

CITY OF AUSTIN / LEGALZOOM

CHAPTER 380

ECONOMIC DEVELOPMENT AGREEMENT

This Chapter 380 Economic Development Agreement (“Agreement”) is made and entered into by and between LEGALZOOM, 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 make grants of money to promote state and local economic development and to stimulate business and commercial activity in Austin.

The City has authorized the City Manager to make a grant of money to LEGALZOOM to (i) Locate its Regional Headquarters 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 LEGALZOOM’s Regional Headquarters to Austin will further state and local economic development and stimulate business and commercial activity in Austin.

LEGALZOOM 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. LegalZoom’s Obligations

1.01 Investment in the Desired Development Zone. After the Effective Date of this agreement and before December 31, 2014, LEGALZOOM shall invest at least \$1,000,000 in the making of leasehold improvements to LEGALZOOM’S “Regional Headquarters.” “Regional Headquarters,” means the facilities located at Quarry Oaks Building A, 10900 S. Stonelake Boulevard, Austin, Texas 78759, or any other facility located within the City’s Desired Development Zone, that will serve as LEGALZOOM’s Regional Headquarters. LEGALZOOM shall also invest at least \$750,000 in “Machinery and Equipment” to be installed and used at the Headquarters before December 31, 2014. “Machinery and Equipment,” means

machinery and equipment purchased, installed, and used at the Headquarters for the purpose of supporting the operations of LEGALZOOM.

1.02 Creation and Retention of New Full-Time Jobs. LEGALZOOM shall create at least 600 “New Full-Time Jobs” by December 31, 2014. A “New Full-time Job,” is a full-time job created after the Effective Date of this agreement and that is performed at the Regional Headquarters by employees of LEGALZOOM and created as the result of the improvements to and operation of the Regional Headquarters.

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

- (i) 50 New Full-time Jobs before December 31, 2010;
- (ii) 150 New Full-time Jobs before December 31, 2011;
- (iii) 200 New Full-time Jobs before December 31, 2012;
- (iv) 250 New Full-time Jobs before December 31, 2013; and
- (v) 600 New Full-time Jobs before December 31, 2014.

(b) LEGALZOOM 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 of all New Full-Time Jobs shall increase as follows:

<u>Year</u>	<u>Average Annual Wage</u>
2010	\$ 42,000
2011	\$ 43,000
2012	\$ 44,000
2013	\$ 48,000
2014	\$ 51,000
2015	\$ 51,000
2016	\$ 51,000
2017	\$ 51,000
2018	\$ 51,000
2019	\$ 51,000

(c) If the number of people employed in New Full-time Jobs falls below the number of jobs required by the preceding sections 1.02(a) and (b) LEGALZOOM 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 LEGALZOOM fails to comply with the preceding sections 1.02(a), (b) and (c) the City, at its discretion, may terminate this agreement.

1.03 Recruitment.

- (a) In addition to its own efforts, LEGALZOOM shall make best 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 hiring recruitment efforts for the jobs at the Regional Headquarters. LEGALZOOM shall adhere to the fair employment policies and practices (Exhibit A).
- (b) LEGALZOOM shall make best 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, LEGALZOOM shall use best efforts to provide local small businesses, minority- and women- owned businesses an equal opportunity to participate as suppliers for materials and services purchased by LEGALZOOM. LEGALZOOM shall adhere to the terms of the attached supplier diversity policy (Exhibit B).
- (b) LEGALZOOM 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, LEGALZOOM, 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%

If LEGALZOOM, the architect and the general contractor fail to meet each of these goals, LEGALZOOM must submit documentation demonstrating its own, 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 LEGALZOOM or at LEGALZOOM's request, the architect or general contractor, from which LEGALZOOM 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 LEGALZOOM or at LEGALZOOM'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 LEGALZOOM, the architect or general contractor in soliciting M/WBE firms to provide bids. LEGALZOOM shall apprise SMBR when LEGALZOOM requires SBMR's services, as described in this section. LEGALZOOM is not required to solicit participation during a period in which the developer is not designing and/or constructing, but rather, requires LEGALZOOM 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) LEGALZOOM 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 LEGALZOOM'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 LEGALZOOM in submitting such reports.

1.05 Compliance with City Regulations. For the construction of leasehold improvements to the Regional Headquarters, or the construction or remodeling of any future facilities in the City's planning jurisdiction during the term of this Agreement, LEGALZOOM will comply with all City Code regulations, including water quality regulations in effect at the time any site plan application is filed, unless LEGALZOOM has negotiated an agreement with the City to comply with overall impervious cover limits and provide the currently required water quality controls. This means LEGALZOOM 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, LEGALZOOM'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 LEGALZOOM written notice of its election.

1.06 Certificate of Compliance and Inspection.

- (a) LEGALZOOM 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, LEGALZOOM 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 LEGALZOOM 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 LEGALZOOM 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 LEGALZOOM.

