

SCHOLASTIC INC.  
*HARRY POTTER AND THE DEATHLY HALLOWS*  
AGREEMENT  
(RETAILER)

(supplement to the Scholastic 2007 On-Sale Date Policy Contract)

The undersigned account (“we”) hereby agrees to abide by the embargo of *Harry Potter and the Deathly Hallows* until the national on-sale date of **July 21, 2007** (the “On-Sale Date”). If we receive our copies prior to the On-Sale Date, we shall ensure that these books are kept secure and not placed on the selling floor and/or in any display areas, and are not sold or distributed and do not leave our secure environment (except as set forth below\*) prior to the On-Sale Date. If we have any retail distribution centers (“RDC”), we acknowledge and agree that this Agreement applies to each such RDC and any redistribution of copies prior to the On-Sale Date through such RDCs shall be only in carton quantities, in Scholastic’s original cartons, unless we have Scholastic’s prior written approval to redistribute in less than carton quantities. We acknowledge and agree that this embargo prohibits distribution to our staff and distribution of complimentary copies. We further agree not to allow any third parties, including without limitation members of the press and media, into our secure environment unless we have provided Scholastic at least one week’s prior written notice and delivered to Scholastic with such notice a signed copy of the enclosed Access Guidelines confirming our agreement to abide by such guidelines, and have obtained Scholastic’s prior written approval. Notice and written confirmation of our agreement to comply with the Access Guidelines shall be sent to: Scholastic Inc., Attn: Alan Smagler, 557 Broadway, New York, NY 10012, fax # 212-389-3060. We further agree to keep the number of our employees with access to the secure environment to the minimum number necessary for our operation.

\* Any retailers, including on-line retailers, who wish to ship to their customers prior to the On-Sale Date, may do so only with prior written approval from Scholastic. The earliest ship date allowed will be July 20, 2007. No customer may receive the book prior to the On-Sale Date and any such retailers wishing to early ship to their customers must agree that they shall not ship any copies in any manner or at any time that might allow their customers to receive such copies prior to **July 21, 2007**. Requests for an Early Shipping Permission form for permission to ship early should be made in writing to Scholastic Inc., Attn: Helen Boltson, 557 Broadway, New York, NY 10012, or via email to hboltson@scholastic.com with the subject “Request for Early Shipping Permission”, or via fax to 212-389-3126.

Scholastic will make available a Book Promotional Style Guide that contains materials and guidelines for the advertising and promotion of *Harry Potter and the Deathly Hallows* and all related communications. We acknowledge and agree that all communications relating to any and all Harry Potter books, including without limitation *Harry Potter and the Deathly Hallows* (including without limitation advertising and promotional materials, press releases, media alerts and all communications with the media), must comply with the Book Promotional Style Guide and be submitted to Scholastic for prior written approval.

In addition to the consequences which apply to violations of the 2007 Scholastic On-Sale 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 withhold re-supply to the violating store of *Harry Potter and the Deathly Hallows*, in whole or in part, and (iii) Scholastic will not early ship to the violating store any future Harry Potter or other embargoed titles until the corresponding on-sale date. Furthermore, we acknowledge and agree that any such Violation will cause irreparable harm to Scholastic and the author, J.K. Rowling, 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 and/or J.K. Rowling shall be entitled to obtain injunctive relief against any Violation, without the necessity of proving actual damages or posting any bond. If we are an account with multiple stores, we acknowledge and agree that in the event one of our stores commits a Violation, we may be held jointly liable with the Violating store for such Violation and subject to the foregoing.

All other terms and conditions of the 2007 Scholastic On-Sale Date Policy still apply and remain in full force and effect. Scholastic intends to monitor the *Harry Potter and the Deathly Hallows* laydown very closely and appreciates your complete cooperation.

On behalf of the undersigned account, I have read the On-Sale Date Announcement and this Agreement concerning the On-Sale Date for *Harry Potter and the Deathly Hallows* and agree to abide by the conditions set forth above. Furthermore, I will make sure all personnel involved with *Harry Potter and the Deathly Hallows* at our company are informed of, and comply with, this Agreement and its restrictions.

Date: \_\_\_\_\_ Account number \*\*: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed name of the signer: \_\_\_\_\_

Phone number of the signer: \_\_\_\_\_

Account name: \_\_\_\_\_

(\*\* If you are submitting this as the customer of a distributor, Distributor’s Name: \_\_\_\_\_ )

Statement address: \_\_\_\_\_ (Street)

\_\_\_\_\_ (City, State, Zip Code)

**This Agreement must be signed and returned no later than March 30, 2007 to:** Helen Boltson, Scholastic Inc., 557 Broadway, 9<sup>th</sup> Floor, New York, NY 10012, Fax #: 212-389-3126

THIRD PARTY ACCESS GUIDELINES

1. Account shall not state the location(s) of stores/warehouse(s), or otherwise reveal information that might indicate such location(s), where copies of *Harry Potter and the Deathly Hallows* are stored and shall require any and all third parties to do the same.
2. Account shall not disclose the date(s) it takes/has taken receipt of *Harry Potter and the Deathly Hallows*.
3. None of Account's employees should be identified by name or shown in photos, video, etc.
4. Account shall not discuss with or otherwise reveal to any third party its own security measures relating to *Harry Potter and the Deathly Hallows*.
5. Only closed cartons of *Harry Potter and the Deathly Hallows* may be shown.
6. Photographs and/or video footage may only be taken from outside of restricted areas (i.e., outside the secure environment where copies of *Harry Potter and the Deathly Hallows* are being maintained).
7. All third parties, including without limitation journalists, photographers, cameramen and any media representatives, must be accompanied by Account personnel and Account security to insure that no access to copies of *Harry Potter and the Deathly Hallows* is permitted.
8. No footage and/or stills of the foregoing shall be released, published, broadcast or otherwise distributed or shown prior to July 16, 2007.

On behalf of the Account identified below, I hereby confirm that the Account will (i) comply with the above guidelines, (ii) provide written notice to Scholastic at least one week prior to the date on which the Account wishes to grant such third party access, and (iii) proceed only upon receipt of a copy of these Access Guideline countersigned by Scholastic evidencing its approval.

\_\_\_\_\_  
Account Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

APPROVED BY SCHOLASTIC:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date