



This Licensing Agreement for Administrative Services, Web Hosting, Support and Technology Development (“the Agreement”), is effective as of Thursday, August 11, 2011, (the “effective date”).

**BETWEEN:**                 **RelyLocal LLC**, (the “Service Provider”), a corporation organized and existing under the laws of the State of Oregon, with its head office located at: 1451 NW Spruce Court, Redmond, OR 97756.

**AND:**                         [Full Legal Name and D/B/A (if different from Legal Name)] (the “client”), with its head office located at: [complete address]

### RECITALS

Whereas, the Service Provider is in the business of supply and operation of services relating to web hosting, business development and technical support for Clients with focus on localized business directories and business networking platforms with revenue generated from business directory listings and ad sales throughout the United States.

Whereas, the Client is granted the rights to develop, market, and otherwise exploit for Clients profitable gain, advertisers for which Client is granted rights to sell services.

Whereas, the Client is granted territorial rights by Service Provider with a URL location of <http://www.relylocal.com/city-state/>, known as, (the “Client Website”).

Whereas, the Client desires to have access to and the use of certain assets of which Service Provider is the owner or licensee.

Whereas, the Client also desires to engage Service Provider to perform certain technology services including web hosting and source code development services deemed appropriate by Service Provider.

Whereas, the Client is desirous of engaging the Service Provider and the Service Provider is willing to accept such engagement, to provide licensing and services under the RelyLocal brand hereunder described to the Client in connection with the product for which Client is using the RelyLocal brand in Clients own business whether new or existing of Clients own business.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto, intending, to be legally bound agree as follows:

### 1. MANAGEMENT AND TECHNOLOGY SERVICES

The Client hereby engages Service Provider to provide the following services:

- (i) IT SERVICES. Service Provider shall provide certain general information technology services, infrastructure, installation, system administration and general maintenance necessary for the functioning of the RelyLocal.com network. Service Provider shall also provide Client with the use of



Service Provider's existing and future networks, systems and email systems necessary for Client to operate Website. Client will not be charged for necessary revisions or updates provided under the License Agreement which Service Provider deems appropriate and necessary.

- (ii) WEB HOSTING, EMAIL AND MAINTENANCE OF CLIENT WEBSITE. Service Provider will provide Web hosting, a maximum of five email accounts and necessary maintenance services for the Client Website on the RelyLocal.com network.
- (iii) ADDITIONAL SERVICE NOT COVERED BY THIS AGREEMENT. Additional services to Client by Service Provider currently include the RelyLocal Local Rewards program, the RelyLocal Deal of the Day program, and the Text Marketing program. These services, along with any service added after the Effective Date which Service Provider does not deem appropriate and necessary to Clients original Products and Services contained within this Agreement shall be considered Additional Services.

Additional Services each require their own signed agreement/addendum prior to activation. Pricing and implementation details for additional services will be covered in their related documentation, separate from this Agreement.

## 2. LICENSE TO SERVICE PROVIDER CODE

Service Provider shall grant Client a perpetual, worldwide, license to the use of object code and source code versions of product, technology and other rights ("Service Provider Code"). Client use is defined as the ability to use Service Provider Code and does not imply or grant Client access to works including but not limited to, html, php, mysql, ftp, ssh and other necessary trade secrets of Service Provider Code.

## 3. TERM

Client is granted an extended period of forty-five, (45) days for their initial payment for the purpose of thorough evaluation. At the end of Client evaluation period, the term of this Agreement shall be twelve, (12) months from the date hereof and shall automatically extend for twelve, (12) months from any active paid listing or active paid listing renewal Client last enters or updates within their territory.

If Client turns their site "public" (per the terms set forth within Exhibit A, Policies and Procedures) or accepts payment from a client during initial evaluation period, this Agreement shall go into full effect with an initial term of twelve, (12) months from acceptance or payment to Client from a client.

## 4. COMPENSATION

For licensing and services provided, Service Provider shall be compensated by Client as stated.

- (i) Client shall pay a base fee of two hundred forty seven dollars, (\$247) monthly.
- (ii) Royalties on Paid Listings:



- a. Client shall pay a fee of two dollars and fifty cents, (\$2.50) monthly for each business listing on Clients Website for the first two hundred, (200) business directory listings.
- b. Client shall pay a fee of seventy-five cents, (\$0.75) monthly for each business listing on Clients Website beyond two hundred, (200) business directory listings.
- c. This fee shall be waived on the first three, (3) monthly invoices.

(iii) Royalties on Feeder Listings:

- a. This fee shall be one dollar and twenty five cents, (\$1.25) monthly for each feeder listing on monthly invoicing of invoicing months seven-twelve, (7-12).
- b. Beginning with the thirteenth (13) month, this fee shall be two dollars and fifty cents, (\$2.50) for any remaining feeder listings for the life of the agreement.
- c. This fee shall be waived on the first six, (6) monthly invoices for all feeder listings.
- d. Feeder listings shall have a monthly invoicing cap of fifty, (50) listings with no charge for feeder listings beyond fifty, (50).

*Definition: A feeder listing is defined as a listing used in propagation of Clients website for which Client is not receiving compensation of specific business directory listing, as further described in Exhibit A - Policies and Procedures. Feeder listings have limited functionality and may NOT be used for paying clients.*

- (iv) Service Provider shall cap Client's monthly invoicing to one thousand dollars, (\$1,000) for its base fee, royalty fees, local rewards, deal of the day and additional add-ons Service Provider assigns to its core product and service offerings.
- (v) Service Provider retains the right to a fee increase not to exceed ten percent, (10%) of previous year fee schedule. If Service Provider chooses to implement an increase, such increase will take place on June 15<sup>th</sup> with a minimum sixty, (60) day notice.

## 5. BILLING

For licensing and services provided, Service Provider shall invoice and bill Client as stated.

- (i) Service Provider shall invoice Client monthly, a fee reflecting compensation due, as outlined in Section 4.
- (ii) Initial invoice will be sent via email upon acceptance of Agreements by Client with a due date of three, (3) business days. Upon initial payment by Client, Service Provider shall proceed with Client account setup and activation to be completed within two, (2) business days of payment submission by Client.
- (iii) After initial invoice, Service Provider shall invoice Client no earlier than thirty, [30] days with a due date no earlier than forty five, (45) days from which Service Provider has completed setup and account



activation for Client.

- (iv) Consecutive invoicing shall be sent via email and will be due monthly thereafter.
- (v) A fee of twenty five dollars, (\$25) plus actual banking fees will apply for any funds returned for non sufficient funds paid by Client to Service Provider.

## 6. SEPARATE IDENTITY OF CLIENT

The Client desires to remain at all times a separate company. Client's funds, accounts receivable or other property shall at all times be clearly and distinctly maintained as the Client's separate and distinct property and shall not be combined or commingled with the property of Service Provider. Service Provider shall have no authority hereunder to enter into contracts on behalf of, or otherwise legally bind the Client, and Service Provider shall not hold itself out as having any such authority. It is acknowledged and agreed that Service Provider's relationship with the Client is at all times hereunder a licensee, licensor relationship for products & services offered by Service Provider. The Client shall have no authority over Service Provider's internal business affairs and decisions. Likewise, the Service Provider shall have no authority over Client's internal business affairs and decisions. Client shall have no authority to act on behalf of, or legally bind the Service Provider, and Client shall not hold itself out as having any such authority. In the event of separation, Service Provider may contact clients of Client on file and notify them of separation from RelyLocal along with the obligations of Client to clients under the terms of this Agreement. This Agreement shall not be construed as creating a partnership or joint venture.

## 7. NON-COMPETITION

The Client covenants and agrees that it will not directly or indirectly for the term of this Agreement and for a period of two years following the termination of this Agreement:

- (i) Engage in, continue in or carry on any business which competes with Service Provider in Service Provider's Business (hereunder described) or which is substantially similar thereto, without the prior written consent of Service Provider;
- (ii) Offer employment to a person who is or was employed by Service Provider during the then immediately preceding 12 months, or assist any other person or entity in offering employment to a person who is or was employed by Service Provider, during the then immediately preceding 12 months, without the prior written consent of Service Provider;
- (iii) Undertake any business with or solicit the business of any person, firm or company who shall have been a customer of Service Provider and with whom any executive of Service Provider or their subordinates has dealt with during the then immediately preceding 12 months, which might adversely affect Service Provider's business relationship with such customer, but only if such solicited business



relates to Service Provider's Business;

- (iv) Engage in any practice, the purpose of which is to evade the provisions of this covenant not to compete.

