RR
8/11/16
Item No. 14

AN ORDINANCE 2016-08-11-0599

APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT WITH LEGAL HOLDINGS, LLC d/b/a EASYEXPUNCTIONS.COM IN THE AMOUNT OF $100,000.00 FOR THE ESTABLISHMENT OF A CORPORATE HEADQUARTERS IN THE CITY'S CENTRAL BUSINESS DISTRICT AND THE CREATION OF 50 FULL-TIME JOBS.

* * * * *

WHEREAS, Legal Holdings, LLC d/b/a Easyexpunctions.com ("Easyexpunctions") is a limited liability corporation that provides expunction services and non-disclosure document support and services for customers in Texas, Ohio, Illinois, and Maryland; and

WHEREAS, Easyexpunctions is seeking to relocate its Austin headquarters to San Antonio and relocate and create a cumulative total of fifty (50) full-time jobs to be located within the City's central business district (the "Project"); and

WHEREAS, Easyexpunctions is seeking a grant from the City in the amount of $100,000.00 to offset costs associated with undertaking the Project; and

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, the City of San Antonio (the "City") is authorized to establish and provide for the administration of one or more programs, including programs for making grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, in accordance with City Ordinance No. 100684, the City created an Economic Development Program (the "Program") for the purpose of making grants available for economic development projects that the City finds will accomplish the purpose and goals of Chapter 380; and

WHEREAS, the City finds that the goals of Chapter 380 will be met by assisting Easyexpunctions in undertaking and completing the Project and has identified economic development funds for use in carrying out this purpose; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Council hereby approves the terms and conditions of an Economic Development Program Grant Agreement with Legal Holdings, LLC. d/b/a Easyexpunctions.com to provide $100,000.00 from the Economic Development Incentive Fund for the establishment of a corporate headquarters in the City's central business district and the creation of fifty (50) full-time jobs.

SECTION 2. The City Manager or her designee is authorized to execute an Economic Development Program Grant Agreement as approved in Section 1 above. The final agreement shall be filed with this Ordinance upon execution.

SECTION 3. Funding in the amount of $100,000.00 for this Ordinance is available in Fund 29059000, Cost Center 1604010001 and General Ledger 5201040, as part of the Fiscal Year 2016 Budget.

SECTION 4. Payment not to exceed the budgeted amount is authorized to Legal Holdings, LLC d/b/a Easyexpunctions.com, and should be encumbered with a purchase order. Payment will be paid based on the company's relocation and job creation milestones.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance shall be effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 11th day of August, 2016.

Ivy R. Taylor

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek

Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:

Veronica M. Zertuche, for

Martha G. Sepeda
Acting City Attorney

Agenda Item:	**14 (in consent vote: 5, 6, 8, 9, 10, 11, 12, 14, 15)**
Date:	08/11/2016
Time:	12:17:19 PM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing a Chapter 380 Economic Development Grant Agreement with Legal Holdings, LLC d/b/a Easyexpunctions.com in an amount up to $100,000.00 for the establishment of its corporate headquarters in the City's Central Business District and the creation of fifty full-time jobs. [Carlos Contreras, Assistant City Manager; Rene Dominguez, Director, Economic Development]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor	x					
Roberto C. Treviño	District 1		x			x	
Alan Warrick	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8	x					
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

Attachment

STATE OF TEXAS	§	**ECONOMIC DEVELOPMENT**
	§	**GRANT AGREEMENT OF THE**
	§	**GRANTOR OF SAN ANTONIO**
COUNTY OF BEXAR	§	

This Economic Development Grant Agreement (hereinafter referred to as "this Agreement") is made and entered into by and between the City of San Antonio, a municipal corporation of the State of Texas (hereinafter referred to as "GRANTOR"), acting by and through its City Manager or her designee, and Legal Holdings, LLC d/b/a Easyexpunctions.com, a Texas Limited Liability Company (hereinafter referred to as "GRANTEE") and together referred to as the "Parties".

