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WRITERS OF THE FUTURE LITERARY AGREEMENT (NEPI)

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WRITERS OF THE FUTURE LITERARY AGREEMENT (NEPI)

THIS WRITERS OF THE FUTURE LITERARY AGREEMENT (NEPI) ("Agreement"), is made as of the 1st day of October, 1991, by and between NORMAN F. STARKEY, Trustee of Author's Family Trust-B, doing business as "L. Ron Hubbard Library", whose address is 6515 Sunset Boulevard, Suite 202, Hollywood, California 90028 ("Trustee"), and NEW ERA PUBLICATIONS INTERNATIONAL ApS, whose address is Store Kongensgade 55, 1264 Copenhagen K, Denmark ("Publisher"), with reference to the following:

A. In 1984, L. Ron Hubbard sponsored the first Writers of the Future Contest ("Contest") to discover and reward talented authors of science fiction in order to perpetuate the genre. A Contest has been held each year since.

B. L. Ron Hubbard died on January 24, 1986, and Norman F. Starkey was appointed the Executor of his Will on February 18, 1986, by the San Luis Obispo County Superior Court. On January 3, 1989, the Superior Court ordered distribution of the Estate of L. Ron Hubbard, including ownership of his literary works, as well as logos and trademarks relating to the Contest, to the Trustee.

C. After each Contest an anthology of the stories by winners and finalists of the particular Contest was published by Bridge Publications, Inc. ("BPI") pursuant to agreements with Trustee and his predecessor in interest, Norman F. Starkey, as Executor of the Will of L. Ron Hubbard. A total of seven (7)

volumes of such stories have been published in accordance with such agreements. Publisher acquired the rights to publish several of the volumes pursuant to agreements described on Exhibit "A" attached hereto ("WOF Agreements"). Publisher obtained the means to reproduce each volume from BPI.

D. Several of the WOF Agreements have expired and the parties wish to renew them. In addition, the parties wish to provide that each of the WOF Agreements will have the same term as this Agreement. Moreover, the parties desire to provide for the publication of anthologies from future Contests.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, and of the mutual covenants and conditions contained herein, the parties agree as follows:

1. Grant of Rights. Trustee hereby grants Publisher, for the term of this Agreement, except as otherwise provided, the following rights in connection with the sale and distribution of an anthology of science fiction short stories entitled L. Ron Hubbard Presents Writers of the Future ("Anthology") for each Contest held during the term hereof:

(a) The right to utilize the name and likeness of L. Ron Hubbard;

(b) The right to utilize the name and/or logos and trademarks owned by Trustee and associated with prior Contests; and

(c) The right, at Publisher's election, to include one article by L. Ron Hubbard in the Anthology, which article shall be chosen by Trustee.

This grant of rights pertains only to the publication of the Anthology in paperback form in all languages in all countries and territories except the United States and English speaking Canada ("Territory").

(d) Publisher may be granted the rights designated herein for previously published Anthologies by means of a writing signed by the parties referring to this Agreement.

2. Term. The term of this Agreement shall commence as of the date hereof and shall continue until the 1st day of January, 1995. Thereafter, this Agreement shall be renewed automatically and indefinitely for additional and successive one (1) year terms; provided that after the 1st day of January, 1992, this Agreement may be terminated at any time by either party upon two (2) months' written notice, following the expiration of one (1) year after publication of the most recent Anthology.

The term of each WOF Agreement is hereby extended until the 1st day of January, 1995. Thereafter, each WOF Agreement shall be renewed automatically and indefinitely for additional and successive one (1) year terms; provided that after the 1st day of January, 1992, a WOF Agreement may be terminated at any time by either party upon two (2) months' written notice following the expiration of one (1) year after the publication of the Anthology which is the subject of the WOF Agreement.

3. Means to Reproduce Each Anthology. Each Anthology produced following a Contest held during the term of this Agreement and any extension thereof will be compiled by BPI and shall include only those stories (a) selected as winners of a Contest, or (b) selected by BPI from among finalists of a Contest and such editorial contributions and commentaries as may be approved by Trustee. Trustee shall cause BPI to deliver to Publisher, the plates, offset negatives, computer drive tapes or any other means used by BPI to publish an Anthology hereunder. NEPI shall pay to BPI: BPI's cost to deliver, together with BPI's cost for such means to publish.