1.07 Texas Government Code Chapter 2264. In accordance with Chapter 2264 of the Texas Government Code, LEGALZOOM 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, LEGALZOOM shall notify City of any complaint brought against LEGALZOOM alleging that LEGALZOOM has employed Undocumented Workers. If LEGALZOOM a branch, division or department of LEGALZOOM 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 LEGALZOOM to the City not later than the 120th day after the date the City notifies LEGALZOOM 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. LEGALZOOM shall not be liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee, or by a person with whom LEGALZOOM contracts.

1.08 Failure to Meet Obligations. In the event that LEGALZOOM fails to fulfill its obligations under the performance terms above, after receipt of notice and expiration of the cure period described in Section 3.05 below, the City may, at its option, terminate this Agreement, whereupon the City shall not be required to pay, and LEGALZOOM 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 LEGALZOOM did fulfill its obligations under the performance guidelines above.

II. City Obligations

2.01 Economic Development Incentive. As consideration for LEGALZOOM's performance of its obligations under this Agreement, City shall pay to LEGALZOOM an annual economic development grant of \$20,000 for the duration of this agreement. The City's first payment shall be made on or before October 31, 2011 for LEGALZOOM's performance for the year ending December 31, 2010. The City's final payment shall be in consideration for LEGALZOOM'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 LEGALZOOM has failed to fulfill an obligation or condition applicable to LEGALZOOM for such year and has provided written notice to LEGALZOOM 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 1, 2010. This Agreement shall become enforceable upon execution and delivery by the City and LEGALZOOM. Unless this agreement is terminated earlier in accordance with its terms, LEGALZOOM'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 LEGALZOOM.

(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 LEGALZOOM, 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 LEGALZOOM for such payments or expenditures unless and until appropriation of said funds is made; provided, however, that LEGALZOOM, 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 LEGALZOOM 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. LEGALZOOM 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 LEGALZOOM 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 LEGALZOOM.

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, LEGALZOOM 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, LEGALZOOM may assign all or part of its rights and obligations without the prior consent of the City to an affiliate of LEGALZOOM and to a third party lender advancing funds for the acquisition, construction or operation of LEGALZOOM facilities.

3.08 Termination. In the event LEGALZOOM elects not to proceed with the Project as contemplated by this Agreement, LEGALZOOM 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:

LEGALZOOM:

LegalZoom Corporation
C/O Frank Monestere, President and COO
7083 Hollywood Boulevard
Suite 180
Los Angeles, CA 90028
Phone: (323) 962-8600
Fax: (323) 790-1993
Re: Economic Development Agreement

with copies to:

LegalZoom
Quarry Oaks Building A
10900 S. Stonelake Boulevard
Austin, Texas 78759
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) 974-7820
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 LEGALZOOM 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 LEGALZOOM under or pursuant to this Agreement that LEGALZOOM 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 LEGALZOOM 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 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.

[SIGNATURE PAGE FOLLOWS]

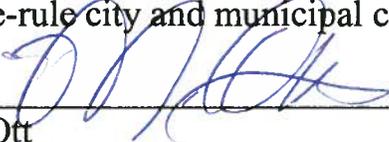
EXECUTED by the authorized representatives of the parties on the dates indicated below.

LEGALZOOM

By: _____

Date: _____

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

By: 

Marc Ott
City Manager

Date: 3/1/10

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

LEGALZOOM

By: 
Frank Monestere
President & COO
LegalZoom.com, Inc.

Date: 3/1/10

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

By: _____
Marc Ott
City Manager

Date: _____

Exhibit A

1. Equal Employment Opportunity Policy

The Company is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available persons in every job. Company policy prohibits unlawful discrimination based on genetic characteristics or information, race, color, creed, sex, gender, gender identity, marital status, age, national origin or ancestry, physical or mental disability, medical condition, veteran status, sexual orientation or any other consideration made unlawful by federal, state or local laws. All such discrimination is unlawful.

The Company is committed to complying with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in the operations of the Company and prohibits unlawful discrimination by any employee of the Company, including supervisors and co-workers.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with disabilities, the Company 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 the Human Resources Department and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The Company then will conduct an investigation to identify the barriers that make it difficult for the applicant or employee to have an equal opportunity to perform his or her job. The Company will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the Company will make the accommodation.

1. Unlawful Harassment

The Company must take all reasonable steps to prevent unlawful harassment from occurring. In addition to prohibiting other forms of unlawful discrimination, the Company maintains a strict policy prohibiting harassment because of gender, gender identity, genetic characteristics or information, sex, race, color, national origin, ancestry, religion, creed, physical or mental disability, cancer-related medical condition, marital status, veteran status, sexual orientation, age, and any other basis protected by applicable federal, state or local law. All such harassment is prohibited. The Company's anti-harassment policy applies to all employees and independent contractors involved in the operations of the Company and prohibits harassment by any Company employee, including supervisors and co-workers, or independent contractors.

The Company's anti-harassment policy also protects employees from harassment by clients, vendors, or others doing business with the Company. If harassment occurs on the job by someone not employed by the Company, the procedures in this policy should be followed as if the harasser were an employee of the Company.