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, GRANTOR is authorized to grant municipal funds to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, in accordance with GRANTOR Ordinance No. 100684, GRANTOR created an economic development program for the purpose of making such grants available; and

WHEREAS, GRANTEE is engaged in an economic development project that will be located within GRANTOR's city limits and will consist of the relocation of its corporate headquarters to San Antonio where it will conduct its business activities resulting in employing a minimum of twenty (20) full-time employees and up to fifty (50) full-time employees in San Antonio (the "Project"); and

WHEREAS, once completed, the Project is expected to result in the promotion of local economic development and to stimulate business and commercial activity in the GRANTOR of San Antonio; and

WHEREAS, GRANTEE is seeking an economic development grant from GRANTOR for the purpose of defraying costs associated with the Project, and

WHEREAS, GRANTOR, to induce GRANTEE to undertake the Project, has identified funds available to provide a grant to GRANTOR for use in undertaking and successfully completing the Project; and

WHEREAS, the City Council of the GRANTOR has authorized the GRANTOR's City Manager or her designee to enter into this Agreement with GRANTEE in accordance with GRANTOR Ordinance No.2016-_-__-_____, passed and approved on _____ __, 2016, to grant funds to support the Project;

NOW THEREFORE:

The Parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described:

SECTION 1. PURPOSE

The Project is anticipated to promote local economic development and to stimulate business and commercial activity in the City of San Antonio in accordance with Chapter 380 of the Texas Local Government Code. GRANTOR is supporting the Project through this Economic Development Program Grant to provide funds to be used to defray costs of the Project. This economic incentive is being offered to GRANTEE to promote investment and job creation in a targeted industry of the GRANTOR.

SECTION 2. PROJECT REQUIREMENTS

A. GRANTEE shall relocate its corporate headquarters within the city limits and central business district of the City of San Antonio (the "Project Site") and conduct its "business activities" which are defined as providing expunction services, within the city limits of the City of San Antonio for a period of not less than six (6) years commencing on or before December 31, 2016. The date of relocation shall be defined as the date business activities commence at the Project Site. GRANTEE shall provide GRANTOR with a lease acknowledgement signed by GRANTEE and the landlord of a commercial office building within the City's central business district as defined by the City. The lease acknowledgment shall provide the terms and conditions of the lease agreement between the Grantee and Landlord and shall include, but not be limited to, term of lease, square footage of leased space and termination conditions. City must approve the form of the lease acknowledgement.

B. GRANTEE shall move its operations from Austin to San Antonio and incident thereto will move eight (8) full time jobs from Austin to San Antonio and create up to an additional forty-two (42) additional full-time jobs at the Project Site, so that by the third (3rd) anniversary of the effective date of this Agreement, GRANTEE shall have hired and maintained a cumulative minimum of twenty (20) full-time employees and up to a cumulative fifty (50) full-time employees at the Project Site.

C. In accordance with the GRANTOR's Economic Development Incentive Fund Guidelines, GRANTEE must pay all employees located at the Project Site at least the minimum wage of ELEVEN DOLLARS AND SIXTY-EIGHT CENTS ($11.68) per hour and, after one year, GRANTEE must pay at least seventy-percent (70%) of all employees at the Project Site no less than FOURTEEN DOLLARS AND NINETY-SIX CENTS ($14.96) per hour.

F. GRANTEE shall comply with all applicable federal, state and local laws and regulations, and shall develop and operate the Project in accordance with the terms and conditions of this Agreement.

G. GRANTEE also covenants and agrees that it shall offer all of its non-temporary full-time employees employed at the Project Site access to a healthcare and benefits plan.

SECTION 3. ECONOMIC DEVELOPMENT PROGRAM GRANT.

A. **Economic Development Program Grant.** GRANTOR is providing GRANTEE with a performance based Economic Development Program Grant in the maximum amount of ONE HUNDRED THOUSAND DOLLARS ($100,000.00) ("Grant Funds"). The Grant Funds shall be used for the purpose of defraying costs associated with the relocation and creation of full-time jobs in accordance with Section 2(A), (B) and (C) above.

B. **Grant Disbursement.** Following approval of this Agreement by a duly authorized City Ordinance and execution of the Agreement, the GRANTOR will make the Grant Funds available to GRANTEE upon the submission by GRANTEE of documentation indicating that it has relocated its corporate headquarters and has executed a lease agreement for the Project Site in accordance with Section 2(A). The Grant Funds will be disbursed as follows:

1. TWENTY-FIVE THOUSAND DOLLARS AND 0 CENTS ($25,000.00) shall be disbursed upon: a) execution of this Agreement; b) documented evidence that GRANTEE has executed a lease agreement for a period longer than twenty-four (24) months for office space within the city limits of the City of San Antonio and within the City of San Antonio's Central Business District, as that term is

defined by the City; and c) confirmation by GRANTOR of the commencement of business activities at the Project Site.

