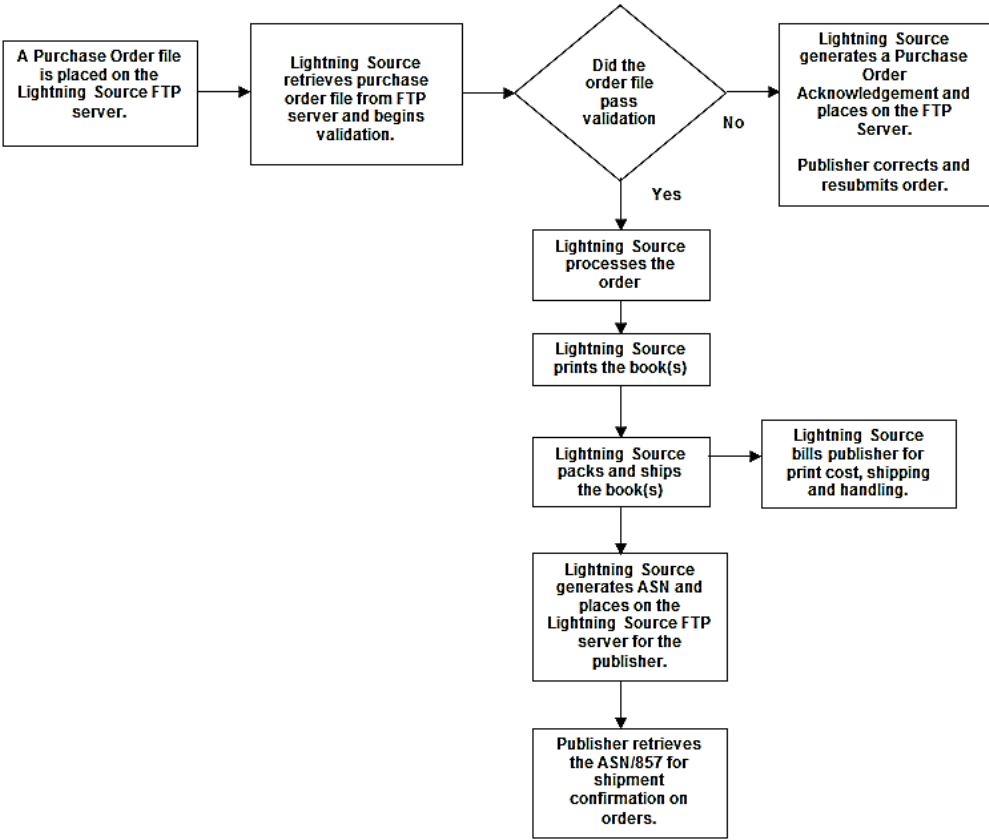
COUNTRY NAME	ISO3 CODE	REGION	PRIMARY OPERATION UNIT	INVOICE CURRENCY
Romania	ROU	Europe	ICGUK	EUR
Russian Federation	RUS	Europe	ICGUK	EUR
Rwanda	RWA	Africa	ICGUK	GBP
Saint Kitts and Nevis	KNA	North America	LSUS	USD
Saint Lucia L	CA	North America	LSUS	USD
Saint Vincent and The Grenadines	VCT	North America	LSUS	USD
Samoa	WSM	Australia	ICGUK	GBP
San Marino	SMR	Europe	ICGUK	EUR
Sao Tome and Principe	STP	Africa	ICGUK	GBP
Saudi Arabia	SAU	Asia	SH	USD
Senegal	SEN	Africa	ICGUK	GBP
Serbia and Montenegro	SCG	Europe	ICGUK	EUR
Seychelles	SYC	Africa	ICGUK	EUR
Sierra Leone	SLE	Africa	ICGUK	GBP
Singapore	SGP	Asia	ICGUK	USD
Slovakia (Slovak Republic)	SVK	Europe	ICGUK	EUR
Slovenia	SVN	Europe	ICGUK	EUR
Solomon Islands	SLB	Australia	ICGUK	GBP
Somalia	SOM	Africa	ICGUK	GBP
South Africa	ZAF	Africa	ICGUK	GBP
South Georgia and The South Sandwich Islands	SGS	Antarctica	ICGUK	GBP
Spain	ESP	Europe	ICGUK	GBP
Sri Lanka	LKA	Asia	ICGUK	USD
St. Helena	SHN	Africa	ICGUK	GBP
St. Pierre and Miquelon	SPM	Europe	ICGUK	GBP
Sudan	SDN	Africa	ICGUK	GBP
Suriname	SUR	South America	LSUS	USD
Svalbard and Jan Mayen Islands	SJM	Europe	ICGUK	GBP
Swaziland	SWZ	Africa	ICGUK	GBP
Sweden	SWE	Europe	ICGUK	GBP
Switzerland	CHE	Europe	ICGUK	GBP
Syrian Arab Republic	SYR	Asia	ICGUK	USD
Taiwan, Province of China	TWN	Asia	ICGUK	USD
Tajikistan	TJK	Asia	ICGUK	USD
Tanzania, United Republic of	TZA	Africa	ICGUK	GBP
Thailand	THA	Asia	ICGUK	USD
Togo	TGO	Africa	ICGUK	GBP
Tokelau	TKL	Australia	ICGUK	GBP
Tonga	TON	Australia	ICGUK	GBP
Trinidad and Tobago	TTO	North America	LSUS	USD
Tunisia	TUN	Africa	ICGUK	EUR
Turkey	TUR	Asia	SH	USD
Turkmenistan	TKM	Asia	ICGUK	USD
Turks and Caicos Islands	TCA	North America	LSUS	USD
Tuvalu	TUV	Australia	ICGUK	GBP
Uganda	UGA	Africa	ICGUK	GBP
Ukraine	UKR	Europe	ICGUK	GBP
United Arab Emirates	ARE	Asia	SH	USD
United States Minor Outlying Islands	UMI	North America	LSUS	USD
Uruguay	URY	South America	LSUS	USD

