

09-20-2002



CORDINATION FORM COVER SHEET
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

102228630

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Simpli.com, Inc.

09-18-02

- Individual(s)
- General Partnership
- Corporation-State
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: April 10, 2002

2. Name and address of receiving party(ies)

Name: Search123.com, Inc.

Internal

Address:

5701 Lindero Canyon Road
Street Address: Suite 2-200

Westlake
City: Village State: CA Zip: 91362

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State California
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

75/767,624

(63033.200US01)

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Anna M. Vradenburgh

~~Bruhl Piccionelli Sarno~~

Internal Address: Braun & Vradenburgh

1925 Century Park East

Suite 2350

Los Angeles, CA 90067

Street Address:

City: State: Zip:

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

- Enclosed (#12167)
- Authorized to be charged to deposit account

8. Deposit account number:

SEP 18 2002

DO NOT USE THIS SPACE

9. Signature.

Anna M. Vradenburgh

Name of Person Signing

Anna M. Vradenburgh
Signature

September 12, 2002

Date

Total number of pages including cover sheet, attachments, and document: 123

09/19/2002 DBYRNE 00000232 75767624

Mail documents to be recorded with required cover sheet information to:
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Washington, D.C. 20231

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MERGER AGREEMENT AND PLAN OF REORGANIZATION

by and among

SEARCH123.COM INC.,

SEARCH ACQUISITION CORP.,

SIMPLI.COM, INC.

and

NETZERO, INC.

dated April 10, 2002

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SCHEDULES AND EXHIBITS

Schedules

Company Disclosure Schedule

Search123 Disclosure Schedule

Exhibits

Exhibit A – Certificate of Merger

Exhibit B – Form of Company and Stockholder Officers' Certificates

Exhibit C – Form of Opinion from Counsel to the Company and the Stockholder

Exhibit D – Form of Merger Sub and Search123 Officers' Certificate

Exhibit E – Form of Opinion from Counsel to Search123 and Merger Sub

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Exhibit G – Form of Intellectual Property License Agreement

Exhibit H – Form of Investor Rights Agreement

MERGER AGREEMENT AND PLAN OF REORGANIZATION

This Merger Agreement and Plan of Reorganization (this "Agreement") is made and entered into as of April 10, 2002, by and among Search123.com Inc., a California corporation ("Search123"), and Search Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Search123 ("Merger Sub"), on the one hand, and Simpli.com, Inc., a Delaware corporation (the "Company") and wholly-owned subsidiary of NetZero, Inc., a Delaware corporation ("Stockholder"), and Stockholder, on the other hand. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in Appendix A attached hereto.

RECITALS

A. The Boards of Directors of each of Search123 and the Company believe it is in the best interests of their respective companies and their respective shareholders that Search123 acquire the Company through the merger of Merger Sub with and into the Company (the "Merger") and, in furtherance thereof, such Boards have approved the Merger, this Agreement and the transactions contemplated hereby.

B. Pursuant to the Merger, all of the issued and outstanding shares of capital stock of the Company shall be converted into the right to receive shares of Series C Preferred Stock of Search123 with the rights, preferences and privileges set forth in the Search 123 Restated Articles ("Search123 Series C Preferred Stock") subject to the terms and conditions set forth herein.

C. All of the parties hereto intend that the Merger shall constitute a reorganization within the meaning of Section 368(a) of the Code.

D. The Company, Stockholder, Search123 and Merger Sub desire to make certain representations, warranties, covenants and agreements in connection with the Merger.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

THE MERGER

1.1 The Merger. At the Effective Time and subject to and upon the terms and conditions of this Agreement and the applicable provisions of the DGCL, Merger Sub shall be merged with and into the Company, the separate corporate existence of Merger Sub shall cease and the Company shall continue as the surviving corporation. The Company as the surviving corporation after the Merger is hereinafter sometimes referred to as the "Surviving Corporation."

1.2 Effective Time. The consummation of the Merger under this Agreement (the "Closing") shall take place at the offices of the Stockholder on April 17, 2002, or such other date

upon which the parties mutually agree in writing (the "Closing Date"). Subject to the provisions of this Agreement, the parties hereto shall cause the Merger to be consummated on the Closing Date by filing a Certificate of Merger substantially in the form attached hereto as Exhibit A (the "Certificate of Merger") with the Secretary of State of Delaware in accordance with the relevant provisions of the DGCL (the time of such filing (or such later time as may be agreed in writing by the parties and specified in the Certificate of Merger) being the "Effective Time"). Unless the context otherwise requires, the term "Agreement" as used herein refers collectively to this Agreement and the Certificate of Merger.

1.3 Effect of the Merger. At the Effective Time, the effect of the Merger shall be as provided in this Agreement and the applicable provisions of the DGCL. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time all the property, rights, privileges, powers and franchises of the Company and Merger Sub shall vest in the Surviving Corporation, and all debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Corporation. The Surviving Corporation shall become a wholly-owned subsidiary of Search123.

1.4 Certificate of Incorporation; Bylaws.

(a) At the Effective Time, the Certificate of Incorporation of Merger Sub, as in effect immediately prior to the Effective Time, shall be the Certificate of Incorporation of the Surviving Corporation until thereafter amended as provided by law and such Certificate of Incorporation.

(b) The Bylaws of the Company, as in effect immediately prior to the Effective Time, shall be, at the Effective Time, the Bylaws of the Surviving Corporation until thereafter amended.

1.5 Directors of the Surviving Corporation. The directors of Merger Sub immediately prior to the Effective Time shall be the directors of the Surviving Corporation, each to hold office in accordance with the Certificate of Incorporation and Bylaws of the Surviving Corporation. The officers of Merger Sub immediately prior to the Effective Time shall be the officers of the Surviving Corporation, each to hold office in accordance with the Bylaws of the Surviving Corporation.

1.6 Effect on Capital Stock.

(a) Actions at the Effective Time. At the Effective Time:

(i) Each share of Company Common Stock issued and outstanding immediately prior to the Effective Time (the "Outstanding Company Shares") will automatically, by virtue of the Merger and without any action on the part of the holder thereof, be canceled and converted into a right to receive from Search123 342,126.9 shares of validly issued, fully paid and nonassessable shares of Search123 Series C Preferred Stock (the "Per Share Merger Consideration"), with fractional shares, if any, being paid out in cash. This will result in the issuance of an aggregate number of 3,421,269 shares of Search 123 Series C Preferred Stock (the "Merger Shares").

(ii) Each outstanding share of common stock of Merger Sub shall be converted into one (1) fully paid and non-assessable share of common stock of the Surviving Corporation and shall constitute the only shares of capital stock of the Surviving Corporation outstanding immediately after the Effective Time.

1.7 Payment of Per Share Merger Consideration. At the Closing, the Stockholder shall be entitled to receive, upon surrender to Search123 or its representatives of any certificate or certificates evidencing the Outstanding Company Shares (the "Certificate") for cancellation a certificate representing the Merger Shares. Upon such surrender of the Certificate and delivery by Search123 to the Stockholder of a certificate representing the Merger Shares, the Certificate shall forthwith be cancelled. Until so surrendered, the Certificate shall be deemed for all corporate purposes to evidence only the right to receive upon such surrender the aggregate number of shares of Search123 Series C Preferred Stock into which the Outstanding Company Shares represented thereby shall have been converted.

1.8 Closing Deliveries.

(a) Closing Deliveries by the Company and the Stockholder. At the Closing, the Company and the Stockholder shall have delivered or caused to be delivered to Search123 and/or Merger Sub, as the case may be:

(i) the original certificate(s) representing all of the Outstanding Company Shares, duly endorsed in blank (or accompanied by duly executed stock powers);

(ii) the Intellectual Property License, duly executed by the Stockholder and the Company;

(iii) the Investor Rights Agreement, duly executed by the Stockholder;

(iv) the Certificate of Merger, duly executed;

(v) such government or third party consents, filings or notices as are necessary to consummate the transactions contemplated hereby in form and substance substantially satisfactory to Search123;

(vi) a certificate of an officer of each of the Company and the Stockholder, substantially in the form of Exhibit B attached hereto, duly executed by each of the Company and the Stockholder certifying that the conditions specified in Section 5.3(a) and (b) have been fulfilled;

(vii) a certificate of the Secretary of the Company certifying as of the Closing Date (A) a true and complete copy of the organizational documents of the Company certified as of a recent date by the Secretary of State of Delaware, (B) a certificate of the Secretary of State of the Company's state of incorporation certifying the good standing of the Company in such state, (C) a true and complete copy of the resolutions of the board of directors of the Company and the resolutions of the stockholders of the Company, each authorizing the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby and (D) incumbency matters;

(viii) a statement of resignation duly executed by each of the officers and directors of the Company, dated effective as of the Closing;

(ix) an opinion of counsel to the Company and the Stockholder, substantially in the form attached hereto as Exhibit C;

(x) a change of signature authorization form for the Company's bank accounts, duly executed by those individuals who are signatories for such accounts prior to the Closing Date; and

(xi) such other documents as Search123 may reasonably request for the purpose of facilitating the consummation of the transactions contemplated herein.

(b) Closing Deliveries by the Search123 and Merger Sub. At the Closing, Search123 and/or Merger Sub, as the case may be, shall have delivered or caused to be delivered to the Company and/or the Stockholder, as the case may be:

(i) the Per Share Merger Consideration;

(ii) the Investor Rights Agreement, duly executed by Search123;

(iii) the Certificate of Merger, duly executed;

(iv) such government or third party consents, filings or notices as are necessary to consummate the transactions contemplated hereby in form and substance substantially satisfactory to the Stockholder;

(v) a certificate of an officer of each of Merger Sub and Search123 substantially in the form of Exhibit D attached hereto, duly executed by each of the Merger Sub and Search123 certifying that the conditions specified in Section 5.2(a) and (b) have been fulfilled;

(vi) a certificate of the Secretary of Search123, certifying as of the Closing Date (A) a true and complete copy of the organizational documents of Search123 and Merger Sub certified as of a recent date by the Secretary of State of California and the Secretary of State of Delaware, respectively, including, with respect to Search123, a certified copy of the Search123 Restated Articles from the California Secretary of State, (B) a certificate of each appropriate Secretary of State certifying the good standing of each of them in its state of incorporation, (C) a true and complete copy of the resolutions of the board of directors of each of them, each authorizing the execution, delivery and performance of this Agreement by Search123 and Merger Sub and the consummation of the transactions contemplated hereby and (D) incumbency matters;

(vii) an opinion of counsel to Search123 and Merger Sub, substantially in the form attached hereto as Exhibit E;

(viii) a change of signature authorization form for the Company's bank accounts, duly executed by those individuals who will be the signatories for such accounts following the Closing Date; and

(ix) such other documents as the Company or the Stockholder may reasonably request for the purpose of facilitating the consummation of the transactions contemplated herein.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER AND THE COMPANY

Except as set forth on the Company Disclosure Schedule, the Stockholder and the Company represent and warrant, severally and not jointly, as of the date hereof and as of the Closing Date, as follows. The exceptions on the Company Disclosure Schedule shall be deemed to be representations and warranties hereunder and shall specifically identify the relevant subparagraph hereof to which such exception applies. The Stockholder makes no representation or warranty as to the Company except that, to the Knowledge of the Stockholder, the representations and warranties of the Company are true and correct in all material respects.

2.1 Organization of the Company. The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware. The Company is duly authorized to conduct business and is in good standing in each jurisdiction where such qualification is required except for any jurisdiction where failure so to qualify would not have a Material Adverse Effect upon the Company. The Company has full power and authority, and holds all Permits and authorizations necessary to carry on its business and to own and use the Assets and Properties owned and used by the Company except where the failure to have such power and authority or to hold such Permit or authorization would not have a Material Adverse Effect on the Company's business. The Company has delivered to Search123 correct and complete copies of its charter documents and organizational documents, each as amended to date.

2.2 Capital Stock of the Company. The authorized capital stock of the Company consists of (i) 10 shares of common stock, par value \$0.001 per share ("Company Common Stock"), of which 10 shares are issued and outstanding as of the date hereof, (ii) no shares in treasury, and (iii) no shares of preferred stock or any other class or series of capital stock. The issued and outstanding capital stock of the Company is duly authorized, validly issued, fully paid and nonassessable. There are no outstanding subscriptions, options, warrants, calls, commitments and other rights of any kind for the purchase or acquisition of, and any securities convertible or exchangeable for, any capital stock of the Company.

2.3 Ownership of Shares. The Stockholder is the record and beneficial owner of all of the outstanding shares of Company Common Stock and has good and marketable title to all such shares, free and clear of all Encumbrances. The Stockholder has full right, power and authority to sell, transfer and deliver the shares of Company Common Stock as provided in this

Agreement. The delivery of the Certificate representing the Outstanding Company Shares will transfer to Search123 good and valid title thereto free and clear of all Encumbrances.

2.4 Authority of the Stockholder. The Stockholder has the right, power and authority to enter into this Agreement and the Ancillary Agreements to which the Stockholder is a party, to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder, without obtaining the approval or consent of any other Person. This Agreement and the Ancillary Agreements have been duly and validly executed and delivered by the Stockholder and constitute legal, valid and binding obligations of the Stockholder enforceable against the Stockholder in accordance with their terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

2.5 Authority of the Company. The Company has all necessary power and authority and has taken all action necessary to enter into this Agreement and the Ancillary Agreements to which the Company is a party, to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder and no other proceedings on the part of the Company are necessary to authorize this Agreement or the Ancillary Agreements or to consummate the transactions contemplated hereby or thereby. This Agreement and the Ancillary Agreements have been duly and validly executed and delivered by the Company and constitute legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

2.6 No Conflicts. The execution and delivery by the Stockholder and the Company of this Agreement does not, and the performance by the Stockholder and the Company of their respective obligations under this Agreement and the consummation of the transactions contemplated hereby will not:

(a) conflict with or result in a violation or breach of any of the terms, conditions or provisions of the charter documents, bylaws or other organizational documents of the Company or the Stockholder;

(b) result in a breach or default of, or be considered an event that, with the giving of notice or passage of time, would constitute a breach or default (or give rise to right of termination, cancellation or acceleration) under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other instrument or obligation to which the Company or the Stockholder, or any of the Company's Assets or Properties, Intellectual Property or Common Stock, may be bound; or

(c) result in an imposition or creation of any Encumbrance on the business or Assets or Properties or Intellectual Property of the Company or the Company Common Stock.

2.7 Consents and Governmental Approvals and Filings. No consent, approval or action of, filing with or notice to any Governmental or Regulatory Authority or any other Person on the part of the Stockholder or the Company is required in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby, except for (i) the filing of the Certificate of Merger or (ii) such consents, approvals, orders or filings as may be required under applicable federal or state securities laws.

2.8 Company Balance Sheet. The Company Balance Sheet is set forth in Section 2.8 of the Company Disclosure Schedule. To the Knowledge of the Stockholder, the Company Balance Sheet is accurate and complete in all material respects and will reflect the Assets and Properties and liabilities of the Company as of the Closing. To the Knowledge of the Stockholder, the Company has no liabilities, contingent or otherwise, required in accordance with GAAP to be stated on the Company Balance Sheet that are not reflected in the Company Balance Sheet. The Company Balance Sheet was not prepared in accordance with GAAP. The Company has incurred significant losses to date and has been funded with advances from the Stockholder. The Company's cash balance as of the Closing will not be less than two hundred and twenty thousand dollars (\$220,000).

2.9 Assets and Properties. The Company's assets immediately following the Closing are listed in Section 2.9 of the Company Disclosure Schedule. The Company is in possession of and has good and marketable title to, or has valid leasehold interests in or valid rights under written agreements to use, all Assets and Properties listed in Section 2.9 of the Company Disclosure Schedule. All such Assets and Properties are free and clear of all Encumbrances, other than Permitted Encumbrances.

2.10 Absence of Changes. Except for the execution and delivery of this Agreement and the transactions to take place pursuant hereto on or prior to the Closing Date and except as taken into account in preparing the Company Balance Sheet, since the date hereof, there has not been:

(a) any adverse change, including any damage destruction or loss, in the Intellectual Property, Assets and Properties of the Company that are included on the Company Balance Sheet;

(b) any material change in any compensation arrangement or agreement with any employee other than the vesting of stock in connection with, or prior to, the transactions contemplated hereby;

(c) any mortgage, pledge, transfer of a security interest in, or lien, created by the Company, with respect to the Intellectual Property, Assets and Properties included on the Company Balance Sheet, except liens for taxes not yet due or payable; or

(d) any agreement or commitment by the Company to do any of the things described in this Section 2.10.

2.11 Benefit Plans; ERISA.

(a) Except for any plans of United Online, Inc. or the Stockholder (which plans will not apply to the Company following the Closing) and those set forth on Section 2.11 of the Company's Disclosure Schedule, the Company does not maintain, sponsor, participate in or contribute to, any Benefit Plan or Qualified Plans.

(b) Except for the vesting of employee stock in connection with or prior to the transactions contemplated hereby, severance and vacation benefits for employees terminated on or prior to the Closing, and accrued vacation benefits to be provided to employees following the Closing, the consummation of the transactions contemplated by this Agreement will not, either immediately or upon the occurrence of any event thereafter, (i) entitle any current or former employee or officer or director of the Company to severance pay, unemployment compensation or any other payment, or (ii) accelerate the time of payment or vesting, or increase the amount of compensation otherwise due any such individual.

2.12 Intellectual Property Rights.

(a) Generally. Section 2.12(a) of the Company Disclosure Schedule sets forth, for the Intellectual Property owned, in whole or in part, including jointly with others (such schedule specifies if such Intellectual Property is owned jointly), by the Company, a complete and accurate list of all United States and foreign (a) Patent applications; (b) Trademark registrations and applications and unregistered Trademarks; and (c) copyright registrations and applications, indicating for each, the applicable jurisdiction, registration number (or application number) and date issued (or date filed).

(b) Patents. To the Knowledge of the Company, all of the Company's Patents are currently in compliance with legal requirements (including payment of filing, examination, and maintenance fees and proofs of working or use) other than any requirement that, if not satisfied, would not result in a revocation or lapse or otherwise affect the enforceability of the Patent in question.

(c) License Agreements. The Company is not a party to any license agreements granting to the Company any right to use or practice any rights under any Intellectual Property other than over-the-counter "shrink wrap" software. The Company is not a party to any license agreements under which the Company grants licenses or other rights in or to use or practice any rights under any Intellectual Property other than the Intellectual Property License Agreement.

(d) Ownership and Other Rights; Sufficiency of Intellectual Property Assets. To the Company's knowledge, the Company owns or possesses adequate licenses, re-marketing or sublicensing rights, or other rights to use, free and clear of Encumbrances, Orders and arbitration awards, all of its Intellectual Property used in its business. The Intellectual Property identified in Section 2.12(a) of the Company Disclosure Schedule, together with the Company's Trade Secrets and Other Proprietary Information and the Company's unregistered Copyrights constitute all the Intellectual Property rights used in the operation of the Company's business as it is currently conducted.

(e) No Infringement by the Company. To the Knowledge of the Company, no Intellectual Property used in the conduct of the Company's business as currently conducted, infringes upon, violates or constitutes the unauthorized use of any rights owned by any third party, including any Intellectual Property of any third party.

(f) No Pending or Threatened Infringement Claims. No litigation is pending and no notice or other claim has been received by the Company, (A) alleging that the Company has engaged in any activity or conduct that infringes upon, violates or constitutes the unauthorized use of the Intellectual Property rights of any third party or (B) challenging the ownership, use, validity or enforceability of any Intellectual Property used by the Company. To the Knowledge of the Company, no Intellectual Property that is owned or licensed by the Company is subject to any outstanding Order, stipulation or agreement restricting the use thereof by the Company or, in the case of Intellectual Property licensed by the Company to others, restricting the sale, transfer, assignment or licensing thereof by the Company to any Person.

2.13 Litigation. There are no Actions or Proceedings pending or, to the Knowledge of the Company, threatened against, relating to or affecting (i) the Company, its Assets and Properties, its Intellectual Property or the Company's business, or (ii) the transactions contemplated by this Agreement. There are no pending or, to the Knowledge of the Company, threatened charges (by employees, their representatives or any Governmental or Regulatory Authority) of unfair labor practices, employment discrimination, wrongful termination or of any other wrongful action with respect to any aspect of employment of any person employed or formerly employed by the Company. The Company is not in default with respect to any Order, and there are no unsatisfied judgments against the Company.

2.14 Compliance with Law. The Company is in compliance with all applicable laws, statutes, Orders, ordinances and regulations, whether federal, state, local or foreign, except where the failure to comply, in each instance and in the aggregate, could not reasonably be expected to result in a Material Adverse Effect on the Company. The Company has not received any written notice to the effect that, or otherwise has not been advised that, the Company is not in compliance with any of such laws, statutes, Orders, ordinances or regulations, where the failure to comply could reasonably be expected to result in a Material Adverse Effect on the Company.