2. A maximum amount of SEVENTY-FIVE THOUSAND DOLLARS AND 0 CENTS ($75,000.00) shall be disbursed at a rate of ONE THOUSAND FIVE HUNDRED DOLLARS AND 0 CENTS ($1,500.00) per full-time job relocated and/or created within the first three (3) years of the Effective Date of this Agreement, up to a total of fifty (50) full-time jobs. In order to receive the disbursement, GRANTEE shall submit an invoice indicating the number of full-time jobs relocated within the first six (6) months following the Effective Date of this Agreement, and then an invoice indicating the number of new full-time jobs created and retained every six (6) months, commencing with the sixth (6th) month following the Effective Date of this Agreement, and continuing every six (6) months thereafter until the third (3rd) anniversary of the Effective Date of this Agreement. GRANTEE shall forfeit any funds not collected prior to the third (3rd) anniversary of this Agreement regardless of any jobs relocated or created following the third (3rd) anniversary.

C. **Recapture of Program Grant Funds.** Should GRANTEE:

1. Fail to relocate, create and maintain at least twenty (20) full-time jobs prior to the third (3rd) anniversary of this Agreement; or

2. Relocate and/or create twenty (20) full-time jobs prior to the third (3rd) anniversary of this Agreement, then fail to maintain at least twenty (20) full-time jobs for a period of six (6) months during the remaining Term of the Agreement; or

3. Receive Grant Funds for a number of full-time employees and then reduces the number of full-time employees for a period of six (6) months during the remaining Term of the Agreement; or

3. Sell all or a substantial portion of its assets without GRANTOR's consent, but only if such sale results in a failure to comply with items 2, 3, 4, or 5 herein; or

4. Relocate its corporate headquarters outside of the City of San Antonio's Central Business District during the term of this Agreement; or

5. Fail to keep adequate records necessary for the GRANTOR to determine if GRANTEE is in compliance with this Agreement; then

GRANTOR shall have the right to terminate this Agreement and recapture one hundred percent (100%) of Grant Funds disbursed to GRANTEE after a written demand for payment is delivered to GRANTEE. GRANTOR shall grant GRANTEE a sixty (60) day period from the date of the GRANTOR's written notification to either correct the failure resulting in the recapture right or to pay back any Grant Funds previously advanced.

SECTION 4. AGREEMENT PERIOD

This Agreement shall continue for a six (6) year period commence upon _____ __, 2016 and terminate on _____ __, 201_ (the "Term").

SECTION 5. DEPARTMENT OBLIGATIONS

A. GRANTOR will make an Economic Development Program Grant of ONE HUNDRED THOUSAND DOLLARS ($100,000.00) available to GRANTEE under the terms and conditions of this Agreement.

B. GRANTOR will not be liable to GRANTEE or other entity for any costs incurred by GRANTEE other than those which GRANTOR is obligated to reimburse pursuant to the terms of this Agreement.

SECTION 6. RETENTION AND ACCESSIBILITY OF RECORDS

A. GRANTEE shall maintain the fiscal records and supporting documentation for expenditures of funds associated with this Agreement. GRANTEE shall retain such records, and any supporting documentation, for the period required for record retention or by any other applicable laws and regulations.

B. GRANTEE shall, following reasonable advance written notice from the GRANTOR, give the GRANTOR, its designee, or any of their duly authorized representatives, access during normal business hours to and the right to examine all books, accounts, records, audit reports, reports, files, documents, written or photographic material, videotape and other papers, things, or property belonging to or in use by GRANTEE pertaining to the Economic Development Grant (the "Records"). The GRANTOR's access to GRANTEE's books and records will be limited to information needed to verify that GRANTEE is and has been complying with the terms of this Agreement and to verify advances made by the GRANTOR and re-payments made by GRANTEE and to verify that the proceeds of the Economic Development Grant are or were used in connection with the development and operation the Project. Any information that is not required by law to be made public shall be kept confidential by GRANTOR. GRANTEE shall not be required to disclose to the GRANTOR any information that by law GRANTEE is required to keep confidential. Should any good faith dispute or question arise as to the accuracy of the data provided, the GRANTOR reserves the right to require GRANTEE to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of GRANTEE unless the independent firm confirms that the information as provided by GRANTEE is accurate, in which case the GRANTOR will bear the cost of the independent firm. The rights to access the Records shall continue as long as the Records are retained by GRANTEE. Failure to provide reasonable access to the Records to authorized GRANTOR representatives shall give the GRANTOR the right to suspend or terminate this Agreement as provided for in Section 14 and 15 below, or any portion thereof, for reason of default. All Records shall be retained by GRANTEE for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries and open record requests are completed. GRANTEE agrees to maintain the Records in an accessible location and to provide citizens reasonable access to the Records if required by the Texas Public Information Act on the same terms as the Records are made available to the GRANTOR as set forth above. All of the above notwithstanding, the GRANTOR and the citizens shall have no right to access any confidential or proprietary records of GRANTEE, including but not limited to the ownership and capital structure of GRANTEE.