**Territory Protection**

The geographical location defined hereunder (referred to as the Territory) and granted to the client will not be assigned, sold or conveyed in any way to any other person or entity by the Service Provider unless the agreement is terminated. Additionally, no other client of the Service Provider, or Service Provider or its affiliates directly, will be allowed to represent or prospect for RelyLocal or any of its affiliate companies, related entities or related products in the territory granted to client.

Image of Territory will be inserted here



### **Service Provider's Business**

"Service Provider's Business" shall mean the development, marketing, licensing and operation of localized business directories and business networking websites referred to as "RelyLocal" or "RelyLocal.com".

### **Client's Business**

"Client's Business" shall mean the marketing, development and promotion of <http://www.relylocal.com/city-state/> and any additional Client services or products permitted by way of this Agreement.

### **Competitor**

The term "competitor" means any person, entity, corporation, partnership, association, joint venture or other organization that engages in or attempts to engage in the Service Providers Business or Clients Business, respectively.

### **Scope**

The geographic scope of the covenant not to compete shall extend world-wide. The Client and Service Provider each hereby acknowledges that the duration and scope of the covenants not to compete contained in this section are reasonable.

### **Survival**

The provisions of this Section 7 shall survive termination or expiration of this Agreement for any reason.

## **8. CONFIDENTIALITY**

Subject to the License Agreement, the parties agree, both during the Term of this Agreement and for a period of two years after termination of this Agreement, but in no event less than two years from the Effective Date, to hold each other's Proprietary or Confidential Information in strict confidence. The parties agree not to make each other's Proprietary or Confidential Information for any purpose, other than the implementation of and as specified in this Agreement and other than use by Client in the Client's Business. Each party agrees to take all reasonable steps to ensure that Proprietary or Confidential Information of either party is not disclosed or distributed by its employees, advisory group, agents, or consultants in violation of the provisions of this Agreement. Each party's Proprietary or Confidential Information shall remain the sole and exclusive property of that party. Each party expressly agrees to include, maintain media or in the manner in which either party may reasonably request. The provisions of this Section 8 shall survive termination or expiration of this Agreement for any reason. For the purposes of this section, "Proprietary or Confidential Information" shall mean knowledge and information not generally known in the industry which provides a competitive advantage, including, without limitation, technology, computer programs, research and development programs, formulas, know-how, forecasts, sales and marketing methods, financing sources, customer and mailing lists, customer usages and requirements, financial information and all other confidential information, trade secrets and data. Proprietary or Confidential information includes, but is not limited to, the Client Code and the Service Provider Code and all derivative works based thereon and all trade secrets related thereto. Client Code and Service Provider Code derivative works shall be the Proprietary and Confidential Information



of its owner. Neither party shall have any obligation with respect to Proprietary or Confidential Information which:

- (i) Is or becomes generally known to the public by any means other than a breach of the obligations of a receiving party,
- (ii) With respect to Client, Client Code and all derivative works based thereon and all trade secrets related thereto,
- (iii) Rightly received by the receiving party from a third party after the date hereof,
- (iv) Is independently developed by the receiving party without reference to information derived from the other party; and
- (v) Subject to disclosure under court order or other lawful process.

## 9. EQUITABLE RELIEF

Each party acknowledges that the provisions and restrictions contained in Section 7 and 8 of this Agreement are necessary to protect the legitimate continuing interest of Client and Service Provider and that any breach or violation thereof may result in irreparable injury and damage to the other party. Accordingly, each party hereby agrees that, in the event of such breach, the other party may be entitled to seek equitable relief as granted by and appropriate judicial body.

## 10. TERMINATION

### By Client

Client may terminate this Agreement during initial evaluation period provided Client has not accepted compensation for services by its clients, Or; Client may terminate this Agreement at the end of any twelve, (12) month term provided Client has not accepted compensation for services by its clients during the previous twelve, (12) months, Or: Client may terminate in the event Client has refunded its clients per the terms of Section 10(iv), has no further obligation to its clients, vendors nor Service Provider, and has provided an original notarized affidavit to Service Provider of request for cancellation Or: Client may Sale, Transfer or Assign their RelyLocal license as detailed in Section 4.9 of Exhibit A, Policies and Procedure.

Upon termination by Client,

- (i) Client grants Service Provider full control over any works, content or assets contained within the Agreement and further agrees not to destroy, edit or delete any works contained on Clients Website to include, but not limited to any email accounts assigned by Service Provider.



- (ii) Client will not be entitled to a refund of any fees paid.
- (iii) Client must pay any and all outstanding invoices provided under this Agreement by Service Provider.
- (iv) Client must reimburse any and all clients obtained by Client for any pre-payment of fees for services yet to be rendered by Client. This may include, but not be limited to; business directory listings, banner ads, email newsletters, RelyLocal local rewards, RelyLocal deal of the day, social media, texting, consulting or other services Client has collected funds of client for which Client will not be able to render services to client on Service Providers and RelyLocal platform.
- (v) Service Provider will continue to invoice Client until the end of Clients term or a new Client has been accepted and activated by Service Provider, whichever occurs first if applicable. A finance charge of 1.5%, (\$5.00 minimum) will be applied to all closed account 30 days past due.
- (vi) Service Provider shall notify the Client's members, clients and listings of Client's separation from "RelyLocal" and obligations as outlined within this Agreement.
- (vii) Upon termination, if Client has created any RelyLocal branded social networking site(s), memberships become the property of RelyLocal - to be passed on to a new owner of said territory. Client must transfer control of any RelyLocal branded social networking site(s) to RelyLocal within three (3) business days. These may include, but not be limited to blogs, Facebook, Twitter or other social media created by Client under Service Providers marks, service marks, trademarks or other intellectual property of Service Provider.
- (viii) Client must immediately cease the use of all RelyLocal trademarks, logos, codes, promotional, marketing and other branding material as proprietary property of Service Provider. Any and all @relylocal.com email addresses will immediately be returned to corporate use upon termination.

**By Service Provider**

Service Provider may terminate the Agreement no earlier than thirty, (30) days in the event Client has failed to compensate Service Provider as outlined in Section 4 and 5, Or; Service Provider may terminate the Agreement immediately, (except as otherwise expressly provided herein) with cause, in the event Client has violated the terms of this agreement. Upon termination by Service Provider,

- (i) Client grants Service Provider full control over any works, content or assets contained within the Agreement and further agrees not to destroy, edit or delete any works contained on Clients Website.
- (ii) Client must pay any and all outstanding invoices provided under this Agreement by Service Provider.





- (iii) Service Provider will continue to invoice Client until the end of Clients term or a new Client has been accepted and activated by Service Provider, whichever occurs first. A finance charge of 1.5%, (\$5.00 minimum) will be applied to all closed account 30 days past due.
- (iv) Client must reimburse any and all clients obtained by Client for any pre-payment of fees for services yet to be rendered by Client. This may include, but not be limited to; business directory listings, banner ads, email newsletters, RelyLocal local rewards, RelyLocal deal of the day, social media, texting, consulting or other services Client has collected funds of client for which Client will not be able to render services to client on Service Providers and RelyLocal platform.
- (v) Service Provider shall notify the Client's members, clients and listings of Client's separation from "RelyLocal" and obligations as outlined within this Agreement.
- (vi) Client must transfer control of any RelyLocal branded social networking site(s) to RelyLocal within three (3) business days. These may include, but not be limited to blogs, Facebook, Twitter or other social media created by Client under Service Providers marks, service marks, trademarks or other intellectual property of Service Provider
- (vii) Client must immediately cease the use of all RelyLocal trademarks, logos, codes, promotional, marketing and other branding material as proprietary property of Service Provider. Any and all @relylocal.com email addresses will immediately be returned to corporate use upon termination.

**Or;**

Service Provider may terminate the Agreement by providing Client and grant Client all source code, Clients images, copyrights, licenses, databases and other works used by Client and assist Client in setting up and transferring all necessary files required for Client to maintain and stay in Business.

Service Provider must assist Client in transferring items listed above no later than 30 days upon termination of the agreement. Due to the nature of RelyLocal.com, Client would be required to obtain a new domain, logo, business name and hosting services.

In this case, the provisions of Section 7 Non-Competition does not apply and are null and void

## **11. CHANGE OF CONTROL**

Service Provider and Client recognize that both parties are in business for financial gain. Both parties have the right to sell, transfer or convey their interest. This shall have no effect on the Service Providers obligations to Client or Clients obligations to Service Provider hereunder, except as otherwise expressly provided herein.