2.15 Contracts. Section 2.15 of the Company Disclosure Schedule contains a true and complete list of each contract or written agreement to which the Company is a party (except for over the counter "shrink wrap" software licenses) or by which any of its Assets or Properties or Intellectual Property is bound (each, a "Company Contract"). To the Knowledge of the Company, there are no contracts or agreements binding upon the Company (except for over the counter "shrink wrap" software licenses) other than the Company Contracts. A correct and complete copy of each Company Contract has been previously provided to Search123. Each Company Contract is in full force and effect; and the Company has performed all of its required obligations under, and is not in violation or breach of or default under, any such Company Contract. To the Knowledge of the Company, the other parties to any such Company Contract are not in violation or breach of or default under any such Company Contract in any material respect.

2.16 Tax Matters.

(a) The Company has filed with the appropriate federal, state, local and foreign taxing authorities all Tax Returns required to be filed by or with respect to it, or has taken action to extend the filing date of such Tax Returns in accordance with applicable law, and such Tax Returns are true, correct and complete in all material respects. The Company has paid in full or has made provision in the Company Balance Sheet for all Taxes which are due or claimed to be due from it by any taxing authority. The Company has not incurred any liability for Taxes other than in the Ordinary Course of Business since the date of the Company Balance Sheet. There are no liens for Taxes upon the Assets and Properties or Intellectual Property of the Company except for statutory liens for current Taxes not yet due.

(b) The Company has not waived any statute of limitations for, or agreed to any extension of time with respect to, the assessment of Taxes. The Company has not received any notice of deficiency or assessment from any federal, state, local or foreign taxing authorities with respect to liabilities for Taxes which have not been fully paid or finally settled, and any deficiency or assessment shown on Section 2.16 of the Company Disclosure Schedule is being contested in good faith through appropriate proceedings. There is no information Known to the Company or the Stockholder which has caused or should cause them to believe that an audit by any Tax authority may be forthcoming. No claim has ever been made by an authority in a jurisdiction where the Company does not file Tax Returns that it is or may be subject to taxation by that jurisdiction.

(c) The Company has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(d) The Company does not have any liability for the Taxes of any other Person (A) as a transferee or successor, (B) by contract, or (C) otherwise. The Company is not obligated to make any payments, and is not a party to any agreement that under certain circumstances could obligate it to make any payments that will not be deductible under Section 162 or Section 280G of the Code as a result of the consummation of the Merger and the transactions contemplated hereby.

2.17 Certain Employees. No Employee of the Company has an employment agreement or understanding, whether oral or written, with the Company which is not terminable on notice by the Company without cost or other liability to the Company.

2.18 Brokers. Neither the Stockholder nor the Company has retained any broker in connection with the transactions contemplated hereunder. Search123 has, and will have, no obligation to pay any broker's, finder's, investment banker's, financial advisor's or similar fee in connection with this Agreement or the transactions contemplated hereby by reason of any action taken by or on behalf of the Company or the Stockholder.

2.19 Investment Representations. The Stockholder is aware that the Merger Shares have not been registered under the Securities Act or any applicable state securities laws, and agrees that the Merger Shares will not be offered or sold in the absence of registration under the

Securities Act and any applicable state securities laws or an exemption from the registration requirements of the Securities Act and any applicable state securities laws. In this connection, the Stockholder represents that it is familiar with Rule 144 and Rule 145 promulgated by the SEC pursuant to the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. The Stockholder understands that the offering and sale of the Merger Shares is intended to be exempt from registration under the Securities Act, by virtue of the private placement exemption provided by Section 4(2) of the Securities Act, based, in part, upon the representations, warranties and agreements contained in this Agreement, and Search123 may rely on such representations, warranties and agreements in connection therewith. The Stockholder agrees that it will be acquiring the Merger Shares for its own account and for investment, and not with a view to the distribution thereof or with any present intention of distributing or selling any of the Merger Shares except in compliance with the Securities Act or this Agreement. The Stockholder hereby represents and warrants that it is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act. In addition, the Stockholder represents that by reason of its business and financial experience it has knowledge, sophistication and experience in business and financial matters as to be capable of evaluating the merits and risk of the prospective investment. The financial condition and investments of the Stockholder are such that the Stockholder is in a financial position to hold the Merger Shares for an indefinite period of time and to bear the economic risk of, and withstand a complete loss of, the investment in the Merger Shares.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SEARCH123 AND MERGER SUB

Search123 and Merger Sub, jointly and severally, represent and warrant to the Stockholder as of the date hereof and as of the Closing Date, except as set forth on the Search123 Disclosure Schedule furnished to the Company and the Stockholder specifically identifying the relevant subparagraph hereof, which exceptions shall be deemed to be representations and warranties as if made hereunder, as follows:

3.1 Organization. Search123 is a corporation duly organized, validly existing and in good standing under the laws of the State of California. Merger Sub is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware. Each of Search123 and Merger Sub is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required except for any jurisdiction where failure so to qualify would not have a Material Adverse Effect upon Search123 or Merger Sub, as the case may be. Search123 has full power and authority, and holds all Permits and authorizations necessary to carry on its business and to own and use the Assets and Properties owned and used by Search123 except where the failure to have such power and authority or to hold such Permit or authorization would not have a Material Adverse Effect on Search123's business.

3.2 Capital Stock of Search123.

(a) The authorized capital stock of Search123 consists, or will consist immediately prior to the Closing Date, of: (i) 150,000,000 shares of common stock, of which 47,000,000 shares are issued and outstanding; (ii) 15,000,000 shares of Preferred Stock, of which: (A) 5,206,250 shares have been designated Series A Preferred Stock and are issued and outstanding; (B) 628,478 shares have been designated Series B Preferred Stock and are issued and outstanding; and (C) 3,421,269 shares have been designated Series C Preferred Stock, of which no shares are issued and outstanding. There are no shares in treasury. All of the outstanding shares of Search123's capital stock are duly and validly authorized and issued, fully paid and nonassessable and were issued in compliance with all applicable state and federal laws concerning the issuance of securities, except where the failure to comply, in each instance and in the aggregate, could not reasonably be expected to result in a Material Adverse Effect on Search123. The outstanding shares of Search123's capital stock are owned by the shareholders and in the numbers specified in Section 3.2 of the Search123 Disclosure Schedule.

(b) The Series C Preferred Stock, when issued, sold and delivered in accordance with the terms of this Agreement, will be duly and validly issued, fully paid, and nonassessable, and will be free of restrictions on transfer other than the restrictions on transfer under this Agreement and under applicable state and federal securities laws. The Common Stock issuable upon conversion of the Series A, Series B and Series C Preferred Stock has been duly and validly reserved for issuance and, upon issuance in accordance with the terms of the Search123 Restated Articles, will be duly and validly issued, fully paid, and nonassessable and will be free of restrictions on transfer other than restrictions on transfer under this Agreement and under applicable state and federal securities laws. Exhibit F sets forth a complete and accurate copy of the Search123 Restated Articles, to be filed with the California Secretary of State prior to the Closing Date.

(c) There are 23,000,000 shares of Common Stock reserved for issuance upon the exercise of outstanding options granted under Search123's 2000 Stock Option Plan and 2001 Stock Option Plan and no shares of Common Stock available for grant under such plans. Other than as otherwise set forth in this Section 3.2 or Section 3.2 of the Search123 Disclosure Schedule, there are no warrants, calls, commitments and other rights of any kind for the purchase or acquisition of, and any securities convertible or exchangeable for, any capital stock of Search123.

(d) Search123 is not a party or subject to any agreement or understanding, and, to the Knowledge of Search123, there is no agreement, arrangement or understanding between or among any Persons which affects, restricts or relates to voting, giving of written consents concerning the capital stock of Search123, dividend rights or transferability of shares with respect to the capital stock of Search123, including without limitation any voting trust agreement or proxy.

(e) Except as provided in the Investors' Rights Agreement, the Company has not granted or agreed to grant any registration rights with respect to any of its capital stock to any Person.

3.3 Authority. Each of Search123 and Merger Sub has all necessary corporate power and corporate authority and has taken all corporate actions necessary to enter into this Agreement and the Ancillary Agreements to which Search123 and Merger Sub are parties, to consummate the transactions contemplated hereby and thereby and to perform their respective obligations hereunder and thereunder and no other proceedings on the part of Search123 or Merger Sub are necessary to authorize this Agreement or the Ancillary Agreements or to consummate the transactions contemplated hereby or thereby. This Agreement and the Ancillary Agreements have been duly and validly executed and delivered by each of Search123 and Merger Sub and constitute legal, valid and binding obligations of Search123 and Merger Sub, respectively, enforceable against each of Search123 and Merger Sub in accordance with their terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

3.4 No Conflicts. The execution and delivery by Search123 and Merger Sub of this Agreement does not, and the performance by Search123 and Merger Sub of their respective obligations under this Agreement and the consummation of the transactions contemplated hereby will not:

(a) conflict with or result in a violation or breach of any of the terms, conditions or provisions of the charter documents, bylaws or other organizational documents of either Search123 or Merger Sub; or

(b) result in a breach or default of, or be considered an event that, with the giving of notice or passage of time, would constitute a breach or default (or give rise to right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which either Search123 or Merger Sub may be bound.

3.5 Consents and Governmental Approvals and Filings. No consent, approval or action of, filing with or notice to any Governmental or Regulatory Authority or any other Person on the part of Search123 or Merger Sub is required in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby, except for (i) the filing of the Certificate of Merger or (ii) such consents, approvals, orders or filings as may be required under applicable federal or state securities laws.

3.6 Search123 Financial Statements. Search123 has previously delivered to the Company and the Stockholder the Search123 Financial Statements. The Search123 Financial Statements are accurate and complete in all material respects, are consistent with the books and records of Search123 (which, in turn, are accurate and complete in all material respects) and have been prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated and with each other, except that the unaudited Search123 Financial Statements may not contain all footnotes required by GAAP. The unaudited Search123 Financial Statements fairly present the financial condition and operating results of Search123 as of the dates, and for the periods, indicated therein, subject to normal year-end audit adjustments. Except as set forth in the Search123 Financial Statements, to the Knowledge of Search123,

Search123 has no liabilities, contingent or otherwise, other than liabilities consistent with past practices incurred in the Ordinary Course of Business since the date of the Search123 unaudited balance sheet and obligations under contracts and commitments incurred in the Ordinary Course of Business and not required under GAAP to be reflected in the Search123 Financial Statements, all of which do not in the aggregate exceed \$100,000. Except as disclosed in the Search123 Financial Statements, Search123 is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

3.7 Absence of Changes. Except for the execution and delivery of this Agreement and the transactions to take place pursuant hereto on the Closing Date, since the date of the Search123 Financial Statements, 2002 there has not been:

(a) any adverse change in the assets, liabilities, financial condition or operating results of Search123 from that reflected in Search123 Financial Statements, except changes in the Ordinary Course of Business that could not, in the aggregate, reasonably be expected to result in a Material Adverse Effect on Search123;

(b) any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the Assets and Properties, financial condition, operating results or business of Search123;

(c) any waiver by Search123 of a material debt owed to it;

(d) any satisfaction or discharge of any lien, claim or encumbrance or payment of any obligation by Search123, except those made in the Ordinary Course of Business which are not material to the Assets and Properties, financial condition, operating results or business of Search123;

(e) any mortgage, pledge, transfer of a security interest in, or lien, created by Search123, with respect to any of its properties or assets, except liens for taxes not yet due or payable;

(f) any capital expenditures by Search123 or commitments therefor that aggregate in excess of \$100,000;

(g) any loans by Search123 or advances to, guarantees for the benefit of, or any investments in, any person (including but not limited to any of Search123's employees, officers or directors, or any members of their immediate families), corporation, partnership, joint venture or other entity, except for advances to employees, directors or consultants for expenses incurred in connection with Search123's business; or

(h) any agreement or commitment by Search123 to do any of the things described in this Section 3.7.

3.8 Assets and Properties. Search123 is in possession of and has good and marketable title to, or has valid leasehold interests in or valid rights under written agreements to use, all Assets and Properties used in or reasonably necessary for the conduct of Search123's

business. All such Assets and Properties are free and clear of all Encumbrances, other than Permitted Encumbrances.

3.9 Intellectual Property Rights.

(a) Generally. Section 3.9(a) of the Search123 Disclosure Schedule sets forth, for the Intellectual Property owned, in whole or in part, including jointly with others (such schedule specifies if such Intellectual Property is owned jointly), by Search123, a complete and accurate list of all United States and foreign (a) Patents and Patent applications; (b) Trademark registrations and applications and unregistered Trademarks; and (c) copyright registrations and applications, indicating for each, the applicable jurisdiction, registration number (or application number) and date issued (or date filed).

(b) Patents.

(i) To the Knowledge of Search123, all of Search123's Patents are currently in compliance with legal requirements (including payment of filing, examination, and maintenance fees and proofs of working or use) other than any requirement that, if not satisfied, would not result in a revocation or lapse or otherwise affect the enforceability of the Patent in question.

(ii) None of Search123's Patents has been or is now involved in any interference, reissue, reexamination or opposing proceeding in the United States Patent and Trademark Office or any foreign patent office and no such action has been threatened in writing within the one (1)-year period prior to the date of this Agreement.

(c) License Agreements. Search123 is not a party to any license agreements granting to Search123 any right to use or practice any rights under any Intellectual Property other than over-the-counter "shrink wrap" software. Search123 is not a party to any license agreements under which Search123 grants licenses or other rights in or to use or practice any rights under any Intellectual Property.

(d) Ownership and Other Rights. To the knowledge of Search123, Search123 owns or possesses adequate licenses, re-marketing or sublicensing rights, or other rights to use, free and clear of Encumbrances, Orders and arbitration awards, all of its Intellectual Property used in its business. The Intellectual Property identified in Section 3.9(a) of the Search123 Disclosure Schedule, together with Search123's Trade Secrets and Other Proprietary Information and Search123's unregistered Copyrights constitute all the Intellectual Property rights used in the operation of Search123's business as it is currently conducted.

(e) No Infringement by Search123. To the Knowledge of Search123, no Intellectual Property used in the conduct of Search123's business as currently conducted, infringes upon, violates or constitutes the unauthorized use of any rights owned by any third party, including any Intellectual Property of any third party.

(f) No Pending or Threatened Infringement Claims. No litigation is now pending and no notice or other claim in writing has been received by Search123, (A) alleging that Search123 has engaged in any activity or conduct that infringes upon, violates or constitutes

the unauthorized use of the Intellectual Property rights of any third party or (B) challenging the ownership, use, validity or enforceability of any Intellectual Property used by Search123. To the Knowledge of Search123, no Intellectual Property that is owned or licensed by Search123 is subject to any outstanding Order, stipulation or agreement restricting the use thereof by Search123 or, in the case of Intellectual Property licensed by Search123 to others, restricting the sale, transfer, assignment or licensing thereof by Search123 to any Person.

3.10 Litigation. There are no Actions or Proceedings pending or, to the Knowledge of Search123, threatened, relating to or affecting (i) Search123, its Assets and Properties, its Intellectual Property or Search123's business, or (ii) the transactions contemplated by this Agreement. There are no pending or, to the Knowledge of Search123, threatened charges (by employees, their representatives or any Governmental or Regulatory Authority) of unfair labor practices, employment discrimination, wrongful termination or of any other wrongful action with respect to any aspect of employment of any person employed or formerly employed by Search123. Search123 is not in default with respect to any Order, and there are no unsatisfied judgments against Search123.

3.11 Compliance with Law. Search123 is in compliance with all applicable laws, statutes, Orders, ordinances and regulations, whether federal, state, local or foreign, except where the failure to comply, in each instance and in the aggregate, could not reasonably be expected to result in a Material Adverse Effect on Search123. Search123 has not received any written notice to the effect that, or otherwise has been advised that, Search123 is not in compliance with any of such laws, statutes, Orders, ordinances or regulations, where the failure to comply could reasonably be expected to result in a Material Adverse Effect on Search123.

3.12 Contracts. Section 3.12 of the Search123 Disclosure Schedule contains a true and complete list of each material contract or agreement to which Search123 is a party or by which any of its Assets or Properties or Intellectual Property is bound, or to which the obligation of a party thereunder to make payment thereunder exceeds \$25,000 in any calendar year, other than over-the-counter "shrink wrap" software (each, a "Search123 Material Contract"). A correct and complete copy of each such Search123 Material Contract (and if oral, a written description thereof) has been previously provided to the Company. Each Search123 Material Contract is in full force and effect; and Search123 has performed all of its required obligations under, and is not in violation or breach of or default under, any such Search123 Material Contract. To the Knowledge of Search123, the other parties to any such Search123 Material Contract are not in violation or breach of or default under any such Search123 Material Contract in any material respect.

3.13 Tax Matters.

(a) Search123 has filed with the appropriate federal, state, local and foreign taxing authorities all Tax Returns required to be filed by or with respect to it, or has taken action to extend the filing date of such Tax Returns in accordance with applicable law, and such Tax Returns are true, correct and complete in all material respects. Search123 has paid in full or has made provision in the Search123 Financial Statements for all Taxes which are due or claimed to be due from it by any taxing authority. Search123 has not incurred any liability for Taxes other than in the Ordinary Course of Business. There are no liens for Taxes upon the Assets and

Properties or Intellectual Property of Search123 except for statutory liens for current Taxes not yet due.

(b) Search123 has not waived any statute of limitations for, or agreed to any extension of time with respect to, the assessment of Taxes. Search123 has not received any notice of deficiency or assessment from any federal, state, local or foreign taxing authorities with respect to liabilities for Taxes which have not been fully paid or finally settled, and any deficiency or assessment shown in Section 3.13 of the Search123 Disclosure Schedule is being contested in good faith through appropriate proceedings. There is no information Known to Search123 which has caused or should cause them to believe that an audit by any Tax authority may be forthcoming. No claim has ever been made by an authority in a jurisdiction where Search123 does not file Tax Returns that it is or may be subject to taxation by that jurisdiction.

(c) Search123 has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(d) Search123 does not have any liability for the Taxes of any other Person (A) as a transferee or successor, (B) by contract, or (C) otherwise. Search123 is not obligated to make any payments, and is not a party to any agreement that under certain circumstances could obligate it to make any payments that will not be deductible under Section 162 or Section 280G of the Code as a result of the consummation of the Merger and the transactions contemplated hereby.

3.14 Brokers. Neither Search123 nor Merger Sub has retained any broker in connection with the transactions contemplated hereunder. Neither the Company nor the Stockholder has any obligation to pay any broker's, finder's, investment banker's, financial advisor's or similar fee in connection with this Agreement or the transactions contemplated hereby by reason of any action taken by or on behalf of Search123 or Merger Sub.

ARTICLE IV

COVENANTS

4.1 Operation of Business Prior to Effective Time. Neither Search123 nor the Company shall enter into any transaction or refrain from taking any action that, if effected prior to the date of this Agreement, would constitute a breach of any representation, warranty, covenant or other obligation of Search123 or the Company, as applicable, contained herein.

4.2 Notification of Certain Matters.

The Company shall give prompt notice to Search123, and Search123 shall give prompt notice to the Company, of (i) the occurrence or nonoccurrence of any event the occurrence or nonoccurrence of which has caused or would be likely to cause any representation or warranty contained in this Agreement by such party to be untrue or inaccurate at or prior to the Effective Time and (ii) any failure by such party to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it hereunder; provided,

however, that the delivery of any notice pursuant to this Section 4.2 shall not cure such breach or non-compliance or limit or otherwise affect the remedies available hereunder to the party receiving such notice.

4.3 Public Announcements. The parties agree to issue a mutually agreed upon announcement relating to the consummation of this Agreement and the other transactions contemplated hereby on the Closing Date or shortly thereafter.

4.4 Fees and Expenses. All fees, costs and expenses incurred in connection with the Merger, this Agreement and the other agreements and transactions contemplated hereby and thereby, including all legal, accounting, financial advisory, broker's, consulting and other fees and expenses of third parties incurred by a party in connection with the negotiation, documentation and effectuation of the terms and conditions of the Merger, this Agreement and the other agreements and transactions contemplated hereby and thereby, shall be the obligation of the respective party incurring such expenses; provided, however, that the fees incurred by the Company prior to the Closing Date shall be borne by the Stockholder.

4.5 Compensation of Company Employees. After the Closing Date, employees of the Company shall be entitled to participate in benefits generally available to Search123 employees, such as health benefits, vacation benefits and any 401(k) plan, if any. Following the Closing, Company employees will be provided with credit for vacation accrued under the Company's vacation policies prior to the Closing.

4.6 Restriction on Transferability of the Merger Shares. The certificates representing the Merger Shares (if and when issued) shall bear the following legend restricting transfer, and such other legends as may be required by any applicable state securities law:

THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED UNLESS (A) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, AND APPLICABLE STATE SECURITIES LAWS, COVERING ANY SUCH TRANSACTION INVOLVING SAID SECURITIES, (B) THE COMPANY RECEIVES AN OPINION OF LEGAL COUNSEL FOR THE HOLDER OF THESE SECURITIES STATING THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION, OR (C) THE COMPANY OTHERWISE SATISFIES ITSELF THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION.