4. Publisher's Warranties and Representations.
Publisher warrants and represents that:

(a) Unless prevented by war, strike, lock-outs or other circumstances beyond its control, Publisher shall print, publish and sell an Anthology in the Territory within nine (9) months of the selection of the first prize winner of an annual Contest; provided that BPI provides NEPI with the means to reproduce copies of the Anthology within a reasonable time following selection of the first prize winner. In the event Publisher does not timely publish an Anthology, Trustee, at his option, may terminate this Agreement, in which event all rights granted hereunder shall automatically revert to Trustee. It is agreed that Publisher's failure or inability to obtain a bona fide distributor within the Territory shall not be deemed a

"circumstance beyond Publisher's control" for purposes of this Agreement;

(b) Publisher acknowledges and agrees that, in accepting the grant of rights made by this Agreement, it is undertaking an important responsibility in executing the terms of this Agreement and that it is of the essence of this Agreement that the Publisher shall use its best efforts, due diligence, and the highest quality of business practices in fulfilling this responsibility, including the active and effective advertising and promotion of the sale of copies of the Anthologies, vigorous exploitation of the various markets for such copies, including those markets described in Paragraph 13 of this Agreement, and prompt and careful satisfaction of the demand for such copies, all in accordance with the highest standards of prevailing business practices. Without limiting the generality of the foregoing, Publisher shall actively promote and market the Anthologies. In this regard, Publisher shall periodically submit to the Trustee, upon his request, detailed plans for promoting and marketing the Anthologies. Included in such plans shall be provisions for pre-release and post release promotion (e.g., copies to reviewers and opinion leaders and in store advertising campaigns). Moreover, Publisher shall solicit all channels for sale of the Anthologies, including without limitation, book distributors, bookstore chains, book clubs and libraries. In connection with the foregoing, Publisher agrees to spend on advertising, promotion and publicity for each Anthology a minimum sum equal to three percent (3%) of

Publisher's suggested retail price of each copy of an Anthology printed, within three (3) months of each printing.

(c) Publisher shall not sell galleys of the Anthologies. Galleys shall only be used for purposes of quality control or promotion.

(d) Publisher shall promptly deliver all orders for the Anthologies and shall diligently pursue collection of all accounting receivables generated by sales of the Anthologies.

5. Advertising. Advertising or other materials may not be inserted or printed in any Anthology, including without limitation the dust jacket or cover, without the express written consent of the Trustee, which consent may be withheld in Trustee's sole discretion. Further, upon request of Trustee, all advertising by the Publisher which promotes the sale by Publisher of the Anthology shall be submitted in advance to Trustee, or his designated representative, for approval.

Trustee shall have the right to cause material to be inserted within each copy of an Anthology published, which material advertises literary, theatrical or musical works written by L. Ron Hubbard, but not published by Publisher. Any inquiries concerning such works shall be referred to Trustee.

6. Trustee's Warranties and Indemnification. Trustee represents and warrants that:

(a) BPI will obtain the right to publish all included material for a particular Anthology, which rights will be secured pursuant to valid and binding agreements with the creators

thereof. Publisher and BPI shall pay all fees and royalties due and payable to such creators in such proportions as Publisher and BPI shall agree;

(b) All rights granted hereunder are free of liens or encumbrances; and Trustee has full power to execute this Agreement;

(c) Trustee shall indemnify and hold the Publisher harmless from any final judgment for damages against it (after all appeals have been taken) in any action arising out of facts which constitute a breach of the foregoing warranties and against reasonable costs and attorneys' fees incurred by it in defending an action in which such judgment is recovered. It is understood and agreed, however, that this indemnity does not apply with respect to any materials included within the Anthology not written by L. Ron Hubbard;

(d) Publisher shall give Trustee prompt notice of any lawsuit or claim alleging facts which would constitute a breach of the warranties in this Paragraph 6. Trustee, if he chooses, may defend such suit with counsel of his own choosing and at his own expense; provided that if he does, Publisher may nonetheless participate in the defense with counsel of its own choosing and at its own expense. Publisher shall not settle any claim, demand, action or proceeding without Trustee's consent.

7. Publishing Format. Upon Trustee's request, Publisher shall furnish Trustee or his designated representative, prior to publication, with galley and page proofs of each

Anthology, together with all artwork and photographs and captions therefor, if any. The format, layout, design, paper, dust jacket, style of composition, graphic material and captions shall be determined by Publisher, subject to the written approval of Trustee.

