

ZAPPOS DONATION AGREEMENT FOR
2013 CORPORATE CHALLENGE

THIS ZAPPOS DONATION AGREEMENT FOR 2013 CORPORATE CHALLENGE (this "Agreement") is made and entered into this ___st day of _____, 201_ (the "Effective Date"), by and between Zappos.com, Inc. (the "Donor"), a Delaware corporation, and the City of Las Vegas (the "City"), a municipal corporation within the State of Nevada.

RECITALS

WHEREAS, the City, acting by and through its Department of Park, Recreation and Neighborhood Services, is the sponsor of that certain sports competition event commonly known and referred to as "Corporate Challenge"; and

WHEREAS, Corporate Challenge is an Olympic style competition consisting of teams of employees from the public and private sector employers who have entered various designated sporting events for the purpose of winning those events on behalf of themselves and their employer; and

WHEREAS, due to the economic downturn in the Las Vegas Valley, and the fiscal impact that such economic downturn has had upon governmental entities in the State of Nevada, the City is not financially able to sponsor the 2013 Corporate Challenge; and

WHEREAS, Donor, recognizing the benefit that is provided to employees of the City and to the employees of the various participating corporate employers, desires to make a contribution to the City to be used to financially support the sponsorship costs of the 2013 Corporate Challenge; and

WHEREAS, the parties hereto desire to enter into an agreement setting forth their respective obligations concerning the financial contribution of the Donor to the City, which will be used for the 2012 Corporate Challenge.

NOW, THEREFORE, in light of the above premises, the parties hereto agree to the following:

1. Contribution. On or before the deadline set forth in Section 2 below, Donor agrees to donate to the City, subject to the conditions set forth in Section 3 below, the sum of Seventy Thousand Dollars (\$70,000) (the "Donation"). Notwithstanding the Donation made herein, the City's acceptance of the Donation shall not obligate it to proceed with the 2013 Corporate Challenge, or preclude its right to terminate this Agreement as provided in Section 5 below.

2. Donation Deadline. Donor agrees to make the Donation to the City within thirty (30) calendar days after the Effective Date of this Agreement. The Donation shall be made in the form of a check made payable to the City of Las Vegas, which shall be delivered to the City on or before the aforementioned deadline.

3. Conditions of the Donation. By accepting the donation, the City agrees to the following conditions:

a. The Donation shall be used by the City for the purpose of paying staffing expenses, professional service fees and the costs of supplies, which expenses the City anticipates will be incurred by it in connection with holding the 2013 Corporate Challenge.

b. Any recognition of the Donation made by the Donor, if so desired by the Donor, will be agreed to by the parties subsequent to the execution of this Agreement.

c. The Donation will be deposited into the Special Revenue Account established by the City for such purpose, and shall not be commingled with the City's General Fund, or any other separate account established for purposes of the 2013 Corporate Challenge. A record of the disbursement made from the Special Revenue Account will be maintained by the City, and the Donor shall have access to such records if a written request is made by the Donor to the City.

d. The parties hereto anticipate that the 2013 Corporate Challenge will be held during the following period of time: March 2, 2013 through May 18, 2013. The City reserves the right to modify those dates with the need to amend this Agreement.

e. The City agrees that the events and format of the 2013 Corporate Challenge shall be substantially similar, although need not be identical to, the 2012 Corporate Challenge.

4. Surplus Funds. If, after payment of the expenses related to 2013 Corporate Challenge, there is an unexpended balance in the Special Revenue Account established for the Donation, the City will retain the balance for use in connection with future Corporate Challenge events, unless the Donor requests in writing the return of the unexpended balance of the Donation to the Donor.

5. Right of Termination. The City reserved the right to cancel the 2013 Corporate Challenge for any reason whatsoever (including no reason). In the event that the City elects to cancel 2013 Corporate Challenge, the City agrees to return the Donation to the Donor within 30 days after such decision has become final.

6. Notices. Any communications or notices which are given by either party under this Agreement shall be made to the person at the addresses set forth below:

To the Donor: Zappos.com, Inc.
2280 Corporate Circle Drive, Suite 100
Henderson, Nevada 89074
Attn: Legal Department

To the City: Parks, Recreation and Neighborhood Services Department
City of Las Vegas
495 South Main Street, 5th Floor
Las Vegas, Nevada 89101
Attn: Lonny Zimmerman