4.7 Further Assurances. Each party agrees to use commercially reasonable efforts to cause the conditions to its obligations to consummate the Merger to be satisfied. In case any further action is necessary or desirable to carry out the purposes of this Agreement, each of the parties will take such further action (including the execution and delivery of such further instruments and documents) as the other party reasonably may request, at the sole cost and expense of the requesting party (unless the requesting party is entitled to indemnification therefor under this Article IV).

ARTICLE V

CONDITIONS TO CONSUMMATION OF THE MERGER

5.1 Conditions to Each Party's Obligations to Effect the Merger. The respective obligations of each party hereto to effect the Merger are subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) no statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or enforced by any United States federal or state court or United States federal or state Governmental Entity that prohibits, restrains, enjoins or restricts the consummation of the Merger; and

(b) any governmental or regulatory notices, approvals or other requirements necessary to consummate the transactions contemplated hereby shall have been given, obtained or complied with, as applicable.

5.2 Conditions to the Obligations of the Company and the Stockholder. The obligation of the Company and the Stockholder to effect the Merger is subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) the representations and warranties of Search123 and Merger Sub contained in this Agreement shall be true and correct at and as of the Effective Time with the same effect as if made at and as of the Effective Time (except to the extent such representations specifically relate to an earlier date, in which case such representations shall be true and correct as of such earlier date);

(b) each of the covenants and obligations of Search123 and Merger Sub to be performed at or before the Effective Time pursuant to the terms of this Agreement shall have been duly performed at or before the Effective Time;

(c) Search123 and Merger Sub shall have delivered all of the Closing deliveries set forth in Section 1.8(b); and

(d) Search123 shall have filed the Search123 Restated Articles, and such articles shall have been accepted and certified by the Secretary of State of California.

5.3 Conditions to the Obligations of Search123 and Merger Sub. The respective obligations of Search123 and Merger Sub to effect the Merger are subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) the representations and warranties of the Company and the Stockholder contained in this Agreement shall be true and correct at and as of the Effective Time with the same effect as if made at and as of the Effective Time (except to the extent such representations specifically relate to an earlier date, in which case such representations shall be true and correct as of such earlier date);

(b) each of the covenants and obligations of the Company and the Stockholder to be performed at or before the Effective Time pursuant to the terms of this Agreement shall have been duly performed at or before the Effective Time; and

(c) The Company and Stockholder shall have delivered all of the Closing deliveries set forth in Section 1.8(a).

(d) Search123 shall have filed the Search123 Restated Articles, and such articles shall have been accepted and certified by the Secretary of State of California.

ARTICLE VI

SURVIVAL AND INDEMNIFICATION

6.1 Survival of Representations, Warranties, Etc. The representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the Closing hereunder, and thereafter the representations and warranties herein shall continue to survive in full force and effect for a period of twelve (12) months after the Closing Date.

6.2 Indemnification.

(a) By the Stockholder. The Stockholder shall indemnify, defend and hold harmless Search123 and the Surviving Corporation, and their respective officers and directors, from and against any and all costs, losses, liabilities, damages, lawsuits, deficiencies, claims and expenses, including without limitation, interest, penalties, reasonable attorneys' fees and all amounts paid in investigation, defense or settlement of any of the foregoing (collectively, the "Damages"), incurred in connection with, arising out of, resulting from or incident to any breach of any representation or warranty made by the Stockholder in this Agreement.

(b) By Search123. Search123 shall indemnify, defend and hold harmless the Stockholder and its officers and directors from and against any and all Damages incurred in connection with, arising out of, resulting from or incident to any breach of any representation or warranty made by Search123 or Merger Sub in this Agreement.

(c) No party entitled to indemnification hereunder shall be entitled to amounts payable pursuant to this Section 6.2 until such time as the total amount of all Damages that have been incurred by such, or to which such party has otherwise become subject, exceeds \$50,000 in the aggregate, and then such party shall only be entitled to the amount in excess of \$50,000. The aggregate liability of any party arising with respect to breaches of the representations and warranties contained in this Agreement shall not exceed five hundred thousand dollars (\$500,000), except with respect to a breach of the representations made in Sections 2.2, 2.3, 2.4, 2.5, 3.2 and 3.3.

(d) Defense of Claims. If any Action or Proceeding is filed or initiated against any party entitled to the benefit of indemnity hereunder, written notice thereof shall be given to the indemnifying party as promptly as practicable (and in any event within ten (10) Business Days after the service of the citation or summons); provided, however, that the failure

of any indemnified party to give timely notice shall not affect rights to indemnification hereunder except to the extent that the indemnifying party demonstrates actual damage caused by such failure. After such notice, if the indemnifying party shall acknowledge in writing to the indemnified party that the indemnifying party shall be obligated under the terms of its indemnity hereunder in connection with such Action or Proceeding, then the indemnifying party shall be entitled, if it so elects, to take control of the defense and investigation of such Action or Proceeding and to employ and engage attorneys of its own choice to handle and defend the same at the indemnifying party's cost, risk and expense (unless (i) the indemnifying party has failed to assume the defense of such Action or Proceeding or (ii) the named parties to such Action or Proceeding include both of the indemnifying party and the indemnified party, and the indemnified party and its counsel determine in good faith that there may be one or more legal defenses available to such indemnified party that are different from or additional to those available to the indemnifying party and that joint representation would be inappropriate), and to compromise or settle such Action or Proceeding, which compromise or settlement shall be made only with the written consent of the indemnified party, such consent not to be unreasonably withheld. The indemnified party may withhold such consent if such compromise or settlement would adversely affect the conduct of business or requires less than an unconditional release to be obtained. If (i) the indemnifying party fails to assume the defense of such Action or Proceeding within fifteen (15) days after receipt of notice thereof pursuant to this Section 6.2, or (ii) the named parties to such Action or Proceeding include both the indemnifying party and the indemnified party and the indemnified party and its counsel determine in good faith that there may be one or more legal defenses available to such indemnified party that are different from or additional to those available to the indemnifying party and that joint representation would be inappropriate, the indemnified party against which such Action or Proceeding has been filed or initiated will (upon delivering notice to such effect to the indemnifying party) have the right to undertake, at the indemnifying party's cost and expense, the defense, compromise or settlement of such Action or Proceeding on behalf of and for the account and risk of the indemnifying party; provided, however, that such Action or Proceeding shall not be compromised or settled without the written consent of the indemnifying party, which consent shall not be unreasonably withheld. In the event the indemnified party assumes defense of the Action or Proceeding, the indemnified party will keep the indemnifying party reasonably informed of the progress of any such defense, compromise or settlement and will consult with, when appropriate, and consider any reasonable advice from, the indemnifying party of any such defense, compromise or settlement. The indemnifying party shall be liable for any settlement of any action effected pursuant to and in accordance with this Section 6.2 and for any final judgment (subject to any right of appeal), and the indemnifying party agrees to indemnify and hold harmless the indemnified party from and against any Damages by reason of such settlement or judgment.

Regardless of whether the indemnifying party or the indemnified party takes up the defense, the indemnifying party will pay reasonable costs and expenses in connection with the defense, compromise or settlement for any Action or Proceeding under this Section 6.2.

The indemnified party shall cooperate in all reasonable respects with the indemnifying party and such attorneys in the investigation, trial and defense of such Action or Proceeding and any appeal arising therefrom; provided, however, that the indemnified party may, at its own cost, participate in the investigation, trial and defense of such Action or Proceeding and any appeal arising therefrom. The indemnifying party shall pay all expenses due under this Section 6.2 as

such expenses become due. In the event such expenses are not so paid, the indemnified party shall be entitled to settle any Action or Proceeding under this Section 6.2 without the consent of the indemnifying party and without waiving any rights the indemnified party may have against the indemnifying party.

(e) Other Claims; Termination of Claims. A claim for indemnification for any matter not involving a third-party claim may be asserted by written notice to the party from whom indemnification is sought. In no event shall any claims for indemnification under this Agreement survive the anniversary of the Closing Date unless such claim has been delivered in writing to the indemnifying party prior to such date.

ARTICLE VII

MISCELLANEOUS

7.1 Construction of Certain Terms and Phrases. Unless the context of this Agreement otherwise requires, (a) words of any gender include each other gender; (b) words using the singular or plural number also include the plural or singular number, respectively; (c) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Agreement; (d) the terms "Article" or "Section" refer to the specified Article or Section of this Agreement; (e) the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or;" and (f) "including" means "including without limitation." Whenever this Agreement refers to a number of days, such number shall refer to calendar days unless Business Days are specified. All accounting terms used herein and not expressly defined herein shall have the meanings given to them under GAAP.

7.2 Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile transmission with answer back confirmation or mailed (postage prepaid by certified or registered mail, return receipt requested) or by overnight courier to the parties at the following addresses or facsimile numbers:

If to Stockholder, to:

NetZero, Inc.
2555 Townsgate Road
Westlake Village, CA 91361
Facsimile No.: (805) 418-2012
Telephone No.: (805) 418-2000
Attn: General Counsel and Chief Financial Officer

with a copy (which shall not constitute notice) to:

Brobeck, Phleger & Harrison LLP
38 Technology Drive
Irvine, CA 92618
Facsimile No.: (949) 790-6300
Attn: Ellen S. Bancroft, Esq.

If to Search123 or Surviving Corporation:

Search123.com Inc.
5701 Lindero Canyon Road
Building 2, Suite 200
Westlake Village, CA 91362
Facsimile No.: (818) 889-9240
Telephone No.: (818) 597-4775
Attn: James Beriker

with a copy (which shall not constitute notice) to:

Loeb, Kosacz and Sunderberg, L.L.P.
2801 Townsgate Road, Suite 209
Westlake Village, CA 91361
Facsimile No.: (805) 777-7252

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this Section 7.2, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided in this Section 7.2, be deemed given upon receipt, and (iii) if delivered by mail in the manner described above to the address as provided in this Section 7.2, be deemed given upon receipt. Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other parties hereto.

7.3 Entire Agreement. This Agreement (and all Exhibits and Schedules attached hereto) supersedes all prior discussions and agreements among the parties with respect to the subject matter hereof and contains the sole and entire agreement among the parties hereto with respect thereto.

7.4 Waiver. Any term or condition of this Agreement may be waived at any time by the party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the party waiving such term or condition. No waiver by any party hereto of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by law or otherwise afforded, will be cumulative and not alternative.

7.5 Amendment. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each party hereto.

7.6 No Third Party Beneficiary. The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights upon any other Person, except for the rights of employees to accrued vacation pursuant to Section 4.5.

7.7 No Assignment; Binding Effect.

Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any party hereto without the prior written consent of the other parties hereto and any attempt to do so will be void. Notwithstanding the foregoing, however, Stockholder may assign any right, interest or obligation hereunder to any Affiliate upon notice to Search123 but without Search123's prior written consent. This Agreement is binding upon, inures to the benefit of and is enforceable by the parties hereto and their respective, estates, heirs, executors, administrators, personal representatives successors and assigns.

7.8 Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

7.9 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of any party hereto under this Agreement will not be materially and adversely affected thereby, (i) such provision will be fully severable, (ii) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (iii) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and (iv) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and mutually acceptable to the parties herein.

7.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts executed and performed in such State, without giving effect to conflicts of laws principles.

7.11 Construction. No provision of this Agreement shall be construed in favor of or against any party on the ground that such party or its counsel drafted the provision. Any remedies provided for herein are not exclusive of any other lawful remedies which may be available to either party. This Agreement shall at all times be construed so as to carry out the purposes stated herein.

7.12 Counterparts. This Agreement may be executed in any number of counterparts and by facsimile, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties hereto, or their duly authorized officer, as of the date first above written.

SEARCH123.COM INC., a California corporation

By: _____

Name: _____

Title: _____

SEARCH ACQUISITION CORP., a Delaware corporation

By: _____

Name: _____

Title: _____

SIMPLI.COM, INC., a Delaware corporation

By: _____

Name: _____

Title: _____

NETZERO, INC., a Delaware corporation

By: _____

Name: _____

Title: _____

APPENDIX A

DEFINITIONS

“Actions or Proceedings” means any action, suit, proceeding, arbitration, Order (as defined below), inquiry, hearing or assessment with respect to fines or penalties or litigation (whether civil, criminal, administrative, investigative or informal) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental or Regulatory Authority (as defined below), or any written threat with respect to the forgoing.

“Ancillary Agreements” means the the Intellectual Property License and the Investor Rights Agreement.

“Affiliate” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person.

“Agreement” has the meanings set forth in the first paragraph of this Agreement.

“Assets and Properties” and “Assets or Properties” of any Person each means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, whether tangible or intangible, whether absolute, accrued, contingent, fixed or otherwise and wherever situated), including the goodwill related thereto, operated, owned or leased by such Person, including, without limitation, cash, cash equivalents, accounts and notes receivable, chattel paper, documents, instruments, general intangibles, real estate, equipment, inventory, goods; provided, however, that the terms Assets and Properties and Assets or Properties shall not include Intellectual Property.

“Benefit Plan” means any Plan established, arranged or maintained by the Company or any corporate group of which the Company is or was a member, existing at the Closing Date or prior thereto, to which the Company contributes or has contributed, or under which any employee, officer, director or former employee, officer or director of the Company or any beneficiary thereof is covered, is eligible for coverage or has benefit rights. “Business Day” means a day other than Saturday, Sunday or any day on which banks located in the State of California are authorized or obligated to close.

“Certificate” has the meaning set forth in Section 1.7.

“Certificate of Merger” has the meaning set forth in Section 1.2.

“Closing” has the meaning set forth in Section 1.2.

“Closing Date” has the meaning set forth in Section 1.2.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” has the meaning set forth in the first paragraph of this Agreement.

“Company Balance Sheet” means the unaudited balance sheet as of the Closing Date.

“Company Common Stock” has the meaning set forth in Section 2.2 of this Agreement.

“Company Disclosure Schedule” means the disclosure schedule attached hereto which sets forth the exceptions to the representations and warranties contained in Article II hereof and certain other information called for by this Agreement.

“Company Contract” has the meaning set forth in Section 2.14.

“Copyrights” has the meaning set forth in the definition of “Intellectual Property.”

“Damages” has the meaning set forth in Section 6.2(a).

“DGCL” means the Delaware General Corporation Law.

“Effective Time” has the meaning set forth in Section 1.2.

“Encumbrances” means any mortgage, pledge, assessment, security interest, deed of trust, lease, lien, adverse claim, levy, charge or other encumbrance of any kind, or any conditional sale or title retention agreement or other agreement to give any of the foregoing in the future.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

“ERISA Affiliate” means any entity which is a member of a “controlled group of corporations” or which is or was under “common control” with the Company as defined in Section 414 of the Code.

“GAAP” means United States generally accepted accounting principles, as currently in effect.

“Governmental or Regulatory Authority” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States or other country, any state, county, city or other political subdivision.

“Intellectual Property” means (i) inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions and reexaminations thereof (collectively, “Patents”); (ii) trademarks, service marks, trade dress, logos, trade names and corporate names, together with all translations, adaptations, derivations and combinations thereof and including all goodwill associated therewith, and all applications, registrations and renewals in connection therewith (collectively, “Trademarks”), (iii) copyrightable works, all copyrights and all applications, registrations and renewals in connection therewith and mask works and all applications, registrations and renewals in connection therewith (collectively, “Copyrights”); (iv) trade secrets and confidential business information (including without limitation, product specifications, data,

know-how, inventions and ideas, past, current and planned research and development, customer lists, current and anticipated customer requirements, price lists, market studies, business plans), however documented; (v) proprietary computer software and programs (including object code and source code) and other proprietary rights and copies and tangible embodiments thereof (in whatever form or medium); (vi) database technologies, systems, structures and architectures (and related processes, formulae, compositions, improvements, devices, know-how, inventions, discoveries, concepts, ideas, designs, methods and information) and any other related information, however, documented; (vii) any and all information concerning the business and affairs of a Person (which includes historical financial statements, financial projections and budgets, historical and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel and personnel training and techniques and materials), however documented; (viii) any and all notes, analysis, compilations, studies, summaries, and other material prepared by or for a Person containing or based, in whole or in part, on any information included in the foregoing, however documented; (ix) all industrial designs and any registrations and applications therefor; (x) all databases and data collections and all rights therein (items (iv)-(x) shall be referred to as "Trade Secrets and Other Proprietary Information"); and (xi) any similar or equivalent rights to any of the foregoing anywhere in the world.

"Intellectual Property License" means the license agreement by and between the Stockholder and the Company, substantially in the form attached hereto as Exhibit G.

"Investor Rights Agreement" means the investor agreement by and between the Stockholder and Search123, substantially in the form attached hereto as Exhibit H.

"Knowledge of Search123" or "Known to Search123" means the actual knowledge of each executive officer and senior manager of Search123 (or any of them).

"Knowledge of the Company" or "Known to the Company" means the actual knowledge of each executive officer and senior manager of the Company (or any of them).

"Knowledge of the Stockholder" or "Known to the Stockholder" means the actual knowledge of each executive officer and senior manager of the Stockholder (or any of them).

"Material Adverse Effect" means, for any Person, a material adverse effect whether individually or in the aggregate (a) on the business, operations, financial condition, Assets and Properties, Intellectual Property or liabilities of such Person, or (b) on the ability of such Person to consummate the transactions contemplated hereby.

"Merger" has the meaning set forth in the first recital of this Agreement.

"Merger Shares" has the meaning set forth in Section 1.6(a)(i).

"Merger Sub" has the meaning set forth in the first paragraph of this Agreement.

"Order" means any writ, judgment, decree, injunction or similar order of any Governmental or Regulatory Authority (in each such case whether preliminary or final).

“Ordinary Course of Business” means the action of a Person that is consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day operations of such Person.

“Outstanding Company Shares” means the total number of shares of Company Common Stock issued and outstanding immediately prior to the Effective Time.

“Patents” has the meaning set forth in the definition of “Intellectual Property.”

“Per Share Merger Consideration” has the meaning set forth in Section 1.6(a)(i) of this Agreement.

“Permits” means all licenses, permits, certificates of authority, authorizations, approvals, registrations and similar consents granted or issued by any Governmental or Regulatory Authority.

“Permitted Encumbrance” means (a) any Encumbrance for taxes not yet due or delinquent or being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP and (b) any minor imperfection of title or similar Encumbrance which individually or in the aggregate with other such Encumbrances does not impair the value of the property subject to such Encumbrance or the use of such property in the conduct of the business of the Company.

“Person” means any natural person, corporation, general partnership, limited partnership, limited liability company, proprietorship, other business organization, trust, union, association or Governmental or Regulatory Authority.

“Plan” means any bonus, incentive compensation, deferred compensation, pension, profit sharing, retirement, stock purchase, stock option, stock ownership, stock appreciation rights, phantom stock, leave of absence, layoff, vacation, day or dependent care, legal services, cafeteria, life, health, accident, disability, workers’ compensation or other insurance, severance, separation or other employee benefit plan, practice, policy or arrangement of any kind, whether written or oral, including, but not limited to, any “employee benefit plan” within the meaning of Section 3(3) of ERISA.

“Qualified Plan” means each Benefit Plan which is intended to qualify under Section 401 of the Code.

“Search123” has the meaning set forth in the first paragraph of this Agreement.

“Search123 Benefit Plan” means any Plan established, arranged or maintained by Search123, existing at the Closing Date or prior thereto, to which Search123 contributes or has contributed, or under which any employee, officer, director or former employee, officer or director of Search123 or any beneficiary thereof is covered, is eligible for coverage or has benefit rights.

“Search123 Disclosure Schedule” means the disclosure schedule attached hereto which sets forth the exceptions to the representations and warranties contained in Article III hereof and certain other information called for by this Agreement.

“Search123 Financial Statements” means the unaudited statement of operations and statement of cash flows for the one year period ended December 31, 2001 and the unaudited balance sheet as of December 31, 2001, and (ii) the unaudited statement of operations and statement of cash flows for the two months ended February 28, 2002 and an unaudited balance sheet of Search123 as of March 31, 2002.

“Search123 Material Contract” has the meaning set forth in Section 3.12.

“Search123 Restated Articles” means the Third Amended and Restated Articles of Incorporation of Search123 in the form attached hereto as Exhibit F.

“Search123 Series C Preferred Stock” means the Series C Convertible Preferred Stock, of Search123, having the rights, preferences and privileges set forth in the Search123 Restated Articles.

“Stockholder” has the meaning set forth in the first paragraph of this Agreement.

“Surviving Corporation” has the meaning set forth in Section 1.1.