SECTION 7. MONITORING

A. GRANTOR reserves the right to confirm GRANTEE's compliance with the terms and conditions of this Agreement by monitoring, subject to the requirements of SECTION 6 above. GRANTOR shall provide GRANTEE with a written report of the monitor's findings. If the monitoring report notes

deficiencies in GRANTEE's performances under the terms of this Agreement, the monitoring report shall include a listing of requirements for the correction of such deficiencies by GRANTEE and a reasonable amount of time in which to attain compliance. Failure by GRANTEE to take action specified in the monitoring report may be cause for suspension or termination of this Agreement, in accordance with Sections 14 and 15 herein.

B. GRANTEE shall provide to GRANTOR an annual certification with reasonable supporting information evidencing the creation of and filling of the number of jobs at the Project and compliance with the minimum wage requirements as specified in this Agreement.

SECTION 8. CONFLICT OF INTEREST

A. GRANTEE shall use reasonable business efforts to ensure that no employee, officer, or individual agent of GRANTEE shall participate in the selection, award or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, would be involved. Such conflict of interest would arise when: (1) the employee, officer, or individual agent; (2) any member of his or her immediate family; (3) his or her partner; or, (4) any organization which employs, or is about to employ any of the above, has a financial or other interest in the firm or person selected to perform the subcontract and the relationship calls for payments to be made to such subcontractor on terms which are greater than those which are customary in the industry for similar services conducted on similar terms. GRANTEE shall comply with Chapter 171, Texas Local Government Code as well as the GRANTOR's Code of Ethics.

SECTION 9. NONDISCRIMINATION AND SECTARIAN ACTIVITY

A. GRANTEE shall ensure that no person shall, on the ground of race, color, national origin, religion, sex, age, gender (to include transgender), sexual orientation, veteran status or handicap, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied access to any program or activity funded in whole or in part with funds made available under this Agreement.

B. None of the performances rendered by GRANTEE under this Agreement shall involve, and no portion of the funds received by GRANTEE under this Agreement shall be used in support of, any sectarian or religious activity, nor shall any facility used in the performance of this Agreement be used for sectarian instruction or as a place of religious worship.

C. GRANTEE shall include the substance of this Section 9 in all agreements associated with the funds made available through this Agreement unless such agreements were entered into before the date of this Agreement.

SECTION 10. LEGAL AUTHORITY

A. Each party assures and guarantees to the other that they possess the legal authority to enter into this Agreement, to receive/deliver the funds authorized by this Agreement, and to perform their obligations hereunder.

B. The person or persons signing and executing this Agreement on behalf of each party or representing themselves as signing and executing this Agreement on behalf of a party, do hereby guarantee that he, she or they have been duly authorized to execute this Agreement on behalf of that party and to validly and legally bind that party to all terms, performances and provisions herein set forth.

C. GRANTOR will have the right to suspend or terminate this Agreement in accordance with Sections 16 and 17 herein if there is a dispute as to the legal authority of either GRANTEE, or the person signing this Agreement, to enter into this Agreement, any amendments hereto or failure to render performances hereunder.

SECTION 11. LITIGATION AND CLAIMS

A. GRANTEE shall give GRANTOR immediate notice in writing of any action, including any proceeding before an administrative agency, filed against GRANTEE arising out the performance of any subcontract hereunder. Except as otherwise directed by GRANTOR, GRANTEE shall furnish immediately to GRANTOR copies of all pertinent papers received by GRANTEE with respect to such action or claim. GRANTEE shall notify the GRANTOR immediately of any legal action filed against the GRANTEE or any subcontractor of which GRANTEE is actually aware, or of any proceeding filed under the federal bankruptcy code. GRANTEE shall submit a copy of such notice to GRANTOR within 30 calendar days after receipt. No funds provided under this Agreement may be used in the payment of any costs incurred from violations of or settlements relating to, or failure to comply with, federal and state regulations. The above notwithstanding GRANTEE is not required to notify GRANTOR of claim or litigation which arises out of GRANTEE's operations on the Project, including without limitation, landlord/tenant disputes, personal injury actions (slip and falls), and other operational activities or relationships.

