07/15/2014 09:10 9169854893 CYRUS ZAL ESQ PAGE 01/05

CYRUS ZAL, A PROFESSIONAL CORPORATION

102 MAINSAIL COURT FOLSOM, CALIFORNIA 95680

TELEPHONE: (916) 985-3576 FACSIMILE: (916) 985-4893

Email: czal47@comcast.net

To:

Name:

Justin C. Lowenthal

Company/Firm:

Lowenthal, APC

Department:

Fax Number:

530-231-4949

From:

Cyrus Zal

Cyrus Zal, A Professional Corporation

Fax Number:

(916) 985-4893

Number of pages to follow:

Date:

7/15/14

Time:

9:18 am

Comments:

Executed Employment Agreement

Original will

will not 🛛

follow in U.S. Mail.

CONFIDENTIALITY NOTE:

The information contained is this facsimile message is private, privileged and confidential information intended only for the use of individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copy of the telecopy is strictly prohibited. If you received this telecopy in error, please immediately notify us by telephone and return the original message to us at the address above via the United States Postal Service. Thank you.

LAWYERS ON DEMAND, INC.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is entered into between Lawyers On Demand, Inc., a California corporation, or any of its current or future subsidiaries, affiliates, successors or assigns (collectively, "Employer"), and Justin C. Lewenthal, Esq. ("Employee"), as of the date set forth below, on the following terms and conditions:

WHEREAS, Employer desires to employ Employee part-time, and Employee desires to become employed by Employer part-time, as its <u>General Counsel</u>, on the terms and conditions set forth in this Agreement;

THEREFORE, in consideration of the above recitals and of the mutual promises and conditions in this Agreement, and for other valuable consideration, receipt of which is hereby acknowledged, it is agreed as follows:

- 1. Term of Employment. Employment shall be deemed to have commenced on July 1, 2014, and shall continue through November 1, 2014 or until earlier terminated by either Employee or Employer in accordance with the terms of this Agreement or by law.
- 2. <u>Place of Employment</u>. Unless the parties agree otherwise in writing, during the employment term Employee shall perform the services he or she is required to perform under this Agreement at places directed by Employer from time to time, although Employee may telecommute from time-to-time in Employee's discretion. Employee acknowledges that he may be required to travel temporarily to other locations on Employer's business.
- 3. <u>Position</u>. Employer shall employ Employee as its General Counsel or in such other similar capacity or capacities as Employer may from time to time prescribe. Employee shall functionally serve as Employer's in-house counsel.
- 4. <u>Time and Effort Required</u>. Employer shall employ Employee on a part-time basis. During the term of this Agreement, Employee shall devote substantial business efforts and time (on a part-time basis) to Employer, but shall be free to maintain or take other employment or engagement contemporaneously.
- 5. Equity Compensation in Lieu of Salary. Employer agrees to transfer to Employee 50,000 shares of Employer's common stock, or the equivalent of 5% of all outstanding shares on a fully-diluted basis, whichever is greater (the "Shares"). The Shares transferred to Employee pursuant to this Section shall be subject to a vesting schedule for the term of this Agreement, in which the unvested Shares become vested in 1/4 monthly increments during the term of this Agreement, with the first 1/4 increment becoming vested upon execution of this Agreement. All of Employee's unvested shares shall be subject to Employer's repurchase option as specified in a separate Common Stock Purchase Agreement between Employer and Employee with respect to the Shares. Employee shall have all of the rights of a shareholder with respect to the Shares during the vesting period, including the right to vote and receive payment of dividends. Employee shall receive no other compensation under this Agreement.

- 6. <u>Parking.</u> Employer shall provide Employee with an exclusive parking spot at or nearby Employer's main office at no cost to Employee.
- 7. Business Expenses. Employer shall promptly reimburse Employee for all reasonable business expenses incurred by Employee in promoting the business of Employer, including expenditures for entertainment, gifts, and travel. Each such expenditure shall be reimbursable only if it is of a nature qualifying it as a proper deduction on the federal and state income tax return of Employer. Each such expenditure shall be reimbursable only if Employee furnishes to Employer adequate records and other documentary evidence required by federal and state statutes and regulations issued by the appropriate taxing authorities for the substantiation of that expenditure as an income tax deduction.