“Tax” (and, with correlative meaning, “Taxes,” “Taxable” and “Taxing”) means (i) any federal, state, local or foreign income, alternative or add-on minimum tax, gross income, gross receipts, sales, use, ad valorem, transfer, franchise, profits, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, environmental or windfall profit tax, custom, duty or other tax, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or any penalty, addition to tax or additional amount imposed by any Governmental or Regulatory Authority responsible for the imposition of any such tax (domestic or foreign), (ii) any liability for payment of any amounts of the type described in (i) as a result of being a member of an affiliated, consolidated, combined, unitary or other group for any Taxable period and (iii) any liability for the payment of any amounts of the type described in (i) or (ii) as a result of any express or implied obligation to indemnify any other person.

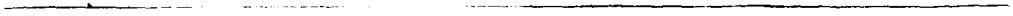
“Tax Return” means any return, report, information return, schedule or other document (including any related or supporting information) filed or required to be filed with respect to any taxing authority with respect to Taxes.

“Trade Secrets and Other Proprietary Information” has the meaning set forth in the definition of “Intellectual Property.”

“Trademarks” has the meaning set forth in the definition of “Intellectual Property.”

COMPANY DISCLOSURE SCHEDULE

EXCEPTIONS TO REPRESENTATIONS AND WARRANTIES IN ARTICLE II



CONFIDENTIAL

April 10, 2002

Search123.com Inc.
5701 Lindero Canyon Road
Building 2, Suite 200
Westlake Village, CA 91362

Re: COMPANY DISCLOSURE LETTER

Ladies and Gentlemen:

This letter is delivered pursuant to that certain Merger Agreement and Plan of Reorganization dated as of April 10, 2002, by and among Search123.com, Inc., a California corporation ("Search123") and Search Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Search123 ("Merger Sub"), on the one hand, and Simpli.com, Inc., a Delaware corporation (the "Company") and wholly-owned subsidiary of NetZero, Inc., a Delaware corporation ("Stockholder"), on the other hand (the "Agreement"), and constitutes the "Company Disclosure Schedule" as defined in the Agreement. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement. The section numbers herein correspond with the section numbers contained in the Agreement.

This Company Disclosure Schedule relates to certain representations and warranties made by the Company in connection with the Agreement. Matters set forth or reflected in this Company Disclosure Letter are set forth for information purposes and are not limited to the matters required to be disclosed pursuant or in relation to the Agreement. Accordingly, inclusion of information herein shall not be construed as an admission, or as evidence of the fact that such information is material to the business, properties, financial condition or results of operations of the Company, or that it is otherwise required to be disclosed pursuant to the Agreement.

Very truly yours,

SIMPLI.COM, INC.

By: 

Frederic A. Randall, Jr.
Senior Vice President, General Counsel
and Secretary

Section 2.1

Organization of the Company

The Company is not qualified to do business in Rhode Island.

Section 2.8

Closing Balance Sheet

(see attached)

The Company Balance Sheet does not reflect any of the Company's activities prior to the Closing, including the Company's accumulated deficit and the contribution of capital to the Company by Stockholder. The \$100,000 value stated for Property and Equipment, net is the Company's estimate of the fair market value of such Property and Equipment.

Simpli.com
Closing Balance Sheet
April 2002

Assets

Current Assets:

Cash and Cash Equivalents	297,559
Prepaid expenses	<u>6,582</u>

Total Current Assets	304,141
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Property and Equipment, Net	100,000
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Total Assets	<u>\$ 404,141</u>
---------------------	--------------------------

Liabilities and Stockholder's Equity

Current Liabilities:

Accrued Liabilities	<u>84,141</u>
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Total Current Liabilities	84,141
---------------------------	--------

Stockholders' Equity	320,000
----------------------	---------

Total Liabilities and Stockholders' Equity	<u>\$ 404,141</u>
---	--------------------------

Section 2.9

Assets and Properties

No representation or warranty is made with respect to the Assets and Properties other than as set forth in the Agreement. ALL FURNITURE AND EQUIPMENT LISTED IN THIS SECTION 2.9 IS PROVIDED AS IS.

Hardware / Accessories:

4 Hp Vectra Pentium III PCs, 8 Gb drives, 128 Mb RAM (3 are Win NT machines, 1 is running Linux)

5 Gateway GP7-500 Pentium III PCs, 20 Gb drives, (1 with 64 Mb RAM, 1 with 512 Mb RAM, 2 with 256 Mb RAM, 1 with 196 Mb RAM) (3 are Win NT, 2 are running Win 2000)

(3 Derelict Gateway GP7-500 Pentium III PCs (broken hard drives, etc.)

6 Dell Dimension 4100 Pentium III PCs (3 with 10 Gb drives, 2 with 20 Gb drives, 1 with 40 Gb drive) 512 Mb RAM (2 are Win NT, 4 are running Win 2000)

(1 Derelict Dell Dimension XPS T800r Pentium III PC)

1 HP Pavilion Pentium III PC, 20 Gb drive, 256 Mb RAM, Win 98

2 Compaq Presario Pentium III PCs, 4 Gb drives, 96 Mb RAM, Win 98

1 Compaq Prosignia Pentium III PC, 20 Gb drive, 256 Mb RAM, Linux

2 VA Linux 2230 servers, dual processor, two 70 Gb drives, 2 Gb RAM

1 Intel Linux server, dual processor, two 70 Gb drives, 1 Gb RAM

1 VA Linux 2130 server, single processor, two 30 Gb drives, 512 Mb RAM

1 Sparc 10 Ultra workstation, 10 Gb drive, 512 Mb RAM, RedHat Linux

1 simpli-portal.wlv - SUNW UltraAX-MP 4x processors (400MHz) (4Mb Each memory) 2 disks: 9GB and 36GB

1 simpli.safari.wlv - SUNW UltraAX-MP 4x processors (400MHz) (4Mb Each memory) 1 disk: 18GB

1 Dell Dimension T800r Win NT Backup Domain Controller, 4 Gb drive, 128 Mb RAM

1 HP Netserver LH 3000r Win NT Backup Domain Controller, 128 Mb RAM, 160 Gb total space

2 Cybex Autoview 400s Systems

1 Cybex Keyview II System

2 Cisco Systems Catalyst 2900 XL Switches

2 Cisco Systems 1700 Routers (Frame Relay and Internet)

3 HP 4050N LaserJet Printers

1 HP LaserJet 3150 Fax

1 Xerox 332ST copier

4 Dell Inspiron 3800 laptops

2 Gateway laptops (1 non-functional, spare parts)

2 APC SmartUPS 2200 Rackmount UPSs

2 APC SmartUPS 700s

8 APC BackUPS 300s

Miscellaneous network cabling, spare parts and supplies

TRADEMARK

REEL: 002585 FRAME: 0447

Furniture:

1 Computer Equipment Rack

1 Video Monitor

Furniture for 14 people:

- Desk

- Chair

1 Conference room:

- 10 chairs

- 2 Propeller Tables

2 Tall Bookshelves (Wood)

2.5 Filing Cabinets

Portable printing white board

2 Wire shelves/racks

2 Folding Tables

Communication Devices:

1 Nokia cell phone

1 Ericsson cell phone

1 BlackBerry

Software Assets (unless otherwise noted, one per employee):

MS Office

MS Powerpoint

MS Access (1)

Web Trends (1)

Visio 2000

Netsarang Xmanager

Reflections X

WinCVS

Matlab

Cold Fusion

Cisco Config Maker

WebMin

Pagemaker PRO

Cygwin Utilities

Oracle Server (2)

QuickBooks Pro (1)

5 RedHat Linux Paid Basic level service subscriptions

WinZip

Norton Anti-Virus

Stata (1)

DB Artisan (5)

Domain Registrations

simpli.com is registered under Stockholder's name and will be transferred to the Company as soon as practicable following the Closing.

The following URLs are registered under the name of Andrew Duchon, an employee of the Company as of the date hereof:

simpliart.com
simpliauction.com
simplibooks.com
simplibuy.com
simplicars.com
simplicomputers.com
simplifamily.com
simplifinance.com
simplifood.com
simplihealth.com
simplijobs.com
simplilaw.com
simplimedicine.com
simplimoney.com
simplimusic.com
simplinews.com
simplipets.com
simpliscience.com
simplisell.com
simplisex.com
simplisports.com
simplitravel.com
clarifind.com
simplafind.com

Section 2.10

Absence of Changes

United Online, Inc. ("United Online") will terminate the Company's employees' participation in all United Online benefit plans, including severance and vision plans, prior to, or in connection with, the Closing.

Section 2.11

Benefit Plans

1. The Company is currently a covered subsidiary under United Online's severance plan, but will be removed as a covered subsidiary under such plan prior to the Closing.
2. The Company only maintains its own medical and dental plans, but not any other benefit plans. Accordingly, the medical and dental plans will remain in effect following the Closing.

Section 2.12(a)

Certain Intellectual Property

Patents

US Provisional Patent Application 60/140874 Filed 24 June 1999

US Patent Application 09/419005 Filed 13 October 1999

US Patent Application 09/539750 Filed 31 March 2000

Trademarks

US Trademark Application (abandoned) for Simplifind

US Trademark Application for Simpli

US Trademark Application (abandoned) for Simplinet

US Trademark Application (abandoned) for TOPX

US Trademark Application (abandoned) for SimpliLinks

US Trademark Application (abandoned) for Cognigraphics

Section 2.15

Company Contracts

1. License Agreement by and between the Company and the Stockholder dated the Closing Date.
2. Assignment and Assumption Agreement by and between the Company and the Stockholder dated April 9, 2002 (the "Assignment Agreement").
3. Consulting Agreement by and between the Stockholder and Dr. James Anderson dated May 23, 2000, assigned to the Company pursuant to the Assignment Agreement.
4. Consulting Agreement by and between the Stockholder and Steven Reiss dated May 23, 2000, assigned to the Company pursuant to the Assignment Agreement.
5. There is a copier that the Company leases from Xerox for which there is no signed agreement but for which the Company makes monthly payments of approximately \$150.
6. Associate's Invention, Non-Competition, Non-Solicitation and Non-Disclosure Agreement by and between the Company and each of the individuals listed on the attached spreadsheet.
7. Assignment, Release and Indemnification Agreements (as amended, in some instances) by and between the Company and each of the individuals listed on the attached spreadsheet.
8. Confidentiality Agreements by and between the Company and each of the individuals listed on the attached spreadsheet.

Section 2.15

List of all current and former employees, consultants and independent contractors relating to proprietary information agreements

Name	Assignment, Release, and Indemnification	Associates Invention, Non-Competition, Non-Solicitation and Non-Disclosure Agreement	Mutual Confidentiality Agreement (1)
<u>Employees (Current and Former)</u>			
Paul Allopanna	yes	yes	yes
Jim Anderson	yes	yes	n/a
Rebecca Armitage	yes	yes	n/a
Greg Conway	yes	yes	n/a
Stanley Russel Craig	yes	yes	yes
Neville Davey	yes	yes	n/a
Peter Delgrosso	yes	yes	yes
Andrew Duchon	yes	yes	n/a
Carl Dunham	yes	yes	yes
Gerry Evans	yes	yes	yes
David Landan	yes	yes	n/a
Stephen Mendola	yes	yes	n/a
Carol Murchie	yes	yes	n/a
Joe Newcomb	yes	yes	n/a
Steve Reiss	yes	yes	n/a
Patty Robinson	yes	yes	n/a
Ashley Saddul	yes	yes	n/a
John Santini	yes	yes	n/a
Glenn Secrest	yes	yes	n/a
Jeff Stibel	yes	yes	n/a
Tricia St.Jean	yes	yes	n/a
Wei-Ching Wang	yes	yes	n/a
<u>Former Board of Directors (not already listed above)</u>			
Clifton Dutton	yes	yes	n/a
Kurt Reiss	yes	yes	n/a
Gary Stibel	no	no	n/a
<u>Advisors (not already listed above)</u>			
Dan Ariely	pending	pending	yes
Eugene Charniak	yes	yes	yes
George Miller	yes	yes	yes
Gregory Murphy	yes	yes	n/a
Ullas Naik	yes	yes	yes
<u>Other</u>			
Keith Adams	yes	yes	yes
Andrew Brewer	yes	yes	yes
Matthew Brewer	yes	yes	n/a
Shiwon Choe	yes	yes	n/a
Michael Coglianese	yes	yes	n/a

John Gearen	yes	yes	yes
Jane Gerhad (no longer active)	yes	yes	yes
Emily Hughes	yes	yes	n/a
Tariq Huq	yes	yes	n/a
Michael Jagggers-Radolf	yes	yes	n/a
Sean Keenan	yes	yes	n/a
William McClure Kelly	yes	yes	n/a
Antonio Kittles	yes	yes	n/a
Vasanth Kothnur	yes	yes	yes
Amy Lewis	yes	yes	n/a
Arjun Menon	yes	yes	n/a
Adam Mostafa (no longer active)	yes	yes	yes
Asif Rehman	yes	yes	n/a
Fred Reiss	yes	yes	n/a
Joshua Rolnick	yes	yes	yes
Jenny Song	yes	yes	n/a
Michael Stanton	yes	yes	yes
Elizabeth Stark	yes	yes	n/a
Christian Straub	yes	yes	n/a
Michele Wan	yes	yes	n/a
David Yun	yes	yes	n/a
Jeff Hendrickson	yes	yes	n/a
Ian Mitchell	n/a	n/a	yes
Adam Vicinus	n/a	n/a	yes
Seth Landsman	n/a	n/a	yes
Joe Kralicky	n/a	n/a	yes
Diana Anderson	yes	yes	yes
Mark Larochelle	n/a	yes	yes
Kevin Flanagan	yes	yes	n/a
Christopher Adams	yes	yes	n/a
Emily Carmichael	yes	yes	n/a
Megan Lynch	yes	yes	n/a
Elana Feldman	yes	yes	n/a
John Rogers	n/a	n/a	yes

(1) The language in the Mutual Confidentiality Agreement is covered in the Assignment, Release, and Indemnification and the Associate's Invention, Non-Competition, Non-Solicitation and Non-Disclosure Agreement.

Section 2.16

Tax Matters

None

SEARCH123 DISCLOSURE SCHEDULE

EXCEPTIONS TO REPRESENTATIONS AND WARRANTIES IN ARTICLE III

CONFIDENTIAL

April 10, 2002

NetZero, Inc.
2555 Townsgate Road
Westlake Village, CA 91361

Re: SEARCH123 DISCLOSURE LETTER

Ladies and Gentlemen:

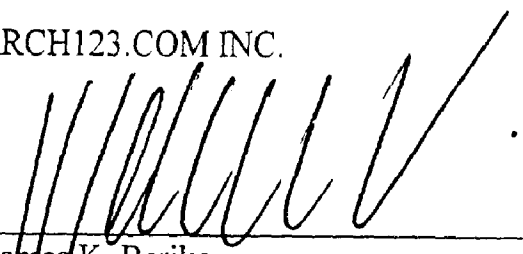
This letter is delivered pursuant to that certain Merger Agreement and Plan of Reorganization, of even date herewith, by and among ourselves, Search Acquisition Corp., a Delaware corporation and our wholly-owned subsidiary (Merger Sub"), on the one hand, and Simpli.com, Inc., a Delaware corporation and wholly-owned subsidiary of NetZero, Inc., a Delaware corporation, on the other hand (the "Merger Agreement"), and constitutes the "Search123 Disclosure Schedule" as defined in the Agreement. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Merger Agreement. The section numbers herein correspond with the section numbers contained in the Merger Agreement.

This Search123 Disclosure Schedule relates to certain representations and warranties made by ourselves and Merger Sub in connection with the Merger Agreement. Matters set forth or reflected in this Search123 Disclosure Letter are set forth for information purposes and are not limited to the matters required to be disclosed pursuant or in relation to the Merger Agreement. Accordingly, inclusion of information herein shall not be construed as an admission, or as evidence of the fact that such information is material to the business, properties, financial condition or results of operations of either Search123 or Merger Sub, or that it is otherwise required to be disclosed pursuant to the Merger Agreement.

Very truly yours,

SEARCH123.COM INC.

By: _____


James K. Beriker
President

SEARCH123 DISCLOSURE SCHEDULE

Section 3.2(a) Current Holders of Search123 Capital Stock

See Cap Table Attached

Search123.com Inc.		
Cap Table 4-10-02		
Common Stock	Certificate No.	Number of Shares
Ken Lawson	C1	19,625,000
James K. Beriker, a Professional Corporation	C2	5,000,000
Thomas Chou	C3	4,000,000
Daniel Chou	C4	6,000,000
Kenneth H. Murata	C6	375,000
David Chou	C7	10,000,000
SLF Trust LLC	C8	2,000,000
Total		47,000,000
Series A Preferred Stock		
Lon Bender	A1	62,500
David W. Darby, Trustee U/A Dated 10-31-95	A2	46,875
Leon Gladstone	A4	37,500
Leon Gladstone IRA	A5	125,000
William S. & Diann Kronenberg	A6	62,500
James L. & Celeste M. LeBerthon	A7	93,750
Search123-GVA LLC	A8	1,250,000
Ted Liebowitz	A9	125,000
Kenneth H. Murata	A10	187,500
Netwide Entertainment Ltd.	A11	625,000
ORRGIL Rentals, Inc.	A12	62,500
Thomas N. Parks	A13	62,500
Sheryl Rousso Trust	A14	15,625
Sheeps Head Ltd.	A15	62,500
Owen J. & Beverly H. Sloane	A16	62,500
Robert Tevjavits & Jennifer Ostertag Tevjavits	A17	62,500
Sheldon D. Altman	A18	62,500
Jeff M. Zacha	A19	62,500
Worldwide Net Entertainment Designs Ltd.	A20	625,000
Sandra Kessler	[No certif. issued yet]	750,000
Richard Cohen	[No certif. issued yet]	750,000
Jeff M. Zacha	P22	12,500
Total		5,206,250
Series B Preferred Stock		
Blue Hawk Venture Partners	B4	69,445
Lon Bender	[No certif. issued yet]	69,445
Harold Korthaus	[No certif. issued yet]	17,362
Joseph Jordan	[No certif. issued yet]	55,556
O'Donnell Family Trust	[No certif. issued yet]	69,445
WebQuest, Inc.	[No certif. issued yet]	138,890
Joel Strom	[No certif. issued yet]	69,445
Larry Dong	[No certif. issued yet]	55,556
Sharon Mooney	[No certif. issued yet]	13,889
Thomas N. Parks	[No certif. issued yet]	69,445
Total		628,478

Section 3.2(c): Warrants, calls, commitments and other rights for the purchase or acquisition of, and any securities convertible or exchangeable for, any capital stock of Search123

1. Search123 has agreed to issue a warrant (the "Initial Warrant") to purchase 700,583 shares of its Common Stock to Playboy.com, Inc. ("Playboy") at an exercise price of \$0.01 per share upon the signing of a proposed Services and License Agreement with Playboy (the "Agreement"). In addition the Agreement will provide for Search123 to issue to Playboy an additional warrant (an "Additional Warrant") each time that Search123 enters into an "Affiliate Agreement" (the term "Affiliate Agreements" will be defined as agreements with certain search distribution partners that are prior approved by Playboy), pursuant to which Playboy will have the right to acquire up to that number of shares of Search123 Common Stock as is equal to one-half of one percent (0.5%) of Search123's capital stock on a fully-diluted basis, calculated as of the date of entering into each Affiliate Agreement. The Agreement will provide that the exercise price for each Additional Warrant shall be \$0.01 per share until a "Cash Financing Event" occurs, after which the exercise price shall be the fair market value of Search123 Common Stock. For purposes of the Agreement, the term "Cash Financing Event" will mean the sale of Search123 capital stock (or securities convertible into or exercisable or exchangeable for shares of Search123 capital stock) to a bona fide third party for cash (or such other consideration as is agreed upon by Playboy).

3.10(a): Description of Intellectual Property

Patents

U.S. National Filings

Title: A system, Method And Apparatus For Dynamic Traffic Management On A Network

Serial No.: 10/029483
Filed: December 20, 2001
Assignment Recorded: None

Priority Filing Date: December 21, 2000
Priority U.S. Serial No. 60/257,695

Description: The disclosure is directed to a method and system for dynamically directing traffic to predetermined target locations, wherein the target location to receive the traffic is determined, in part, upon the degree of match between user submitted search terms and a predefined set of key terms.

Title: Auction-based search engine

Serial No.: 09/653840
Filed: September 1, 2000
Assignment Recorded: October 2, 2000 (assignee Search123.com, Inc.)

Description: Generally, the disclosure is directed to a method and system for providing search results to consumers, the search results including a target list which is based, in part, on a prioritization method.

Foreign Filing

Title: Auction-based search engine

Application No.: PCT/US01/25481
Filed: August 15, 2001
Priority Filing Date: September 1, 2000
Priority U.S. Serial No.: 09/653,840

Assignment Recorded: October 2, 2000 (assignee Search123.com, Inc.)

