From: "jeffrey E." <jeevacation@gmail.com>
    To: Richard Joslin <████████████>
Subject: Re: Regan Arts
   Date: Wed, 03 Dec 2014 16:01:26 +0000

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this is a waste of your time, find someone who has done this for years. if you need to . with brads approval deriving a model from scratch is silly

On Wed, Dec 3, 2014 at 10:23 AM, Brad Wechsler <████████████████> wrote:

> Has anyone reached out to keith and judy to provide them a little context so they don't feel threatened. If yes, good; if not I will. Pls let me know.

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> **From:** Richard Joslin [mailto:████████████]
> **Sent:** Wednesday, December 03, 2014 09:35 AM
> **To:** jeffrey E. <jeevacation@gmail.com>; Brad Wechsler
> **Subject:** FW: Regan Arts

> I summarized open questions to Phaidon accounting team below

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> **From:** Richard Joslin
> **Sent:** Wednesday, December 03, 2014 9:26 AM
> **To:** ████████████'; John Murphy
> **Subject:** Regan Arts

> Please take a look at this – I'd like to have a call this morning to discuss. Thanks

> Revenue

> How was 47% of list price derived? Is that contractual with distributor? If there is a second printing, is the 47% continue to apply?

> Direct costs

> PPB - what is the derivation on a per title basis – cost varies per unit/ median $1.72/ title.

> PPB - If there is a second printing would the per unit amount remain the same?

Plant expense - what is the derivation on a per title basis. Please provide detail, eg development, photo, artist fees, copy editing

Plant expense – please confirm that if there is a second printing then there is no incremental plant expense

Royalty – pls send some sample contracts

Royalty – I see benchmark payment schedule, eg amount at hardcover publish date; amount at softcover publish date. Are these contractual by date?

Royalty – Under what circumstances would these amounts need to be returned?

Royalty – if there is a scheduled softcover payment and the book is not release in softcover, is the payment cancelled?

Royalty – what is Royalty/ expense memorandum? I assume it is the total amount of advances paid to author?

Royalty – Cash flow – Cash Outflow (Best case scenario) includes "Royalties advances (14)�€ ($1,441,000) and "Additional (14) Royalty Payments�€ ($1,552,071). These two amounts add up to $2,993,071. I understand this amount to be equal to total royalties payable if all print quantities sold.   Please clarify that the "Royalty Advances(14)�€ were actually paid in 2014 (not 2015).

Selling and distribution – 10% is paid to distributor; what is the additional 3%? If there is a second printing, is 13% continue to apply?

M&P - what is the derivation on a per title basis. Please provide detail

Freight - what is the derivation on a per title basis. Please provide detail

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Richard Joslin

CFO

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Ste. 1401

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    please note