

MAR 30 1994



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ALBERTO VITALE
CHAIRMAN, PRESIDENT AND
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March 28, 1994

On April 15, 1994, Random House will put into effect a new version of its Adult Trade Publishing Agreement. We are pleased to enclose an advance copy for your information,

The new form contains a number of changes to meet many of the frequently expressed concerns of agents. Among them are an increase in the royalty rate of Canadian sales, and the inclusion of a modified first proceeds clause.

At the same time, this revision contains new detailed clauses covering electronic rights, an area in which Random House will play a leading role by developing products both under its own auspices and through licensing or partnerships.

As a whole, the new form protects the interests of both author and publisher, reflects Random House's worldwide publishing capabilities, and seeks to deal realistically with changes in publishing practice that have occurred since our current contract was first introduced more than 30 years ago.

Should you have any questions, representatives of our Law or Contracts Departments will be glad to answer them.

Sincerely,

Enclosures