COUNTRY NAME	ISO3 CODE	REGION	PRIMARY OPERATION UNIT	INVOICE CURRENCY
Uzbekistan	UZB	Asia	ICGUK	USD
Vanuatu	VUT	Australia	ICGUK	EUR
Venezuela	VEN	South America	LSUS	USD
Viet Nam	VNM	Asia	ICGUK	USD
Virgin Islands (British)	VGB	North America	LSUS	USD
Virgin Islands (U.S.)	VIR	North America	LSUS	USD
Wallis And Futuna Islands	WLF	Australia	ICGUK	GBP
Western Sahara	ESH	Africa	ICGUK	GBP
Yemen	YEM	Asia	ICGUK	USD
Yugoslavia	YUG	Europe	ICGUK	GBP
Zaire	ZAR	Africa	ICGUK	GBP
Zambia	ZMB	Africa	ICGUK	GBP
Zimbabwe	ZWE	Africa	ICGUK	GBP

## 16 Drop Ship Order Overview

The Drop Ship Order process allows for electronic transmission of book orders to Lightning Source via EDI (Electronic Data Interchange). Book orders are printed, with automated confirmation of printing and shipping back to the publisher. Books are shipped directly to the publisher’s customer or designated location. Lightning Source EDI Drop Ship publishers are billed initial set-up costs, printing, and shipping and handling costs for each book printed and shipped. The publisher is responsible for all customer service and support to the publisher’s customer. Publishers interested in EDI Drop Ship should contact their Lightning Source Sales Representative for more information.

### PUBLISHER DIRECT EDI DROP SHIP WORK FLOW



## Orders

### PROCESSING

The publisher places orders on the Lightning Source FTP server and Lightning Source monitors the Lightning Source FTP server for new file orders from the publisher. When an order file is detected, Lightning Source executes a validation process to ensure that the file is complete and does not contain errors. Orders are processed and the unit(s) is (are) routed to print. Once the unit(s) has (have) printed, the order is then packed and shipped to the designated location.