## **12. NO UNLAWFUL CONDUCT OR IMPROPER USE.**

As a condition of Clients use of Software and Services, Client agrees not to use Software and Services provided



for any purpose that is unlawful or prohibited by these terms and conditions, and Client agrees to comply with any applicable local, state, federal and international laws, government rules or requirements. Client agrees that Client will not be entitled to a refund of any fees paid if, for any reason, Service Provider takes corrective action with respect to Clients improper or illegal use of its Services.

Service Provider reserves the right at all times to disclose any information as Service Provider deems necessary to satisfy any applicable law, regulation, legal process or governmental request, or to edit, refuse to post or to remove any information or materials, in whole or in part, in Service Providers sole discretion.

Except as set forth below, Service Provider may also cancel Clients use of the Services if Client is using the Services, as determined by Service Provider in its sole discretion, in association with spam or morally objectionable activities. Morally objectionable activities will include, but not be limited to: activities designed to defame, embarrass, harm, abuse, threaten, slander or harass third parties; activities prohibited by the laws of the United States and/or foreign territories in which Client conducts business; activities designed to encourage unlawful behavior by others, such as hate crimes, terrorism and child pornography; activities that are tortuous, vulgar, obscene, invasive of the privacy of a third party, racially, ethnically, or otherwise objectionable; activities designed to impersonate the identity of a third party; illegal access to other computers or networks (i.e., hacking); distribution of internet viruses or similar destructive activities; and activities designed to harm or use unethically minors in any way. In the event Service Provider deletes Clients Service because they are being used in association with spam or morally objectionable activities, no refund will be issued. Client agrees that Client will not be entitled to a refund of any fees paid to Service Provider if, for any reason, Service Provider takes corrective action with respect to Clients improper or illegal use of its Services.

### **13. NO SPAM; LIQUIDATED DAMAGES.**

Client agree Service Provider may immediately terminate any account which it believes, in its sole discretion, is transmitting or is otherwise connected with any spam or other unsolicited bulk email. In addition, if actual damages cannot be reasonably calculated then Client agrees to pay Service Provider liquidated damages of \$1 for each piece of spam or unsolicited bulk email transmitted from or otherwise connected with Clients account, otherwise Client agrees to pay Service Provider 's actual damages.

### **14. LIMITATION OF LIABILITY AND DISCLAIMER OF WARRANTIES**

Service Provider hereby warrants and represents that: Service Provider will provide the services outlined pursuant to this Agreement in a workmanlike and professional manner; Service Provider shall comply with all of its obligations under Sections 1; the results and proceeds of Service Provider's services provided hereunder do not and will not infringe upon the copyright, trademark or service mark rights of third parties; to the best of Service Provider's knowledge, the results and proceeds of Service Provider's services provided hereunder do not and will not infringe upon the patent rights of third parties. Service Provider shall use reasonable efforts to provide the services and technology described herein with substantially the same degree of care as it employs in making the same services and technology available for its own operations; provided however that Service Provider shall not be liable to Client or any other person for any loss, damage, or expense which may result there from or from any change in the manner in which Service Provider renders such services, so long as Service Provider deems such change necessary or desirable in the conduct of its own operations.



THE CLIENT CODE, SERVICE PROVIDER CODE, AND ALL OTHER PROGRAMMING AND PRODUCT (COLLECTIVELY “[PRODUCT]”) BUT NOT THE SERVICES TO BE PROVIDED OR PERFORMED HEREUNDER, ARE PROVIDED “AS IS,” WITH ALL FAULTS, AND WITHOUT WARRANTY OF ANY KIND, SERVICE PROVIDER DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE. CLIENT EXPRESSLY AGREES AND ACKNOWLEDGES THAT USE OF THE [PRODUCT] HEREUNDER IS AT CLIENT’S SOLE RISK. SERVICE PROVIDER DOES NOT WARRANT THAT THE [PRODUCT] AND ALL SERVICES TO BE PROVIDED OR PERFORMED HEREUNDER WILL MEET CLIENT’S REQUIREMENTS, OR THAT THE OPERATION OF THE [PRODUCT] OR USE OF THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT THE DEFECTS IN THE [PRODUCT] OR SERVICES WILL BE CORRECTED IF ANY EXIST.

IN NO EVENT SHALL SERVICE PROVIDER OR ANY OF ITS OFFICERS, DIRECTORS, OR AGENTS BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, INDIRECT, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES FOR LOSS OF BUSINESS INTERRUPTION, LOSS OF DATA, OR LOSS OF BUSINESS INFORMATION) INABILITY TO USE THE [PRODUCT] OR SERVICES, OR FOR ANY CLAIM BY ANY OTHER PARTY, EVEN IF SERVICE PROVIDER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## 15. INDEMNITY

### Client Indemnity

Client shall indemnify and hold Service Provider harmless against any and all liabilities, losses, damages, judgments, claims, causes of action, and costs (including attorneys’ fees and disbursements) which Service Provider may hereafter incur, suffer, or would be required to pay, defend, settle, or satisfy as a result of third party claims against Client.

### Service Provider Indemnity

Service Provider shall indemnify and hold Client harmless against any and all liabilities, losses, damages, judgments, claims, causes of action, and costs (including attorneys’ fees and disbursements) which Client may hereafter incur, suffer, or would be required to pay, defend, settle, or satisfy as a result of third party claims against Service Provider.

## 16. MISCELLANEOUS

### Force majeure

Neither party shall be in default of this Agreement or liable to the other party for any delay or default in performance where occasioned by any cause of any kind or extent beyond its control, including but not limited to, armed conflict or economic dislocation resulting there from; embargoes; shortages or labor, raw materials, production facilities or transportation; labor difficulties; civil disorders of any kind; action of any civil or military authorities (including priorities and allocations); fires; floods; telecommunications failures; internet slow-



downs; and accidents. The dates on which the obligations of a party are to be fulfilled shall be extended for a period equal to the time lost by reason of any delay arising directly or indirectly from:

- (i) Any of the foregoing causes; or
- (ii) Inability of that party, as a result of causes beyond its reasonable control, to obtain instruction or information from the other party in time to perform its obligations by such dates.

### Severability

Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision hereof is held by a court of competent jurisdiction to be prohibited or invalid, such prohibition or invalidity shall not affect the remaining provisions of this Agreement. In the event a court of competent jurisdiction shall determine and hold that the covenants contained herein are invalid or unenforceable for any reason, the parties hereby request that such court reform the provisions hereof in a manner to cause the covenants contained herein to be enforceable as closely as possible to the way in which originally written.

### Counterparts

This agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed to be an original, and all of which shall together constitute but a single instrument.

### Further Assurances

The parties hereby agree to execute such other documents and perform such other acts as may be reasonably necessary or desirable to carry out the purposes of this Agreement.

### Notices

Any and all notices provided for herein shall be in writing and shall be considered as properly given if delivered to the party, sent by registered or certified mail, postage prepaid, to the parties hereto, sent by email or overnight courier.

#### If Service Provider:

RelyLocal LLC  
1451 NW Spruce Place  
Redmond, OR 97756  
[admin@relylocal.com](mailto:admin@relylocal.com)

#### If Client:

Client Name  
Address  
City, State/Zip  
Email Address

### Binding Effect

This Agreement shall bind and inure to the benefit of the parties, and their respective successors, heirs and assigns.



**Applicable Law, Forum Selection and Consent to Jurisdiction.**

This agreement shall be governed and construed in all respects in accordance with the laws of the State of Oregon. Any litigation instituted by Client against the Service Provider pertaining to any breach or termination of this Agreement, or pertaining in any other manner to this Agreement, must be filed by Client before a court of competent jurisdiction in Oregon and Client hereby consents irrevocably to the jurisdiction of the Deschutes County Courts. Service of process may be made upon Client as provided by Oregon law, or shall be considered effective if sent by Certified or Registered Mail, Return Receipt Requested, Postage Prepaid.

**Attorneys' Fees and Costs**

If either party brings suit or arbitration against the other to enforce the terms of this Agreement, the prevailing party shall be entitled to recover all reasonable costs, including attorneys' fees, from the other party as part of any judgment or award.

**Assignment**

This Agreement shall not be assignable in whole or in part by Service Provider or Client without such consent shall be void, provided that Client or Service Provider may assign this Agreement to any person or business entity acquiring all or substantially all of its assets without obtaining such consent.