2. Sexual Harassment

The law defines sexual harassment as unwanted sexual advances, requests for sexual favors or visual, verbal or physical conduct of a sexual nature when: (1) submission to such conduct is made a term or condition of employment; or (2) submission to or rejection of such conduct is used as basis for employment decisions affecting the individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile or offensive working environment.

This definition includes many forms of offensive behavior. The following is a partial list:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct such as leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons or posters.
- Improper language such as making or using derogatory comments, epithets, slurs, sexually explicit jokes, comments about an employee's body or dress, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual, suggestive or obscene letters, notes or invitations.
- Verbal sexual advances or propositions.
- Physical conduct such as touching, assault, impeding or blocking movements.
- Retaliation for reporting harassment or threatening to report harassment.

It is unlawful for males to sexually harass females or other males, and for females to sexually harass males or other females. Sexual harassment on the job is unlawful whether it involves co-worker harassment, harassment by a supervisor or manager, or by persons doing business with or for the Company.

3. National Origin, Race and Other Forms of Harassment

Similarly to sexual harassment, national origin, race and other forms of harassment can occur through verbal, physical or other activity directed at employees in protected categories. It can occur when co-workers and/or supervisors use slurs or epithets referring, for example, to the national origin, or race, or sexual orientation of an employee. Or it may occur through other kinds of activity, such as placing graphic images negatively connected to the race of an employee on or near the employee's desk, locker or work location. **All such activity is strictly prohibited under the Company's unlawful harassment policy.** If any employee is uncertain as to what conduct is prohibited under this policy, he or she should contact the Human Resources Department immediately.

4. Preventing Sexual and Other Forms of Harassment

The Company's complaint procedure provides for an immediate, thorough and objective investigation of any sexual or other harassment claim, appropriate disciplinary action against one found to have engaged in prohibited harassment, and appropriate remedies to any victim of harassment.

Employees who believe they have been harassed on the job, including by persons doing business with or for the Company, should provide a written or oral complaint to the Human Resources Department of the Company as soon as possible. The complaint should include details of the incident(s), names of individuals involved, and the names of any witnesses. Supervisors and managers must immediately refer all harassment complaints to the Human Resources Department or the President of the Company.

All incidents of sexual or other harassment that are reported must and will be investigated, even if the alleged victim expresses a desire that the Company not investigate. That is the law. The Human Resources Department of the Company will immediately undertake or direct an effective, thorough and objective investigation of the harassment allegations. The investigation will be completed and a determination regarding the harassment alleged will be made and communicated to the employee(s) who complained and the accused harasser(s). If the Company determines that sexual or other prohibited harassment has occurred, the Company will take effective remedial action commensurate with the circumstances. Appropriate action will also be taken to deter any future harassment. If a complaint of harassment is substantiated, appropriate disciplinary action, up to and including termination, will be taken and the Company will communicate to the complainant that action has been taken to prevent further harassment.

Independent contractors should use this Complaint Procedure for any claim of sexual or other harassment.

ALL EMPLOYEES AND INDEPENDENT CONTRACTORS SHOULD NOTE THAT THE FAILURE TO USE THE COMPANY'S COMPLAINT PROCEDURE MAY RESULT IN THE DEFEAT OF ANY CLAIM OF SEXUAL OR OTHER HARASSMENT IF LITIGATED.

5. False Claims of Harassment

Any employee who makes a false claim of harassment will be disciplined according to Company policy.

6. Prohibition Against and Duty to Disclose Romantic Relationships

The Company recognizes that employees may develop romantic or sexual relationships in the course of their employment. However, in an effort to prevent supervisory problems, favoritism, the possibility of compromising confidential information and/or trade secrets, morale problems, disputes or misunderstandings, and potential sexual harassment claims, supervisors are strongly discouraged from dating or engaging in romantic or sexual relationships with subordinate employees even outside their evaluation chain. Managers are not permitted to date or engage in a romantic or sexual relationship with anyone directly in their evaluation chain.

However, in the event such a relationship is undertaken, the parties are required to disclose to the President or Human Resources Department that such a relationship exists. Based on the sole discretion of the Company, both parties may be given the opportunity to sign and acknowledge that the relationship is voluntary and consensual. In that case, both parties will also be required to disclose to the President or Human Resources Department of the Company when the relationship is no longer voluntary and consensual. In the event that such a relationship exists or existed, and such disclosures have not been made, the relationship will be presumed to have been voluntary and consensual. All employees acknowledge these requirements and the presumption by signing the Annual Acknowledgment and Receipt of this Handbook. Co-workers are also discouraged from dating or pursuing romantic or sexual relationships with each other.

The Company, in its sole discretion, will determine whether any romantic or sexual relationship between a manager and a subordinate, or between co-workers, interferes with job performance and/or the business interests of the Company and will attempt to resolve the situation, including but not limited to, providing one of the employees with a transfer to another position for which he or she is qualified if it is possible and consistent with good business practices. However, the Company may take whatever steps will protect its business interests, including but not limited to, terminating the employees involved.

