

CITY OF AUSTIN / FACEBOOK

CHAPTER 380

ECONOMIC DEVELOPMENT AGREEMENT

This Chapter 380 Economic Development Agreement (“Agreement”) is made and entered into by and between FACEBOOK, INC., (“FACEBOOK”) a California corporation qualified to do business in Texas, and the CITY OF AUSTIN, TEXAS, a home rule city and municipal corporation (“City”).

The City is authorized by Chapter 380 of the Texas Local Government Code to create programs for the grant of public money to promote state and local economic development and to stimulate local business and commercial activity.

The City has authorized the creation of an economic development program under Chapter 380 of the Texas Local Government Code and has authorized the City Manager to make a grant of money to FACEBOOK to (i) locate its Sales and Operations Office to Austin and make capital investments in the Desired Development Zone, and to (ii) create new full-time jobs ((i) and (ii) together are the “Project”).

Location of FACEBOOK’s Sales and Operations Office to Austin will further state and local economic development and stimulate business and commercial activity in Austin.

FACEBOOK accepts the City’s grant and agrees to carry-out the Project, the terms of which are the subject of this agreement.

The parties therefore agree as follows:

I. FACEBOOK’s Obligations

1.01 Investment in the Desired Development Zone. FACEBOOK shall establish its Sales and Operations Office at 300 W. 6th Street, Austin, Texas, or at any other facility located within the City’s Desired Development Zone (the “Sales and Operations Office”). FACEBOOK shall ensure that after the Effective Date of this agreement and before December 31, 2011 FACEBOOK, or its lessor, or landlord, or owner of the real property at which the Sales and Operations Office is located, has invested at least \$2,250,000 in the making of improvements to the Sales and Operations Office. FACEBOOK shall also invest at least \$900,000 in “Machinery

and Equipment” to be installed and used at the Headquarters before December 31, 2011. “Machinery and Equipment,” means machinery and equipment purchased, installed, and used at the Sales and Operations Office for the purpose of supporting the operations of FACEBOOK.

1.02 Creation and Retention of New Full-Time Jobs. FACEBOOK shall create at least 200 “New Full-Time Jobs” by December 31, 2013. A “New Full-time Job,” is a full-time job created after the Effective Date of this agreement and that is performed at the Sales and Operations Office by employees of FACEBOOK and created as the result of the improvements to and operation of the Sales and Operations Office.

(a) FACEBOOK shall create and retain the New Full-Time Jobs as follows:

- (i) 25 New Full-time Jobs before December 31, 2010;
- (ii) 80 New Full-time Jobs before December 31, 2011;
- (iii) 140 New Full-time Jobs before December 31, 2012; and
- (iv) 200 New Full-time Jobs before December 31, 2013;

(b) FACEBOOK shall maintain the required New Full-Time Jobs as of December 31st of each year throughout the term of this agreement. The average annual compensation, excluding health insurance and retirement benefits, of all New Full-Time Jobs shall be as follows:

<u>Year</u>	<u>Average Annual Wage</u>
2010	\$ 54,000
2011	\$ 54,000
2012	\$ 54,000
2013	\$ 54,000
2014	\$ 54,000
2015	\$ 54,000
2016	\$ 54,000
2017	\$ 54,000
2018	\$ 54,000
2019	\$ 54,000

(c) If the number of people employed in New Full-time Jobs falls below the number of jobs required by the preceding section 1.02(a) FACEBOOK shall re-establish the required New Full-Time jobs within 90 days after

December 31st of the applicable year to create or reinstate the requisite number of New Full-Time Jobs.

- (d) If FACEBOOK fails to comply with the preceding sections 1.02(a) and (b) the City, at its discretion, may terminate this agreement.

1.03 Recruitment.

- (a) In addition to its own efforts, FACEBOOK shall make commercially reasonable efforts to work with non-profit organizations such as the Austin Asian American Chamber of Commerce, the Capital City African American Chamber of Commerce, the Career Expo for People with Disabilities, the Greater Austin Hispanic Chamber of Commerce, the National Society of Black Engineers, the Out and Equal Summit, the Society of Hispanic Professional Engineers, and other appropriate organizations, to expand its pool of diverse candidates in hiring recruitment efforts for the jobs at the Sales and Operations Office. FACEBOOK shall adhere to its fair employment policies and practices (Exhibit A).
- (b) FACEBOOK shall make commercially reasonable efforts to employ residents of the Austin-Round Rock Metropolitan Statistical Area for its New Full-Time Jobs.