Description: Same as above

Trademarks

Registered Mark **SEARCH123**

U.S. Patent & Trademark Application Office Registration No. 2,385,430

Registration Date: September 12, 2000

Registered Mark **SEARCH123**

U.S. Patent & Trademark Application Office Registration No. 2,542,720

Registration Date: February 26, 2000

Domain Names

“search123.com”

Section 3.13: Material Contracts and Contracts Involving Payments in Excess of \$25,000

1. Month-to-month agreement with Jalan Network Services involving approximately \$84,000 per year for managed services and system administration.
2. Agreement with Investors Media Group involving approximately \$118,000 per year for rent and overhead allocation charges.
3. Various month-to-month search distribution agreements with traffic partners involving outflow of \$150,000 in March 2002.
4. Various search and distribution agreements with other search engines (e.g. Look Smart, Find What) involving inflow of \$40,000 in March 2002.
5. Back-fill agreement with AskJeeves, whereby they provide search results and backfill to Search123 and for which Search123 pays AskJeeves approximately \$35,000 per year.
6. Month-to-month public relations services agreement with Edg Communications involving \$4,500 per month in payments.
7. Directors' and Officers' Liability Insurance Policy involving premium payments of \$25,000 per month.

3.14: Tax Matters

None

3.14: Tax Matters

None

EXHIBIT A
CERTIFICATE OF MERGER

**CERTIFICATE OF MERGER
OF
SEARCH ACQUISITION CORP.
AND
SIMPLI.COM, INC.**

Pursuant to Section 251 of the
General Corporation Law of the State of Delaware

Simpli.com, Inc., a Delaware corporation, does hereby certify that:

1. The name and the state of incorporation of each of the constituent corporations (the "Constituent Corporations") are as follows:

<u>Name</u>	<u>State of Incorporation</u>
Simpli.com, Inc. ("Simpli.com")	Delaware
Search Acquisition Corp. ("Merger Sub")	Delaware

2. An Agreement and Plan of Merger has been approved, adopted, certified, executed, and acknowledged by both of the Constituent Corporations in accordance with the requirements of Section 251 of the General Corporation Law of the State of Delaware ("DGCL").

3. Simpli.com shall be the surviving corporation in the merger (the "Surviving Corporation"). The name of the Surviving Corporation shall be "Simpli.com, Inc."

4. The amended and restated certificate of incorporation of Simpli.com, as the Surviving Corporation, shall be amended and restated in its entirety to read as set forth in Exhibit A attached hereto.

5. The executed Merger Agreement is on file at the principal place of business of the Surviving Corporation. The address of the principal place of business of the Surviving Corporation is:

Simpli.com, Inc.
5701 Lindero Canyon Road
Building 2, Suite 200
Westlake Village, CA 91362

6. A copy of the Merger Agreement will be furnished by the Surviving Corporation, on request and without cost, to any stockholder of any of the Constituent Corporations.

IN WITNESS WHEREOF, Simpli.com, Inc. has caused this Certificate of Merger to be executed by the undersigned, its authorized officer, as of April __, 2002.

SIMPLI.COM, INC.

By: _____
Mark R. Goldston
Chairman and Chief Executive Officer

7

Exhibit A

**AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
SIMPLI.COM, INC.**

FIRST: The name of this Corporation is SIMPLI.COM, INC.

SECOND: Its Registered Office in the State of Delaware is to be located at 15 East North Street, Dover, DE 19901, County of Kent. The Registered Agent in charge thereof is Paracorp Incorporated, 15 East North Street, Dover, DE 19901.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of stock which this corporation is authorized to issue is 1,000 shares at \$1.00 par Value.

FIFTH: The name and mailing address of the incorporator are as follows:

James Beriker
5701 Lindero Canyon Road #2-200
Westlake Village, CA 91362

SIXTH: The Board of Directors shall have the power to adopt, amend or repeal the by-laws.

SEVENTH: No director shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law, (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article Seventh shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director prior to such amendment.

EXHIBIT B

FORM OF COMPANY AND STOCKHOLDER OFFICERS' CERTIFICATES

OFFICERS' CERTIFICATE

Pursuant to Section 1.8(a) of the Merger Agreement and Plan of Reorganization dated as of April ___, 2002, by and among Search123.com, Inc., a California corporation ("Search123") and Search Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Search123 ("Merger Sub"), on the one hand, and Simpli.com, Inc., a Delaware corporation (the "Company") and wholly-owned subsidiary of NetZero, Inc., a Delaware corporation ("Stockholder"), and the Stockholder, on the other hand (the "Merger Agreement"), the undersigned in their capacity as Chairman and Chief Executive Officer and as General Counsel, Senior Vice President and Secretary, respectively, of the Company, do hereby certify as follows:

1. Each of the representations and warranties made by the Company in Article 2 of the Agreement are true and correct at and as of the Effective Time with the same effect as if made at and as of the Effective Time (except to the extent such representations specifically relate to an earlier date, in which case such representations shall be true and correct as of such earlier date).

2. The Company has performed and complied with all covenants and obligations in the Agreement that were required to be performed at or before the Effective Time.

Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed as of this _____ day of April, 2002.

Mark R. Goldston
Chairman and Chief Executive Officer

Frederic A. Randall, Jr.
Senior Vice President, General Counsel
and Secretary

OFFICERS' CERTIFICATE

Pursuant to Section 1.8(a) of the Merger Agreement and Plan of Reorganization dated as of April ___, 2002, by and among Search123.com, Inc., a California corporation ("Search123") and Search Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Search123 ("Merger Sub"), on the one hand, and Simpli.com, Inc., a Delaware corporation (the "Company") and wholly-owned subsidiary of NetZero, Inc., a Delaware corporation ("Stockholder"), and the Stockholder, on the other hand (the "Merger Agreement"), the undersigned in their capacity as Chairman, Chief Executive Officer and President and as General Counsel, Executive Vice President and Secretary, respectively, of Stockholder, do hereby certify as follows:

1. Each of the representations and warranties made by the Stockholder in Article 2 of the Agreement are true and correct at and as of the Effective Time with the same effect as if made at and as of the Effective Time (except to the extent such representations specifically relate to an earlier date, in which case such representations shall be true and correct as of such earlier date).

2. The Stockholder has performed and complied with all covenants and obligations in the Agreement that were required to be performed at or before the Effective Time.

Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed as of this ____ day of April, 2002.

Mark R. Goldston
Chairman, Chief Executive Officer
and President

Frederic A. Randall, Jr.
Executive Vice President, General Counsel
and Secretary

EXHIBIT C

FORM OF OPINION FROM

COUNSEL TO THE COMPANY AND THE STOCKHOLDER

Opinions To Be Delivered on Behalf of the Company and the Stockholder

The opinions to be delivered on behalf of the Company and the Stockholder will be to the following effect, with only such assumptions and qualifications as are reasonably satisfactory to Search123:

1. Each of the Company and the Stockholder is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation, and has all requisite corporate power and authority to carry on and conduct its business in all material respects as now being conducted and to own or lease its assets.

2. Each of the Company and the Stockholder has all requisite corporate power and authority to execute, deliver and perform the Agreement and the Investor Rights Agreement (the "Agreements") and to consummate the transactions contemplated thereby and otherwise to comply with and perform its obligations under the Agreements.

3. All corporate action required to be taken by the Company and the Stockholder to authorize the execution, delivery and performance of the Agreements, and all transactions contemplated thereby, have been duly and properly taken or obtained. Each of the Company and the Stockholder has duly and validly executed and delivered each Agreement to which it is a party.

4. Each of the Agreements to which it is a party constitute the legal, valid and binding obligations of the Company and the Stockholder, as the case may be, enforceable against the same in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization and moratorium laws, and general principles of equity.

5. The execution, delivery and performance by the Company and the Stockholder of each of the Agreements to which they are a party, and the consummation of the transactions contemplated thereby, with or without the giving of notice or the lapse of time or both, do not and will not (i) violate or conflict with any provision of the charter documents or bylaws of any of the Company and the Stockholder, or (ii) violate or conflict with any provision of any applicable law.

6. All consents, approvals, permits, orders or authorizations of, and all qualifications by and registrations with, any Delaware corporate authority on the part of the Stockholder and the Company required in connection with the execution and delivery of the Agreements have been obtained, and are effective, and there are no known proceedings, or written threat of any proceedings, that question the validity thereof.

* * * * *

EXHIBIT D

FORM OF SEARCH123 AND MERGER SUB OFFICERS' CERTIFICATES

OFFICERS' CERTIFICATE

Pursuant to Section 1.8(b) of the Merger Agreement and Plan of Reorganization dated as of April ___, 2002, by and among Search123.com, Inc., a California corporation ("Search123") and Search Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Search123 ("Merger Sub"), on the one hand, and Simpli.com, Inc., a Delaware corporation (the "Company") and wholly-owned subsidiary of NetZero, Inc., a Delaware corporation ("Stockholder"), and the Stockholder, on the other hand (the "Merger Agreement"), the undersigned in their capacity as President and as Secretary, respectively, of Search123, do hereby certify as follows:

1. Each of the representations and warranties made by Search123 and Merger Sub in Article 3 of the Agreement are true and correct at and as of the Effective Time with the same effect as if made at and as of the Effective Time (except to the extent such representations specifically relate to an earlier date, in which case such representations shall be true and correct as of such earlier date).

2. Search123 and Merger Sub have performed and complied with all covenants and obligations in the Agreement that were required to be performed at or before the Effective Time.

Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed as of this ____ day of April, 2002.

James A. Beriker
President

Secretary

EXHIBIT E

FORM OF OPINION FROM

COUNSEL TO SEARCH123 AND MERGER SUB

EXHIBIT E

Opinions To Be Delivered on Behalf of Search123 and Merger Sub

The opinions to be delivered on behalf of Search123 and Merger Sub will be to the following effect, with only such assumptions and qualifications as are reasonably satisfactory to the Parent and to the Seller:

1. Each of Search123 and Merger Sub is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation, and has all requisite corporate power and authority to carry on and conduct its business in all material respects as now being conducted and to own or lease its assets.

2. Each of Search123 and Merger Sub has all requisite corporate power and authority to execute, deliver and perform the Agreement and the Investor Rights Agreement (the "Agreements") and to consummate the transactions contemplated thereby and otherwise to comply with and perform its obligations under the Agreements.

3. All corporate action required to be taken by Search123 and Merger Sub to authorize the execution, delivery and performance of the Agreements, and all transactions contemplated thereby, have been duly and properly taken or obtained. Each of Search123 and Merger Sub has duly and validly executed and delivered each of the Agreements to which it is a party.

4. Each of the Agreements to which it is a party constitute the legal, valid and binding obligations of Search123 and Merger Sub, as the case may be, enforceable against the same in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization and moratorium laws, and general principles of equity.

5. The execution, delivery and performance by Search123 and Merger Sub of each of the Agreements to which they are a party, and the consummation of the transactions contemplated thereby, with or without the giving of notice or the lapse of time or both, do not and will not (i) violate or conflict with any provision of the charter documents or bylaws of any of Search123 and Merger Sub, or (ii) violate or conflict with any provision of any applicable law.

6. All consents, approvals, permits, orders or authorizations of, and all qualifications by and registrations with, any Delaware corporate or California State authority on the part of the Search123 and Merger Sub required in connection with the execution and delivery of the Agreements have been obtained, and are effective, and there are no known proceedings, or written threat of any proceedings, that question the validity thereof.

7. The issued and outstanding capital stock of Search123 is as set forth Section 3.2 of the Agreement. The shares of Series C Preferred Stock to be purchased by Stockholder have been duly authorized and, upon purchase, will be validly issued, nonassessable and fully paid. The respective rights, privileges, restrictions and preferences of the Series A, Series B and Series C Preferred Stock are as stated in Search123's Third Amended and Restated Articles of Incorporation (the "Restated Articles") as filed with the Secretary of State of the State of California. All outstanding shares of Search123's Common Stock have been duly authorized and

validly issued, are nonassessable and are fully paid. The Common Stock of Search123 (the "Common Stock") issuable upon conversion of the Series C Preferred Stock has been duly and validly reserved for issuance and, when and if issued upon such conversion in accordance with the Restated Articles, will be validly issued, fully paid and nonassessable. There are no statutory or charter preemptive rights nor are there any options, warrants, conversion privileges or other rights (or agreements for any such rights) outstanding to purchase or otherwise obtain from Search123 any of Search123's equity securities, except for (i) the conversion privileges of the Series A, Series B and Series C Preferred, (ii) outstanding options to purchase 23,000,000 shares of Common Stock pursuant to Search123's stock option plans and (iii) the right of first offer as set forth in the Investors' Rights Agreement.

* * * * *

EXHIBIT F

SEARCH123 THIRD AMENDED AND RESTATED ARTICLES

**THIRD AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF SEARCH123.COM INC.,
a California corporation**

The undersigned, James K. Beriker and Kenneth J. Lawson, hereby certify that:

ONE: They are the duly elected and acting CEO and Secretary, respectively, of said corporation.

TWO: The Amended and Restated Articles of Incorporation of said corporation shall be further amended and restated to read in full as follows:

ARTICLE I

The name of the corporation is Search123.com Inc. (the "**Corporation**").

ARTICLE II

The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated under the California Corporations Code.

ARTICLE III

The total number of shares of stock that the Corporation shall have authority to issue is One Hundred Sixty-Five Million (165,000,000) shares, consisting of One Hundred Fifty Million (150,000,000) shares of Common Stock, no par value per share and Fifteen Million (15,000,000) shares of Preferred Stock, no par value per share. The first series of Preferred Stock shall be designated "**Series A Preferred Stock**" and shall consist of Five Million, Two Hundred Six Thousand, Two Hundred Fifty (5,206,250) shares, the second series of Preferred Stock shall be designated "**Series B Preferred Stock**" and shall consist of Six Hundred Twenty Eight Thousand, Four Hundred Seventy-Eight (628,478) shares and the third series of Preferred Stock shall be designated "**Series C Preferred Stock**" and shall consist of Three Million, Four Hundred Twenty One Thousand, Two Hundred Sixty-Nine (3,421,269) shares.

ARTICLE IV

The terms and provisions of the Common Stock and Preferred Stock are as follows:

1. Definitions. For the purposes of this **Article IV**, the following definitions shall apply:

(a) “**Conversion Price**” shall mean \$0.10 per share for the Series A Preferred Stock and \$0.12 per share for both the Series B Preferred Stock and the Series C Preferred Stock (in each case subject to adjustment from time to time as set forth elsewhere herein).

(b) “**Corporation**” shall mean Search123.com Inc.

(c) “**Convertible Securities**” shall mean shares (other than Common Stock) convertible into or exchangeable for Common Stock.

(d) “**Liquidation Preference**” shall mean \$0.40 per share for the Series A Preferred Stock and \$0.36 per share for both the Series B Preferred Stock and the Series C Preferred Stock (subject in each case to adjustment from time to time as set forth elsewhere herein).

(e) “**Options**” shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(f) “**Original Issue Price**” shall mean \$0.40 per share for the Series A Preferred Stock and \$0.36 per share for both the Series B Preferred Stock and the Series C Preferred Stock (subject in each case to adjustment from time to time as set forth elsewhere herein).

2. Dividends.

(a) Preferred Stock. The holders of outstanding shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock shall *not* be entitled to receive dividends.

(b) Consent to Certain Repurchases. As authorized by Section 402.5(c) of the California Corporations Code, Sections 502 and 503 of the California Corporations Code shall not apply with respect to payments made by the Corporation in connection with the repurchase of shares of Common Stock issued to or held by employees, consultants, officers and directors upon termination of their employment or services pursuant to agreements providing for the right of such repurchase.

3. Liquidation Rights.

(a) Liquidation Preference. In the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of the Series A Preferred Stock, the Series B Preferred Stock and Series C Preferred Stock shall be entitled to receive, *pari passu*, prior and in preference to any distribution of any of the assets of the Corporation to the holders of the Common Stock by reason of their ownership of such stock, an amount per share for each share of Preferred Stock held by them equal to the Liquidation Preference. If upon the liquidation, dissolution or winding up of the Corporation the assets of the Corporation legally available for distribution to the holders of the Series A Preferred Stock, Series B Preferred Stock and the Series C Preferred Stock are insufficient to permit the payment to such holders of the full amounts specified in this **Section 3(a)**, then the entire assets of the

Corporation legally available for distribution shall be distributed with equal priority and *pro rata* among the holders of the Series A Preferred Stock, the Series B Preferred Stock and Series C Preferred Stock in proportion to the full amounts that they otherwise would be entitled to receive pursuant to this **Section 3(a)**.

(b) Remaining Assets. After the payment to the holders of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock of the full preferential amounts specified above, the entire remaining assets of the Corporation legally available for distribution shall be distributed with equal priority and *pro rata* among the holders of the Series A Preferred Stock, the Series B Preferred Stock, Series C Preferred Stock and the Common Stock in proportion to the number of shares of Common Stock held by them, with the shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock being treated for such purpose as if they had been converted into shares of Common Stock at the then applicable Conversion Rate.

(d) Reorganization. For the purposes of this **Section 3**, a liquidation, dissolution or winding up of the Corporation shall be deemed to be occasioned by, or to include: (a) the acquisition of the Corporation by another entity by means of any transaction or series of related transactions (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any merger effected exclusively for the purpose of changing the domicile of the Corporation) other than a transaction or series of transactions in which the holders of the voting securities of the Corporation outstanding immediately before such transaction continue to retain (either by such voting securities remaining outstanding or by such voting securities being converted into voting securities of the surviving entity), as a result of shares in the Corporation held by such holders before such transaction, at least fifty percent (50%) of the total voting power represented by the voting securities of the Corporation or such surviving entity outstanding immediately after such transaction or series of transactions; or (b) a sale, lease or other conveyance of all or substantially all of the assets of the Corporation.

(e) Valuation of Non-Cash Consideration. If any of the assets of the Corporation distributed to shareholders in connection with any liquidation, dissolution or winding up of the Corporation are other than cash, then the value of such assets shall be their fair market value as determined by the Board of Directors of the Corporation (the "**Board of Directors**"), *except that* securities (if any) to be distributed to shareholders in a liquidation, dissolution or winding up of the Corporation shall be valued as follows:

(i) If the securities are then traded on a national securities exchange or the NASDAQ Stock Market (or a similar national quotation system), then the value of the securities shall be deemed to be to the average of the closing prices of the securities on such exchange or system over the ten (10) trading day period ending five (5) trading days before the distribution;

(ii) If the securities are actively traded over-the-counter, then the value of the securities shall be deemed to be the average of the closing bid prices of the securities over the ten (10) trading day period ending five (5) trading days before the distribution; or

(iii) If there is no active public market for the securities, then the value of the securities shall be deemed to be the fair market value thereof as determined in good faith by the Board of Directors, which determination shall include consideration of the illiquidity of the securities.

In the event of a merger or other acquisition of the Corporation by another entity, the distribution date shall be deemed to be the date on which such transaction closes.

For the purposes of this **Section 3(e)**, “**trading day**” shall mean any day on which the exchange or system on which the securities to be distributed are traded is open, and “**closing prices**” or “**closing bid prices**” shall be deemed to be: (i) for securities traded primarily on the New York Stock Exchange, the American Stock Exchange or NASDAQ, the last reported trade price or sale price, as the case may be, at 4:00 p.m., New York time, on that day; and (ii) for securities listed or traded on other exchanges, markets and systems, the market price as of the end of the “**regular hours**” trading period that is generally accepted as such for such exchange, market or system. If, after the date hereof, the benchmark times generally accepted in the securities industry for determining the market price of a stock as of a given trading day changes from those set forth above, the fair market value shall be determined as of such other generally accepted benchmark times.

4. Conversion. The holders of Preferred Stock shall have conversion rights as follows (the “**Conversion Rights**”):

(a) Right to Convert. Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share at the office of the Corporation or any transfer agent for the Preferred Stock, into that number of fully-paid, nonassessable shares of Common Stock determined by dividing the Original Issue Price for the relevant series of Preferred Stock by the Conversion Price for such series. The number of shares of Common Stock into which each share of Preferred Stock of a series may be converted is hereinafter referred to as the “**Conversion Rate**” for each such series. Upon any decrease or increase in the Conversion Price for any series of Preferred Stock, as described in this **Section 4**, the Conversion Rate for such series shall be appropriately increased or decreased.

(b) Automatic Conversion. Each share of Preferred Stock shall automatically be converted into fully-paid, non-assessable shares of Common Stock at the then-effective Conversion Rate for such share: (i) immediately before the closing of a firm commitment underwritten initial public offering on Form S-1 or Form SB-2 (or successor or substitute forms) filed under the Securities Act of 1933, as amended (the “**Securities Act**”), covering the offer and sale of the Corporation’s Common Stock, provided that the offering price per share is not less than Eighty Cents (\$0.80) (as adjusted for stock splits or stock dividends) and the aggregate gross proceeds to the Corporation are not less than \$30,000,000; or (ii) as to any series of Preferred Stock, upon the receipt by the Corporation of a written request for such conversion from the holders of 66 2/3% of such series of Preferred Stock then outstanding, or, if later, the effective

date for conversion specified in such requests (each of the events referred to in subclauses (i) and (ii) of this paragraph being hereinafter referred to as an “**Automatic Conversion Event**”).