7. Employee's Duty to Disclose Benefits Received

No supervisor, manager, or officer of the corporation is authorized to condition the receipt or denial of any benefit, compensation, or other term or condition of employment on an employee's complying with any sexual demand. To the contrary, all employees are instructed that they must refuse such demands and report them promptly to the President or Human Resources Department. Any employee who is found to

have obtained any benefit from the Company because he or she submitted to an unreported sexual demand will be disciplined appropriately, including but not limited to, reimbursement for the value of any benefits received. Any employee making such a demand will be disciplined, up to and including termination.

8. Liability For Sexual Or Other Harassment

Any employee of the Company, whether co-worker, supervisor or manager, who is found to have engaged in unlawful harassment is subject to disciplinary action up to and including termination from employment.

9. Anti-Retaliation Policy

In accordance with applicable law, the Company prohibits retaliation against any employee because of the employee's opposition to a practice the employee reasonably believes to constitute employment discrimination or because of the employee's participation in an employment discrimination investigation, proceeding or hearing. Any retaliatory adverse action because of such opposition or participation is unlawful and will not be tolerated. **For purposes of the Company's anti-retaliation policy, all references to "discrimination" should be understood to include "harassment."**

Opposition to perceived discrimination includes threatening to file a discrimination complaint with the EEOC, state agency, or court or complaining or protesting about alleged employment discrimination to a manager, co-worker or other official. Opposition also includes a complaint or protest made on behalf of another employee or made by the employee's representative. A complaint about an employment practice constitutes protected opposition only if the employee communicates to the Company a reasonable good faith belief that the practice opposed constitutes unlawful employment discrimination. Opposition in a manner which disrupts the workplace, or which constitutes an unlawful activity, or engaging in badgering or threatening of employees or supervisors is not protected.

The Company will not tolerate retaliation against any individual because he or she has filed a charge, testified, assisted or participated in any manner in an investigation, proceeding, hearing or litigation under federal or state employment discrimination statutes or at other hearings regarding protected employee rights, such as an application for unemployment benefits. The Company also prohibits retaliation against someone closely related to or associated with the employee exercising such rights. Examples of retaliation include, but are not limited to, hostile conduct toward an employee who participated in protected activity. Such conduct includes, but is not limited to, shunning of employees, verbal or body language which is threatening or expresses or suggests disapproval or hostility; failure to cooperate in workplace procedures; or sudden unfounded disciplinary action not based on actual job performance. If you are unclear as to what kind of activity may be prohibited retaliation, contact the Human Resources Department immediately for more information.

The Company's complaint procedure provides for an immediate, thorough and objective investigation of any claim of unlawful retaliation because of opposition to alleged discrimination or participation in a proceeding regarding alleged employment discrimination. If you believe that you have been retaliated against because of your opposition to an employment practice you reasonably believe to be discriminatory or because of your participation in a hearing or proceeding regarding alleged unlawful discrimination, you should provide a written or oral complaint to the Human Resources Department as soon as possible. Your complaint should be as detailed as possible, including the names of individuals involved, the names of any witnesses, and any documentary evidence.

All complaints of prohibited retaliation which are reported to management will be investigated. The Company will immediately undertake and direct an effective, thorough and objective investigation of the retaliation allegations. The investigation will be completed and a determination regarding the alleged retaliation will be made.

If the Company determines that an individual has suffered adverse action in retaliation for opposition to alleged employment discrimination or participation in a proceeding related to alleged employment discrimination, the Company will take effective remedial action appropriate to the circumstances. The Company will also take action to deter any future retaliation. If a complaint of retaliation is substantiated, appropriate disciplinary action, up to and including termination, will be taken and the Company will communicate to the complainant that action has been taken to prevent further retaliation. Additional Enforcement Information

In addition to the Company's internal complaint procedures regarding harassment, discrimination, and retaliation, employees should be aware that the federal Equal Employment Opportunity Commission (EEOC) and the California Department of Fair Employment and Housing (DFEH) also investigate and prosecute such complaints. Their telephone numbers are in the telephone directory.

11. Business Conduct

No employee may accept a gift or gratuity valued in excess of \$100.00 from any customer, vendor, supplier, or other person doing business with the Company. Any questions about this policy should be directed to Human Resources. In no event may a gift, gratuity or expense payment influence a business decision, transaction or service.

12. The Whistleblower Protection a Non-Retaliation Policy and Procedure for Reporting Complaints

Company will not adopt or enforce any rule, regulation, or policy preventing an employee from disclosing information to the Company or to a governmental or law enforcement agency if the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or non-compliance with a state or federal rule or regulation.

If any Company employee wishes to make a report regarding suspected unlawful activity, he or she should report the activity immediately to Human Resources, the General Counsel or the President of the Company who will initiate a prompt, thorough, and objective investigation. Reports should be in writing with as much detail as possible. Oral and anonymous reports will also be accepted and investigated.

The Company will not:

- Retaliate against an employee for disclosing information about suspected unlawful activity as defined above to a governmental or law enforcement agency.
- Retaliate against an employee for refusing to participate in an activity that would result in a violation of state or federal statute, or a violation of or noncompliance with a state or federal rule or regulation.
- Retaliate against an employee for having exercised his or her rights in his or her present or former employment.

If an employee elects not to report suspected unlawful activity as defined above to the Company's Human Resources Department, General Counsel or President, he or she may contact the California Office of the Attorney General's whistleblower hotline at (800) 952-5225. The Attorney General shall refer calls received on the whistleblower hotline to the appropriate governmental authority for review and possible investigation.

13. Conflict of Interest

An employee is required to avoid any conflict of interest during his or her employment by the Company. Any involvement that conflicts with an employee's duties or responsibilities or affects the employee's judgment in making a decision affecting the Company will be considered a conflict of interest. This

includes any direct or indirect business, management or financial interest or activity, whether or not for compensation, in any business or entity that is a competitor, client, supplier or vendor of the Company.

Employees may engage in or have outside business, personal interests, or activities that do not constitute a conflict of interest with their employment by the Company. The Company requires that these activities or interests do not adversely affect an employee's capacity to perform his or her functions or result in conflicting loyalties.

14. Non-Disclosure of Confidential Information

Information about the Company, its employees, customers, suppliers and vendors is to be kept confidential and divulged only to individuals within the Company with a need to receive, and authorized to receive, such information. If in doubt as to whether information should be divulged, err in favor of not divulging information and discuss the situation with your supervisor.

All records and files maintained by the Company, in whatever form, are confidential and remain the property of the Company. Records and files are not to be disclosed to any outside party in any manner without the express permission of the President of the Company. Confidential information includes, but is in no way limited to financial records, personnel and payroll records (regarding current or past employees), information regarding customer transactions, customer account information, information regarding customers, vendors or suppliers, trade secrets, and any documents or information regarding the Company operations, procedures or practices. Such confidential information may not be removed from the Company premises without express written authorization.

Confidential information obtained during or through employment with the Company may not be used by any employee for the purpose of furthering current or future outside employment or activities or for obtaining personal gain or profit. Employees may be required to enter into a written confidentiality and/or non-solicitation agreement as a condition of employment or continued employment.

14. Patents/Trademarks (Works for Hire)

All Information developed or generated wholly or partially by an employee during his or her employment with the Company, including all intermediate and partial versions thereof ("Work Product"), whether or not protected by copyright, will be the sole property of the Company upon its creation, and, in the case of copyrightable works, upon its fixation in a tangible medium of expression.

All copyrightable aspects of the Work Product are "works made for hire" within the meaning of the Copyright Act of 1976 ("the Act"), as amended, of which the Company is to be deemed the "author" within the meaning of the Act. All such copyrightable works, as well as all copies of such works in whatever medium fixed or embodied, will be owned exclusively by the Company upon their creation and the employee will have no interest in any of them.

If any of the Work Product, or any part or element of the Work Product, is found as a matter of law not to be a "work made for hire," within the meaning of the Act, the employee will assign to the Company the sole and exclusive right, title and interest in and to all such works, and all copies of the works, without further consideration, and will assist the Company to register and from time to time thereafter, to enforce all patents, copyrights, and other rights and protections relating to any of the Work Product.

15. Drug Free Workplace

The Company is concerned about the use of alcohol, illegal drugs or controlled substances as it affects the work place and working time. Use of these substances whether on or off the job can adversely affect an employee's work performance, efficiency, safety and health and therefore seriously impair the employee's value to the Company. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the Company to the risks of property loss or damage or injury to other persons.

The following rules and standards of conduct apply to all employees either on Company property or during the workday (including meals and rest periods).

The following are strictly prohibited by the Company:

- Possession, use, or being under the influence of alcohol or an illegal drug or controlled substance while on the job.
- Driving a Company vehicle or your own vehicle for a Company-related purpose while under the influence of alcohol or an illegal drug or controlled substance.
- Distribution, sale or purchase of or offer to sell or purchase an illegal drug or controlled substance while on the job.

Violation of the above rules and standards of conduct will not be tolerated and will be grounds for disciplinary action up to and including termination. The Company may also bring the matter to the attention of appropriate law enforcement authorities.

In order to enforce this policy, the Company reserves the right to conduct searches of Company property and to implement other measures necessary to deter and detect abuse of this policy.

An employee's conviction on a charge of illegal sale or possession of any drug or controlled substance while off Company property will not be tolerated because such conduct, even though off duty, reflects adversely on the Company. In addition to reflecting adversely on the Company, the Company must keep people who sell controlled substances off Company premises in order to keep illegal drugs and controlled substances off the premises.