The publisher is responsible for consolidating individual customer orders for transport and delivery to a single destination. Publisher shall ensure that all required orders and shipping information necessary to process the transmitted order is provided to Lightning Source.

Lightning Source will split orders for hardcover books and books larger than 6 x 9 inch/229 x 152 mm, from orders of books 6 x 9 inch/229 x 152 mm and smaller.

Due to the timing with which orders move through the Lightning Source system, no changes may be made to an order; including cancelling orders, changing any part of the address or changing shipping methods.

### VALIDATION

Lightning Source executes a validation process to ensure that files received by Lightning Source are complete. The following procedures govern the Lightning Source validation process:

- ✓ In an effort to prevent duplicate orders from being processed inadvertently, the Purchase Order (PO) file name must be unique. Any orders submitted or resubmitted with the same file name (PO) will be rejected as a Duplicate Client Order Number.
- ✓ A unique Pub ID is extracted and verified to ensure that your company has been setup to send orders.
- ✓ Each ISBN (or SKU) is verified as a producible product

## File Transfers for Edi Drop Ship Order Processing

All files are exchanged with Lightning Source using File Transfer Protocol (FTP) through the Internet. The Lightning Source FTP server is available 24 hours per day, 7 days per week.

### FILE TRANSMISSION

Lightning Source supports the following customer electronic file formats via the File Transfer Protocol (FTP) through the Internet.

#### ASCII FLAT FILE

Purchase Order (PO)  
Purchase Order Acknowledgment (POA)  
Advanced Shipping Notification (ASN)

#### ANSI X.12

850 – Purchase Order  
855 – Purchase Order Acknowledgement  
857 – Advanced Shipping Notification

#### EDIFACT

Purchase Order  
Purchase Order Acknowledgement  
Advance Shipping Notification

Please email: [edi@lightningsource.com](mailto:edi@lightningsource.com) to request copies of the ASCII, ANSI X.12 or Edifact Integration guides.

### INCOMING FILES

Files in the Incoming Directory include the Purchase Order (PO) File, which contain all the necessary information for Lightning Source to fulfill the order(s) received from the publisher. This includes the:

- ✓ Ship To - Name and Address
- ✓ ISBN and Quantity
- ✓ Shipping Method

## OUTGOING FILES

Files in the outgoing directory include the Purchase Order Acknowledgement (POA/855) and the Advanced Shipping Notification (ASN/857).

### POA/855

- ✓ A POA/855 is generated and placed in the outgoing directory approximately two hours from receipt of the publisher PO file. If no POA/855 has been received within two hours, the publisher should contact Lightning Source.
- ✓ The POA/855 is returned to the publisher to verify receipt of the file and identify any order within that file that may have been rejected.
- ✓ Orders that are rejected in the POA will need to be corrected and resubmitted with a new PO number for processing.
- ✓ The POA/855 is returned for evaluation purposes.

### ASN/857

- ✓ An ASN/857 is generated at the end of each business day.
- ✓ The ASN/857 generation is based on a package being manifested and shipped.
- ✓ The ASN/857 contains actual shipping information such as package tracking numbers, carton contents and freight charges.
- ✓ The ASN/857 will also indicate if there were any problems in fulfilling an order. If an order is not fulfilled, a zero shipped quantity with no shipping information associated with the Customer Order will appear.

## Integration Guides

Lightning Source EDI Drop Ship Services require that publishers integrate with Lightning Source approved electronic ordering mechanisms. Lightning Source has created detailed integration guides to assist in helping publishers with the integration process, and making the process easy and seamless. To request copies of the Lightning Source ASCII, ANSI X.12 and EDIFACT integration guides, please send an email to: [edi@Lightningsource.com](mailto:edi@Lightningsource.com).

## 17 Returns Overview

### DEFINITIONS

For purposes of this section, the terms defined below shall have the following meanings:

#### BACK LIST TITLE

A backlist title is a title that has been previously released for sale to the book trade.

#### BOOKSELLER

A bookseller is defined as any entity that purchases books from publishers, including but not limited to, retailers, wholesalers, distributors, resellers, jobbers, and libraries.

#### FRONT LIST TITLE

A front list title is a book submitted to Lightning Source by the publisher that has not been previously released for sale to the book trade prior to submitting it to Lightning Source.

#### WHOLESALE COST

The wholesale cost of a book is determined by multiplying the publisher suggested retail price of a book by one (1) minus the wholesale discount assigned to the title

For example,

**US Dollar (USD)** - the wholesale cost of a book with a \$20 publisher suggested retail price and a 55% wholesale discount would be:  $\$20 \times (1-55\%) = \$9.00$ .

**Great Britain Pounds (GBP)** - the wholesale cost of a book with a £20 publisher suggested retail price and a 55% wholesale discount would be:  $\pounds 20 \times (1-55\%) = \pounds 9.00$ .

**Euros (EUR)** - the wholesale cost of a book with a €30 publisher suggested retail price and a 55% wholesale discount would be:  $\text{€}30 \times (1-55\%) = \text{€}13.50$

**Australia Dollar (AUD)** - the wholesale cost of a book with a \$30 publisher suggested retail price and a 55% wholesale discount would be:  $\$30 \times (1-55\%) = \$13.50$ .

## Background on Returns

On a title-by-title basis, publishers may designate books as returnable<sup>†</sup>. This designation will grant booksellers the right to return unwanted and/or overstocked copies of publishers' books. These books are considered "returnable". As books are returned, booksellers charge publishers (or the entity they have a purchasing relationship with—Ingram or Lightning Source for example) for the cost (i.e. their purchase price) of any books returned and expect to be reimbursed. The cost of returned books is either deducted or netted against the proceeds of book sales of the publishers' titles in the month returns are shipped to the publisher. Some booksellers will only purchase books on a returnable basis; therefore, sales may be reduced if a title is designated as non-returnable. Publishers must weigh the risk of returns against the potential for increased sales and be prepared to reimburse booksellers for the cost of returns as they occur. Publishers who make their titles returnable typically place a designated percentage of their proceeds from sales into a fund (or reserve account) that is used exclusively to pay for the cost of future returns.

## Returns Options

Lightning Source supports standard industry conventions by allowing publishers to designate whether or not their titles can be returned. The publisher can make this designation at the time of initial title setup or anytime thereafter. See **SECTION 7** (pg. 7) of this Operating Manual for instructions on submitting titles to Lightning Source. Lightning Source currently offers publishers three title-level returns options.

RETURNS DESIGNATION	MEANING
<b>NO</b>	Select this designation if you <b>do not</b> want to allow your titles to be sold on a returnable basis. Lightning Source will not accept returns from booksellers for any title so designated.
<b>YES-DELIVER</b> (Available for US market only)	Select this designation if you want to allow your titles to be sold on a returnable basis and you would like to receive <b>a physical copy of the book</b> returned. LS does not guarantee the condition of the book being returned. Returns to <b>US addresses</b> : If you select this option, you will be charged for the <b>current</b> wholesale cost of each book returned, plus a <b>\$3.00</b> per book shipping and handling charge. Returns to <b>non-US/international addresses</b> : If you select this option, you will be charged for the <b>current</b> wholesale cost of each book returned, plus a <b>\$20.00</b> per book shipping and handling charge
<b>YES-DESTROY</b>	Select this designation if you want to allow your titles to be sold on a returnable basis and you would <b>not</b> like to receive a physical copy of the book upon its return. If you select this option, you will be charged <b>only</b> for the <b>current</b> wholesale cost of each book returned. No shipping and handling fees will apply. Lightning Source will destroy any returned books that it receives if this option is selected.

**Please Note:** All titles are printed non-returnable in UAE.

## Changing Your Returns Options

Lightning Source allows publishers to change their return designations at any time after initial title submission with 45 days prior written notice. Notice should be provided in writing to your designated Client Services Representative.

### CHANGING FROM YES-DELIVER/YES-DESTROY TO NO

If a publisher decides to change the terms of a title from either “Yes-Deliver” or “Yes-Destroy” to “No”, then Lightning Source will provide notice of the change in terms to all booksellers that purchase books from Lightning Source within the 45-day notice period. Booksellers will continue to have the right to return books to Lightning Source for a period of 180 days from the date notice is provided to the booksellers, and the publisher will continue to have the obligation to reimburse Lightning Source for the wholesale cost of the books being returned, plus any applicable shipping and handling charges.

### CHANGING FROM YES-DELIVER TO NO

If a publisher decides to change the status of a title from “Yes-Deliver” to “No” please be aware that any books returned during the 180-day period will be handled pursuant to the “Yes-Destroy” designation.

### CHANGING FROM NO TO YES-DELIVER/YES-DESTROY

If a publisher decides to change a title from “No” to “Yes-Deliver” or “Yes-Destroy”, booksellers are able to return titles immediately from the date notice is provided to the bookseller. The publisher should be aware that booksellers may return unwanted or overstocked books from the effective date of the change, regardless of when the books were originally purchased. Therefore, publishers should be prepared for the consequences of changing historically non-returnable books into returnable books.

## Title Transfers Between Publishers

If a publisher transfers titles to another publisher during the 180-day return period, a request to transfer returnable titles from the original publisher to the new publisher during this period may not be accepted. Titles can only be associated with one publisher during the 180 day returns period, determined as of the date a title is made not available.

## Impact of Cancelling a Title

Publishers have the right to cancel titles placed into our print on demand program at any time, provided that written notice has been provided to your designated Client Services Representative.

### NOTICE OF CANCELLATION TO BOOKSELLERS

As titles are cancelled, Lightning Source will provide notice of the cancellation to all booksellers that purchase books from Lightning Source, and Lightning Source will not accept any further orders from any bookseller for cancelled titles.

### RETURNS LIABILITY

**Cancellation of a title does not relieve the publisher from returns liability on a title.** If a title is designated as either “Yes-Deliver” or “Yes-Destroy” on the effective date of a title cancellation, or was so designated within up to the 180-day period prior to cancellation, the publisher will still be liable for the wholesale cost of returns for a period of 180 days following title cancellation. If a publisher decides to cancel a title that was previously designated as “Yes-Deliver”, please be aware that any books returned during the 180-day period will be handled pursuant to the “Yes-Destroy” designation. Publisher should be aware that cancelling a title may cause a bookseller to return all copies of that title it has in stock prior to the 180-day period expiring.

## Vendor of Record

It is a standard practice in the industry for booksellers to treat any supplier that they can currently order titles from or have a relationship with as the “Vendor of Record.” A bookseller may treat Lightning Source, Ingram Book Company (“Ingram”), or the publishers as the Vendor of Record for a title if they have a relationship with that entity.

## **LIGHTNING SOURCE**

If a bookseller treats Lightning Source as the Vendor of Record for a title, the publisher agrees to accept all returns from Lightning Source from that bookseller. Publishers should be aware that because of this, it may cause the publisher to receive returns from Lightning Source in an amount that exceeds Lightning Source's reported sales for those titles. The publisher agrees that they will be liable for returns received from Lightning Source even if the returns exceed Lightning Source's reported sales for those titles.

### **TITLES IN THE MARKET PRIOR TO YOUR LIGHTNING SOURCE RELATIONSHIP**

If a publisher decides to change the terms of a title from returnable to non-returnable simultaneously with submission of the title to Lightning Source's print on demand program, booksellers may treat Lightning Source as the Vendor of Record at that point and return already existing stock to Lightning Source for a period of 180 days following submission as a non-returnable title to Lightning Source and publisher agrees to reimburse Lightning Source for the cost of said returns in accordance with this returns policy. This could also happen if a publisher has acquired the rights to a title already in existence. Lightning Source recommends obtaining a new ISBN for any title already in the market.