8. Copyright Notices. Publisher shall print in every copy of an Anthology a proper United States copyright notice, satisfactory to the Trustee, sufficient to secure and protect United States copyright and Universal Copyright Convention rights in the Anthology for Publisher and sufficient to obtain and protect copyright rights in all jurisdictions in which copies of the Anthology are published and/or sold by Publisher or its subsidiaries.

9. Copyright - Translations. Publisher shall obtain an assignment of the copyright and renewal rights therein in favor of Publisher for any translation of the Anthology secured by Publisher. Said assignment shall be sufficient to obtain and protect copyrights in the jurisdiction in which the Anthology is being published and/or sold. In addition, all translations shall be secured by written agreement wherein the parties expressly agree that the translation shall be considered a "work made for hire".

10. Copyright Administration. Publisher shall cause to be duly registered in the United States Copyright Office a claim for United States Copyright in each of the Anthologies in the name of "L. Ron Hubbard Library" (a registered fictitious name of Trustee) when such registration is necessary to protect and/or

enforce Trustee's rights in the respective copyrights. Publisher shall engage the services of BPI, or its successor, to register all claims for copyright of an Anthology, where applicable, and to take such other steps as may be necessary to ensure that the copyright issued by Publisher and/or its subsidiaries to the Anthology^A is protected in all jurisdictions in which the Anthology is sold by Publisher. Publisher shall provide BPI with sufficient copies for such protection and/or registration and shall pay the expenses arising out of the registration and/or protection process necessary to protect and defend the respective copyrights.

11. Royalties. Publisher shall pay Trustee three percent (3%) of Publisher's suggested retail price on each copy of an Anthology sold by Publisher, less returns. For purposes of this Agreement, "Publisher's suggested retail price" shall be deemed to be without discount of any kind.

12. Royalties in General; Payment.

(a) The Trustee's prior approval is required for sales of copies of an Anthology at a discount in excess of sixty percent (60%) of the Publisher's suggested retail price. If the Trustee approves such sales, Trustee shall receive seven and one-half percent (7.5%) of the gross received by Publisher.

(b) No reduction in royalties shall be allowed for bad debts or for discounts allowed for payment by Publisher's customers within a specified time limit. For purposes of this Agreement, a "bad debt" is defined as a debt outstanding for more than one hundred fifty (150) days from the date of shipment of copies.

(c) No royalties shall be paid on copies furnished without charge and not for resale:

(i) To Trustee;

(ii) For purposes of copyright registration;

and

(iii) For review, advertising, public relations or other promotional actions; provided the number of copies furnished for such purposes shall not exceed five hundred (500); provided, however, that a full royalty shall be paid on each copy of an Anthology given without charge for resale (for advertising or promotional allowances or other purposes) in connection with the sale of copies of other Anthologies or the sales of other literary works.

(d) No royalties shall be paid on sale of copies of an Anthology between Publisher and its wholly owned subsidiaries or between Publisher and BPI, or on sale of book blocks (i.e., unbound format) used in the manufacture of the editions described in Paragraph 14.

(e) All payments under this Agreement shall be payable in United States currency. Publisher shall be responsible for handling all currency and exchange controls. No reduction in royalties shall be allowed on account of such controls.

(f) Publisher may withhold from royalties payable under this Agreement such amounts as may be required to be withheld under local tax law. In the event Publisher withholds, it shall report the amount withheld to Trustee and shall cooperate with

Trustee to effect a refund of such amounts withheld, in the event taxation is governed by tax treaty.

13. Subsidiary Rights. In consideration of the payment by Publisher to Trustee of the following percentages of all monies received by Publisher in respect of the rights specified below, the Trustee hereby assigns said rights to the Publisher, subject to Trustee's prior approval in each case and to such restrictions as may exist in BPI's contracts with the authors of the materials included in each Anthology:

(a) The right to reproduce extracts from each Anthology in books, periodicals and elsewhere: twenty-five percent (25%) Trustee, seventy-five percent (75%) Publisher.

(b) Digest rights (i.e., the right to publish an abridgement of the work in a single issue of a periodical or newspaper) and digest book condensation rights (i.e., the right to publish an abridgement of the work in volume form): twenty-five percent (25%) Trustee, seventy-five percent (75%) Publisher.

(c) Serial rights: twenty-five percent (25%) Trustee, seventy-five percent (75%) Publisher.

