

April 21, 1995

Robert Chang, PhD, LLD  
Dean of Studies  
Hong Kong Tak Ming College  
P.O. Box 79373 Mongkok  
Kowtoon, Hong Kong

Dear Professor Chang:

Thank you for your letter dated April 14, 1995 outlining the details for the use of the CPA exam questions in a self study manual. Since the manual will be used for preparation to take the CPA exam, this use falls into category 1 of the enclosed permission policy, which means that we grant permission on a royalty basis.

I assume that the review program will be ongoing and that the 30 copies is what you plan to publish per class. How many times per year will the program be offered?

Briefly summarized, the royalty rate would be 8% (8 years of exams) of net sales of the manual for the first year. In following years the rate would drop to 1% if you are adding current year's exams even though you may keep the old exams.

Reporting of sales could be made on a semiannual basis or even on an annual basis.

Please let me know if you are interested in pursuing a license to reprint the exam questions and I will then draw up a contract.

Sincerely yours,



Marie MacBryde  
Permissions Editor

Encl.

**AICPA**

American  
Institute of  
Certified  
Public  
Accountants

Harborside Financial Center  
201 Plaza Three  
Jersey City, NJ 07311-3881  
(201) 938-3000 • (212) 318-0500  
Fax (201) 938-3329

June 9, 1995

Robert Chang, PhD, LLD  
Dean of Studies  
Hong Kong Tak Ming College  
P.O. Box 79373 Mongkok  
Kowtoon, Hong Kong

Dear Professor Chang:

Enclosed are two copies of the license agreement to reprint the past ten years of CPA exam questions in your review program.

You will note that the royalty rate is 10% for the first year that you conduct your program. After that, if you plan to use the 1995 questions and the released questions in 1996 and thereafter, the rate will be 1% for each year. You will need a new license for the questions from the 1995 exams and thereafter.

If you agree to the terms of the contract, please sign one copy and return it to my attention.

We appreciate your interest in our examination.

Sincerely,



Marie MacBryde  
Permissions Editor

Enclosure

September 11, 1997

Dr. Robert Chang  
Dean of Studies  
Hong Kong Tak Ming College  
316-317 Lai Ho House  
Lai Kok Estate  
Cheung Sha Wan, Kowloon  
Hong Kong

Dear Dr. Chang:

According to our Agreement dated June 9, 1995, an accounting report of net sales of CPA Exam related products for the period June 1995 through June 1997 is past due according to the terms of our contract. The report is due semiannually on December 31 and June 30. To date we have not received any report of payment of royalties due thereon. Please remit this report as soon as possible.

The reports should list the title of each product containing the CPA Exam, the list price and/or discounted price, the number of units sold, and the total net sales.

If you have not sent us the latest edition of your CPA Exam Review, please do so.

Thank you for your cooperation.

Sincerely yours,



Marie MacBryde  
Permissions Editor

April 3, 1998

Mr. Mathew Cheung  
Dean of Studies  
Hong Kong Tak Ming College  
316-317 Lai Ho House, Lai Kok Estate  
Cheung Sha Wan  
Kowloon, Hong Kong

Dear Mr. Cheung:

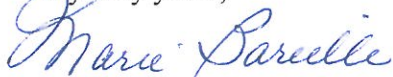
Enclosed is a preliminary draft of *Uniform CPA Examination Selected Questions and Unofficial Answers 1998—Supplement*, containing released questions from the November 1997 Uniform CPA Examination.

This material will be available for sale shortly and is being provided in advance to current licensees of the *Uniform CPA Examination Selected Questions and Unofficial Answers*.

As you are aware, twice each year you are required to submit to us a report of the sales of your product from the past six months. According to paragraph 3 of your contract, these reports must include the "titles and units sold of each separate product and/or course containing the Work, billed amount, returns, and net sales amounts." Please be sure that your report as of July of this year submits this information.

Also, paragraph 6 of your contract grants AICPA two gratis copies of each edition of your product or course materials containing the Work, and we do expect to receive those from each licensee.

Very truly yours,



Marie T. Bareille  
Senior Manager  
Specialized Publications and Subsidiary Rights



**AGREEMENT** made as of this                      ninth                      day of                      June                      19 95  
by and between American Institute of Certified Public Accountants, Inc., 1211 Avenue of the  
Americas, New York, NY 10036 (Licensor)  
and

Hong Kong Tak Ming College

316-317, Lai Ho House, Lai Kok Estate, Cheung Sha Wan, Kowloon, Hong Kong

(Licensee).

**WHEREBY** it is mutually agreed as follows respecting the work entitled: Uniform CPA Examination,  
Questions and Unofficial Answers, May/November 1985 through 1994 exams (Work).

1. The Licensor hereby grants a nonexclusive, nonassignable license to the Licensee to reprint and/or adapt, publish, and sell in the United States only, at the Licensee's own cost and expense, the Work either in whole or in part in

CPA Exam Review program (live course)

in the English language only, subject to all the terms and conditions of this Agreement.

2. The Licensee agrees to pay to the Licensor a royalty of ten percent (<sup>10</sup> %) of the annual net sales (copies sold less returns) of the Licensee's product. The maximum annual fee shall be \$16,500.

3. Statements of account of the reproduction and sales of the Work, and royalties due, shall be made by the Licensee to the Licensor twice yearly as of December 31, 1995 and June 30, 1996 and settled within thirty days thereafter. Statements shall indicate titles and units sold of each separate product containing the Work, billed amount, returns, and net sales amounts. Licensee agrees to substantiate reports at the request of the Licensor or have reports subject to audit by the Licensor. Licensor agrees to keep all reports strictly confidential.

Failure to provide requested substantiation or to make payments required hereunder shall cause automatic reversion of this license to the Licensor. An affidavit as to the number of copies reproduced, and the date of completion of such reproduction, shall be furnished at the request of the Licensor. Royalty reports shall note whenever the edition of said Work has ceased to be sold or distributed and the number of copies made in the cumulative total reproductions.

4. The Licensee agrees to publish the Work at its risk and expense within eighteen months from the date of this Agreement. Failure to do so shall cause automatic reversion of this license to the Licensor. Promptly upon publication by the Licensee it will (a) notify the Licensor as to its exact publication date, (b) its retail price per copy, or the retail price of courses of which the Work is a part, and (c) forward two gratis copies of each of its editions to the Licensor.

5. The Licensee agrees to print on the reverse side of the title page of the Licensee's product the following acknowledgement:

Material from Uniform CPA Examination, Questions and Unofficial Answers, Copyright  
(c) (list inclusive years used) by American Institute of Certified Public Accountants, Inc.,  
is reprinted and/or adapted with permission.

6. The term of this grant is for full term of copyright of the Work. Upon termination, all rights granted hereunder shall automatically and immediately revert to the Licensor. Should the Licensee fail to fulfill or comply with any of the clauses or conditions herein, or should the Licensee's edition of the Work cease to be sold or distributed, the rights granted to the Licensee in this Agreement shall revert to the Licensor without prejudice to any monies already paid or then due.

9. If the equivalent of (a) a petition in bankruptcy is filed by the Licensee, or (b) a petition in bankruptcy is filed against the Licensee and is finally sustained, or (c) a petition for Arrangement or Reorganization is filed by or against the Licensee and an order is entered directing the liquidation of the Licensee as in bankruptcy, or (d) if the Licensee shall make an assignment for the benefit of creditors, or (e) if the Licensee shall liquidate its business for any reason whatsoever, then the Licensor may at its option terminate this Agreement and thereupon all rights granted herein shall revert to the Licensor.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized officers the day and year first above written.

By Marie Bareille  
Marie Bareille, Manager  
Co-Publishing, Rights & Permissions

By J. L. Lina