1.04 Local Business Participation.

- (a) In an effort to further stimulate and positively impact the local economy, FACEBOOK shall use commercially reasonable efforts to provide local minority-, and women-owned businesses, an equal opportunity to participate as suppliers for materials and services purchased by FACEBOOK exclusively for use at the Sales and Operations Office. FACEBOOK shall adhere to the terms of the attached supplier diversity policy (Exhibit B).
- (b) FACEBOOK shall comply with the applicable standards and principles of Chapters 2-9A through 2-9D of the City's ordinance for minority-owned and women-owned business enterprises ("M/WBE Program Ordinance") in the design and construction of all facilities, including, but not limited to, leasehold improvements.

- (c) With respect to any design or construction projects including, but not limited to, leasehold improvements, FACEBOOK, the architect and the general contractor must meet the following ethnic-specific participation goals:

	Professional Services Participation Goals	Construction Participation Goals
African-American-owned Business Enterprises	1.9%	1.7%
Hispanic-owned Business Enterprises	9.0%	9.7%
Asian-American and Native American-owned Business Enterprises	4.9%	2.3%
Women-owned Business Enterprises	15.8%	13.8%

In the event that FACEBOOK enters into a build-to-suit lease or turn-key tenant improvement lease, it is FACEBOOK's responsibility to ensure that the landlord complies with this section for all construction and design projects relating to FACEBOOK's move-in. If FACEBOOK, the landlord (in the event FACEBOOK has entered into a build-to-suit lease or turn-key tenant improvement lease), the architect and the general contractor fail to meet each of these goals, FACEBOOK must submit documentation demonstrating its own, the landlord's, the architect's and the general contractor's good faith efforts to meet the goals. Good faith efforts are those efforts described in the City's M/WBE Program Ordinance.

- (d) The City's Department of Small Business and Minority Business Resources (SMBR) will provide a list of certified M/WBE firms to FACEBOOK or at FACEBOOK's request, the architect or general contractor, from which FACEBOOK shall solicit or cause the architect and general contractor to solicit participation in the design and construction of any building or improvements, including but not limited to, leasehold improvements. SMBR will assist FACEBOOK or at FACEBOOK's request, the architect or general contractor, to identify potential scopes of work, establish the bid packages available, schedule

and host outreach meetings, and assist FACEBOOK, the architect or general contractor in soliciting M/WBE firms to provide bids. FACEBOOK shall apprise SMBR when FACEBOOK requires SBMR's services, as described in this section. FACEBOOK is not required to solicit participation during a period in which the developer is not designing and/or constructing, but rather, requires FACEBOOK to incorporate the standards and principles of the City's M/WBE Program Ordinance including the foregoing M/WBE Participation goals into its development process as and when such process exists.

- (e) FACEBOOK shall provide monthly reports to SMBR to track (i) the utilization on a percentage basis of M/WBE firms in the design and construction of buildings or improvements; and (ii) a summary of FACEBOOK's efforts to implement the standards and principles of the City's M/WBE Program Ordinance. SMBR shall provide the forms to be used by FACEBOOK in submitting such reports.

1.05 Compliance with City Regulations. For the construction of leasehold improvements to the Sales and Operations Office, or the construction or remodeling of any future facilities in the City's planning jurisdiction during the term of this Agreement, FACEBOOK will comply with all City Code regulations, including water quality regulations in effect at the time any site plan application is filed, unless FACEBOOK has negotiated an agreement with the City to comply with overall impervious cover limits and provide the currently required water quality controls. This means FACEBOOK will not assert possible Chapter 245 rights to avoid compliance with water quality regulations for any future development within Austin's planning jurisdiction during the term of this agreement. If, during the term of this Agreement, FACEBOOK's development does not comply with water quality regulations in effect at the time any site plan application is filed for such development, after proper notice and reasonable opportunity to cure the deficiency, this Agreement shall, at the option of the City, terminate by giving FACEBOOK written notice of its election.

