

SCHOLASTIC INC.
THE TALES OF BEEDLE THE BARD AGREEMENT
(DISTRIBUTOR)
(supplement to the 2008 Scholastic Inc. Laydown Date Contract)

The undersigned account ("we") hereby agrees to abide by the embargo of *The Tales of Beedle the Bard* until the national laydown date of **December 4, 2008** (the "Laydown Date"). If we receive our copies prior to the Laydown Date, we shall ensure that these books are kept secure and not placed on any selling floor and/or in any display areas, and are not sold or distributed by our accounts, and do not leave our secure environment prior to the Laydown Date, except as permitted for distribution to our accounts in accordance with the terms of this Agreement. We acknowledge and agree that this embargo prohibits distribution to our staff and distribution of complimentary copies. We further agree to keep the number of our employees with access to the secure environment to the minimum number necessary for our operation.

We agree to send a blank copy of the Retailer version of this Agreement, as well as a copy of the 2008 Scholastic Laydown Date Policy and blank copy of the Laydown Date Contract, to each account who will receive *The Tales of Beedle the Bard* prior to the Laydown Date, and shall require them to fill out and return both the Contract and Agreement to us, the distributor, prior to releasing any copies of *The Tales of Beedle the Bard* to the account. Both forms are available at the Harry Potter Bookseller Desk at: www.scholastic.com/custsupport/booksellers/harrypotter.htm or an email request may be made to hboltson@scholastic.com. In no event will we ship copies of *The Tales of Beedle the Bard* to any account prior to the Laydown Date unless and until they have signed and returned to us both forms. We agree (i) to resell to our accounts only in carton quantities, in Scholastic's original cartons, unless we have Scholastic's prior written approval to resell in less than carton quantities, and (ii) to review our communication and distribution plan with our accounts to insure compliance with the terms of this Agreement.

Scholastic will make available pre-approved art and guidelines for the advertising and promotion of *The Tales of Beedle the Bard* and all related communications. We acknowledge and agree that all communications relating to *The Tales of Beedle the Bard* (including without limitation advertising and promotional materials, press releases, media alerts and all communications with the media) must be submitted to Scholastic for prior written approval.

In addition to the consequences which apply to violations of the 2008 Scholastic Laydown Date Policy, and without limiting Scholastic's rights and remedies, we acknowledge and agree that any store that violates the restrictions found in this Agreement ("Violations") will be subject to the following: (i) the violating store will be liable for any and all attorney's fees and damages, incurred as a result of such Violations, (ii) Scholastic may require that resupply, in whole or in part, to the violating store of *The Tales of Beedle the Bard*, be withheld, and (iii) Scholastic will require that the distributor not early ship to the violating store any future Harry Potter or other embargoed titles until the corresponding Laydown date. Furthermore, we acknowledge and agree that any such Violation will cause irreparable harm to Scholastic the author, J.K. Rowling, and the charity, The Children's High Level Group, and that monetary damages will be inadequate to compensate for Violations and that, in addition to any other remedies that may be available, at law, in equity or otherwise, Scholastic, J.K. Rowling, and/or The Children's High Level Group, shall be entitled to obtain injunctive relief, without the necessity of proving actual damages or posting any bond.

In the event one of our accounts commits a Violation, we acknowledge and agree that we may be held jointly liable with the violating account for such Violation and subject to the foregoing.

All other terms and conditions of the 2008 Scholastic Laydown Date Policy still apply and remain in full force and effect. Scholastic intends to monitor the *The Tales of Beedle the Bard* laydown very closely and appreciates your complete cooperation.

On behalf of the undersigned account, I have read this Agreement concerning the Laydown Date for *The Tales of Beedle the Bard* and agree to abide by the conditions set forth above. Furthermore, I will make sure all personnel involved with *The Tales of Beedle the Bard* at our company are informed of, and comply with, this Agreement and its restrictions. I agree to ensure my accounts sign a copy of the Retailer version of this Agreement and the 2008 Scholastic Laydown Date Contract and will deliver a copy of each such Agreement and Contract to us, the distributor, prior to releasing any copies of *The Tales of Beedle the Bard* to the account.

Date: _____ Account number: _____

Signature: _____

Printed name of the signer: _____

Phone number of the signer: _____

Account name: _____

Statement address: _____ (Street)

_____ (City, State, Zip Code)

This Agreement must be signed and returned no later than October 3, 2008 to:

Helen Boltson, Scholastic Inc., 557 Broadway, 9th Floor, New York, NY 10012, Fax #: 212-389-3126