8. <u>Termination of Employment.</u>

(a) By Employer,

- (i) Employer reserves the right to terminate this Agreement only if Employee (1) willfully breaches or habitually neglects the duties which he is required to perform under the terms of this Agreement, or (2) commits acts of dishonesty, fraud, misrepresentation, or other acts of moral turpitude, that would prevent the effective performance of his duties.
- (ii) Employer may at its option terminate this Agreement for the reasons stated in this Section by giving written notice of immediate termination to Employee without prejudice to any other remedy to which Employer may be entitled either at law, in equity, or under this Agreement. The notice of termination required by this Section shall specify the ground for the termination and shall be supported by a statement of all relevant facts.
- (iii) Employee's employment may only be terminated by Employer "for cause", as specified under this Section.
- (b) <u>By Employee</u>. Employee may terminate this Agreement with 30-days advance notice to Employer. Employee shall not receive any further shares of stock that have not vested after the expiration of the 30-day notice to Employer.
- 9. <u>Indemnification by Employer</u>. Employer shall, to the maximum extent permitted by law and its bylaws, indemnify and hold Employee harmless for any acts or decisions made in good faith while performing services for Employer. Employer may pay, subject to its discretion in the circumstances, and consistent with any legal limitations choose to advance, all expenses, including reasonable attorney fees and costs of court-approved settlements, actually and necessarily incurred by Employee in connection with the defense of any action, suit, or proceeding and in connection with any appeal that has been brought against Employee by reason of his or her service as an officer or agent of Employer.
- 10. <u>Employer's Right to Assign Agreement</u>. In the event of a merger in which Employer is not the surviving entity, or of a sale of all or substantially all of Employer's assets, Employer may, at its sole option, assign this Agreement and all rights and obligations under it to

PAGE 04/05

any business entity that succeeds to all or substantially all of Employer's business through that merger or sale of assets.

- 11. Integration. This Agreement contains the entire agreement between the parties and supersedes all prior or contemporaneous oral and written agreements, understandings, commitments, and practices between them, including all prior employment agreements, whether or not fully performed by Employee before the date of this Agreement. Without limiting the generality of the foregoing, except as provided in this Agreement, all understandings and agreements, written or oral, relating to Employee's employment by Employer or Employer's payment of any compensation or provision of any benefit in connection therewith or otherwise are hereby terminated and shall be of no future force or effect. Employee represents and warrants that Employee is not relying on any representations made before or outside of this Agreement. No oral modifications, express or implied, may alter or vary the terms of this Agreement. No amendments to this Agreement may be made except by a writing signed by both parties.
- 12. Waiver. No waiver by Employer of any breach of this Agreement shall constitute a waiver of any preceding or succeeding breach. No waiver by Employer of any right under this Agreement shall be construed as a waiver of any other right.
- 13. <u>Amendments</u>. No amendments or other modifications to this Agreement may be made except by a writing signed by both parties.
- 14. Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances. If the scope of any provision in this Agreement is found to be too broad to permit enforcement of that provision to its full extent, Employee consents to judicial modification of that provision and enforcement to the maximum extent permitted by law.
- 15. Entire Agreement. Governing Law. Survival. This Agreement constitutes the entire agreement between Employer and Employee regarding Employee's employment, and this Agreement supersedes any and all prior agreements regarding these matters. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of California without giving effect to the principles of conflict of laws.
- 16. Successors and Assigns. This Agreement shall be binding upon Employee's heirs, executors, administrators and other legal representatives, and Employee's successors and assigns, and is for the benefit of Employer, its successors, and its assigns.
- 17. <u>Counterparts</u>. This Agreement may be executed on separate copies, any one of which need not contain signatures of more than one party but all of which taken together shall constitute one and the same Agreement. Either party may electronically sign this Agreement or transmit a signed facsimile or PDF copy, which shall be considered an original copy.
- 18. Construction. Each party agrees that it has reviewed and revised this Agreement and all related documents with or after consulting with its counsel, each party further agrees that

it has read and understood each of the terms and provisions of this agreement and that any rule of construction to the effect that ambiguities are to be construed against the drafting party shall not apply to the interpretation of this Agreement or any related document or any amendment hereto or thereto or exhibits herein or therein.

The undersigned acknowledges that he has read and understood this Agreement and that he signs this Agreement intending to be bound by its terms as of the date set forth below.

Date: 7/15/14

Justin C. Lowenthal, Esq.

Accepted and agreed to by Employer:

LAWYERS ON DEMAND, INC.

Date: 7-15-2014

By: Derek Bluford
Its: President & CEO

Date: July 15, 2014

By: Cyals Zal Its: Vice Presiden

NON-BINDING MEMORANDUM OF UNDERSTANDING

This Non-Binding Memorandum of Understanding ("MOU") is to be construed separately and distinctly from the Employment Agreement set forth above. By executing this MOU below, the parties express their informal, non-binding agreement to negotiate in good faith with respect to a long-term employment arrangement for the undersigned employee and make clear that the above Employment Agreement is entered into with the intention of executing a more complete and extensive employment contract so long as Lawyers On Demand, Inc. is sufficiently viable.

Date: 7/15/14

Justin C Lowenthal Esq

LAWYERS ON DEMAND, INC.

Date: 7-15-2014

By: Derek Bluford Its: President & CEO