(d) Rights licensed to book clubs:

(i) Twenty-five percent (25%) of all flat fee sales to Trustee, seventy-five percent (75%) to Publisher; and

(ii) If copies of the Anthology are manufactured by or sold to a book club on a royalty inclusive basis (i.e., a single royalty is paid by a third party to compensate both Trustee and Publisher), the royalty payable to

Trustee shall be twenty-five percent (25%) of that received by the Publisher, but in no event less than three percent (3%) of the price upon which royalties are calculated.

(e) The right to sell or license the Anthology to users such as libraries on a royalty basis: twenty-five percent (25%) to Trustee, seventy-five percent (75%) to Publisher.

14. Trustee's Rights. In consideration of the grant of rights to Publisher, Publisher hereby assigns all rights in each Anthology to Trustee except the paperback rights in the Territory, Paragraph 13 subsidiary rights in the Territory, and such other rights as may be necessary to enjoy the benefits of the grant made by Trustee hereunder; provided, however, that Trustee's rights shall be subject to and limited by the terms of BPI's contracts with the authors of material included within each Anthology; provided, further, that BPI has obtained from authors of the materials included within each Anthology, the right to include such materials in hardbound and leatherbound editions. Publisher agrees to sell to Trustee at its cost (which includes overhead, but excludes profit) copies of the Anthologies in unbound format in connection with the exercise of the rights granted Trustee in this Paragraph 14.

15. Calculation and Weekly Payment of Royalties. Royalties due the Trustee hereunder shall be (a) paid weekly, and (b) calculated on Publisher's suggested retail prices (excluding customs, shipping charged directly to customer as a separate item, sales taxes and value added taxes) and on net sales (i.e., gross

sales less returns). If Publisher is required by local law to publish an aggregate price which includes the suggested retail price plus one or more of the items excluded in the previous sentence, then royalties will be calculated only on the suggested retail price. Royalties shall be due to the Trustee when monies from subsidiary rights and sales are received or become bad debts as defined herein; provided shipment of the Anthologies has occurred. For purposes of currency exchange, Publisher shall use the rate on the day monies from sales are received or become bad debts. In the event monies are received prior to shipment, royalties shall not be due until shipment. Weekly payments shall be accompanied by an informal statement indicating the basis for the payment.

16. Accounting and Quarterly Payments.

(a) Publisher shall maintain accurate books and records pertaining to the sale of copies of each Anthology, in sufficient detail to permit calculation and verification of royalties payable hereunder. Publisher shall prepare statements, in a form acceptable to Trustee, accounting for all royalties payable Trustee under this Agreement during each of the following periods in every year:

From January 1 to March 31;

From April 1 to June 30;

From July 1 to September 30;

From October 1 to December 31.

Publisher shall mail the statement to Trustee within thirty (30) days after the close of each period. Each quarterly statement shall report, for each Anthology, among other things, the number of copies sold to date (and total sales for the subject period), the Publisher's suggested retail price, the royalty rate, amount of royalties paid to the Trustee during the quarter, the amount of royalties due to the Trustee, but unpaid, the gross amount received with respect to subsidiary rights, the number of copies of each Anthology printed, bound and given away in the period, the number of saleable copies on hand at the end of the period, the number of damaged copies destroyed (with independent evidence of such number) and such other information as the Trustee may, from time to time, request. Each statement shall be certified as true and correct by an officer of Publisher. Any amounts shown to be due on the statement shall be paid with the statement. Should such payment not be made within thirty (30) days following the close of the quarter, the amount due shall bear interest from the first day of the month following the end of the quarter for which it is due until paid at the higher of (1) ten percent (10%), or (2) five percent (5%) plus the Federal Reserve Bank of San Francisco's discount rate on the twenty-fifth (25th) day of the last month of the quarter for which payment is due. Should the quarterly statement show an overpayment to Trustee, such overpayment shall be deducted proportionately from the weekly payments during the quarter following the one in which the overpayment was made.

(b) Upon Trustee's written request, Trustee may examine the books and records of Publisher which relate to sales of copies or licenses of each Anthology. If such examination discloses an error of five percent (5%) or more with respect to any royalty statement, Publisher shall reimburse Trustee for Trustee's costs of the examination, otherwise such costs shall be borne by Trustee.

(c) With respect only to paperback royalties payable for copies sold by Publisher and not Publisher's Paragraph 13 licensees, Publisher shall be permitted to maintain a reserve for return copies equal to twenty percent (20%) of Trustee's quarterly royalties; provided, however, that Publisher shall liquidate such reserves, within two (2) quarters of the quarter in which royalties were withheld.

17. Trustee's Copies. On publication of each Anthology, Publisher shall give Trustee fifty (50) free copies and Trustee may purchase additional bound or unbound copies at Publisher's maximum standard distributor discount available at the time of the transaction.

18. Out of Print Provision, Termination.

(a) For the purposes of this Agreement, the Anthologies shall be deemed "in print" only when copies are available and offered for sale, through usual retail channels, in an edition issued by Publisher. Publisher shall notify Trustee at such time as an Anthology is not in print.

(b) Notwithstanding the specified term of this Agreement, if at any time after publication of an Anthology, Publisher fails to keep such Anthology in print, Trustee may at any time thereafter serve a written request on Publisher that such Anthology be placed in print. Within ten (10) days from receipt of such request, Publisher shall notify Trustee in writing whether it intends to comply with said request. If Publisher fails to give such notice or, having done so, fails to place such Anthology in print as specified in subparagraph (a) within ninety (90) days after receipt of said request from Trustee, then, in either event, Publisher's right to Publish such Anthology shall automatically terminate and all rights granted to Publisher shall thereupon automatically revert to Trustee.

19. Termination of Rights. If Publisher is adjudicated a bankrupt, makes an assignment for the benefit of creditors, liquidates its operations, comes under the control of persons hostile to L. Ron Hubbard, Trustee, or the religion of Scientology, this Agreement shall thereupon terminate and all rights granted to Publisher shall automatically revert to Trustee. Moreover, Publisher shall assign all remaining rights to the Included Materials to Trustee.

20. Sell Off Rights and Consequences of Termination.

(a) Publisher shall have the right for an additional six (6) month period ("Sell Off Period") after the expiration of the term of this Agreement to sell its existing inventory of copies in the Territory on a non-exclusive basis;

provided, however, that Trustee shall have the option, exercisable by written notice, to purchase some or all of Publisher's inventory at Publisher's then current maximum standard wholesale distribution discount in which event Publisher's sell off rights shall be diminished accordingly. Publisher agrees, however, not to print excess copies of the Anthologies in anticipation of the expiration of this Agreement. Publisher acknowledges that no sell off rights shall exist with respect to a termination of this Agreement for cause. Upon expiration of the Sell Off Period, if any, or within thirty (30) days of the termination of this Agreement, for cause, Publisher shall, at Trustee's election and upon his written instructions, either:

(i) Destroy any remaining inventory of copies of the Anthologies and certify such destruction to Trustee in writing; and

(ii) Sell to Trustee, at Publisher's then current maximum standard wholesale distribution discount, its remaining inventory of copies of the Anthologies.

(b) Upon termination of this Agreement, for any reason whatsoever, Trustee may, upon written notice to Publisher, require Publisher to either:

(i) Destroy all plates, offset negatives, computer drive tapes, or any other means used by Publisher to reproduce copies of the Anthologies and to certify such destruction in writing; or

(ii) Sell such means of reproduction to Trustee at their scrap value.

(c) Trustee shall be entitled to retain any sums paid to Trustee under this Agreement. Trustee's right to sums due to Trustee at termination or which accrue to Trustee thereafter shall survive the termination of this Agreement.

21. Suits and Infringement.

(a) If there is an infringement of any rights granted to Publisher, Trustee and Publisher shall have the right to participate jointly in an action for such infringement; and if both participate, they shall share the expenses of the action equally and shall recoup such expenses from any sums recovered in the action. The balance of the proceeds shall be divided equally between them. Each party will notify the other of infringements coming to its attention. Notwithstanding the foregoing, Publisher shall have the primary responsibility of prosecuting such infringement action.

(b) If either party declines to participate in such action, the other may proceed. The party maintaining the action shall bear all costs and expenses which shall be recouped from any damages recovered from the infringement; the balance of such damages shall be divided equally between them.

22. Governing Law. This Agreement shall be interpreted under the internal laws and judicial decisions of the State of California, U.S.A.

23. Binding on Successors. This Agreement shall be binding on the parties and upon their respective heirs, administrators, successors and assigns. This Agreement may not be assigned by either party without written notice sent to the other.

24. No Waiver. This Agreement constitutes the complete understanding of the parties and no waiver or modification of any provisions shall be valid unless in writing, signed by Trustee and Publisher. The waiver of a breach or of a default under any provision hereof shall not be deemed a waiver of any subsequent breach or default.

25. Notice. Any notice required to be sent hereunder shall be sent by first-class mail, postage prepaid, return receipt requested, to the Trustee or Publisher at the addresses given in the Preamble of this Agreement, which addresses may be changed by either of them by written notice to the other. Any such notice deposited in the mail shall be conclusively deemed delivered to and received by the addressee ten (10) days after deposit in the mail, if all of the foregoing conditions of notice shall have been satisfied.

26. Headings. The headings and captions of the various paragraphs are for convenience only, and they shall not limit, expand or otherwise affect the construction or interpretation of this Agreement.

27. Trustee's Representatives. Any rights or privileges conferred on Trustee hereunder may be exercised by one or more of Trustee's representatives as Trustee may specify in written

notice(s) to Publisher. Such notice shall contain the name and address of any designated representative empowered to act on Trustee's behalf hereunder. Where the Trustee has designated a representative, Publisher shall furnish both Trustee and such representative with a copy of each notice required to be given under this Agreement.

At present, Author Services, Inc., whose address is 7051 Hollywood Boulevard, Suite 400, Hollywood, California 90028, is the designated representative of Trustee pursuant to this paragraph.

28. Entire Agreement. Except for the WOF Agreements, this Agreement supersedes and replaces all previous agreements between the parties hereto regarding the subject matter of this Agreement and may not be amended except in writing and signed by both parties hereto.

29. Arbitration. Any controversy or dispute which arises out of or relates to this Agreement, including, without limitation, the adequacy of performance by Publisher and of any demands made by Trustee, which cannot be settled by informal means or through the aid of a third party arbitrator mutually acceptable to the parties and through procedures mutually acceptable to the parties, shall be settled through arbitration held in Los Angeles or at such other location as the Trustee may choose. If the parties are unable to settle the matter through informal means, then either party may demand arbitration by serving upon the other party a written demand for arbitration containing the name of an

arbitrator to participate in the proceedings. Within ten (10) days after receipt of such notice, the party upon whom demand was served shall select an arbitrator. The two arbitrators shall select a third arbitrator. The decision in writing of the arbitrator or a majority of the arbitrators appointed by the parties shall be final and conclusive as to all parties to the dispute. Should any party fail or refuse to appear or participate in an arbitration proceeding, the arbitrator or arbitrators so appointed may decide the dispute on the evidence presented in the arbitration proceeding by the other party or parties to this dispute. The arbitrator or arbitrators shall have the power to award to any party or parties to the dispute any sums for costs, expenses, and attorneys' fees that the arbitrator or arbitrators may deem proper. Judgment may be entered on the award in any court of competent jurisdiction. Arbitration shall not be required with respect to any matter in connection with which injunctive relief or specific performance is sought by all or any of the parties hereto.

Each arbitrator shall be a member in good standing under the Scientology Scriptures, a minister of the Religion of Scientology, a member of the Sea Org, and well versed in the Scientology Scriptures, in particular those Scientology Scriptures pertaining to Scientology ethics and justice. As used herein, Scientology Scriptures are defined as the written and recorded spoken words of L. Ron Hubbard regarding Scientology applied religious philosophy and Dianetics spiritual healing technology.

30. Severability. Each and every provision of this Agreement is severable from any and all other provisions of this Agreement. Should any provision or provisions of this Agreement be for any reason unenforceable, the balance shall nonetheless be of full force and effect.

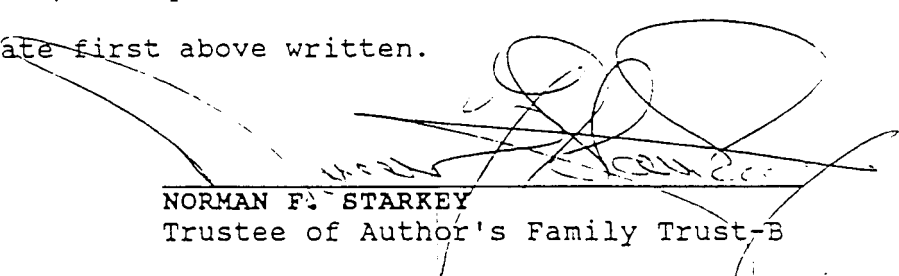
31. Agency. Neither party shall be deemed to be the employee, agent, joint venturer or partner of the other, and neither shall have the authority to act on behalf of the other in any manner whatsoever.