(c) Mechanics of Conversion. No fractional shares of Common Stock will be issued upon conversion of Preferred Stock. In lieu of fractional shares to which any holder otherwise would be entitled, the Corporation shall pay cash equal to such fraction multiplied by the then fair market value of a share of Common Stock as determined by the Board of Directors. For such purpose, all shares of Preferred Stock held by each holder of Preferred Stock shall be aggregated, and any resulting fractional share of Common Stock shall be paid in cash. Before any holder of Preferred Stock shall be entitled to convert the same into full shares of Common Stock, and to receive certificates therefor, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Preferred Stock, and shall give written notice to the Corporation at such office that such holder elects to convert the same; *provided, however,* that, on the date of an Automatic Conversion Event, the outstanding shares of Preferred Stock thereupon being converted shall be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; *provided further,* however, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such Automatic Conversion Event unless either the certificates evidencing such shares of Preferred Stock are delivered to the Corporation or its transfer agent as provided above or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates. On the date of the occurrence of an Automatic Conversion Event, each holder of record of shares of Preferred Stock thereupon being converted shall be deemed to be the holder of record of the Common Stock issuable upon such conversion, notwithstanding that the certificates representing such shares of Preferred Stock will not have been surrendered at the office of the Corporation, that notice from the Corporation will not have been received by any holder of record of shares of Preferred Stock or that the certificates evidencing such shares of Common Stock will not then actually be delivered to such holder.

The Corporation shall, as soon as practicable after such delivery, or after such agreement and indemnification, issue and deliver at such office to such holder of Preferred Stock a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid and a check payable to the holder in the amount of all cash amounts payable (if any) as the result of a conversion into fractional shares of Common Stock, plus all declared and unpaid dividends on the converted Preferred Stock (if any). Such conversion shall be deemed to have been made immediately before the close of business on the date of such surrender of the shares of Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date; *provided, however,* that, if the conversion is in connection with an underwritten offer of securities registered pursuant to the Securities Act, then the conversion may, at the option of any holder tendering Preferred Stock for conversion, be conditioned upon the closing of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common

Stock issuable upon such conversion of the Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately before the closing of the sale of such securities.

(d) Adjustments to Conversion Price for Diluting Issues.

(i) Special Definition. For the purposes of this paragraph 4(d), “**Additional Shares of Common Stock**” shall mean all shares of Common Stock issued (or, pursuant to paragraph 4(d)(iii) hereof, deemed to be issued) by the Corporation after the filing of these Articles of Incorporation, other than:

(1) shares of Series A Preferred Stock Series B Preferred Stock and Series C Preferred Stock;

(2) shares of Common Stock issued or issuable upon conversion of shares of Preferred Stock or of Convertible Securities, provided that such shares of Preferred Stock (other than shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock) and such Convertible Securities shall be deemed to be Additional Shares of Common Stock;

(3) up to 21,000,000 shares of Common Stock issued or issuable to officers, directors and employees of, or consultants to, the Corporation pursuant to stock grants, option plans, purchase plans or other employee stock incentive programs or arrangements approved by the Board of Directors or upon exercise of options granted to such parties pursuant to any such plan or arrangement;

(4) up to 21,000,000 shares of Common Stock and warrants issued or issuable pursuant to or in connection with the acquisition of another corporation, entity or business by the Corporation by merger, purchase of substantially all of the assets or other reorganization, or pursuant to a joint venture agreement;

(5) up to 11,000,000 shares of Common Stock and warrants issued or issuable to banks, equipment lessors or other financial institutions pursuant to a commercial leasing or debt financing transaction;

(6) shares of Common Stock issued or issuable as a dividend or distribution on Preferred Stock or pursuant to any event for which adjustment is made pursuant to Sections 4(e), 4(f) or 4(g) hereof;

(7) up to 21,000,000 shares of Common Stock and warrants issued in connection with strategic investments approved by the Board of Directors; and

(8) shares of Common Stock issued in a registered public offering under the Securities Act pursuant to which all outstanding shares of Preferred Stock are automatically converted into Common Stock pursuant to **Section 4(b)** hereof.

(ii) No Adjustment of Conversion Price. No adjustment in the Conversion Price of a particular series of Preferred Stock shall be made in respect of the issuance of Additional Shares of Common Stock unless the consideration per share (as determined pursuant to paragraph 4(d)(v) hereof) for an Additional Share of Common Stock issued or deemed to be issued by the Corporation is less than the Conversion Price for such series of Preferred Stock in effect on the date of, and immediately before, such issue.

(iii) Deemed Issue of Additional Shares of Common Stock. In the event the Corporation at any time or from time to time after the date of the filing of these Articles of Incorporation with the California Secretary of State issues Options or Convertible Securities or fixes a record date for the determination of holders of any class of securities entitled to receive such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provision contained therein for a subsequent adjustment of such number) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities, the conversion or exchange of such Convertible Securities or, in the case of Options for Convertible Securities, the exercise of such Options and the conversion or exchange of the underlying securities, shall be deemed to have been issued as of the time of such issue or, in case such a record date has been fixed, as of the close of business on such record date, provided that in any such case in which shares are deemed to be issued:

(1) no further adjustment in the Conversion Price of the Preferred Stock shall be made upon the subsequent issue of Convertible Securities or shares of Common Stock in connection with the exercise of such Options or conversion or exchange of such Convertible Securities;

(2) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase in the consideration payable to the Corporation, or decrease in the number of shares of Common Stock issuable upon the exercise, conversion or exchange thereof, the Conversion Price of the Preferred Stock computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustment based thereon, shall, upon any such increase or decrease becoming effective, be recomputed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities;

(3) no readjustment pursuant to clause (2) above shall have the effect of increasing the Conversion Price of the Preferred Stock to an amount that exceeds the lower of: (i) the Conversion Price of the Preferred Stock on the original adjustment date; or (ii) the Conversion Price of the Preferred Stock that would have resulted from any issuance of Additional Shares of Common Stock between the original adjustment date and such readjustment date;

(4) upon the expiration of Options or rights of conversion or exchange under such Convertible Securities that have not been exercised, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect

thereto) and any subsequent adjustment based thereon shall, upon such expiration, be recomputed as if:

(a) in the case of Convertible Securities or Options for Common Stock, the only Additional Shares of Common Stock issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Corporation for the issuance of such exercised Options plus the consideration actually received by the Corporation upon such exercise or for the issuance of all such Convertible Securities that actually were converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange, and

(b) in the case of Options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issuance of such Options, and the consideration received by the Corporation for the Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Corporation for the issuance of such exercised Options, plus the consideration deemed to have been received by the Corporation (determined pursuant to **Section 4(d)(v)** hereof) upon the issuance of the Convertible Securities with respect to which such Options actually were exercised; and

(5) if such record date has been fixed and such Options or Convertible Securities are not issued on the date fixed therefor, the adjustment previously made in the Conversion Price that became effective on such record date shall be canceled as of the close of business on such record date, and thereafter the Conversion Price shall be adjusted pursuant to this paragraph 4(d)(iii) as of the actual date of their issuance.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event that the Corporation issues Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to paragraph 4(d)(iii) hereof) without consideration or for a consideration per share less than the applicable Conversion Price of a series of Preferred Stock in effect on the date of and immediately before such issue, then the Conversion Price of the affected series of Preferred Stock shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately before such issue plus the number of shares that the aggregate consideration received by the Corporation for the total number of Additional Shares of Common Stock so issued would purchase at such Conversion Price, and the denominator of which shall be the number of shares of Common Stock outstanding immediately before such issue plus the number of such Additional Shares of Common Stock so issued. For the purposes of this **Section 4(d)(iv)**, all shares of Common Stock issuable upon exercise of outstanding Options, the conversion of outstanding Convertible Securities and the conversion of outstanding shares of Preferred Stock shall be deemed to be outstanding.

(v) Determination of Consideration. For the purposes of this Section 4(d), the consideration received by the Corporation for the issue (or deemed issue) of Additional Shares of Common Stock shall be computed as follows:

(1) Cash and Property. Such consideration shall:

(A) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation excluding amounts paid or payable for accrued interest or accrued dividends;

(B) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors; and

(C) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration that covers both, be the proportion of such consideration so received, computed as provided in clauses (a) and (b) above, as reasonably determined in good faith by the Board of Directors.

(2) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to paragraph 4(d)(iii) hereof shall be determined by dividing

(x) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities (provided that such amount is recorded as such in the accounting and financial records of the Company), plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities by

(y) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(e) Adjustments for Subdivisions or Combinations of Common Stock. In the event the outstanding shares of Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of Common Stock, the Conversion Price of each series of Preferred Stock in effect immediately before such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. In the event the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of Common Stock, the Conversion Prices in effect immediately

before such combination shall, concurrently with the effectiveness of such combination, be proportionately increased.

(f) Adjustments for Subdivisions or Combinations of Preferred Stock. In the event the outstanding shares of Preferred Stock or a series of Preferred Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of Preferred Stock, Original Issue Price and Liquidation Preference of the affected series of Preferred Stock in effect immediately before such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. In the event the outstanding shares of Preferred Stock or a series of Preferred Stock shall be combined (by reclassification or otherwise) into a lesser number of shares of Preferred Stock, Original Issue Price and Liquidation Preference of the affected series of Preferred Stock in effect immediately before such combination shall, concurrently with the effectiveness of such combination, be proportionately increased.

(g) Adjustments for Reclassification, Exchange and Substitution. Subject to **Section 3** hereof ("**Liquidation Rights**"), if the Common Stock issuable upon conversion of the Preferred Stock is changed into the same or a different number of shares of any other class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares provided for above herein), then, in any such event, in lieu of the number of shares of Common Stock that the holders otherwise would have been entitled to receive, each holder of such Preferred Stock shall have the right thereafter to convert such shares of Preferred Stock into a number of shares of such other class or classes of stock that a holder of the number of shares of Common Stock deliverable upon conversion of such series of Preferred Stock immediately before that change would have been entitled to receive in such reorganization or reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(h) No Impairment. The Corporation will not through any reorganization, transfer of assets, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation but shall at all times in good faith assist in the carrying out of all the provisions of this **Section 4** and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of Preferred Stock against impairment. Notwithstanding the foregoing, nothing in this **Section 4(h)** shall prohibit the Corporation from amending its Articles of Incorporation with the requisite consent of its shareholders and the Board of Directors.

(i) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this **Section 4**, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts on which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth: (i) such

adjustments and readjustments; (ii) the Conversion Price at the time in effect; and (iii) the number of shares of Common Stock and the amount, if any, of other property that at the time would be received upon the conversion of Preferred Stock.

(j) Notices of Record Date. In the event that the Corporation proposes at any time:

(i) to declare any dividend or distribution upon its Common Stock, whether in cash, property, stock or other securities, whether or not a regular cash dividend and whether or not out of earnings or earned surplus;

(ii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock; or

(iii) to voluntarily liquidate or dissolve or to enter into any transaction deemed to be a liquidation, dissolution or winding up of the Corporation pursuant to **Section 3(d)** hereof; or

(iv) to offer for subscription *pro rata* to the holders of any class or series of its stock additional shares of stock of any class or series or other rights;

then, in connection with each such event, the Corporation shall send to the holders of the Preferred Stock at least twenty (20) days' prior written notice of the date on which a record shall be taken for such dividend, distribution or subscription rights (and specifying the date on which the holders of Common Stock shall be entitled thereto) or for determining rights to vote in respect of the matters referred to in (ii) and (iii) above.

(k) Reservation of Stock Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock solely for the purpose of effecting the conversion of the shares of the Preferred Stock such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all then-outstanding shares of the Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then-outstanding shares of Preferred Stock, the Corporation shall take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

5. Voting.

(a) Restricted Class Voting. Except as otherwise expressly provided herein or as required by law, the holders of Preferred Stock and the holders of Common Stock shall vote together and not as separate classes.

(b) No Series Voting. Other than as provided herein or required by law, there shall be no series voting.

(c) Preferred Stock. Each holder of Preferred Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which the shares of Preferred Stock held by such holder could be converted as of the record date. The holders of shares of the Preferred Stock shall be entitled to vote on all matters on which the Common Stock shall be entitled to vote. Holders of the Preferred Stock shall be entitled to notice of any shareholders' meeting in accordance with the By-Laws of the Corporation. Fractional votes shall not be permitted, and all fractional voting rights resulting from the foregoing formula (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be disregarded.

(d) Common Stock. Each holder of shares of Common Stock shall be entitled to one vote for each share thereof held.

6. Amendments and Changes.

(a) Series A and Series B Preferred Stock. As long as any shares of the Series A Preferred Stock or the Series B Preferred Stock are issued and outstanding, the Corporation shall not, without first obtaining the approval (by vote or written consent as provided by law) of the holders of more than 50% of the outstanding shares of the Series A Preferred Stock and the Series B Preferred Stock, voting together as a single class:

(i) amend, alter or repeal any provision of the Articles of Incorporation of the Corporation if such action would adversely alter the rights, preferences, privileges or powers of, or restrictions provided for the benefit of, the Series A Preferred Stock or Series B Preferred Stock;

(ii) increase the authorized number of shares of Common Stock or Preferred Stock or any series thereof;

(iii) enter into any transaction or series of related transactions deemed to be a liquidation, dissolution or winding up of the Corporation pursuant to **Section 3(d)** hereof;

(iv) incur indebtedness in any transaction or series of related transactions in excess of \$5,000,000;

(v) voluntarily liquidate, wind up or dissolve the Corporation; or

(vi) amend, modify, waive or repeal this **Section 6(a)**.

(b) Series C Preferred Stock. As long as any shares of the Series C Preferred Stock are issued and outstanding, the Corporation shall not, without first obtaining the approval (by vote or written consent as provided by law) of the holders of more than 50% of the outstanding shares of the Series C Preferred Stock, voting separately as a single class:

(i) amend, alter or repeal any provision of the Articles of Incorporation of the Corporation if such action would adversely alter the rights, preferences, privileges or powers of, or restrictions provided for the benefit of, the Series C Preferred Stock;

(ii) increase the authorized number of shares of Common Stock or Preferred Stock or any series thereof;

(iii) enter into any transaction or series of related transactions deemed to be a liquidation, dissolution or winding up of the Corporation pursuant to **Section 3(d)** hereof;

(iv) incur indebtedness in any transaction or series of related transactions in excess of \$5,000,000;

(v) voluntarily liquidate, wind up or dissolve the Corporation;

(vi) redeem, purchase or otherwise acquire any shares of Common Stock; provided, however, that, this restriction shall not apply with respect to payments made by the Corporation in connection with the repurchase of shares of Common Stock issued to or held by employees, consultants, officers and directors upon termination of their employment or services pursuant to agreements providing for the right of such repurchase, notwithstanding anything to the contrary set forth herein;

(vii) authorize, declare or pay any dividend or other distribution (other than a dividend payable solely in shares of Common Stock which gives rise to an adjustment to the Series C Preferred Stock pursuant to Section 4(e)) on any shares of its Common Stock or Preferred Stock; or

(viii) amend, modify, waive or repeal this **Section 6(b)**.

7. Notices. Any notice required by the provisions of this **Article IV** to be given to the holders of the Preferred Stock shall be deemed given if sent by first class mail and deposited in the United States mail, postage prepaid, addressed to each holder of record at such holder's address appearing on the books of the Corporation.

ARTICLE V

1. Limitation of Directors' Liability. The liability of the directors of the Corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

2. Indemnification of Corporate Agents. The Corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) through By-Law provisions, agreements with agents, votes of shareholders or disinterested directors or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the

California Corporations Code with respect to actions for breach of duty to the Corporation and its shareholders.

3. Repeal or Modification. Any repeal or modification of the foregoing provisions of this **Article V** shall not adversely affect any right of indemnification or limitation of liability of an agent of the Corporation relating to acts or omissions occurring before such repeal or modification.

* * *

THREE: The foregoing amendment has been approved by the Board of Directors of said corporation.

FOUR: The foregoing amendment was approved by the holders of the requisite number of shares of said corporation in accordance with Sections 902 and 903 of the California General Corporation Law; the total number of outstanding shares entitled to vote with respect to the foregoing amendment was Forty-Seven Million (47,000,000) shares of Common Stock, Five Million, Two Hundred Six Thousand, Two Hundred Fifty (5,206,250) shares of Series A Preferred Stock and Six Hundred Twenty Eight Thousand, Four Hundred Seventy-Eight (628,478) shares of Series B Preferred Stock. The number of shares of Common Stock, Series A Preferred Stock and Series B Preferred Stock voting in favor of the foregoing amendment equaled or exceeded the vote required, such required vote being: (a) a majority of the outstanding shares of Common Stock, and both (i) a majority of the outstanding shares of Series A Preferred Stock and a majority of the outstanding shares of Series B Preferred Stock, voting as separate series; and (ii) a majority of the outstanding shares of Series A Preferred Stock and Series B Preferred Stock, voting together as a single class; and (b) a majority of the outstanding shares of Common Stock and Preferred Stock, voting together as a single class on an as-converted basis.

IN WITNESS WHEREOF, the undersigned have executed this certificate on the 10th day of April, 2002.

James K. Beriker
CEO

Kenneth J. Lawson
Secretary

The undersigned certify under penalty of perjury that they have read the foregoing Amended and Restated Articles of Incorporation and know the contents thereof, and that the statements therein are true.

Executed at Westlake Village, California, on April 10, 2002.

James K. Beriker
CEO

Kenneth J. Lawson
Secretary

EXHIBIT G

FORM OF INTELLECTUAL PROPERTY LICENSE

**FORM OF
LICENSE AGREEMENT**

This LICENSE AGREEMENT (this "Agreement") is entered into as of April __, 2002 (the "Effective Date") by and between Simpli.com, Inc., a Delaware corporation ("Licensor") and NetZero, Inc., a Delaware corporation ("Licensee").

RECITALS

WHEREAS, the parties have entered into that certain Merger Agreement and Plan of Reorganization dated April __, 2002, by and among Search123.com Inc., Search Acquisition Corp., Licensee and Licensor (the "Merger Agreement");

WHEREAS, the execution of this Agreement is a condition to the closing of the Merger Agreement;

NOW, THEREFORE, in consideration of the covenants, premises, representations and warranties set forth herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties), intending to be legally bound hereby, the parties agree as follows:

1. DEFINITIONS. As used in this Agreement:

1.1 Capitalized terms used but not otherwise defined herein shall have the same meaning as set forth in the Merger Agreement.

1.2 "Intellectual Property Rights" means all existing utility models, copyrights, mask work rights, moral rights and trade secrets and all existing and future worldwide patents and other patent rights, including all applications, registrations and continuations, no matter when filed or granted, with respect thereto, but excluding Trademarks.

1.3 "Licensee Improvements" means all (i) copyrights in any derivative work, compilation or translation of the Licensed Technology or any compilation including the Licensed Technology authored by or for Licensee after the Effective Date; (ii) inventions which are directed to any improvement, enhancement or derivative work of the Licensed Technology developed by or for Licensee after the Effective Date, whether or not the subject of any patent or patent application; and (iii) to the extent protected as trade secrets, all uses, implementations, operations, improvements, modifications and translations made by or for Licensee.

1.4 "Licensed Technology" means all existing Intellectual Property (other than Trademarks) of Licensor, including, but not limited to, that which is set forth on Schedule I attached hereto.

2. LICENSES TO LICENSEE

2.1 License. Subject to the terms and conditions of this Agreement, Licensor hereby grants Licensee and its Affiliates a non-exclusive, perpetual, irrevocable (except as set forth in

Section 8.2), non-transferable, royalty-free, fully-paid license, subject to the restrictions set forth in Section 2.2, to use, modify, reproduce, create derivative works of, display, and perform the Licensed Technology.

2.2 Restrictions on Use of Licensed Technology. No license is granted except for those rights expressly granted under this Agreement, and whatever rights not granted in this Agreement are reserved by Licensor.

2.3 Proprietary Notices. Licensee and its Affiliates will not obfuscate, remove or alter any copyright and other proprietary notices contained on or in the Licensed Technology as delivered to Licensee, and all such markings shall be included on or in all copies of any portion of the Licensed Technology made by Licensee and its Affiliates. Licensee shall mark any product containing any Licensed Technology with any patent numbers supplied by Licensor.

2.4 Technology Transfer. For a period of thirty (30) days after the Effective Date, Licensor will provide Licensee with reasonable access to permit Licensee, at Licensee's expense, to make copies of each component of the Licensed Technology.

2.5 No Support; Maintenance. Licensor has no obligation to provide any telephone, on-line or other technical support for the Licensed Technology. Licensor shall have no obligation to provide any updates, upgrades or new releases of the Licensed Technology or any component thereof to Licensee or its Affiliates.

3. OWNERSHIP

3.1 Licensor Technology. Licensor shall retain sole and exclusive ownership of the Licensed Technology and all modifications, improvements or derivative works thereof made by or for Licensor before or after the Effective Date, including all Intellectual Property Rights therein.