The Company recognizes that many employees use prescription and over-the-counter medications. Medications brought to the workplace should be carried in their original containers. This policy does not prohibit employees from the lawful use and possession of prescription or over-the-counter medications. However, an employee taking medication should consult with a health care professional or review dosing directions for information about the medication's effect on the employee's ability to work safely, and promptly disclose any work restrictions to a supervisor or Human Resources representative. The Company reserves the right to transfer, reassign, and/or place on leave of absence any employee, or to take other appropriate action, during the time the employee uses medication that may affect the employee's ability to perform safely.

The Company will encourage and assist employees with alcohol or drug problems to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. The Company's support for treatment and rehabilitation does not obligate the Company to employ any person whose job performance is impaired because of drug or alcohol use, nor is the Company obligated to reemploy any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, fail to successfully overcome their dependency or problem, and are involved in a second violation of this policy, will not be given a second opportunity to seek treatment and/or rehabilitation, unless mandated by law. This policy does not affect the Company's treatment of employees who violate the rules and standards of conduct described above. Rather, rehabilitation is an option for employees who come forward and acknowledge a chemical dependency and voluntarily seek treatment to end that dependency before they violate the above rules and standards of conduct.

16. Zero Tolerance Policy for Workplace Violence

Statement of Policy

The Company recognizes that violence in the workplace is a growing nationwide problem necessitating a firm, considered response by employers. The costs of workplace violence are great, both in human and financial terms. Therefore, the Company has adopted this zero tolerance for workplace violence policy.

The safety and security of the Company employees is of vital importance. Acts or threats of physical violence, including intimidation, harassment and/or coercion, which involve or affect the Company or its employees or which occur on Company property or during work hours will not be tolerated.

This prohibition against threats and acts of violence applies to all persons involved in the operation of the Company, including, but not limited to, Company personnel, contract and temporary workers and anyone else on Company property. Violations of this policy, by any individual on Company property, by any individual acting as a representative of the Company while off Company property or by any individual acting off Company property when his or her actions affect the business interests of the Company, will lead to disciplinary and/or legal action as appropriate.

Definitions

Workplace violence is any intentional conduct which is sufficiently severe, offensive or intimidating to cause an individual to reasonably fear for his or her personal safety or the safety of his or her family, friends and/or property such that employment conditions are altered or a hostile, abusive or intimidating work environment is created for one or more Company employees. Examples of workplace violence include, but are not limited to, the following:

- Threats or acts of violence occurring on Company premises, regardless of the relationship between the Company and the parties involved in the incident.
- Threats or acts of violence occurring off Company premises involving someone who is acting in the capacity of a representative of the Company.
- Threats or acts of violence occurring off Company premises involving an employee of the Company if the threats or acts affect the business interests of the Company.
- Threats or acts of violence occurring off Company premises of which an employee of the Company is a victim if the Company determines that the incident may lead to an incident of violence on Company premises.
- Threats or acts resulting in the conviction of an employee or agent of the Company, or of an individual performing services for the Company on a contract or temporary basis, under any criminal code provision relating to violence or threats of violence which adversely affect the legitimate business interests of the Company

Specific examples of conduct which may be considered threats or acts of violence under this policy include, but are not limited to the following:

- Threatening physical or aggressive contact directed toward another individual.
- Threatening an individual or his/her family, friends, associates or property with physical harm.
- The intentional destruction or threat of destruction of Company or another's property.
- Harassing or threatening phone calls.
- Surveillance.
- Stalking.
- Veiled threats of physical harm or intimidation.

Workplace violence does not refer to occasional comments of a socially acceptable nature. Such comments may include references to legitimate sporting activities, popular entertainment or current events. Rather, it refers to behavior that is personally offensive, threatening or intimidating.

Enforcement

Any person who engages in a threat or violent action on Company property may be removed from the premises as quickly as safety permits and may be required, at the Company's discretion, to remain off Company premises pending the outcome of an investigation into the incident.

When threats are made or acts of violence are committed by a Company employee, a judgment will be made by the Company as to what actions are appropriate, including possible medical evaluation and/or possible disciplinary action.

Once a threat has been substantiated, it is the Company's policy to put the threat maker on notice that he/she will be held accountable for his/her actions and then follow through with the implementation of a decisive and appropriate response.

Under this Company policy, decisions may be needed to prevent a threat from being carried out, a violent act from occurring or a life-threatening situation from developing. No existing Company policy or procedure should be interpreted in a manner that prevents the above from occurring.

Temporary and Permanent Restraining Orders

Any employee who applies for a temporary or permanent protective or restraining order which lists any Company location as a protected area must provide to the Human Resources Department a copy of the petition and declarations used to apply for the order. Any employee who obtains a temporary or permanent protective or restraining order which lists any Company location as a protected area must provide to the Human Resources Department a copy of the order. Such information will be kept confidential to the extent possible without compromising the safety and security of Company employees and the Company.

Important Note: The Company will make the sole determination of whether, and to what extent, threats or acts of violence will be acted upon by the Company. In making this determination the Company may undertake a case-by-case analysis in order to ascertain whether there is a reasonable basis to believe that workplace violence has occurred. No provision of this policy shall alter the at-will nature of employment at the Company.