**Survival**

The provisions of this Agreement which by their terms survive the termination of this Agreement, including Sections 7 and 8, or expressly require action subsequent to termination of this Agreement shall survive the termination of this Agreement to the extent set forth in such provisions.

**Creation**

Service Provider and Client acknowledge that this Agreement is the result of mutual negotiation. Accordingly, this Agreement shall not be construed against the party preparing and drafting it, but shall be construed as if both parties jointly prepared and drafted it. Any uncertainty or ambiguity shall not be interpreted against either party by virtue of such party's actual role in the preparation and drafting hereof.

**17. SIGNATURES**

A digital signature via email of both the Service Provider and Client shall indicate initial approval of the terms of this Agreement with full knowledge of its content and significance, intending to be legally bound by the terms hereof the day and year first above written and will initiate setup as outlined in Section 5(ii).

Client must sign before a notary and return to Service Provider, this Agreement along with Exhibit A, Policies and Procedures prior to full activation as detailed within Section 6(i) of Exhibit A, Policies and Procedures document. This Agreement shall constitute a binding Agreement between the parties hereto.



**By: Service Provider**

RelyLocal LLC  
1451 NW Spruce Place  
Redmond, OR 97756  
e. [admin@relylocal.com](mailto:admin@relylocal.com)  
p. 541-595-3939

\_\_\_\_\_  
Signature (Jared R. Leisek – Member)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2011

**By: Client**

Client Name  
Address  
City, State/Zip  
e. Email Address  
p. Phone Number

\_\_\_\_\_  
Signature (Client Name)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2011

SSN or EIN: \_\_\_\_\_

Drivers License #: \_\_\_\_\_

**CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC**

STATE OF: \_\_\_\_\_ COUNTY OF: \_\_\_\_\_

This document was acknowledged before me on \_\_\_\_\_ [Date] by \_\_\_\_\_.

[Notary Seal]

\_\_\_\_\_  
(Signature of Notary Officer)

Notary Public for the State of: \_\_\_\_\_

My commission expires: \_\_\_\_\_



# **RelyLocal LLC**

## **EXHIBIT A STATEMENT of POLICIES and PROCEDURES**

Revised August 2011

RelyLocal LLC  
1451 NW Spruce Place  
Redmond, Oregon 97756

541-595-3939  
[support@relylocal.com](mailto:support@relylocal.com)



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## **SECTION 1 - INTRODUCTION**

### **1.1 - Corporate Mission Statement**

Our goal is to create one of the largest and most respected advertising and marketing companies with efforts focused on helping local businesses acquire and maintain local customers. Our Clients and their customers are the foundation of our success. Enriching lives and improving lifestyles will always be our lasting commitment.

### **1.2 - Representative Code of Conduct**

All Clients of RelyLocal agree to abide by the following Code of Conduct.

- a) I will be honest and fair in my dealings as a RelyLocal Territory Owner and Representative. I not provided false or misleading information in application or resume to RelyLocal and will not provide false or misleading information to my clients.
- b) I will perform my business in a manner that will enhance my reputation and the positive reputation established by RelyLocal. This includes criminal conduct (public arrest and/or jail time) while an active licensee that could damage the RelyLocal brand. I understand criminal background checks are of public record and that RelyLocal may perform such criminal background checks from time to time.
- c) I will be courteous and respectful of every person I contact in the course of my activities including executives and employees of RelyLocal.
- d) I will not misrepresent RelyLocal, their products or services.
- e) I will not engage in deceptive or illegal practices.
- f) I understand and agree that I am solely responsible for all financial and/or legal obligations I incur in the course of my business as a Client and that RelyLocal is a software as a service provider for which I am licensing the right to us RelyLocal's programming, emails, technical support, logos, marks, trademarks and intellectual property for which I am a guest of RelyLocal in using their services and products in the course of my own business.

## **SECTION 2 - OVERVIEW**

### **2.1 - Policies**

These Policies and Procedures, in their present form and as amended at the sole discretion of RelyLocal LLC. (hereafter, "RelyLocal" or the "Company"), are incorporated into, and form an integral part of, the RelyLocal Licensing Agreement (the "Agreement"). Throughout these Policies, when the term "Agreement" is used, it collectively refers to the Agreement, as well as these Policies and Procedures. These documents are incorporated by reference into the Agreement in their current form and as amended by RelyLocal. It is the Responsibility of each



Client to read, understand, adhere to and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures.

## 2.2 - Purpose of Policies

RelyLocal is a software programming, hosting, technical support and licensing company that markets to Clients seeking to own and operate their own advertising and marketing company, locally for which they reside, under a Licensing Agreement for the use of the products and services provided by RelyLocal. It is important to understand that your success and the success of your clients on the RelyLocal platform is dependent upon the integrity of the men and women who market the products and services offered by your company. To clearly define the relationship that exists between you as our Client, your clients and RelyLocal and to explicitly set a standard for acceptable business conduct, RelyLocal has established the Agreement.

RelyLocal Clients are required to comply with all of the Terms and Conditions set forth in the Agreement, as well as all federal, state, provincial, territorial, and local laws governing their RelyLocal business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement and seek proper professional representation for your own business endeavor. Please review the information in this Statement of Policies and Procedures carefully. It explains and governs the relationship between you, as an independent owner/operator of your own company using the products and services of RelyLocal. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from RelyLocal.

## 2.3 - Changes to the Agreement

In the event federal, state, provincial, territorial or local laws change, RelyLocal reserves the right to amend the Agreements for products and services to meet federal, state, provincial, territorial or local laws as required to protect both Client and RelyLocal. By signing the Agreement, you agree to abide by all amendments or modifications that RelyLocal shall be required to make in the protection of both Client and RelyLocal. Amendments shall be effective upon notice to all Clients that the Agreement has been modified. Notification of amendments shall be published in official RelyLocal Materials and/or notification by email. The Company shall provide or make available to all Clients a complete copy of the amended provisions by one or more of the following methods:

- Posting on the Company's official website;
- Electronic mail (e-mail);
- Fax-on-demand;
- Voice mail system broadcast;
- Inclusion in Company periodicals;
- Inclusion with invoices; or
- Special mailings



## 2.4 - Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid, or unenforceable provision never comprised a part of the Agreement.

## 2.5 - Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of RelyLocal to exercise any right or power under the Agreement or to insist upon strict compliance by a Client with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of RelyLocals' right to demand exact compliance with the Agreement. Waiver by RelyLocal can be affected only in writing by an authorized officer of the Company. RelyLocals' waiver of any particular breach by a Client shall not affect or impair RelyLocals' rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Client, nor shall any delay or omission by RelyLocal to exercise any right arising from a breach affect or impair RelyLocals' rights as to that or any subsequent breach.

## **SECTION 3 - BECOMING AND MAINTAINING CLIENT STATUS**

### **3.1 - Requirements to Become and Maintaining Client Status**

Each Client must:

- a) Be of legal age in his or her state of residence;
- b) Reside within the Territory included in Licensing Agreement; unless approved by RelyLocal
- c) Provide resume with verifiable references
- d) Agree to an optional background check at RelyLocals discretion
- e) Have received a Licensing Agreement from RelyLocal, properly complete (originals only - no copies), notarize and return Agreement along with the Policies & Procedures documents.

### **3.2 - Business Entities**

Business entities including corporations, limited liability companies, partnerships, sole proprietorships, or trusts, may become a Client of RelyLocal and a RelyLocal business may be operated under an assumed name. If a new RelyLocal business will be owned or operated in the above manner, Articles of Organization/Incorporation must be provided within 30 (thirty)



days of the date of acceptance of the Agreement and must list any and all shareholders, partners, members or managers of Business Entity. If any shareholder, partner, member or manager of a Client is itself an entity, then the information required for the Client shall also be required for such shareholder, partner, member or manager.

Client may change its status from an individual to a partnership, LLC, corporation or trust, or from one type of entity to another. There is a \$50.00 fee (waived for the first change within the first sixty days) for each change requested, which must be included with the written request. The request must be signed by all of the shareholders, partners or trustees. Owners of the entity are jointly and severally liable for any indebtedness or other obligation to RelyLocal.

### **3.3 - Representative Benefits**

Once an Agreement has been accepted by RelyLocal, benefits will be made available to the new Client. These benefits include the right to:

- a) Market and promote the sale of RelyLocal products and services, and profit from these sales;
- b) Receive periodic RelyLocal literature and other RelyLocal communications;
- c) Participate in RelyLocal-sponsored support, service, training, and recognition functions, upon payment of appropriate charges, if applicable; and
- d) Participate in promotional and incentive contests and programs sponsored by RelyLocal for its Clients.
- e) Receive @relylocal.com email accounts, digital templates for business cards, digital templates for sales forms, registration forms, startup manuals, etc, provided by RelyLocal within Clients admin panel on the RelyLocal platform.