3.2 Modifications, Derivative Works. Licensee shall own the Licensee Improvements including all Intellectual Property Rights therein, some or all of which may be subject to Licensor's Intellectual Property rights arising from Licensor's ownership of the underlying Licensed Technology and therefore subject to the limitations on use set forth in Section 2, including, but not limited to, limitations on transferability and sub-licensing.

4. CONSIDERATION

4.1 Consideration. No payments or royalties shall be due for the license granted hereunder.

5. REPRESENTATIONS AND WARRANTIES

5.1 No Warranties. Licensor makes no representations or warranties with respect to the Licensed Technology under this Agreement.

5.2 Disclaimer of Warranties. THE LICENSED TECHNOLOGY IS LICENSED ON AN "AS IS" BASIS. LICENSOR MAKES NO WARRANTIES, WHETHER EXPRESS,

IMPLIED OR STATUTORY WITH RESPECT TO THE LICENSED TECHNOLOGY AND THIRD PARTY TECHNOLOGY, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS.

6. LIMITATIONS OF LIABILITY

6.1 Consequential Damages. NEITHER PARTY WILL BE LIABLE FOR ANY LOST PROFITS OR CONSEQUENTIAL DAMAGES ARISING FROM OR RELATING TO THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. CONFIDENTIALITY

7.1 Confidentiality Obligations. The parties acknowledge and agree that, as a result of negotiating, entering into and performing this Agreement, each party (a "receiving party") has and will have access to certain Confidential Information (as defined below) of the other party (a "disclosing party"). Each receiving party acknowledges and agrees that misuse and/or disclosure of the Confidential Information of the disclosing party could adversely affect the disclosing party's business. Accordingly, the parties agree that, during the term of this Agreement and for a period of two (2) years thereafter, the receiving party shall (a) use and reproduce the disclosing party's Confidential Information only to perform its obligations under and for the purposes specified in this Agreement, (b) restrict disclosure of the disclosing party's Confidential Information to its employees and contractors with a need to know the Confidential Information to enable the receiving party to perform its obligations under this Agreement, and (c) not disclose the disclosing party's Confidential Information to any third party (including, but not limited to, any third-party consultant, contractor, or agent) without the prior written approval of the disclosing party and without first obtaining such third party's written agreement to maintain the confidentiality of the disclosing party's Confidential Information under terms and conditions at least as stringent as those set forth in this Section 7. Notwithstanding the requirements of this Section 7, the receiving party may disclose Confidential Information of the disclosing party to the extent it is required to do so under law or in a judicial or other governmental investigation or proceeding, provided that the receiving party gives the disclosing party prompt written notice of the compelled disclosure and cooperates with the disclosing party in seeking a protective order or any other available protections available to limit the disclosure of the disclosing party's Confidential Information.

7.2 The term "Confidential Information" shall mean: (i) all information relating to the disclosing party's business, including, without limitation, computer programs, technical drawings, algorithms, names and expertise of employees and consultants, know-how, processes, trade secrets, inventions (whether patentable or not) and other technical, business, financial, customer and product development plans, forecasts, strategies and information; and (ii) other information relating to either party that is not generally known to the public. Notwithstanding the foregoing, Confidential Information specifically excludes (a) information that is in the public domain or enters the public domain through no action or default of the receiving party; (b) information that is known to the receiving party without restriction, prior to receipt from the disclosing party from its own independent sources as evidenced by the receiving party's written records; (c) information that the receiving party receives from a third party known by the

receiving party to have a legal right to transmit such information, and not under any obligation of confidentiality; and (d) information that was independently developed by the receiving party's employees or agents without any use of or reference to the disclosing party's Confidential Information.

8. TERM AND TERMINATION

8.1 Term. This Agreement will commence on the Effective Date and will remain in effect indefinitely unless terminated pursuant to Section 8.2.

8.2 Termination. This Agreement may be terminated by either party on sixty (60) days written notice to the other party if the other breaches any material term of this Agreement and such breach is not cured within such sixty (60) day period.

8.3 Effects of Termination. Upon termination, the licenses granted in Section 2.1 shall terminate. Each party shall return or destroy all the Confidential Information of the other party and certify that it has done so.

8.4 Survival. In addition to any rights and obligations set forth in Section 8.3, each party's rights and obligations under, and the other provisions of, the following Sections will survive the termination of this Agreement by either party for any reason: Sections 6, 7, 8.4 and 9.

9. GENERAL

9.1 Interpretative Provisions. No party hereto, nor its respective counsel, shall be deemed the drafter of this Agreement for purposes of construing the provisions hereof. The language in all parts of this Agreement shall in all cases be construed according to its fair meaning, and not strictly for or against any party hereto.

9.2 Entire Agreement. This Agreement supersedes all prior agreements between the Parties with respect to its subject matter and constitutes a complete and exclusive statement of the agreement among the Parties with respect to its subject matter.

9.3 Successors and Assigns. Licensee may not assign or transfer this Agreement except to an Affiliate or a purchaser of all or substantially all of Licensee's assets or voting stock.

9.4 Headings. The headings of sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be construed to be of the gender or number the circumstances require. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms.

9.5 Modification or Waiver. No amendment, modification, alterations or supplement of the terms or provisions of this Agreement shall be binding unless the same shall be in writing and duly executed by the parties hereto, except that any of the terms or provisions of this Agreement may be waived in writing at any time by the party that is entitled to the benefits of

such waived terms or provisions. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provisions hereof (whether or not similar). No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

9.6 Expenses. Each party hereto shall pay its own costs and expenses incurred in connection with the negotiation of this Agreement and the performance of the transactions contemplated hereby.

9.7 Notices. All notices required to be given under this Agreement must be given in writing and delivered either by hand, certified mail, return receipt requested, postage pre-paid, or Federal Express or other commercial overnight delivery service with tracking capabilities, all delivery charges prepaid, and addressed to the applicable party's address set forth below or such other address as to which the party has notified the other party in accordance with this paragraph. Notice shall be deemed effective upon receipt, provided, however, that notice sent by mail shall be deemed received three (3) days after deposit in the U.S. mails unless received sooner.

If to Licensor:
Simpli.com, Inc.
c/o Search123.com Inc.
Legal Department
5701 Lindero Canyon Road
Building 2, Suite 200
Westlake Village, CA 91362
Attn:

If to Licensee:
NetZero, Inc.
Legal Department
2555 Townsgate Road
Westlake Village, CA 91361
Attn: General Counsel

9.8 Governing Law. This Agreement will be governed by the laws of the State of California, without giving effect to any choice of law or conflict of law provision that would cause the application of the laws of any jurisdiction other than the State of California.

9.9 Third Party Beneficiaries. Nothing herein express or implied is intended to or shall be construed to confer upon or give any person or entity, other than the parties hereto, and their respective successors, executors, beneficiaries, permitted assigns and affiliates, any rights or remedies under or by reason of this Agreement.

9.10 Injunctive Relief. It is understood and agreed by both parties that a breach of Sections 7 of this Agreement by the other may cause irreparable damage for which recovery of monetary damages would be inadequate, and that either party may seek injunctive or other equitable relief to protect their Confidential Information, Intellectual Property Rights and license rights under the Agreement.

9.11 Counterparts and Facsimile Signatures. This Agreement can be executed (including facsimile signatures) in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

9.12 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction or arbitrator, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable. If any provision of this Agreement is held invalid or unenforceable the parties intend that the court of competent jurisdiction or arbitrator making such finding will substitute a valid enforceable provision therefor which, to the fullest extent permitted by Law, effects the economic benefits and burdens intended by such invalid or unenforceable provision.

9.13 Relationship of Parties. Nothing in this Agreement will be construed as creating any agency, partnership, or other form of joint enterprise between the parties. Neither party will have the authority to act or create any binding obligation on behalf of the other party.

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have executed this Agreement as of the Effective Date.

LICENSOR:

LICENSEE:

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE I
LICENSED TECHNOLOGY

Patents

US Provisional Patent Application 60/140874 Filed 24 June 1999

US Patent Application 09/419005 Filed 13 October 1999

US Patent Application 09/539750 Filed 31 March 2000

SimpliFind

Search method that uses SimpliNet knowledge base to present a meta search site that allows the user to disambiguate search input terms. This allows the search engine to search based on meaning, not text.

Simpli KBase (SimpliNet)

Underlying knowledge base for Simpli technology. Relates words to concepts, and concepts to each other.

Surf Safari Categorization Engine

Categorization of web pages. Used to present a "more like this" interface to users surfing the Web by identifying the category of a visited page, and using that to query for pages that were also in that category.

Categorized URL Database

Collection of URLs from various sources categorized through a variety of means, including the Surf Safari Engine, other techniques described here, and manual means.

Destination Targeting Workbench

Used to assign target URLs to ad campaigns.

Web Page Sense Algorithm Workbench

Allows KEs to manually categorize a web page.

Lexicon functions

Chunking

Breaks up a segment of text (e.g., a query, or a segment from a parsed web-page) using the largest-rightmost chunk rule recursively. Requires a list of good terms and a list of stop terms. Can output single words that do not appear in either list.

Depluralization and Porter stemming

Techniques to reduce a word down to its root, or at least remove the plural morphemes of a word.

English word validation

Determines whether a string of letters could be a valid English word given a set of spelling rules.

Finding new terms

Simple query frequency data

Given a large set of unique queries and their frequencies, treat each query as "term", do a grep of each term against the entire set of queries, add up the frequency counts of the queries that it matches, if the sum is greater than some threshold, accept the term into the dictionary. The basic idea is that any term that is a real "thing" will be searched on by itself at least once. Then if it appears in other queries enough, it probably is a real thing.

Collocation extraction using any text

A modification of Gael Dias' method for collocation extraction (references at <http://www.dmi.ubi.pt/~ddg/biblio/biblio.html>).

Valid words not found in dictionary

Use English word validation technique (above) to screen high frequency words

Cleaning up term lists

Various techniques return lists of terms. Some of the terms, for one reason or another, overlap with each other in various ways. There are generally three ways to deal with the problem: 1) remove more specific terms (e.g., if both "Honda" and "Honda civic" are in the list, remove "Honda civic."); 2) remove more general terms; 3) look for terms to join (e.g., if "10 things I hate" and "things I hate about you" are both in the list, join them to produce "10 things I hate about you").

Alternate spellings

Spelling errors on the web are generally phonemic. People usually get the sounds correct, but in English there are many ways to represent those sounds, especially of vowels. The "Consonant Method" is a simple algorithm adapted from the metaphone algorithm (<http://aspell.sourceforge.net/metaphone/>) which preserves most of the consonants in a word and some of the vowels (many more than the metaphone algorithm which removes nearly all vowels). This creates a new representation for a word. All words with the same representation are considered alternate spellings of each other. This method does not say which is the correct spelling, though if there were a verified dictionary, then this could find misspellings.

Clustering with word vectors

A method for clustering vectors with a similarity measure like cosine. The vectors can be either word vectors, or the columns of a similarity matrix of word vectors. It seems to work best with the latter. (E.g., You've got 10 terms, based on their word vectors, you know the similarity of each term to the other nine (and itself = 1.0). You use the vectors made up of these similarity values as input).

First an initial clustering is done. Each vector is examined once to place it into a cluster. The cosine between the vector and each cluster centroid is calculated. If the max cosine is greater than a threshold, then it goes into that cluster (and the centroid re-calculated for that cluster). If not, then the vector becomes the centroid of a new cluster.

After the initial clustering, each vector is compared to all the centroids. If the max cosine belongs now to another cluster it is switched out of its current cluster and into the new one. If it is the only vector in a cluster and the max is over the threshold then it is also moved into that cluster. This process is repeated until no switching occurs for all the vectors, or a maximum number of passes has been made.

Document categorization

Word Vector Learning

A technique based on Learning Vector Quantization and modified to deal with word vectors. A set of hand-categorized documents are turned into word vectors. The vectors are placed into a predetermined number of clusters (the clustering method could be changed). A training set of documents is used to move the cluster centroids such that the nearest centroid belongs to the correct category. In essence, this technique starts out with centroids that define the centers of a categories, but the training moves them so that they define the borders between categories.

DF*ICF from categorized documents

Given a large set of categorized, chunked web pages, each chunk gets a weight in each category it appears in equal to the number of pages it appears in in that category times the $\log(N/nd)$ where N is the total number of categories and nd is the total number of different categories that the chunk appears in. A document (or even just a query) is scored by adding up the values for every category for all the words in the document. The category with the highest score is returned.

Query functions

Creating query context word-vectors

The remaining techniques rely on having context word-vectors for every term in a lexicon. For queries, the context would be all the queries that term (called the "key term") appears in. The queries are chunked either with or without the key term removed. Frequencies for all the chunks then comprise the word vector for the key term. The frequencies can be weighted by an IQF measure and stop words can be removed from the vectors or from the set of key terms.

Finding associated terms

For single-chunk queries

If there is a single chunk in a query, then the most frequent terms in its query vector are the top associates of the chunk. These associates are basically the most popular modifications to that chunk. For example, "auto insurance" might have as its top associates: "quotes", "rates", "comparisons", and "companies". These rankings should come from query vectors that have not been modified.

For multi-chunk queries

If there are multiple chunks in the query, then the associated terms should those terms that appear in the query vectors of all the chunks. These terms will define what is still ambiguous about the query.

Measuring similarity between terms

The similarity of two terms can be measured using the query vectors. The query vectors should be IQF weighted and stop words removed. Some other thresholds should also be applied, e.g., on the number of words in the vectors. So far, cosine and the Tanimoto distance have been used as similarity measures.

Creating query sets

A query set is a set of queries that differ only superficially, either in spelling, word-order, synonyms, the joining or splitting of terms as they are typed in, or the addition or subtraction of relatively meaningless terms ("stop terms"). Using the alternate spelling algorithms, and highly similar terms, a query set can be found taking a "seed term" and looking for other terms in a query database that only have these superficial differences.

Visualization

Make a keyword tree with exact matching

Starting with about 100,000 terms (query atoms in this case) and their frequencies, how do you organize it so that someone could look at it and gain something? One way is to simply take a term and find all the other terms that have that term. That is, one term will have many children. Those children might be part of some larger terms as well. You might also indicate the other parents of each of these children. Because of frequency thresholds and other things, not every child will have more than one parent. You can also make some guesses based on frequency as to whether a child is actually the long form of its parent or not.

Projecting similarities between terms onto a 2-D or 3-D space

Another way to visualize these terms is use the similarity measures. One view all the similarities is to do a Sammon mapping which is method that preserves the distances in the original space in a smaller 2, or 3 dimensional space. Each item is placed randomly in the new space, then gradient descent is used to move the items such that their distance to each other is as close as possible to the distance in the original space.

Applications

Completions/refinements of a query

To help the user to refine his or her search, the associates of their query could be shown to them. These associates are basically what is still ambiguous about the query. The associates can also be clustered based on their similarity (so "quotes" and "rates" would be clustered together, separate from "companies").

Categories of a query

A query can be categorized using the DF*ICF method and these categories can be shown to the user to broaden their search. Categories could also be substituted for unmonetized searches. A cluster of associates can also be categorized – though the associates themselves (without the original term) could be quite diverse leading to poor categorization.

Substitutable terms for a query

Similar, substitutable terms could be used either to help advertisers choose more keywords, to help users find different ways to express their query, or to automatically substitute a monetized term for an unmonetized query. For a single chunk query, the substitutes would be the highly similar terms to that chunk. For a multi-chunk query, the substitutes would be the permutations of the top substitutes for each chunk.

The permutations themselves may be nonsense, therefore they need to be filtered in some way. One way is to only allow permutations that appear in the dictionary or are monetized. Another way is take the combinations of the substitutes and look for them in the raw queries to see if the terms have ever appeared together.

Hierarchical Database Tests

Tests the fidelity of hierarchically formed database (such as the Simpli.com knowledge base). Contains both internal tests of links, as-well-as external tests (how well new words fit into the existing structure).

Expectation Maximization (EM) for the clustering of Queries

Uses the EM-algorithm for to group queries through the use of hidden variables.

Self-pruning heuristics with EM

Uses a series of metrics to determine the optimal number (in the statistical sense) of hidden variables (or clusters) to describe a data set (i.e. a group of queries) using EM.

Title-Description puller and parser (Mike Holly)

Submits a query and returns a parsed vector of terms and their frequency counts taken from the top 'n' results. Used as the raw data for EM.

Word Vector Data Structures

For any query, or document, provides a data structure that essentially treats the local vocabulary as a sparse vector. The data structure itself contains all of the mathematical operations necessary to do real-time sparse data manipulation (without having to implicitly use the non-indexed dimensions in each vector). This means that there is no need to a-priori specify the dimensionality of a system.

VX Simulator

A PFP model using CPA.

Keyword Expander

Expands a query into related terms.

Category Mapper

Technique for categorizing a query.

Query Frequency

A technique to categorize search results based on common, interesting text.

CPC/CPM Spread Business Plan

Business proposal for online advertising paying CPM to publishers and charging CPC or CPA to advertisers.

Authentlets

A methodology and implementation for authenticating a client to a server that involves sending code snippets to the client to be executed, the results being returned to the server. The authentlets can be built using a variety of methods, parameterized, and swapped in and out quickly, making reverse engineering difficult. Solves specific problems involving replay attacks, man-in-the-middle and client replacement (when the user knows the authentication secrets, but the service provider wants to ensure that the user is using their client software) as well as other difficult-to-avoid hacking techniques. Especially useful when combined with other techniques, such as public-private key.

Intranet Site

Used to manage our projects etc.

Software coding standards

Word dictionaries

NetZero Product Development Process Proposal

Simpli/Search123 Product Development Process Proposal

KBase Change Management Process

A workbench for change was also implemented.

DbExplorer

Source Code/Files

Various copyrighted files and source code that represent implementations of inventions mentioned here, as well as other utilities, prototypes, etc. that may not be listed elsewhere.

Source code and other files are stored in CVS Repository and backups.

Miscellaneous business files, analyses, reports, etc., some mentioned here, are stored on various PCs mentioned in Asset Schedule and backups.

EXHIBIT H

FORM OF INVESTOR RIGHTS AGREEMENT

FORM OF

SEARCH123.COM INC.

INVESTOR RIGHTS AGREEMENT

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INVESTOR RIGHTS AGREEMENT

THIS AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT (this "**Agreement**") is effective as of April ___, 2002, by and among SEARCH123.COM INC., a California corporation (the "**Company**"), and the investors listed on **Schedule A** hereto, each of which is herein referred to as an "**Investor**."

RECITALS

WHEREAS, the Company and NetZero, Inc. (an Investor and also referred to herein as the "**Major Investor**") are parties to that certain Merger Agreement and Plan of Reorganization dated as of April ___, 2002, by and among the Company and Search Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of the Company, on the one hand, and Investor and Simpli.com, Inc., a Delaware corporation and wholly-owned subsidiary of Investor, on the other hand (the "**Merger Agreement**") which contains the terms and conditions of the purchase of the Series C Preferred Stock (the "**Series C Preferred Stock**") by the Investor;

WHEREAS, the Merger Agreement provides that as a condition to the closing of the sale of the Series C Preferred Stock this Agreement must be executed and delivered by the Investor and the Company.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereto agree as follows:

1. Registration Rights. The Company covenants and agrees as follows:

1.1 Definitions. For purposes of this **Section 1**:

(a) The term "**Securities Act**" means the Securities Act of 1933, as amended.

(b) The term "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

(c) The term "**Holder**" means any person owning or having the right to acquire Registrable Securities or any assignee thereof in accordance with **Section 1.12** hereof.

(d) The term "**Initial Offering**" means the Company's first firm commitment underwritten public offering of its Common Stock under the Securities Act, in which the gross proceeds to the Company exceed fifteen million dollars (\$15,000,000) and the offering price is not less than \$0.72.

(e) The term "**1934 Act**" means the Securities Exchange Act of 1934, as amended.

(f) The term “**register,**” “**registered,**” and “**registration**” refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

(g) The term “**Registrable Securities**” means (i) the Common Stock issuable or issued upon conversion of the Series C Preferred Stock and (ii) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security that is issued as) a dividend or other distribution with respect to, or in exchange for, or in replacement of, the shares referenced in (i) above, excluding in all cases, however, any Registrable Securities sold by a person in a transaction in which his rights under this **Section 1** are not assigned.

(h) The number of shares of “**Registrable Securities**” outstanding shall be determined by the number of shares of Common Stock outstanding that are, and the number of shares of Common Stock issuable pursuant to then exercisable or convertible securities that are, Registrable Securities.

(i) The term “**SEC**” shall mean the Securities and Exchange Commission.

1.2 Required Registration.

(a) At any time commencing the earlier of four years from the date hereof and one year following an Initial Offering, the Major Investor may request the Company to register under the Securities Act shares of stock for sale in the manner specified in such notice; provided, however, that the only securities which the Company shall be required to register pursuant hereto shall be shares of Common Stock, and provided, further, that the value of such securities to be registered is at least \$5,000,000. The Company shall be obligated to register Registrable Securities pursuant to this **Section 1.2(a)** on one occasion only.