17. Arbitration

In the event of issue, controversy, dispute or claim arising between its officers, directors managers, supervisors, employees and or agents (except for claims for workers' compensation, unemployment insurance, and any matter within the jurisdiction of the California Labor Commissioner), the issue shall be submitted to and resolved by final and binding arbitration as provided for by the California Arbitration Act, California Code of Civil Procedure, Section 1280, et. seq. Mandatory arbitration will not preclude an employee from filing an administrative charge or complaint of discrimination or harassment with either the Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing Arbitration. Except as provided in this section, arbitration shall be the exclusive method for resolving any employment related dispute, provided, however, that either the employee or the Office may request equitable relief, including but not limited to injunctive relief, from a court of competent jurisdiction.

The claims which are to be arbitrated under this Agreement include, but are not limited to, tort claims, bad faith claims, contract claims, wage claims, benefit claims, demands, liabilities, debts, accounts, obligations, damages, compensatory damages, punitive damages, liquidated damages, costs, expenses, actions and causes of action arising out of or in connection with the employment relationship with the Company and/or the termination of that relationship (including but not limited to any claims for wrongful

discharge or breach of the covenant of good faith and fair dealing), any and all federal and state civil rights laws, ordinances, regulations or orders, based on charges of discrimination or harassment on account of race, color, religion, sex, sexual orientation, age, citizenship, national origin, mental or physical disability, medical condition, marital status, pregnancy or any other discrimination prohibited by such laws, ordinances, regulations or orders (including but not limited to Title VII of the Civil Rights Act of 1964, as amended, 42 USC Section 2000, et seq.; Americans with Disabilities Act; Civil Rights Act of 1866, and Civil Rights Act of 1991; 42 USC Section 1981, et seq.; Age Discrimination in Employment Act, as amended, 29 USC Section 621, et seq.; Equal Pay Act, as amended, 29 USC Section 206(d); regulations of the Office of Federal Contract Compliance, 41 CFR Section 60, et seq.; California Fair Employment and Housing Act, California Government Code Section 12940, et seq.; and the Unruh Civil Rights Act, California Civil Code Section 51, et seq.).

Claims for or related to employment discrimination or harassment must be filed with the Department of Fair Employment and Housing and/or the Equal Employment Opportunity Commission within the time limits set forth by applicable state and Federal law, prior to being submitted to arbitration, or such claims are waived.

If the employee or the Company does not make a written request for arbitration within the limitations period applicable to the claim under applicable federal or state law, that party will have waived its right to raise that claim, in any forum, arising out of that issue or dispute.

The employee and the Company will select an arbitrator by mutual agreement. If the employee and the Company are unable to agree on a neutral arbitrator, the employee may elect to obtain a list of arbitrators from either the American Arbitration Association ("AAA"). If the employee does not make this election, the Company may do so. In either case, the Company will request a list of seven (7) arbitrators from AAA. The employee and the Company will alternately strike names from the list, with the employee striking the first name, until only one name remains. The remaining person shall be the arbitrator.

Arbitration proceedings will be held in the State of California, County of Los Angeles at a location mutually convenient to the employee and the Company.

The arbitrator shall apply applicable federal or state law. The arbitrator shall conduct a hearing in a manner to be mutually agreed upon by the employee and the Company, or by the arbitrator if the parties cannot agree, provided, however, that the parties shall have the opportunity to call witnesses under oath, and to examine and cross examine all witnesses who appear at the hearing.

Within thirty (30) days following the hearing and the submission of the matter to the arbitrator, the arbitrator shall issue a written opinion and award, which shall be signed and dated. The arbitrator's award shall decide all issues submitted by the parties, and the arbitrator may not decide any issue not submitted. The arbitrator shall be permitted to award only those remedies in law or equity which are requested by the parties. The arbitrator's award shall include factual findings and the reasons upon which the award is based.

The cost of the arbitrator and other incidental costs of arbitration, including the cost of a court reporter, shall be borne by the Company. The employee and the Company shall each bear their own costs for legal representation in any arbitration proceeding, provided however, that the arbitrator shall have the authority to require either party to pay the fee for the other party's representation during the arbitration, as is otherwise permitted under federal or state law, as a part of any remedy that may be ordered.

18. Computer, Email and Internet Usage Policies

Please refer to Attachment A entitled "Authorization and Consent Regarding Use of and Access to Company-Provided Communications Equipment and Electronic Devices," which is incorporated in this handbook by reference.

Exhibit B

Supplier Diversity Procedure

1. Purpose

To standardize LegalZoom's procedures for providing small businesses, minority, women and veteran-owned businesses and other under-utilized businesses an equal opportunity to participate as suppliers for materials and services purchased by LegalZoom.