### **3.4 - Renewal and Term of Licensing Agreement**

Client is granted an extended period of forty-five, (45) days for their initial payment for the purpose of thorough evaluation. At the end of Client evaluation period, the term of this Agreement shall be twelve, (12) months from the date hereof and shall automatically extend for twelve, (12) months from any active paid listing or active paid listing renewal Client last enters or updates within their territory.

If Client turns their site “public” (per the terms set forth within this Exhibit A, Policies and Procedures) or accepts payment from a client during initial evaluation period, this Agreement shall go into full effect with an initial term of twelve, (12) months from acceptance or payment to Client from a client.



## **SECTION 4 - OPERATING A RELYLOCAL BUSINESS**

### **4.1 - Advertising & Marketing**

#### **4.1.1 - General**

All Clients shall safeguard and promote the good reputation of RelyLocal, its products and services. The marketing and promotion of RelyLocal, its products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices. The growth of the RelyLocal brand awareness is dependent on consistent and standardized use of logos, taglines, and descriptions of the products and services. To promote both the products and services, and the tremendous opportunity RelyLocal offers, Clients may use the sales aids and support materials produced by RelyLocal.

Client may produce its own literature, advertisements, banner ads, sales aids, promotional materials, business cards, or Internet web pages, but must be approved by RelyLocal in writing prior to use. This also includes, but is not limited to merchandise and accessories such as hats, tee-shirts, etc. Unless the Client receives specific written approval, the use of the material created by Client or on Clients behalf, shall be deemed denied. RelyLocal may monitor and document Clients promotional activity whether on the Internet, in print or through other means on an ongoing basis.

#### **4.1.2 - Client Websites**

If a Client desires to create or utilize an Internet web page(s) which are outside of [www.relylocal.com](http://www.relylocal.com) to promote his or her business, he or she may do so, but must receive specific written approval. If written approval is given, Client must comply with the guidelines set forth by RelyLocal including but not limited to the following;

- (a) A Client operating approved online websites, whether or not they collect personal information from individual consumers, shall disclose to the consumer in a prominent place on the website how the consumer information will be used;
- (b) Clients sharing personal information collected online shall provide individual consumers with an opportunity to prohibit the dissemination of such information, and if any consumer requests that his or her personal information not be shared, Client shall immediately stop communicating upon such request;
- (c) Client must abide by all laws and regulations regarding electronic communications;
- (d) Client may not distribute content by use of distribution lists or to any person who has not given specific permission to be included in such a process;
- (e) Client may not distribute content that is unlawful, harassing, libelous, slanderous, abusive, threatening, harmful, vulgar, obscene or otherwise objectionable material or material which could give rise to civil liability or otherwise violate any applicable local,



state, national or international law or regulation; and

- (f) Client may not, directly or indirectly, send bulk unsolicited emails to persons with whom he or she have had no prior or existing personal or business relationship.

Unless the Client receives specific written approval, any use of the RelyLocal logo, marks, trademarks, intellectual property, etc, created by Client or on Clients behalf, shall be deemed denied.

#### **4.1.3 - Public Websites - Social Networking, Forums, and Blogs**

If a Client has a public webpage or presence on any websites such as Twitter, Facebook, Blogger, WordPress, etc, Client must adhere to the following:

- a) HTML and picture content in comments must be disabled or user settings changed to the “Approve comments before posting” to ensure that the site does not serve as a post for inappropriate content or spam;
- b) All sites must be submitted to RelyLocal for approval of all content, periodical monitoring by RelyLocal may occur, and Client must approve RelyLocal with administrative powers in the event RelyLocal needs to protect its logos, marks, trademarks, intellectual property, etc, under the terms of the Agreements.
- c) All activity by the Client (and their staff/affiliates) must comply with the Code of Conduct contained herein.
- d) Client shall keep arguments and disputes private and not post publicly on its or any other public website which will discredit Client or RelyLocal. Client shall remove any negative comments/disputes from any/all public websites which Client has control.

RelyLocal will evaluate in good faith and will notify of acceptance or rejection. RelyLocal may reject the submission if determined (at our sole discretion) that the site is unsuitable as detailed in this Section 4.1.2, Client Websites. Client must not publish or turn their Facebook, Twitter or other social networking sites live prior to Clients completion of Section 6.1, Public Activation.

#### **4.1.4 - Personal Identity Website**

A Client may have a personal identity website (e.g. – www.joeowner.com) that is 100% generic that may include pictures of family, friends, yachts, cars, homes, vacations, etc. The site may include approved marketing material. All sites referencing RelyLocal, its products or services must be submitted for approval of all content. RelyLocal will evaluate in good faith and will notify of acceptance or rejection. RelyLocal may reject the submission if determined (at our sole discretion) that the site is unsuitable as detailed in Section 4.1.2, Client Websites.





#### **4.1.5 – Business Names, Profile Names, Domain Names, Email, etc..**

Client may not use or attempt to register any of RelyLocals' trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name in its singular form (e.g. – RelyLocal or RelyLocal.com), nor may Client incorporate or attempt to incorporate any of the Company's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, into any electronic mail address in its singular form (e.g. – RelyLocal or RelyLocal.com). This also includes profile pages/names, usernames, account information, for other internet identity accounts including, but not limited to: LinkedIn, Twitter, Facebook, MySpace, Squidoo, Friendster, Digg, YouTube, Viddler, Vimeo, etc.

Acceptable formats and naming options are as follows;

- RelyLocal – CityName
- RelyLocal – CityName Marketing
- Rely on CityName
- RelyLocal – CityName Support Team
- RelyLocalCityName
- RelyLocal – CityName, StateName
- Rely on CityName, StateName
- RelyLocal – CityName, StateName Support Team
- RelyLocalCityNameStateName

Additional formats not outlined above must be submitted to RelyLocal for approval, as to not conflict with RelyLocal's national branding, logos, marks, trademarks, intellectual property, future uses, forthcoming features or programs and advertising interests.

#### **4.1.6 – Logo, Marks, Trademarks, Service Marks and Copyrights**

All trade names, trademarks and service marks used by RelyLocal are owned solely by RelyLocal. RelyLocal grants Client the use of its trade names, trademarks, designs and symbols so long as Client has received prior written approval from RelyLocal and is an active Client of RelyLocal. Client may not produce for sale or distribution any recorded Company events and speeches without written permission from RelyLocal nor may Client reproduce for sale or for personal use any recording of Company produced audio or video tape presentations.

The name of RelyLocal and other names as may be adopted by RelyLocal are proprietary trade names, trademarks and service marks of RelyLocal. As such, these marks are of great value to RelyLocal and are supplied to Client for their use only in an expressly authorized manner. Use of RelyLocal name on any item not produced by the Company is prohibited except as approved in writing by RelyLocal.

#### **4.1.7 - Media and Media Inquiries**

Clients are encouraged to represent RelyLocal in a positive manner which will benefit Clients business positively in any public media arena, including, but not limited to, news releases,





articles, editorials, unpaid advertising, infomercials/advertorials, and television, cable or radio program appearances to promote or publicize RelyLocal, its products and services.

#### **4.1.8 - Spamming and Unsolicited Faxes**

Except as provided in this section, Clients may not use or transmit unsolicited faxes, mass e-mail distribution, unsolicited e-mail, or “spamming” relative to the operation of their RelyLocal businesses or across RelyLocal servers. The terms “unsolicited faxes” and “unsolicited e-mail” mean the transmission via telephone facsimile or electronic mail, respectively, of any material or information advertising or promoting RelyLocal its products and services or any other aspect of the Company which is transmitted to any person, except that these terms do not include a fax or e-mail:

- a) To any person with that person's prior express invitation or permission; or
- b) To any person with whom the Client has an established business or personal relationship. The term “established business or personal relationship” means a prior or existing relationship formed by a voluntary two way communication between a Client and a person, on the basis of:
  - i. an inquiry, application, purchase or transaction by the person regarding products or services offered by such Client; or
  - ii. a personal or familial relationship, which relationship has not been previously terminated by either party.
- c) A onetime personal introductory email which is not sent as mass email for which the email address in question was not obtained on the open market as an email being part of a rented or bought list for the sole purpose of sending broadcast emails.