32. Proper Use of Copyright. Publisher acknowledges its full responsibility for the proper use of the copyright under this Agreement, and for the copies of the Anthology it sells pursuant to this Agreement; and covenants that neither it nor any of its officers, directors, employees, agents, representatives, or affiliates ("Affiliates") will make any claim against the Trustee, Trustee's representatives or any person employed by or affiliated with any of the foregoing. Publisher shall indemnify Trustee and his agents, employees, representatives, successors, assigns and affiliates, and hold them harmless from and against all costs, liabilities, claims and actions of any kind, including attorneys' fees and court costs, which arise from or relate to any activity of Publisher under this Agreement, including, without limiting the generality of the foregoing, any and all claims and actions based upon or arising out of advertising statements and claims made by Publisher or Publisher's Affiliates, or based upon or arising out of any alleged failure by Publisher or any of its Affiliates to

perform any of their obligations with respect to the Anthology. All such claims and actions shall be defended at the expense of Publisher through legal counsel acceptable to Trustee.

33. Facsimile Transmissions. The parties each agree to accept a signed copy of this Agreement transmitted by facsimile (telecopier) and to rely upon such transmitted copy as if it bore original signatures. If a signed copy of this Agreement is transmitted by facsimile, each party agrees to provide to each other party, within a reasonable time after transmission, the Agreement bearing the original signatures.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.



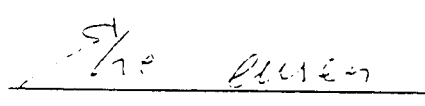
NORMAN F. STARKEY
Trustee of Author's Family Trust-B

"Trustee"

NEW ERA PUBLICATIONS
INTERNATIONAL Aps

By 

By 



"Publisher"

NFSNEP.WOF

EXHIBIT "A"

Writers of the Future Agreements

1. 1 June 1985 - LRH's Estate/New Era - Writers of the Future Vol. 1 publishing agreement.
2. 1 February 1988 - LRH's Estate/New Era - Writers of the Future Vol. 3 publishing agreement.

FIRST ADDENDUM TO
WRITERS OF FUTURE LITERARY AGREEMENT (NEPI)

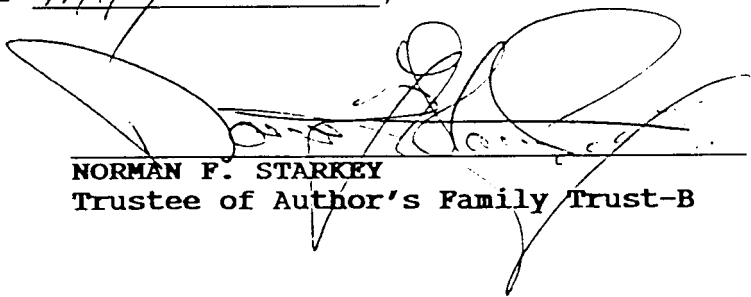
The promises, covenants, agreements and declarations made and set forth herein are intended to and shall have the same force and effect as if set forth at length in the body of the WRITERS OF THE FUTURE LITERARY AGREEMENT (NEPI), by and between **NORMAN F. STARKEY**, Trustee of Author's Family Trust-B, and **NEW ERA PUBLICATIONS INTERNATIONAL ApS**, dated the first day of October, 1991 ("Agreement"). To the extent that the provisions of this Addendum are inconsistent with the terms and conditions of the Agreement, the terms of this Addendum shall control. For purposes of this Addendum, the capitalized terms, unless defined herein, shall have the same meanings as the terms defined in the Agreement.

1. Paragraph 13 of the Agreement is modified by adding the following new subparagraph:

"(f) The right to license other publishers to translate, print, publish and sell the Anthology in paperback form within the Territory: twenty-five percent (25%) to Trustee, seventy-five percent (75%) to Publisher."

In all other respects, the Agreement, dated the first day of October, 1991, is hereby ratified, republished and reconfirmed by the parties hereto.

DATED: 2/5th day of MAY, 1992



NORMAN F. STARKEY
Trustee of Author's Family Trust-B

NEW ERA PUBLICATIONS
INTERNATIONAL Aps

By Norman Starkey

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