B. GRANTOR and GRANTEE acknowledge that GRANTOR is a political subdivision of the State of Texas and is subject to, and complies with, the applicable provisions of the Texas Tort Claims Act, as set out in the Civil Practice and Remedies Code, Section 101.001 et. seq., and the remedies authorized therein regarding claims and causes of action that may be asserted by third parties for accident, injury or death.

C. This Agreement shall be interpreted according to the Constitution and the laws of the State of Texas. Venue of any court action brought directly or indirectly by reason of this Agreement shall be in Bexar County, Texas.

SECTION 12. ATTORNEY's FEES

In the event either party defaults under any of the provisions of this Agreement, and should the non-defaulting party employ attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees to pay to the non-defaulting party reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party.

SECTION 13. CHANGES AND AMENDMENTS

A. Except as provided below, any alterations, additions, or deletions to the terms of this Agreement shall be by amendment hereto in writing and executed by both parties to this Agreement upon GRANTOR approval and authorization of GRANTEE.

B. It is understood and agreed by the parties hereto that performances under this Agreement shall be rendered in accordance with the laws and rules governing the Economic Development Program as set forth in Texas Local Government Code Chapter 380, and the terms and conditions of this Agreement.

C. Any alterations, additions, or deletions to the terms of this Agreement required by changes in state law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation.

SECTION 14. SUSPENSION

A. Notwithstanding the provisions of Chapter 2251 of the Texas Government Code, in the event GRANTEE commits a Default Event, GRANTOR shall provide GRANTEE with written notification as to the nature of the Default Event. GRANTOR shall grant GRANTEE a sixty (60) day period from the date of the GRANTOR's written notification to cure any Default Event. Should GRANTEE fail to cure any Default Event within this period of time, the GRANTOR may, upon written Notice of Suspension to GRANTEE, suspend this Agreement in whole or in part by withholding further payments to GRANTEE, and prohibit GRANTEE from incurring additional obligations of funds under this Agreement. Such Notice of Suspension shall include: (1) the reasons for such suspension; (2) the effective date of such suspension; and, (3) in the case of partial suspension, the portion of the Agreement to be suspended.

B. In the case of a Default Event that occurs for causes beyond GRANTEE's reasonable control, which cannot with due diligence be cured within such sixty (60) day period, the GRANTOR may, in its reasonable discretion, extend the cure period provided that GRANTEE shall: (1) immediately upon receipt of Notice of Suspension advise GRANTOR of GRANTEE's intention to institute all steps necessary to cure such default and the associated time frame; and (2) institute and thereafter prosecute to completion with reasonable dispatch all steps necessary to cure same.

C. A suspension under this Section 14 may be lifted at the reasonable discretion of the GRANTOR upon a showing of compliance with or written waiver by GRANTOR of the term(s) in question.

D. With the exception of payment for work in progress or materials ordered prior to receiving a Notice of Suspension, GRANTOR shall not be liable to GRANTEE or to GRANTEE's creditors for costs incurred during any term of suspension of this Agreement unless GRANTOR improperly exercised its right of suspension.

SECTION 15. TERMINATION

A. GRANTOR shall have the right to terminate this Agreement in the event GRANTEE commits a Default Event that remains uncured past any applicable cure period at any time before the date of completion specified in Section 5 of this Agreement. GRANTOR shall provide GRANTEE with written notification as to the nature of the Default Event and grant GRANTEE a sixty (60) day period from the date of the GRANTOR's written notification to cure any Default Event. Should GRANTEE fail to cure any Default Event within this period of time, the GRANTOR may, upon issuance to GRANTEE of a written Notice of Termination, either suspend this Agreement pursuant to the provisions of SECTION 14 above, or terminate this Agreement in whole or in part, in which case the GRANTOR may: (1) withhold further payments to GRANTEE; and/or (2) accelerate the repayment of the grant. Such notification shall include: (1) the reasons for such termination; (2) the effective date of such termination; and, (3) in the case of partial termination, the portion of the Agreement to be terminated.