In addition, it is prohibited for anyone to send, directly or indirectly, any lead generation, marketing or advertising e-mail to any person or entity that references RelyLocal or its websites, products or services without the recipient’s prior consent. Only after a prospective customer or client has requested specific information or has consented to receiving more information about RelyLocal will Client be allowed to reference RelyLocal or its websites, products or services in an e-mail, and then only to the extent of satisfying the prospective customer’s or client’s specific request.

Any SPAM complaint reported to RelyLocal by GoDaddy, Agathon (or other Internet Hosting Service Providers) must be investigated and resolved, for which the results will be reported to GoDaddy, Agathon (or the Internet Hosting Service Provider in question), within 5 days.

Client will have the burden of proof to show that the complaint is not valid (not RelyLocal). Client should keep an active log of all messages sent and received (opt in/ out). They may need this information trail if a complaint is received.



## **4.2 - Changes to a RelyLocal Business**

### **4.2.1 - General**

Each Client must immediately notify RelyLocal of all changes to the information contained on his or her Agreement. Client may modify their existing Agreement (i.e., address, phone, email or change the form of ownership from an individual proprietorship to a business entity owned by the Client) by submitting a written request.

### **4.2.2 - Addition of Co-Clients**

When adding a co-client (either an individual or a business entity) to an existing RelyLocal business, the Company requires a written request as well as any required documents as outlined in Section 3.2, Business Entity. To prevent the circumvention of Section 4.9 (regarding transfers and assignments of RelyLocal business), the original Client must remain as a party to the original Agreement. If the original Client wants to terminate his or her relationship with the Company as detailed in Section 10 of Clients Licensing Agreement, he or she must transfer or assign his or her business in accordance with Section 4.9. If this process is not followed, the business shall be terminated upon the withdrawal of the original Client for which Client must adhere to termination provisions detailed in Section 10 of Clients Licensing Agreement. There is a \$50.00 fee (waived for the first change within the first sixty days) for each change requested, which must be included with the written request and the completed any required documents. RelyLocal may, at its discretion, require notarized documents before implementing any changes to a RelyLocal business. Please allow thirty (30) days after the receipt of the request by RelyLocal for processing.

## **4.3 - Indemnification**

Clients are fully responsible for all of his or her verbal and written statements made regarding RelyLocal products and services which are not expressly contained in official RelyLocal materials. Clients agree to indemnify RelyLocal and RelyLocals' directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by RelyLocal as a result of the Client's unauthorized representations or actions or other breach of the Agreement, actions as a Client, and violations or the failure to comply with an applicable federal, state, local law or regulation. This provision shall survive the termination of the Agreement.

## **4.4 - Other Services and Products**

RelyLocal Clients are not restricted from developing and selling their own services and/or the services and products of other companies, other companies being Clients own business, or an employee or subcontractor of another company, provided there is no violation of Section 7, Non-Competition of the Clients Licensing Agreement with Service Provider. Whereas, the Service Provider is in the business of supply and operation of services relating to web hosting, business development and technical support for Clients with focus on localized business directories and business networking platforms with revenue generated from business directory listings and ad sales throughout the United States.



#### **4.5 - Income Taxes**

Each Client is responsible for paying local, state/provincial, and federal taxes on any income Client generates.

Although owning and operating a business can provide the opportunity for Clients to take legitimate deductions for their business on their income tax return, there are numerous laws regarding the allowable deductions. RelyLocal will not provide any tax advice, but will encourage Clients to seek the advice of a professional tax advisor regarding any allowable deductions.

#### **4.6 - Insurance**

You may wish to arrange insurance coverage for your business. Contact your insurance agent to make certain that your business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to your present home owner's policy.

#### **4.7 - Adherence to Laws and Ordinances**

##### **4.7.1 - Local Ordinances**

Most cities and counties have laws regulating businesses. Clients must obey those laws that apply to their business.

##### **4.7.2 - Compliance with Federal, State, Local Laws**

Clients shall comply with all federal, state, and local laws and regulations in the conduct of their businesses.

#### **4.8 - One RelyLocal Territory Per Client**

Clients may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one, (1) RelyLocal Territory and must reside within their licensed Territory. RelyLocal reserves the right to make exceptions to this rule on a case by case basis.

#### **4.9 - Sale, Transfer or Assignment of RelyLocal Business**

Although a RelyLocal business is a privately owned, independently operated business, the sale, transfer or assignment of a RelyLocal business is subject to certain limitations. If a Client wishes to sell his or her RelyLocal business, the following criteria must be met:

- a) New Owner must be of legal age in his or her state of residence;
- b) New Owner must reside within the Territory included in Licensing Agreement;
- c) If the buyer is an active RelyLocal Client, he or she must first terminate/sell his or her RelyLocal business before the transfer, assignment, or acquisition of any interest in the new RelyLocal business will be accepted and processed unless approved in writing by RelyLocal for which Client may be granted an additional licensed territory.



- d) Before the sale, transfer or assignment can be finalized and approved by RelyLocal, any debt obligations the selling Client has with RelyLocal must be satisfied.
- e) The selling Client must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a RelyLocal business.
- f) The buyer will receive a new Licensing Agreement from RelyLocal, properly complete (originals only - no copies), notarize and return Agreement along with a new Policies & Procedures document.

Prior to selling a RelyLocal business, the selling Client must notify RelyLocal of his or her intent to sell the RelyLocal business and said purchaser must be approved under the same application process used by RelyLocal in granting licensing to a Client. Upon complete execution of the purchase and sale agreement, the parties must submit copies of sale documents to RelyLocal for review. RelyLocal reserves the right to request additional documentation that may be necessary to analyze the transaction between the buyer and seller. RelyLocal will, in its sole and absolute discretion, deny the sale, transfer or assignment if all necessary documents from the parties have not been received.

The purchaser of the existing RelyLocal business will assume the obligations and position of the selling Client. Purchaser agrees to become a RelyLocal Client and to be bound by all terms and conditions as well as this Agreement. Any such transfer does not change the term, billing or compensation from date of original effective date.

There is a \$50.00 fee (waived for the first change within the first sixty days) for requested transfer of ownership, which must be included with the written request. The request must be signed by all of the shareholders, partners or trustees.

#### **4.10 - Separation of a RelyLocal Business**

RelyLocal Clients sometimes operate their RelyLocal businesses as husband-wife, partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership, limited liability company, or trust (the latter three entities are collectively referred to herein as “entities”) may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of Client’s business.

During the pendency of a divorce or entity dissolution, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate the RelyLocal business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, members, partners or trustees authorize RelyLocal to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.



- b) The parties may continue to operate the RelyLocal business jointly on a “business-as-usual” basis and continue to independently agree between themselves.
- c) If the parties cannot mutually agree on how the business shall be allocated during the pendency of a divorce or dissolution, the Company shall treat the business according to the status quo as existed prior to the filing of the divorce or dissolution. In the event of divorce, RelyLocal will assign the business per the direction of the court.

Under no circumstances will RelyLocal split invoicing between divorcing spouses or members of dissolving entities. RelyLocal will recognize only one (1) entity.

If a former spouse or a former entity affiliate has completely relinquished all rights in his or her original RelyLocal business, they are thereafter free to start their own RelyLocal business, so long as they meet the requirements set forth in Section 3.1, Requirement to Become and Maintaining Client Status. They must develop the new RelyLocal business in the same manner as would any other new Client.

Client may dissolve and change its status from an individual to a partnership, LLC, corporation or trust, or from one type of entity to another. There is a \$50.00 fee (waived for the first change within the first sixty days) for each change requested, which must be included with the written request. The request must be signed by all of the shareholders, partners, trustees or court decree.

#### **4.11 - Succession**

Upon the death or incapacitation of a Client, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Client should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a RelyLocal business is transferred by a will or other testamentary process, the beneficiary acquires all right to Clients business provided the following qualifications are met. The successor(s) must:

- a) Be of legal age in his or her state of residence;
- b) Reside within the Territory included in Licensing Agreement;
- c) If the successor is an active RelyLocal Client, he or she must first terminate his or her RelyLocal business before the transfer or assignment of any interest in the new RelyLocal business will be accepted and processed unless otherwise approved in writing by RelyLocal
- d) Before the transfer or assignment can be finalized and approved by RelyLocal, any debt obligations of the Client has with RelyLocal must be satisfied.



- e) The Client must be in good standing and not in violation of any of the terms of the Agreement prior to transfer of a RelyLocal business.
- f) The successor will received a new Licensing Agreement from RelyLocal, must properly complete (originals only - no copies), notarize and return Agreement along with a new Policies & Procedures document. Any such transfer does not change the term, billing or compensation from date of original effective date.

If the business is bequeathed to joint devisees, they must form a business entity and meet all requirements as a new Client of RelyLocal.

#### **4.11.1 - Transfer Upon Death of a Client**

To effect a testamentary transfer of a RelyLocal business, the successor must provide the following to RelyLocal:

- a) An original death certificate;
- b) A notarized copy of the will or other instrument establishing the successor's right to the RelyLocal business; and
- c) Meet and complete requirements of Section 4.11, Succession.

#### **4.11.2 - Transfer Upon Incapacitation of a Client**

To affect a transfer of a RelyLocal business because of incapacity, the successor must provide the following to RelyLocal:

- a) A notarized copy of an appointment as trustee;
- b) A notarized copy of the trust document or other documentation establishing the trustee's right to administer the RelyLocal business; and
- c) Meet and complete requirements of Section 4.11, Succession.

#### **4.12 - Telemarketing**

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. While you may not consider yourself a "telemarketer" in the traditional sense of the word, these regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties.





In addition, Clients shall not use automatic telephone dialing systems relative to the operation of their RelyLocal businesses. The term “automatic telephone dialing system” means equipment which has the capacity to:

- (a) Store or produce telephone numbers to be called, using a random or sequential number generator; and
- (b) To dial such numbers.

## **SECTION 5 - RESPONSIBILITIES OF CLIENTS**

### **5.1 - Change of Address, Telephone or Email**

To ensure timely delivery of invoicing and updates from RelyLocal, it is critically important that the RelyLocals’ files are current. Clients planning to move should update RelyLocal two (2) weeks in advance and must remain within Licensed Territory unless otherwise approved in writing by RelyLocal.

### **5.2 - Non-disparagement**

RelyLocal wants to provide its Clients with the best products and service in the industry. Accordingly, it values a Client’s constructive criticisms and comments. All such comments should be submitted in writing. While RelyLocal welcomes constructive input, negative comments and remarks made in the field by Clients about the Company, its products, or services, serve no purpose other than to sour the reputation of RelyLocal and its Clients. For this reason, and to set the proper example for all Clients, Clients must not disparage, demean, or make negative remarks about RelyLocal other RelyLocal Clients, RelyLocals’ products, services or RelyLocal’ directors, officers, or employees.

Clients shall not defame, abuse, harass, stalk, threaten or otherwise violate the legal rights (such as rights of privacy and publicity) of others. Clients shall not publish, post, unload, distribute, or communicate any inappropriate, profane, defamatory, infringing, obscene, indecent or unlawful topics, names, materials or information. Client shall not advertise or offer to sell any products or services for any commercial purpose or conduct or forward, pyramid schemes or chain letters to its clients or Clients of RelyLocal.

This Section 5.2 shall remain in effect indifferently whether a current or former Client of RelyLocal.

#### **5.2.1 - Harassment Zero-Tolerance Policy**

RelyLocal has a zero-tolerance policy regarding harassment of another person by a RelyLocal Client. RelyLocal expects its Clients to treat other Clients, potential clients, business members, general public and RelyLocal staff with dignity and respect. Violations of this policy include, but are not limited to:



- Intimidating, harassing, sexual harassment, discrimination or other aggressive behavior;
- Causing repeated conflicts with Clients or Customers;
- Direct or veiled threats of harm.

Violations of this policy will result in termination.

### **5.3 - Reporting Policy Violations**

Clients observing a Policy violation by another Client should submit a written report of the violation directly to RelyLocal. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report. RelyLocal will share details when appropriate, but shall protect the privacy and identity when deemed necessary.

## **SECTION 6 - LISTINGS & ADDITIONAL SERVICES**

### **6.1 - Public Activation**

RelyLocal requires a minimum combination of one hundred, (100) active paid/feeder business directory listings, eight (8) featured listings, contact page details, a custom/local header along with three (3) banner ads uploaded to Clients website prior to RelyLocal activating Client's site publicly. Once activated publicly, Client must maintain same requirements to avoid removal from public display within the RelyLocal National Homepage and RelyLocal network within the location finder. Such removal does not terminate Agreement nor does it close Clients site which is still accessible via direct url. Client shall receive a 72 hour "Out of Compliance" notice and may bring their site back into compliance prior to the end of 72 hours. At the end of 72 hours, Clients site will be removed as details. Client may complete requirements for reactivation publicly and notify RelyLocal for site review and activation.

### **6.2 - Feeder Listings**

Feeder listings are businesses located within licensed territory of Client and used in the population of Client's website. Feeder listings are non-paying businesses used in the population of Clients website. Feeder listings must include a minimum of:

- Business Name
- Address
- Phone Number
- Short Description
- Long Description
- Logo

### **6.3 - Directory Listings**

Clients licensing of a RelyLocal business grants Client the ability to sell business directory listing services on Client's website. RelyLocal has established a base rate for all Clients as a matter of consistency among all Clients of RelyLocal.





The current published business directory listing rate is as follows.

- **Price:** \$25 per month
- **Must Include:** Business name, address, phone number, short description, long description and logo.

RelyLocal reserves the right to increase the business directory listing rate annually on June 15<sup>th</sup> at a rate not to exceed ten, (10) percent. If Service Provider chooses to implement an increase, such increase will take place with a sixty (60) day notice.

Client may offer additional services bundled for the base price or for additional fees if the Client chooses which may include, but not limited to: additional categories, hours of operation, phone, fax, email, address with interactive google map, printable coupons, photos, downloadable documents, links to facebook, twitter, blog, skype, indeed, youtube, and their own website.

Client may barter services or products if Client chooses.

Business directory listings will be handled at the local level by Clients, and it is the responsibility of the Clients to solicit orders, provided record keeping and upload content for each business directory listing obtained by Client.

### **6.3.1 - Listing Types**

Listings created for paying clients must be marked as a "Paid Listing" in the Client's Admin Panel in order to receive all benefits and SEO functionality

### **6.3.2 - Expiration Dates**

Client is responsible to maintain accurate expiration dates for each paid listing within the Admin Panel

## **6.4 - Banner Advertising**

Clients licensing of a RelyLocal business grants Client the ability to sell banner advertising on Client's website. There are three banner ad locations, each consisting of 5 slots per locations, for a total of fifteen, (15) banner ad positions located in the right column of each Clients website. RelyLocal grants Client the ability to set their own pricing, and/or bartering structure for all fifteen, (15) banner advertising positions available. Banner ads will be handled at the local level by Clients, and it is the responsibility of the Clients to solicit orders, provided record keeping, create banner ads and upload banner ads obtained by Client. Client keeps 100% of any revenue obtained for banner ad positions within Clients own website.

## **6.5 - Job Postings**

RelyLocal provides job listing feeds located within Clients website. RelyLocal may generate revenue from job listing feeds and is not required to disclose or compensate revenue, if any,



generated from job listing feeds. Client does not have the ability to modify or change location, pricing structure or appearance of any job listing feed.

**6.6 - Territory Restrictions**

Clients may accept customers and payments outside of Clients licensed territory in the event a customer approaches Client and shall be at Clients sole discretion of acceptance of unsolicited customer. Client shall not actively solicit customers outside of Clients licensed territory.

**6.7 - Bookkeeping**

All Clients are responsible for their own business affairs and clients. Client must provide a Statement of Liability that any products or services rendered are under the contracts and terms between Client and customer and not that of RelyLocal LLC. Statement of Liability must also include that in the event Client can no longer service said contractual agreement, that Client will refund its client for services yet to be rendered on a prorated basis.

It is good business to provide customers with a written agreement along with a sales receipt at the time of the sale. At no time will it be the responsibility of RelyLocal to handle the bookkeeping of Client customers, taxes, insurance, fees, listings, refunds or other financial matters of Client.

**SECTION 7 – POLICIES**

**7.1 – Contacting RelyLocal**

Corporate business hours are 9am-5pm, Pacific Standard Time, Monday-Friday. You may call 541-595-3939 or email one of the following teams.