1.06 Certificate of Compliance and Inspection.

- (a) FACEBOOK shall deliver to the City before March 31 of each year, beginning March 31, 2011, during the term of this agreement a Certificate of Compliance utilizing the form attached as Exhibit C. The form is subject to revision by the City, in its sole discretion.
- (b) In the Certificate of Compliance, FACEBOOK shall warrant to the City that it is in full compliance with each of its obligations under this

Agreement, including the number of New Full-time Jobs maintained by FACEBOOK for the preceding year pursuant to Sections 1.02 above.

- (c) The City, and/or its representative(s) including third-parties contracted by the City, has the right to inspect all relevant records of FACEBOOK as are reasonably necessary to verify compliance with all requirements of this Agreement. Inspections shall be preceded by at least two week's notice in writing to FACEBOOK.

1.07 Texas Government Code Chapter 2264. In accordance with Chapter 2264 of the Texas Government Code, FACEBOOK agrees not to employ any person who is not lawfully admitted for permanent residence to the United States or who is not authorized under law to be employed in the United States ("Undocumented Worker") During the term of this Agreement, FACEBOOK shall notify City of any complaint brought against FACEBOOK alleging that FACEBOOK has employed Undocumented Workers. If FACEBOOK, or a branch, division or department of FACEBOOK is convicted of a violation under 8 U.S.C. Section 1324a(f), the total amount of economic development grants it has received, together with interest at the rate of 5% from the date of each payment of an economic development grant, shall be repaid by FACEBOOK to the City not later than the 120th day after the date the City notifies FACEBOOK of the violation. The City shall recover court costs and reasonable attorney's fees incurred if it prevails in an action brought pursuant hereto to recover past economic development grants and interest. FACEBOOK shall not be liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee, or by a person with whom FACEBOOK contracts.

1.08 Failure to Meet Obligations. In the event that FACEBOOK fails to fulfill its obligations under the performance terms above, after receipt of notice and expiration of the cure period described in Section 3.04 below, the City may, at its option, terminate this Agreement, whereupon the City shall not be required to pay, and FACEBOOK shall not be entitled to receive any further payments under this Agreement; provided, that the foregoing shall not be deemed or construed to release the City from its obligation to make payment for any prior year during which FACEBOOK did fulfill its obligations under the performance guidelines above.

II. City Obligations

2.01 Economic Development Incentive. As consideration for FACEBOOK's performance of its obligations under this Agreement, City shall pay to

FACEBOOK an annual economic development grant calculated according to the following formula:

- (a) The City's economic development grant shall not exceed \$25,000 for any one year.
- (b) The City's total obligation to FACEBOOK under this agreement shall not exceed \$200,000.
- (c) For FACEBOOK obligations performed during calendar years 2010 through 2012, the City shall pay FACEBOOK \$100 per New Full-Time Job created and retained as of December 31st of the applicable year if FACEBOOK has created and retained the amount of New Full-Time Jobs required under Section 1.02 of this agreement and has complied with all of its other obligations under this agreement.
- (d) For FACEBOOK obligations performed during calendar years 2013 through 2019, the City shall pay FACEBOOK \$125 per New Full-Time Job created and retained as of December 31st of the applicable year if FACEBOOK has created and retained the amount of New Full-Time Jobs required under Section 1.02 of this agreement and has complied with all of its other obligations under this agreement.

2.02 The City's first payment shall be made on or before October 31, 2011 for FACEBOOK's performance for the year ending December 31, 2010. The City's final payment shall be in consideration for FACEBOOK's performance during the year ending December 31, 2019. The City shall make the payments required under this section before October 31 of each year. The City is not obligated to make a grant payment for any year in which the City has determined that FACEBOOK has failed to fulfill an obligation or condition applicable to FACEBOOK for such year and has provided written notice to FACEBOOK of such determination on or before October 31st of the following year.

III. General Terms

3.01 Effective Date and Term. The Effective Date of this agreement is March 23, 2010. This Agreement shall become enforceable upon execution and delivery by the City and FACEBOOK. Unless this agreement is terminated earlier in accordance with its terms, FACEBOOK's obligations to perform under this agreement shall be completed on December 31, 2019 and the City shall make its final payment under this agreement before October 31, 2020.

3.02 Payments Subject to Future Appropriation. This Agreement shall not be construed as a commitment, issue, pledge or obligation of any specific taxes or tax revenues for payment to FACEBOOK.

(a) All payments or expenditures made by the City under this Agreement are subject to the City's appropriation of funds for such payments or expenditures to be paid in the budget year for which they are made.

(b) The payments to be made to FACEBOOK, or other expenditures under this Agreement, if paid, shall be made solely from annual appropriations of the City as may be legally set aside for the implementation of Article III, Section 52a of the Texas Constitution or Chapter 380 of the Local Government Code or any other economic development or financing program authorized by statute or home rule powers of the City under applicable Texas law, subject to any applicable limitations or procedural requirements.

(c) In the event the City does not appropriate funds in any fiscal year for payments due or expenditures under this Agreement, the City shall not be liable to FACEBOOK for such payments or expenditures unless and until appropriation of said funds is made; provided, however, that FACEBOOK, in its sole discretion, shall have the right but not the obligation to terminate this Agreement and shall have no obligations under this Agreement for the year in respect to which said unappropriated funds relate.

(d) To the extent there is a conflict between this Section 3.02 and any other language or covenant in this Agreement, this Section 3.02 shall control.

3.03 Representations and Warranties. The City represents and warrants to FACEBOOK that the Program and this Agreement are within its authority, and that it is duly authorized and empowered to establish the Program and enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. FACEBOOK represents and warrants to the City that it has the requisite authority to enter into this Agreement.

3.04 Default. If either the City or FACEBOOK should default in the performance of any obligations of this Agreement, the other party shall provide such defaulting party written notice of the default, and a minimum period of ninety (90) days after

the receipt of said notice to cure such default, prior to instituting an action for breach or pursuing any other remedy for default.

3.05 Entire Agreement. This Agreement contains the entire agreement between the parties. All prior negotiations, discussions, correspondence, and preliminary understandings between the parties and others relating hereto are superseded by this Agreement. This Agreement may only be amended, altered or revoked by written instrument signed by the City and FACEBOOK.

3.06 Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

3.07 Assignment. Except as provided below, FACEBOOK may not assign all or part of its rights and obligations to a third party without prior written approval of the City, which approval shall not be unreasonably withheld or delayed. Notwithstanding anything to the contrary, FACEBOOK may assign all or part of its rights and obligations without the prior consent of the City to an affiliate of FACEBOOK and to a third party lender advancing funds for the acquisition, construction or operation of FACEBOOK facilities.

3.08 Termination. In the event FACEBOOK elects not to proceed with the Project as contemplated by this Agreement, FACEBOOK shall notify the City in writing, and this Agreement and the obligations on the part of both parties shall be deemed terminated and of no further force or effect.

3.09 Notice. Any notice and/or statement required or permitted to be delivered shall be deemed delivered by actual delivery, by facsimile with receipt of confirmation, or by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

FACEBOOK:

Sheryl Sandberg
Chief Operating Officer
FACEBOOK Corporation
1601 S. California Ave.
Palo Alto, CA 94304
Fax: 650-472-9122 (fax)
Re: Economic Development Agreement

CITY:

City Manager
301 West 2nd Street
Austin, Texas 78701
(P.O. Box 1088, Austin, Texas 78767)
Phone: (512) 974-2200
Fax :(512) 974-2833

with copies to:

Director, Economic Growth and Redevelopment Services Office
301 West 2nd Street
Austin, Texas 78704
Phone: (512) 974-7802
Fax: (512) 974-7825

and to:

City Attorney
301 West 2nd Street
Austin, Texas 78701
(P.O. Box 1546, Austin, Texas 78767)
Phone: (512) 974-2268
Fax: (512) 974-2894

Either party may designate a different address at any time upon written notice to the other party.

3.10 Interpretation. Each of the parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which party prepared the initial draft of this Agreement, this Agreement shall, in

the event of any dispute regarding its meaning or application, be interpreted fairly and reasonably and neither more strongly for, nor against any party.

3.11 **Applicable Law.** This Agreement is made, and shall be construed and interpreted, under the laws of the State of Texas and venue shall lie in the State courts of Travis County, Texas.