B. In the case of a Default Event that occurs for causes beyond GRANTEE's reasonable control, which cannot with due diligence be cured within such sixty (60) day period, the GRANTOR may, in its reasonable discretion, extend the cure period provided that GRANTEE shall: (1) immediately upon receipt of Notice of Termination advise GRANTOR of GRANTEE's intention to institute all steps

necessary to cure such default and the associated time frame; and (2) institute and thereafter prosecute to completion with reasonable dispatch all steps necessary to cure same.

C. In the absence of a Default Event, this Agreement may be terminated in whole or in part only as follows:

1. By the GRANTOR (with the written consent of the GRANTEE), in which case the two parties shall agree upon the termination conditions, including the repayment of funds, the effective date, and, in the case of partial termination, the portion to be terminated; or

2. By GRANTEE upon written notification to the GRANTOR, setting forth the reasons of such termination, a proposed pay-back plan of any funds granted, the effective date, and, in the case of partial termination, the portion to be terminated. However, if, in the case of partial termination, the GRANTOR determines in its sole discretion that the remaining portion of the award will not accomplish the purpose for which the award was made, the GRANTOR may terminate the award in its entirety under SECTION 15.

SECTION 16. SPECIAL CONDITIONS AND TERMS

GRANTEE understands and agrees that if GRANTEE is a "business" and if the GRANTOR's contribution under this Agreement is a "public subsidy" as that term is defined in Chapter 2264 of Subtitle F, Title 10 of the Government Code (80 (R) HB 1196), then GRANTEE is required to refund money, pursuant to 80(R) HB 1196, GRANTEE has received from GRANTOR through this Agreement, in the event of a conviction of knowingly employing an undocumented worker, with repayment required within six months of final conviction. Interest shall accrue at the rate of .5% per month until the time of such repayment from the date of final conviction.

SECTION 17. RESERVED

SECTION 18. DEBARMENT

By signing this Agreement, GRANTEE certifies that it will not knowingly pay any funds provided under this Agreement to any party which is debarred, suspended or otherwise excluded from or ineligible for participation in assistance programs by the GRANTOR.

SECTION 19. RIGHTS UPON DEFAULT

It is expressly understood and agreed by the Parties hereto that any right or remedy provided for in this Agreement shall not preclude the exercise of any other right or remedy under any other agreements between GRANTEE and the GRANTOR or under any provision of law, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. Failure to exercise any right or remedy hereunder shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

SECTION 20. NON-ASSIGNMENT

This Agreement is not assignable without the written consent of GRANTOR and the passage of a GRANTOR Ordinance approving such assignment. Any other attempt to assign the Agreement shall not relieve GRANTEE from liability under this Agreement and shall not release GRANTEE from performing any of the terms, covenants and conditions herein. GRANTEE shall be held responsible for all funds

received under this Agreement. Notwithstanding the foregoing, GRANTEE may assign the Agreement, upon consent of GRANTOR, which shall not be unreasonably withheld or delayed, in conjunction with a sale or merger of the company so long as the entity that will succeed to GRANTEE's rights under this Agreement assumes in writing all of GRANTEE's obligations hereunder.

SECTION 21. ORAL AND WRITTEN AGREEMENTS

All oral and written agreements between the Parties to this Agreement relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement.

SECTION 22. AUTHORIZED RELIEF FROM PERFORMANCE *(Force Majeure)*

GRANTOR may grant temporary relief from performance of this Agreement if GRANTEE is prevented from compliance and performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributed to the fault or negligence of the GRANTEE. The burden of proof for the need for such relief shall rest upon the GRANTEE. To obtain release based upon *force majeure*, GRANTEE must file a written request with the GRANTOR. Should GRANTOR grant temporary relief to GRANTEE, it shall in no case relieve GRANTEE from any repayment obligations as specified in this Agreement.

Signatures appear on next page.

WITNESS OUR HANDS, EFFECTIVE as of _____ ___, 2016 (the "Effective Date"):

Accepted and executed in two duplicate originals on behalf of the GRANTOR of San Antonio pursuant to Ordinance Number 2016-__-__-____, dated _____ __, 2016, and GRANTEE pursuant to the authority of its _____.

GRANTOR:
CITY OF SAN ANTONIO,
a Texas Municipal Corporation

_____
Sheryl L. Sculley
GRANTOR MANAGER

ATTEST:

_____
Leticia Vacek
GRANTOR CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

GRANTEE:
LEGAL HOLDINGS, LLC
d/b/a Easyexpunctions.com
a Texas Limited Liability Company

By:_____
Name:
Title:

ATTEST:

_____
Name:
Title: