Written by Eric Tiansay
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Macmillan has struck a deal to settle a lawsuit brought by Connecticut and 32 other states that alleges the publisher was involved in price-fixing e-books.

Connecticut Attorney General George Jepsen said the deal grants e-book retailers greater freedom in pricing the digital books and provides $12 million to compensate affected customers.

In another case, the U.S. Department of Justice (DOJ) reached a settlement with Macmillan last week in its civil antitrust lawsuit accusing the nation's five largest book publishers of colluding with Apple to raise e-book prices.

Announced Feb. 8, the settlement, in which Macmillan agreed to pay up to $20 million, leaves Apple as the only defendant standing against the federal government's charges that the computer giant conspired with several publishers to force e-book prices several dollars above the $9.99 charged by Amazon.com on its Kindle device.

Under Macmillan's settlement with the DOJ, the publisher will remove restrictions on discounting and other promotions by e-book retailers. It will also be prohibited from forging new agreements with similar restrictions until December 2014, Associated Press reported.

"We settled because the potential penalties became too high to risk even the possibility of an unfavorable outcome," Macmillan CEO John Sargent wrote in an online letter to authors, illustrators and agents. "Our company is not large enough to risk a worst-case judgment."

The Justice Department, which filed the suit in April 2012, settled with Hachette Book Group, HarperCollins Publishers, Simon & Schuster and Penguin Group (USA) last year. The trial against Apple is scheduled to begin in June.