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. SWMBE –Small, Women and Minority Business Enterprises, including and not limited to the following categories

3.2.1. HUB Zone – Highly Underutilized Business Zone

3.2.2. Woman Owned

3.2.3. African American Owned

3.2.4. Hispanic Owned

3.2.5. Asian Owned

3.2.6. Native American Owned

3.2.7. Veteran Owned Owned

3.2.8. Veteran-Disabled Owned

3.3. SBA – Small Business Administration

3.4. SBLO – LegalZoom's Small Business Liason Officer

3.5. AUSF1 – LegalZoom's Factory located at 6301 E. Stassney

3.6. APDF – LegalZoom's process and development facility located at 8201 E. Riverside Drive.

3.7. AVL – LegalZoom’s Approved Vendor List, located in Oracle

4. Reference Documents

4.1. City of Austin / LegalZoom Corporation Economic Development Agreement

5. Responsibility

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

- 5.1.1. Educating LegalZoom’s employees about SWMBE policies and procedures.
- 5.1.2. Identifying opportunities for SWMBE to participate in bidding of products or services.
- 5.1.3. Work with the City of Austin SMBR to locate potential SWMBE suppliers and provide new suppliers for certification by the city.
 - 5.1.3.1. Establish goals and metrics for SWMBE 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 SWMBE 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 SWMBE suppliers opportunities where possible.

5.3. Attend tradeshow, conferences and training as appropriate.

6. EH&S

6.1. None

7. Procedure

7.1. Supplier identification

- 7.1.1. Supply Chain will reference City of Austin SMBR website for potential suppliers on new sourcing decisions.
- 7.1.2. Supply Chain will solicit SWMBE suppliers where available and provide guidance to supplier for certification by City of Austin SMBR.

Exhibit C

Certificate of Compliance

COMPANY NAME: LEGALZOOM.COM, Inc.

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

1.0 Employment

1.1 Total number of New Full-time Jobs created and retained at Regional Headquarters for reporting year 20____. Agreement requires the creation and retention 600 New Full-time Jobs by December 31, 2014 (Section 1.02(a)). The job creation and retention schedule is as follows:

- (i) 50 New Full-time Jobs before December 31, 2010;
- (ii) 150 New Full-time Jobs before December 31, 2011;
- (iii) 200 New Full-time Jobs before December 31, 2012;
- (iv) 250 New Full-time Jobs before December 31, 2013;
- (v) 600 New Full-time Jobs before December 31, 2014.

a. Number of New Full-time Jobs created and retained by December 31, 20____; Total jobs created and retained: _____

1.2 At December 31, 20____ did the number of New Full-time Jobs and created and retained fall below the numbers required under Section 1.02 of the agreement?

- Yes No

If the company answered yes to question 1.2, 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

1.3 Did the average annual wages, excluding health insurance and retirement benefits, of the New Full-Time Jobs created and retained per Section 1.02 (b) meet the following table?

<u>Year</u>	<u>Average Annual Wage</u>
2010	42,000
2011	43,000
2012	44,000
2013	48,000
2014	51,000
2015	51,000
2016	51,000
2017	51,000
2018	51,000
2019	51,000

Yes No

2.0 Recruitment

2.1 Is the Company in compliance with the recruiting requirements in the Agreement (Section 1.03)?

Yes No

3.0 Local Business Participation

3.1 Is the Company in compliance with the local business participation requirements (Section 1.04)?

Yes No

4.0 Additional Covenants

4.1 Is the Company in compliance with the other provisions of the Agreement?

Yes No

5.0 Investment

5.1 The Agreement states that after the effective date of this agreement and before December 31, 2014, LEGALZOOM.COM, Inc. shall invest at least \$1,000,000 in the making of leasehold improvements to the Regional Headquarters.

a. \$_____ has been invested in leasehold improvements to the Regional Headquarters for the reporting year ending December 31, 20____.

5.2 The Agreement states that the after the effective date of the Agreement and before December 31, 2014, LEGALZOOM.COM, Inc. shall invest at least \$750,000 in "Machinery and Equipment" that is to be installed and used at the Regional Headquarters. "Machinery and Equipment" means machinery and equipment purchased, installed and used at the Regional Headquarters for the purpose of supporting the company's operations (Section 1.01).

a. \$_____ has been invested in "Machinery and Equipment" installed at the Headquarters for the reporting year ending December 31, 20____.

6.0 Incentive Payment Request

6.1 The Agreement requires an economic development incentive payment of \$200,000 to be distributed over a 10-year period in annual payments of \$20,000 for the duration of this agreement (Section 2.01). 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.

6.2 Total Request for year 20____: \$ _____

I, the authorized representative for LEGALZOOM.COM, Inc., hereby certify that the above information is correct and accurate pursuant to the terms of the Agreement. I further certify that LEGALZOOM.COM, Inc. complied fully with the Chapter 380 Economic Development Agreement during the reporting year, including Section 1.05 regarding Compliance with City Regulations and Sections 1.07 regarding Texas Government Code Chapter 2264.

Signature: _____

Printed Name: _____

Title (Chief Financial Officer or equivalent): _____

Date: _____