## **INGRAM BOOK COMPANY**

If you also have a relationship with Ingram, you may see some of your titles returned to you from Ingram instead of Lightning Source.

## **PUBLISHER**

You may also see your title returned to you directly from the bookseller if you have a relationship with that bookseller even if it was printed and sold through Lightning Source.

## **OTHER VENDORS**

If a bookseller returns a Lightning Source printed title to the publisher through a Vendor of Record other than Lightning Source, Lightning Source will not be involved in the returns process, will not charge the publisher for returns, and will not be responsible or accept any liability for disputes, discrepancies or any other matters related to the returned books that are returned to the publisher by any other vendor.

## **Reporting and Financial Settlement of Returns Activity**

The wholesale cost of all returns received by LSUS from booksellers, plus any applicable returns shipping and handling charges, will be deducted from the publisher's compensation for sales in the month that the returns are received from the bookseller (in the case of "Yes-Destroy" titles) or the month that the return is shipped to the publisher (in the case of "Yes-Deliver" titles). If you also have a relationship with Ingram you may receive your returns from Ingram rather than from Lightning Source and therefore see the deduction for the returns from your Ingram account rather than your Lightning Source account.

At the end of each fiscal month, Lightning Source will post the net amount earned by the publisher (publisher compensation earned, as defined above, less the cost of returns) in that month to our accounts payable system. Said net amount earned will be paid in accordance with the payment terms contained in our print on demand agreement. For "Yes-Deliver" titles, LS or Ingram may choose to hold returns, and not charge the publisher for said returns, until an economical shipping quantity of total returns are received for all of the publisher's returnable titles.

Lightning Source will charge the publisher for the wholesale cost of returns at the wholesale price that is active in our system on the date that the return is processed (which may be different than the wholesale price of the book at the time it was sold) plus any shipping and handling fees.

If returns received in a given month exceed sales by an amount that causes Lightning Source's payables balance to the publisher to become negative, Lightning Source reserves the right to send the publisher an invoice for the balance due to Lightning Source, and the publisher has an obligation to pay Lightning Source for the amount invoiced with immediate terms.

For information on how to check the sales and returns activity of titles, please refer to the **LIGHTNING SOURCE PUBLISHER ACCOUNT USER GUIDE**.

## 18 Global Connect

The Global Connect Program (GCP) allows Lightning Source customers to offer “wholesale like” print to order solutions in countries where we do not have physical production facilities. All publisher pricing and payment is in US dollars.

Currently we do not offer Publisher Direct services through the Global Connect program. Publisher direct is currently only available in Lightning Source owned markets.

Markets available can be found on the Ingram Content Group website at [www.ingramcontent.com/globalconnect](http://www.ingramcontent.com/globalconnect)

As additional Global Connect markets become available, Lightning Source will make a formal announcement via electronic message. Global Connect enabled publishers will be automatically opted into each new market at their current US title pricing.

Publishers wishing to opt out of a market or provide market specific pricing will receive additional information when the formal announcements are sent or can contact their Client Services Representative for more information.

### Process

#### ADDING LEGACY TITLES

To make your titles available, you must first agree to the GCP and then select the option to make your titles available in the markets at your current US terms. This will automatically make all your titles available at the current US list price. Contact your Client Services Representative to learn how to select specific titles for a market(s), change pricing or to request a spreadsheet loaded with your title information where you can make changes.

#### ADDING NEW TITLES

For new titles, Global Connect markets can be selected during the title setup process.

#### ORDER PROCESS

Through the GCP program, GCP Markets’ will show titles as available and will print them as orders come in from their local channels and retailers. Lightning Source will provide reporting and publisher compensation payments back to the publisher.

### Financial

#### LOCAL MARKET PRICE

The equivalent of the wholesale price in the market will be set in the local currency. Publishers provide a net price they will be paid for each book in US dollars (\$). The net price (converted to local currency) plus print cost and distribution margin is used to determine the market price to retailers.

#### RETURNS DESIGNATION

All sales are non-returnable through GCP.

#### REPORTING

Lightning Source will send sales reports for Global Connect sales monthly within the existing US POD publisher compensation statements. All Global Connect sales will be reported in US Dollars. Sales will be reported based on the US Dollar list price and discount that the publisher defined in the applicable Global Connect market. A summary Sales by Market section has been added to the sales compensation statement to display sales in each Global Connect market. Additionally, a new Market column will be added to the end of the sales compensation .xls to display sales of each title in each Global Connect market.

#### PAYMENT AND CURRENCY OPTIONS

Although the publisher compensation statement will report all sales in US Dollars, the payment issued to the publisher for these sales can be converted to the publisher’s preferred currency (USD, GBP, EUR, or AUD). The publisher will receive a single monthly payment for their US POD and Global Connect sales in their preferred payment currency.

### Product Offering

#### SPECIFICATIONS

Each market will have different capabilities for printing depending on the local capabilities of the printer. Not all Lightning Source products will be available in all markets.



**TO DOWNLOAD THE LATEST GLOBAL CONNECT AVAILABILITY MATRIX:** 1) **LOG IN** to [www.ingramcontent.com](http://www.ingramcontent.com). 2) Under the **EASY ACCESS** section, select **SIGN UP FOR GLOBAL CONNECT**.

### **ENSURING QUALITY STANDARDS**

Lightning Source ensures quality control and monitoring processes are in place to make sure print channels meet quality specifications set by Lightning Source.

### **TURN AROUND TIMES**

Service levels will vary; the target for printing is two days.

## **19 Public Domain / Mass Produced Providers**

“Mass Produced Content” or “MPC” means, regardless of ISBN or title, creative works and materials that are either; (i) mass produced using artificial intelligence or predictive coding; (ii) not protected by intellectual property laws such as copyright, trademark, or patent laws; (iii) a reproduction; (iv) a compilation; or (v) includes limited portions of the aforementioned, including without limitation, content once under copyright which has since entered the public domain, note pads, and work books.

All MPC Titles will be made available exclusively through Lightning Source, regardless of format. This specifically means, and Publisher hereby agrees, not to make any Title available containing the same or similar MPC to any other third party without Lightning Source’s express written permission, which permission by e-mail will not be considered sufficient. This exclusivity provision shall apply during the term of, and pursuant to the print on demand agreement in place between the parties. If at any time Publisher offers titles for distribution through channels other than through Lightning Source any waived fees or discounts will be void as of the date such title is first available to third parties not through Lightning Source and Publisher will retroactively pay all such waivers and discounts as invoiced by Lightning Source for all Services provided.

### **Title Submission**

Publisher can only submit the same Title in a different format using a different ISBN. No duplicate Titles or content in the same format are permitted. Any Title or ISBN without sales for a period of five (5) years may be removed from distribution at Lightning Source’s sole discretion. Lightning Source also reserves the right to reject new Titles, and to immediately remove or suspend any Title or ISBN where the same MPC is available through another third party or where the Title or any metadata includes misleading or improper Title information.

Publisher may not upload more than one thousand (1,000) Titles within a thirty (30) day period, unless Lightning Source has confirmed in writing and provided an approved Title upload quantity schedule. In the event the Publisher uploads a quantity in excess of this amount during the term of this Agreement, the Publisher will pay title setup fees for all Titles setup with Lightning Source.

Metadata Requirements: Where Publisher provides a published date or street date different from the date the work was originally published or created, the original date will be included in the Title description and metadata. Publisher may only update pricing or metadata for Titles once every forty-five (45) days. Any change to pricing or metadata for more than ten thousand (10,000) titles within a forty-five (45) day period requires Lightning Source’s express written permission, which permission by e-mail will be sufficient.

### **† WHOLESALE RETURNS**

The return status of Titles for wholesale services is returnable to the Publisher; and as determined by Publisher: (i) returnable and deliver, or (ii) returnable and destroy.