3.12 **Severability.** In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

3.13 **Paragraph Headings.** The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

3.14 **No Third Party Beneficiaries.** This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

3.15 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The City, its past and future officers, elected officials, employees and agents do not assume any responsibilities or liabilities to any third party in connection with FACEBOOK facilities or the design, construction or operation of any portion of the facilities.

3.16 **Public and Confidential Information.** Information provided by or on behalf of FACEBOOK under or pursuant to this Agreement that FACEBOOK considers as proprietary shall be maintained as confidential to the extent allowed by law. If proprietary financial or trade secret information is requested under the Texas Public Information Act, the City shall follow the standards set out in the Act and under the Texas Attorney General's procedures for such requests, and FACEBOOK shall be responsible for defending the confidentiality of such information. Other records and information provided to the City and its representatives to verify compliance with this Agreement shall be available for public inspection.

3.17 **Exhibits.** The following Exhibits are attached and incorporated by reference for all purposes.

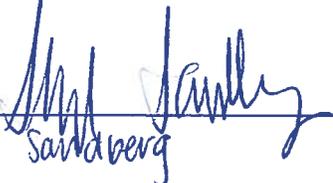
Exhibit "A": Fair Employment Policies and Practices
Exhibit "B": Supplier Diversity Policy
Exhibit "C": Certificate of Compliance Form

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

EXECUTED by the authorized representatives of the parties on the dates indicated below.

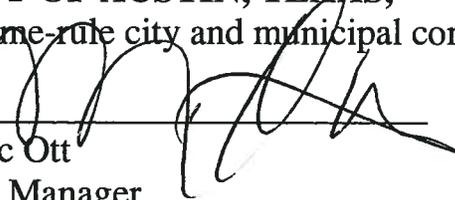
[SIGNATURE PAGES FOLLOW]

FACEBOOK

By: 
Sheryl Sandberg
COO

Date: 06/24/10

CITY OF AUSTIN, TEXAS,
a home-rule city and municipal corporation

By: 
Marc Ott
City Manager

Date: 06/18/10

Exhibit A

Equal Employment Opportunity Policy

Facebook is an equal opportunity employer and makes employment decisions on the basis of merit. Facebook prohibits unlawful discrimination on the basis of race, color, religion (or belief, where applicable), sex, sexual orientation, nationality, ethnic or national origin, ancestry, age, medical condition, mental or physical disability, veteran status, marital status, or any category protected by applicable law. The Company also makes reasonable accommodations to qualified individuals with a disability. This policy applies to all areas of employment, including recruitment, hiring, training, promotion, compensation and benefits.

It is the responsibility of every employee to conscientiously follow this policy.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, Facebook will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact his or her supervisor and/or a Human Resources representative to request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. Facebook will then assess the barriers that allegedly interfere with the equal opportunity of the applicant or employee to perform his or her job. Facebook will then identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, Facebook will make the accommodation.

Where applicable local laws impose additional obligations on Facebook beyond those detailed in this policy, Facebook will adhere to those additional obligations.

If you believe you have been subjected to any form of unlawful discrimination, or if you have questions regarding this policy, please contact your supervisor or another manager at the Company, Human Resources, the Legal Department, or the Chief Executive Officer.

Policy Prohibiting Retaliation

It is against Company policy (and may be unlawful) for any employee to retaliate against any person for reporting what he/she believed to be discrimination and/or a violation of this policy, expressing an intent to report what he/she believes to be discrimination and/or a violation of this policy, assisting another employee to report discrimination and/or a violation of this policy, or for participating in any investigation pursuant to this policy.

Exhibit B

Supplier Diversity Procedure

1. Purpose

To standardize FACEBOOK's procedures for providing minority and women owned businesses an equal opportunity to participate as suppliers for materials and services purchased by FACEBOOK.

2. Scope

The scope will include purchase of goods and services for all departments, where possible, including process development, operations, engineering, administration and supply chain.