- [support@relylocal.com](mailto:support@relylocal.com) - Technical support related to the RelyLocal system
- [admin@relylocal.com](mailto:admin@relylocal.com) - Anything related to your agreements or of a legal nature
- [finance@relylocal.com](mailto:finance@relylocal.com) - Anything related to your invoices/billing

**7.2 – Invoicing**

Invoicing is auto generated on the following dates each month with due dates fifteen, (15) days thereafter as outlined below:

Invoice generated..... 5 <sup>th</sup>	Invoice generated..... 15 <sup>th</sup>	Invoice generated..... 25 <sup>th</sup>
Due date..... 20 <sup>th</sup>	Due date..... 1 <sup>st</sup>	Due date..... 10 <sup>th</sup>
Invoice generated..... 10 <sup>th</sup>	Invoice generated..... 20 <sup>th</sup>	
Due date..... 25 <sup>th</sup>	Due date..... 5 <sup>th</sup>	

If invoicing falls on a weekend, holiday or any other business closure, invoicing will be sent the following business day and will not affect due dates.



Listing royalty fees are waived on the first three, (3) monthly invoices and waived on the first six, (6) monthly invoices for all feeder listings.

Listings are calculated the day of invoicing

If there is a discrepancy, please let us know so we can work together with you on correcting such an issue

### **7.3 - Non-Payment**

RelyLocal has set the following company policy for non-payment of Client invoicing.

- 3 day ~ auto email reminder of past due invoice
- 7 day ~ auto email reminder of past due invoice and possible admin access account suspension
- 15 day ~ phone call, email and automatic admin access account suspension
- 20 day ~ auto email of pre-account closure notice
- 30 day ~ phone call, email and final notice of pending account closure
- 35 day ~ automatic account closure for nonpayment

RelyLocal will adhere to the Termination provisions set forth within Section 10 of the Clients Licensing Agreement.

Suspension is defined to the restriction of access into the Clients administrative panel and all benefits associated with administrative access. During admin suspension, Client has access to all @relylocal.com email accounts created for the use by Client.

Upon submission by Client, RelyLocal will reactivate suspended account within one, (1) business day.

In the event the Client account is closed for non-payment, Client may pay a reactivation fee of one hundred, (\$100) dollars within seven, (7) days of account closure along with Clients outstanding invoicing provided RelyLocal has not resold the rights to previously licensed territory.

### **SECTION 8 - REFERRALS, REWARDS & COLLABORATION CONTEST**

Client shall be eligible for all referrals, rewards & collaborations contest administered by RelyLocal for which Client is in good standing as a Client of RelyLocal. Awards may be in the form of credit towards Clients invoicing, gifts, gift cards and/or trips. Overage credits towards Clients invoicing shall always remain as credits towards Clients invoicing and shall never be paid in the form currency. If Client closes their service with RelyLocal and a credit from referrals, rewards or collaboration contest exist, Client forfeits any amounts due Client.



**SECTION 9 - SIGNATURES**

A digital signature via email of both RelyLocal and Client shall indicate initial approval of the Statement of Policies and Procedures with full knowledge of its content and significance, intending to be legally bound by the terms within this agreement set forth above.

Client must sign before a notary and return to RelyLocal, this Agreement along with the Licensing Agreement prior to full activation as detailed within Section 6(i) of this Exhibit A, Policies and Procedures document. This Agreement shall constitute a binding Agreement between the parties hereto.

RelyLocal LLC  
1451 NW Spruce Place  
Redmond, OR 97756  
e. [admin@relylocal.com](mailto:admin@relylocal.com)  
p. 541-595-3939

Client Name  
Address  
City, State/Zip  
e. Email Address  
p. Phone Number

\_\_\_\_\_  
Signature (Jared R. Leisek – Member)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2011

\_\_\_\_\_  
Signature (Client Name)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2011

**CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC**

STATE OF: \_\_\_\_\_ COUNTY OF: \_\_\_\_\_

This document was acknowledged before me on \_\_\_\_\_ [Date] by \_\_\_\_\_.

[Notary Seal]

\_\_\_\_\_  
(Signature of Notary Officer)

Notary Public for the State of: \_\_\_\_\_ My commission expires: \_\_\_\_\_



Client desires for Service Provider to activate RelyLocal Local Rewards program within Clients Territory of <http://www.relylocal.com/city-state/>. The RelyLocal Local Rewards program is an additional service above and beyond services already being rendered by Service Provider under the terms of Clients original licensing agreement with Service Provider. This RelyLocal Local Rewards rider (“the Agreement”) is effective as of Monday, July 25, 2011, (the “effective date”).

### RECITALS

Whereas, this Agreement is a Rider to Clients current Licensing Agreement for the addition of programming and activation of the RelyLocal Local Rewards program to Clients listed Territory by Service Provider.

Whereas, the Client is granted the rights to develop, market, and otherwise exploit for Clients profitable gain, advertisers for the RelyLocal Local Rewards program within Clients listed Territory.

### 1. TERM

The term of this Agreement shall go into effect upon the acceptance by both Client and Service Provider. Upon acceptance by both Client and Service Provider, this Agreement becomes in-severable from Clients original Licensing Agreements, taking on the same terms and termination clauses found in Clients original Licensing Agreements and shall automatically extend Client’s Licensing Agreement for twelve,(12) months.

Service Provider shall activate requested service within three business days upon acceptance by both parties

### 2. COMPENSATION

For services provided, Service Provider shall be compensated by Client as stated.

- (i) Client shall pay a fee of one hundred dollars, (\$100) monthly over and above Clients base fee listed in Clients Licensing Agreement with Service Provider.
- (ii) Service Provider shall invoice Client at time of Clients normal invoicing schedule including a proration if any from date for which service is first rendered by Service Provider to Client.
- (iii) Service Provider retains the right to a fee increase not to exceed ten percent, (10%) of previous year fee schedule. If Service Provider chooses to implement an increase, such increase will take place on June 15<sup>th</sup> with a minimum sixty, (60) day notice.

### 3. Branding

Growth of the RelyLocal brand awareness is dependent on consistent and standardized use of logos, taglines, and descriptions of the products and services. To promote both the products and services along with the tremendous opportunity RelyLocal offers, Clients **must** purchase RelyLocal Local Rewards cards



only from and approved vendor. The Traffic Company has been approved from which Client may order online at: [https://www.paypal.com/cgi-bin/webscr?cmd=\\_s-xclick&hosted\\_button\\_id=MC9QZ2665FJWJ](https://www.paypal.com/cgi-bin/webscr?cmd=_s-xclick&hosted_button_id=MC9QZ2665FJWJ)

#### **4. TERMINATION**

This Agreement may not terminate separate from Clients Licensing Agreement. This Agreement will automatically terminate in the event Clients Licensing Agreement is terminated and per the terms of Clients Licensing Agreement.

#### **5. SIGNATURES**

A digital signature via email of both the Service Provider and Client shall indicate approval of the terms of this Agreement with full knowledge of its content and significance and intending to be legally bound by the terms hereof the day and year first above written.



Client desires for Service Provider to activate RelyLocal Deal of the Day program within Clients Territory of <http://www.relylocal.com/city-state/>. The RelyLocal Deal of the Day program is an additional service above and beyond services already being rendered by Service Provider under the terms of Clients original licensing agreement with Service Provider. This RelyLocal Deal of the Day rider (“the Agreement”) is effective as of Tuesday, June 21, 2011, (the “effective date”).

#### **RECITALS**

Whereas, this Agreement is a Rider to Clients current Licensing Agreement for the addition of programming and activation of the RelyLocal Deal of the Day program to Clients listed Territory by Service Provider.

Whereas, this Agreement cannot exist without the Client first accepting the RelyLocal Local Rewards rider as this Agreement is an extension of services which cannot exist without the RelyLocal Local Rewards program first being active.

Whereas, the Client is granted the rights to develop, market, and otherwise exploit for Clients profitable gain, advertisers for the RelyLocal Deal of the Day program within Clients listed Territory.

#### **1. TERM**

The term of this Agreement shall go into effect upon the acceptance by both Client and Service Provider, taking on the same terms and termination clauses found in Clients original Licensing Agreements unless explicitly stated otherwise. Service Provider will activate requested service within three business days upon acceptance by both parties

#### **2. COMPENSATION**

For services provided, Service Provider shall not accept compensated by Client for the activation or service of the RelyLocal Deal of the Day program.

#### **3. TERMINATION**

This Agreement may be terminate with or without cause separate from Clients existing Agreements with Service Provider. This Agreement will automatically terminate in the event Clients Licensing Agreement is terminated and per the terms of Clients Licensing Agreement. Client may request from Service Provider to reinstate this Agreement and Service Provider reserves the right to approve or disapprove such request.

#### **4. SIGNATURES**

A digital signature via email of both the Service Provider and Client shall indicate approval of the terms of this Agreement with full knowledge of its content and significance and intending to be legally bound by the terms hereof the day and year first above written.