(b) Promptly following receipt of any notice under **Section 1.2(a)**, the Company shall immediately notify all other Holders of Registrable Securities and shall use its best efforts to register under the Securities Act, for public sale in accordance with the method of disposition specified in such notice, the number of shares of Registrable Securities specified in such notice (and the number of shares of Registrable Securities in any notices received from other Holders within ten (10) days after their receipt of such notice from the Company). If such method of disposition shall be an underwritten public offering, (i) the Company may select the underwriter or underwriters of such offering, such selection subject to the approval of the holders of a majority of the shares of Registrable Securities requested to be included in such offering pursuant to this **Section 1.2**, such approval not to be unreasonably withheld, and (ii) as and to the extent that the underwriters determine that the number of shares of Registrable Securities to be registered would jeopardize the success of the offering, the number of shares of Registrable Securities included in such offering may be reduced (*pro rata* among the requesting Holders, based upon the number of shares so requested to be registered). In the event that the number of shares of Registrable Securities included in such registration shall be reduced for the Major Investor by an amount equal to or greater than 40% of the aggregate number of shares of Registrable Securities requested to be registered by such Major Investor, then such request to

register Registrable Securities shall not be counted as the permitted request for registration pursuant to **Section 1.2(a)** above.

(c) Notwithstanding anything to the contrary contained herein, the obligation of the Company under this **Section 1.2** shall be deemed satisfied only when a registration statement covering all shares of Registrable Securities specified in the notice received under paragraph (a) above, as reduced (if at all) pursuant to the provisions of paragraph (b) above, for sale in accordance with the method of disposition specified by the Major Investor, shall have become effective and, if such method of disposition is a firm commitment underwritten public offering, all such shares shall have been sold pursuant thereto; provided, however, that if the Major Investor elects to withdraw from the registration requested pursuant to paragraph (a) above and such registration is then declared or ordered effective, such registration shall be the one permitted request for registration pursuant to paragraph (a) above.

(d) The Company shall be entitled to include in any registration statement referred to in this **Section 1.2**, for sale in accordance with the method of disposition specified by the requesting Holders, shares of Common Stock to be sold by the Company for its own account, except as and to the extent that, in the opinion of the managing underwriter (if such method of disposition shall be an underwritten public offering), such inclusion would adversely affect the marketing of the Registrable Securities to be sold. In the event that a reduction of shares of Registrable Securities being registered is necessary pursuant to the provisions of paragraph (b) above, the number of shares of Common Stock to be sold by the Company for its own account will be reduced before the number of shares of Registrable Securities to be sold by any Holders of such Registrable Securities are reduced. Except as provided in this paragraph (d), the Company will not effect any other registration of its Common Stock, whether for its own account or that of other Holders, from the date of receipt of a notice from the Major Investor pursuant to this **Section 1.2** until the completion of the period of distribution of the registration contemplated thereby.

(e) If the Company shall furnish to the Major Investor a certificate signed by the President or Chief Executive Officer of the Company stating that in the good faith judgment of the Company's board of directors it would be detrimental to the Company and its shareholders for such registration statement to be filed on or at the time required hereunder and it is therefore of material importance to the Company to defer the filing of such registration statement, the Company shall have the right to defer such filing for a period of not more than one hundred and twenty (120) days after the furnishing of such a certificate of deferral; provided, however, that the Company shall not exercise such right to defer a filing pursuant to this provision more than once in any period of twelve (12) consecutive months.

(f) The Company shall not be obligated to take any action to effect any registration pursuant to this **Section 1.2** during the period starting within the date sixty (60) days prior to the date that the Company has in good faith estimated will be the date of filing of, and ending on a date ninety (90) days after the effective date of, a Company-initiated registration; provided that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective. Further, the Company shall not be obligated to take any action to effect any registration pursuant to this **Section 1.2** in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in

effecting such registration unless the Company is already subject to service in such jurisdiction and except as required by the Securities Act.

1.3 Company Registration.

(a) If (but without any obligation to do so) the Company proposes to register (including for this purpose a registration effected by the Company for shareholders other than the Holders) any of its stock or other securities under the Securities Act in connection with the public offering of such securities (other than a registration relating solely to the sale of securities to participants in a Company stock plan, a registration relating to a corporate reorganization or other transaction under Rule 145 of the Securities Act, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities or a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that also are being registered), the Company shall, at such time, promptly give each Holder written notice of such registration. Upon the written request of each Holder given within twenty (20) days after mailing of such notice by the Company in accordance with **Section 4.5**, the Company shall, subject to the provisions of **Section 1.3(c)**, use all reasonable efforts to cause to be registered under the Securities Act all of the Registrable Securities that each such Holder has requested to be registered.

(b) Right to Terminate Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this **Section 1.3** before the effectiveness of such registration, whether or not any Holder has elected to include securities in such registration. The expenses of such withdrawn registration shall be borne by the Company in accordance with **Section 1.7** hereof.

(c) Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under **Section 1.2 or 1.3** to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters) and enter into an underwriting agreement in customary form with an underwriter or underwriters selected by the Company, and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by shareholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, that the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned *pro rata* among the selling Holders according to the total amount of securities entitled to be included therein owned by each selling Holder or in such other proportions as shall mutually be agreed to by such selling Holders), but in no event shall (i) the amount of securities of the selling Holders included in the offering be reduced below twenty percent (20%) of the total amount of securities included in such offering, unless such offering is the Initial Offering, in which case the selling Holders may be excluded if the underwriters make the determination described above and no

other shareholder's securities are included. For purposes of the preceding parenthetical concerning apportionment, for any selling shareholder that is a Holder of Registrable Securities and that is a partnership or corporation, the partners, retired partners and shareholders of such Holder, or the estates and family members of any such partner and retired partner and any trust for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder," and any *pro rata* reduction with respect to such "selling Holder" shall be based on the aggregate amount of Registrable Securities owned by all such related entities and individuals.

1.4 Form S-3 Registration. In case the Company shall receive from the Holders of not less than fifty percent (50%) of the Registrable Securities a written request or requests that the Company effect a registration on **Form S-3** and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company shall:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) use all reasonable efforts to effect, as soon as practicable, such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of other Holders joining in such request as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company; provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this **Section 1.4**:

(i) if Form S-3 is not available for such offering by the Holders;

(ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than \$1,000,000;

(iii) if the Company shall furnish to the Holders a certificate signed by the Chief Executive Officer or Chairman of the Board of the Company stating that in the good faith judgment of the Board of Directors of the Company it would be seriously detrimental to the Company and its shareholders for such Form S-3 Registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than one hundred twenty (120) days after receipt of the request of the Holder or Holders under this **Section 1.4**; provided, however, that the Company shall not utilize this right more than once in any twelve (12) month period;

(iv) if the Company has, within the twelve (12) month period preceding the date of such request, already effected two (2) registrations on Form S-3 for the Holders pursuant to this **Section 1.4**; or

(v) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

(c) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders.

1.5 Obligations of the Company. Whenever required under this **Section 1** to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use best efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the Registration Statement has been completed;

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement;

(c) furnish to the Holders such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them;

(d) use all reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering;

(f) notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act or the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(g) cause all such Registrable Securities registered pursuant hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed; and

(h) provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

1.6 Suspension Event. For purposes of this Agreement, the term "Suspension Notice" shall mean a notice by the Company to the Holders pursuant to **Section 1.5(f)** (a "**Suspension Event**"). Upon receipt of any Suspension Notice, the Holders shall cease the sales of their Registrable Securities pursuant to the registration and shall return promptly all prospectuses then being used by them in connection with the sale of their Registrable Securities until such time as the Company notifies them that they may resume selling their Registrable Securities or at such time as the Company supplies them with amended or supplemented prospectuses for use in the sale of their Registrable Securities; provided, however, that the duration of any such suspension shall not exceed one hundred and twenty (120) days; provided, further, that in the case of any registration as to which the Company is obligated to maintain the effectiveness thereof for a period of at least ninety (90) days, that period shall be extended for a number of days equal to the duration of the Suspension Event and the Company shall not be entitled to effectuate more than one such suspension in any period of twelve (12) consecutive months.

1.7 Information from Holder. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this **Section 1** with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the registration of such Holder's Registrable Securities.

1.8 Expenses of Registration. All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to **Sections 1.2, 1.3 and 1.4**, including (without limitation) all registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company shall be borne by the Company. Notwithstanding the foregoing, the Company shall not be required to pay for the expenses of any registration proceeding begun pursuant to **Sections 1.2 and 1.4** if the registration request subsequently is withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses *pro rata* based on the number of Registrable Securities that were to be requested in the withdrawn registration); provided, however, that, if at the time of such withdrawal the Holders have learned of a material adverse change in the condition, business or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness following disclosure by the Company of such material adverse change, then the Holders shall not be required to pay any of such expenses and shall retain their rights pursuant to **Sections 1.2 and 1.4**.

1.9 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this **Section 1**.

1.10 Indemnification. In the event any Registrable Securities are included in a registration statement under this **Section 1**:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners or officers, directors and shareholders of each Holder, legal counsel and accountants for each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the 1934 Act, against any losses, claims, damages or liabilities (joint or several) to which they may become subject under the Securities Act, the 1934 Act or any state securities laws, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based on any of the following statements, omissions or violations (collectively, a "**Violation**"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the 1934 Act, any state securities laws or any rule or regulation promulgated under the Securities Act, the 1934 Act or any state securities laws; and the Company will reimburse each such Holder, underwriter or controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this **Section 1.10(a)** shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based on a Violation that occurs in reliance on and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person; provided further, however, that the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Holder or underwriter, or any person controlling such Holder or underwriter, from whom the person asserting any such loss, claim, damage or liability purchased shares in the offering, if a copy of the prospectus (as then amended or supplemented if the Company has furnished any amendment or supplement thereto) was not sent or given by or on behalf of such Holder or underwriter to such person, if required by law so to have been delivered, at or before the written confirmation of the sale of the shares to such person, and if the prospectus (as so amended or supplemented) would have cured the defect giving rise to such loss, claim, damage or liability.

(b) To the extent permitted by law, each selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages or liabilities (joint or several) to

which any of the foregoing persons may become subject, under the Securities Act, the 1934 Act or any state securities laws, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based on any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance on and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will reimburse any person intended to be indemnified pursuant to this **Section 1.10(b)**, for any legal or other expenses reasonably incurred by such person in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this **Section 1.10(b)** shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder (which consent shall not be unreasonably withheld), provided that in no event shall any indemnity under this **Section 1.10(b)** exceed the net proceeds from the offering received by such Holder.

(c) Promptly after receipt by an indemnified party under this **Section 1.10** of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this **Section 1.10**, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this **Section 1.10**, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this **Section 1.10**.

(d) If the indemnification provided for in this **Section 1.10** is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to herein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, (i) no Holder will be required to contribute any amount in excess of the net proceeds received by such Holder from the sale of all Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (ii) no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation.

(f) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(g) The obligations of the Company and Holders under this **Section 1.10** shall survive the completion of any offering of Registrable Securities in a registration statement under this **Section 1**, regardless of the expiration of any statute of limitations.

1.11 Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the Initial Offering;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the 1934 Act; and

(c) furnish to any Holder, so long as such Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the first registration statement filed by the Company), the Securities Act and the 1934 Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration or pursuant to such form.

1.12 Assignment of Registration Rights. The rights to cause the Company to register Registrable Securities pursuant to this **Section 1** may be assigned (but only with all related obligations) by a Holder to a transferee or assignee of such securities that (i) is a subsidiary, parent, partner, limited partner, retired partner or shareholder of a Holder, (ii) is a Holder's family member or trust for the benefit of an individual Holder, or (iii) after such assignment or transfer, holds at least 250,000 shares of Registrable Securities (subject to appropriate adjustment for stock splits, stock dividends, combinations and other

recapitalizations), provided (a) that the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; (b) that such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement, including, without limitation, the provisions of **Section 1.15** below; and (c) that such assignment shall be effective only if immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Securities Act.

1.13 "Market Stand-Off" Agreement. Provided the officers of the Company are subject to the same restrictions set forth in this Section 1.12, each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the Initial Offering and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days) (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock (whether such shares or any such securities are then owned by the Holder or are thereafter acquired), or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The underwriters in connection with the Company's initial public offering are intended third party beneficiaries of this **Section 1.13** and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

1.14 Termination of Registration Rights. No Holder shall be entitled to exercise any right provided for in this **Section 1** after five (5) years following the consummation of the Initial Offering or, as to any Holder, such earlier time at which all Registrable Securities held by such Holder (and any affiliate of such Holder with whom such Holder must aggregate such Holder's sales under Rule 144) can be sold in any three (3)-month period without registration in compliance with Rule 144 of the Securities Act.

2. Covenants of the Company.

2.1 Delivery of Financial Statements to Investors. The Company shall deliver to each Investor:

(a) as soon as practicable, but in any event within ninety (90) days after the end of each fiscal year of the Company, an income statement for such fiscal year, a balance sheet of the Company and statement of shareholder's equity as of the end of such year, and a statement of cash flows for such year, such year-end financial reports to be in reasonable detail, prepared in accordance with generally accepted accounting principles ("GAAP"), and audited

and certified by independent public accountants of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, an unaudited income statement, statement of cash flows for such fiscal quarter and an unaudited balance sheet as of the end of such fiscal quarter.

2.2 Delivery of Financial Statements to the Major Investor. The Company shall also deliver to the Major Investor:

(a) as soon as practicable, but in any event thirty (30) days prior to the end of each fiscal year, a budget and business plan for the next fiscal year and, as soon as prepared, any other budgets or revised budgets, reports of adverse developments and management letters;

(b) as soon as practicable, after the end of the first and second month of each quarterly accounting period, if available, an unaudited income statement for each such monthly period, an unaudited balance sheet and statement of shareholder's equity as of the end of each such monthly period, and an unaudited statement of cash flows for each such monthly period, prepared in accordance with GAAP (excluding footnotes).

2.3 Inspection. The Company shall permit each Investor, upon five (5) days advance written request to the Company, at such Investor's expense, to visit and inspect the Company's properties, to examine its books of account and records and to discuss the Company's affairs, finances and accounts with its officers, all at such reasonable times as may be requested by the Investor; provided, however, that the Company shall not be obligated pursuant to this **Section 2.3** to provide access to any information that it reasonably considers to be a trade secret or similar confidential information.

2.4 Termination of Information and Inspection Covenants. The covenants set forth in **Sections 2.1, 2.2 and 2.3** shall terminate as to each Investor and be of no further force or effect when the sale of securities pursuant to a registration statement filed by the Company under the Securities Act in connection with the firm commitment underwritten offering of its securities to the general public is consummated or when the Company first becomes subject to the periodic reporting requirements of Sections 12(g) or 15(d) of the 1934 Act, whichever event shall first occur. As of and following such termination, the Company shall deliver to each Major Investor copies of the Company's 10-K's, 10-Q's and 8-K's and Annual Reports to Shareholders promptly after such documents are filed with the SEC.

2.5 Board Observation Rights. For so long as the Major Investor (or its successors or assigns) owns at least 5% of the outstanding capital stock of the Company, the Company shall invite a representative of Major Investor to attend all meetings of its Board of Directors in a nonvoting, observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; provided, however, that such representative shall agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information provided; and, provided further, that the Company reserves the right to withhold any information and to exclude such representative from

any meetings or portion thereof but only if access to such information or attendance at such meeting should adversely affect the attorney-client privilege between the Company and its counsel.

2.6 Dividends and Redemptions. For so long as the Major Investor (or its successors or assigns) holds shares of Series C Preferred Stock, the Company shall not, without the prior written consent of the Major Investor, (i) redeem or purchase any shares of its Common Stock, other than repurchases from employees or former employees of the Company at the original purchase price for such shares as specified in the agreements that provide for the repurchase of such shares upon the termination of such employee's services and (ii) declare or pay any dividends or make any other distributions on any shares of its Common Stock.

2.7 Right of First Offer. The Company hereby grants to the Major Investor a right of first offer with respect to future sales by the Company of its Shares (as hereinafter defined). Each time the Company proposes to offer any shares of, or securities convertible into or exercisable for any shares of, any class of its capital stock ("Shares"), the Company shall first make an offering of such Shares to the Major Investor in accordance with the following provisions:

(a) The Company shall deliver a notice by certified mail ("Notice of Sale") to the Major Investor stating (i) its bona fide intention to offer Shares, (ii) the number of Shares to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such Shares.

(b) By written notification received by the Company, within fifteen (15) calendar days after giving of the Notice of Sale, the Major Investor may elect to purchase or obtain, at the price and on the terms specified in the Notice of Sale, up to that portion of such Shares which equals the proportion that the number of shares of Common Stock issued and held by the Major Investor (assuming conversion of all shares of Series C Preferred Stock) bears to the total number of shares of Common Stock of the Company then outstanding (assuming conversion of all convertible securities and exercise of all exercisable securities).

(c) If, after the fifteen (15) calendar day notice period in subsection 2.5(b), the Shares referred to in the Notice of Sale are not elected to be obtained by the Major Investor, the Company may, for a period of one hundred twenty (120) days, offer the remaining unsubscribed portion of such Shares to any person or persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Notice of Sale. If the Company does not enter into an agreement for the sale of the Shares within such period, or if such agreement is not consummated within thirty (30) days of the end of such period, the right provided hereunder shall be deemed to be revived and such Shares shall not be offered unless first reoffered to the Major Investor in accordance herewith.

(d) The right of first offer in this **Section 2.5** shall not be applicable (i) to the issuance or sale of Shares (or options therefore) to employees, consultants, directors or vendors directly or pursuant to a stock option plan or restricted stock issuance plan approved by the board of directors of the Company, (ii) to or after consummation of the Initial Offering in connection with which all of the Company's Series A Preferred Stock, Series B Preferred Stock

and Series C Preferred Stock is converted into Common Stock, (iii) to the issuance of securities pursuant to the conversion or exercise of convertible or exercisable securities, or (iv) to or after the acquisition of the Company by another entity by means of any bona fide transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation), or a sale of all or substantially all of the assets of the Company.

(e) The right of first offer set forth in this **Section 2.5** may not be assigned or transferred, except that it is assignable to any wholly-owned subsidiary or parent of, or to any corporation, partner or entity that is, within the meaning of the Securities Act, controlling, controlled by or under common control with, the Major Investor.

3. Miscellaneous.

3.1 Successors and Assigns. Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties (including transferees of any shares of Registrable Securities). Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

3.2 Governing Law. This Agreement shall be governed by and construed under the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

3.3 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

3.4 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

3.5 Notices. Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given upon personal delivery to the party to be notified or upon delivery by confirmed facsimile transmission, nationally recognized overnight courier service, or upon deposit with the United States Post Office, by registered or certified mail, postage prepaid and addressed to the party to be notified at the address indicated for such party on the signature page hereof, or at such other address as such party may designate by ten (10) days' advance written notice to the other parties.

3.6 Expenses. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

3.7 Entire Agreement: Amendments and Waivers. This Agreement (including the Exhibits hereto, if any) constitutes the full and entire understanding and agreement among the parties with regard to the subjects hereof and thereof; provided, however, that nothing in this

Agreement or in any of the documents referred to herein shall be deemed to terminate or supersede the provisions of confidentiality and nondisclosure agreements executed by and between the Company and any of the parties hereto before or concurrently with the execution of this Agreement, which agreements shall continue in full force and effect until terminated in accordance with their respective terms. Subject to the foregoing, any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the holders of a majority of the Registrable Securities; provided, however, any amendment or waiver that would affect the rights of the Major Investor under Sections 1.2, 2.2 or 2.5 shall also require the written consent of the Major Investor. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each holder of any Registrable Securities each future holder of all such Registrable Securities, and the Company.

3.8 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

3.9 Aggregation of Stock. All shares of Registrable Securities held or acquired by affiliated entities or persons shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.

3.10 Voluntary Execution and Delivery; Legal Counsel. Each Investor acknowledges that (a) such Investor has read carefully this Agreement and understands all of its terms and (b) that such Investor voluntarily is executing and delivering this Agreement. Each Investor further acknowledges that the Company's legal counsel is not legal counsel to such Investor and has not advised such Investor in any way in connection with or regarding this Agreement. Each Investor represents, warrants and acknowledges to the Company that such Investor has been given and had the opportunity to be represented by independent legal counsel in connection with this Agreement and the transactions contemplated hereby and has consulted with such legal counsel or has waived such Investor's right to do so.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first above written.

The "Company":

SEARCH123.COM INC.

By: _____
James K. Beriker
President

Address: 5701 Lindero Canyon Road
Building 2, Suite 200
Westlake Village, CA 91362

"Investor":

NETZERO, INC.

By: _____
Name:
Title:

Address: 2555 Townsgate Road
Westlake Village, CA 91361

SCHEDULE A

Name of Investor

1. NetZero, Inc.