3. Terms & Definitions

3.1. SMBR – City of Austin's Small and Minority Business Resources Department

3.2. WMBE –Women and Minority Business Enterprises, including the following categories

3.2.1. Woman Owned

3.2.2. African American Owned

3.2.3. Hispanic Owned

3.2.4. Asian Owned

3.2.5. Native American Owned

3.3. SBLO – FACEBOOK's Small Business Liaison Officer

3.4. AUSF1 – FACEBOOK's sales and operations office located in Austin.

3.5. AVL – FACEBOOK's Approved Vendor List

4. Reference Documents

4.1. City of Austin / FACEBOOK Corporation Economic Development Agreement

5. Responsibility

5.1. Small Business Liaison Officer (SBLO) is responsible for the following:

5.1.1. Educating FACEBOOK's employees about WMBE policies and procedures.

5.1.2. Identifying opportunities for WMBE to participate in bidding of products or services.

5.1.3. Work with the City of Austin SMBR to locate potential WMBE suppliers and provide new suppliers for certification by the city.

5.1.3.1. Establish goals and metrics for WMBE program and report results against the goals.

5.1.3.2. Goals and metrics reported at Management Review.

5.1.3.3. Goals and metrics reported at City of Austin Review.

5.1.4. Attend WMBE outreach programs as necessary.

5.2. Supply Chain Specialists.

5.2.1. The role of the Supply Chain Specialist is to ensure sourcing strategies offer WMBE suppliers opportunities where possible.

5.3. Attend tradeshow, conferences and training as appropriate.

6. Procedure

6.1. Supplier identification

6.1.1. Supply Chain will reference City of Austin SMBR website for potential suppliers on new sourcing decisions.

6.1.2. Supply Chain will solicit WMBE suppliers where available and provide guidance to supplier for certification by City of Austin SMBR.

6.2. FACEBOOK approved supplier list

6.2.1. As WMBE suppliers are added to FACEBOOK, specific categories are to be captured in the supplier id form, allowing easy tracking of spend metrics.

6.3 Tracking

6.3.1 Dollars spent by commodity and WMBE category are to be reviewed with the City of Austin and during the Management Review.

7. Associated Documents

7.1. Work Instruction or SOP (Standard Operating Procedure) document – Management Review

7.2. Supply Supplier ID form

8. Revision History

Revision	Date	Change Description	Originator(s)

Exhibit C

Certificate of Compliance

Company Name: FACEBOOK, INC.

Reporting Year: January 1 through December 31, _____ YEAR # ____ (up to 10)

1.0 Investment

1.1 The agreement states that after the effective date of this agreement and before December 31, 2011, FACEBOOK, or its lessor, or landlord, or owner of the real property at which the Sales and Operations Office is located, shall ensure that at least \$2,250,000 has been invested in the making of leasehold improvements to the sales and operations office located in Austin (Section 1.01).

a. \$_____ has been invested in leasehold improvements to the sales and operations office located in Austin for the reporting year ending December 31, 20_____.

1.2 The agreement states that the after the effective date of the agreement and before December 31, 2011, FACEBOOK shall invest at least \$900,000 in "Machinery and Equipment" that is to be installed and used at the sales and operations office located in Austin before December 31, 2010 (Section 1.01).

a. \$_____ has been invested in "Machinery and Equipment" installed at the sales and operations office located in Austin for the reporting year ending December 31, 20_____.

2.0 Employment

2.1 The agreement requires the creation and retention 200 New Full-time Jobs by December 31, 2013 (Section 1.02). The job creation and retention schedule is as follows (Section 1.02(a)):

- (i) 25 New Full-time Jobs before December 31, 2010;
- (ii) 80 New Full-time Jobs before December 31, 2011;
- (iii) 140 New Full-time Jobs before December 31, 2012;
- (iv) 200 New Full-time Jobs before December 31, 2013;

a. Number of New Full-time Jobs created and retained as of December 31, 20_____.

Total jobs created and retained:_____

2.2 As of December 31, 20____ did the number of New Full-time Jobs and created and retained fall below the numbers required under Section 1.02(a) of the agreement?

Yes

No

If the company answered "Yes" to question 2.2, did the company re-establish the required numbers of New Full-time Jobs created and retained within 90 days after December 31, 20____?

Yes

No

2.3 Did the average annual wages, not including health insurance and retirement benefits, of the New Full-Time Jobs created and retained meet the following table (Section 1.02(b))?

<u>Year</u>	<u>Average Annual Wage</u>
2010	\$ 54,000
2011	\$ 54,000
2012	\$ 54,000
2013	\$ 54,000
2014	\$ 54,000
2015	\$ 54,000
2016	\$ 54,000
2017	\$ 54,000
2018	\$ 54,000
2019	\$ 54,000

Yes

No

3.0 Recruitment

3.1 The agreement states that FACEBOOK shall make commercially reasonable efforts to work with non-profit organizations such as the Austin Asian American Chamber of Commerce, the Capital City African American Chamber of Commerce, the Career Expo for People with Disabilities, the Greater Austin Hispanic Chamber of Commerce, the National Society of Black Engineers, the Out and Equal Summit, and the Society of Hispanic Professional Engineers, and other appropriate organizations, to expand its pool of diverse candidates in recruiting efforts for jobs at the sales and operations office located in Austin (Section 1.03(a)). Attach correspondence and/or documentation showing compliance with Section 1.03(a).

- 3.2 The agreement states that FACEBOOK shall adhere to its fair employment policies and practices (Section 1.03(a)). Attach correspondence and/or documentation showing compliance with Section 1.03(a).
- 3.3 The agreement states that FACEBOOK shall make commercially reasonable efforts to employ residents of the Austin Metropolitan Statistical Area for its New Full-time Jobs (Section 1.03(b)). Attach correspondence and/or documentation showing compliance with Section 1.03(b).

4.0 Local Business Participation

- 4.1 The agreement states that FACEBOOK shall use commercially reasonable efforts to provide local small businesses and minority-, women- and veteran-owned businesses, an equal opportunity to participate as suppliers for materials and services purchased by FACEBOOK exclusively for use at the sales and operations office located in Austin and that Facebook shall adhere to the terms of a supplier diversity policy (Section 1.04(a)). Attach correspondence and/or documentation showing compliance with Section 1.04(a).
- 4.2 The agreement states that FACEBOOK shall comply with the applicable standards and principles of the City’s M/WBE Program Ordinance in the design and construction of the company’s sales and operations office located in Austin, including, but not limited to, leasehold improvements (Section 1.04 (b)). Attach correspondence and/or documentation showing compliance with Section 1.04 (b).
- 4.3 The agreement states that with respect to any design or construction projects at the sales and operations facility including, but not limited to, leasehold improvements, FACEBOOK, it’s architect and general contractor must meet the following ethnic-specific participation goals Section 1.04 (c):

	Professional Services Participation Goals	Construction Participation Goals
African-American-owned Business Enterprises	1.9%	1.7%
Hispanic-owned Business Enterprises	9.0%	9.7%
Asian-American and Native American-owned Business Enterprises	4.9%	2.3%
Women-owned Business Enterprises	15.8%	13.8%

Attach correspondence and/or documentation showing compliance with Section 1.04 (c). If FACEBOOK, the architect and the general contractor fail

to meet each of these goals, FACEBOOK must submit documentation demonstrating its own, the architect's and general contractor's good faith efforts to meet the goals. The good faith efforts are those efforts as described in the City's M/WBE Program Ordinance.

5.0 Incentive Payment Request

5.1 The agreement requires an economic development incentive payment not to exceed \$25,000 for any one year and a total payment not to exceed \$200,000(Sections 2.01(a) and (b)). The City's first payment shall be made on or before October 31, 2011 for the company's performance during the year ending December 31, 2010. The City's final payment shall be in consideration for the company's performance during the year ending December 31, 2019. The City shall make payments required under this section before October 31 of each year this agreement is in effect.

For Facebook's performance during calendar years 2010 through 2012, the economic development incentive shall be \$100 per New Full-Time Job created and retained. For Facebook's performance during calendar years 2013 through 2019, the economic development incentive shall be \$125 per New Full-Time Job created and retained.

5.2 Total Request for year 20____ based on _____ New Full-Time Jobs created and retained: \$ _____

I, the authorized representative for FACEBOOK, hereby certify that the above information is correct and accurate pursuant to the terms of the agreement. I further certify that FACEBOOK complied fully with the Chapter 380 Economic Development agreement during the reporting year, including Section 1.06 regarding Compliance with City Regulations and Section 1.08 regarding Texas Government Code Chapter 2264.

Signature:

Printed Name:

Title (Chief Financial Officer or equivalent):

Date:
