

## Exhibit B

### Certificate of Compliance

Company: Apple Inc.

Reporting Year: January 1 through December 31, 20\_\_\_\_ Employment Year # \_\_\_\_ of 10

#### 1.0 Investment

- 1.1 §1.01 of the Agreement states that after the Effective Date and before December 31, 2015, Apple shall invest at least \$56,500,000 in real property improvements and New Machinery and Equipment associated with Apple's Americas Operations Center ("Phase I Investment").
- a. To date the City has not verified Apple's Phase I Investment.
  - b. Toward the Phase I Investment requirement, Apple has invested \$\_\_\_\_\_ in real property improvements and New Machinery and Equipment associated with its Americas Operations Center for the reporting year ending December 31, 20\_\_.
- 1.2 §1.01 of the Agreement states that after the Effective Date and before December 31, 2021, Apple shall invest an additional \$226,000,000 in real property improvements and New Machinery and Equipment associated with its Americas Operations Center ("Phase II Investment").
- a. To date the City has not verified Apple's Phase II investment in real property improvements and New Machinery and Equipment.
  - b. Toward the Phase II Investment, Apple has invested \$\_\_\_\_\_ in Phase II real property improvements and New Machinery and Equipment associated with its Americas Operations Center for the reporting year ending December 31, 20\_\_.

#### 2.0 Employment

- 2.1 §1.02(a) of the Agreement requires Apple to retain 3,100 Existing Full-time Jobs and create 3,635 New Full-time Jobs by December 31<sup>st</sup> of Employment Year Ten, with the number of Contract Jobs not exceeding 25% of the total of Existing Full-time Jobs and New Full-time Jobs during any period. Apple must retain the requisite Existing Full-time Jobs and New Full-time Jobs throughout the Term of the Agreement. The job creation schedule is as follows:
- a. Retain 3,100 Existing Full-time Jobs and create 300 New Full-time Jobs by December 31<sup>st</sup> of Employment Year One;
  - b. Retain 3,100 Existing Full-time Jobs and the 300 New Full-time Jobs created in Employment Year One and create 300 additional New Full-time Jobs by December 31<sup>st</sup> of Employment Year Two;
  - c. Retain 3,100 Existing Full-time Jobs and the 600 New Full-time Jobs previously created and create 50 additional New Full-time Jobs by December 31<sup>st</sup> of Employment Year Three;
  - d. Retain 3,100 Existing Full-time Jobs and the 650 New Full-time Jobs previously created by December 31<sup>st</sup> of Employment Year Four;
  - e. Retain 3,100 Existing Full-time Jobs and the 650 New Full-time Jobs previously created by December 31<sup>st</sup> of Employment Year Five;
  - f. Retain 3,100 Existing Full-time Jobs and the 650 New Full-time Jobs previously created by December 31<sup>st</sup> of Employment Year Six;
  - g. Retain 3,100 Existing Full-time Jobs and the 650 New Full-time Jobs previously created by December 31<sup>st</sup> of Employment Year Seven;
  - h. Retain 3,100 Existing Full-time Jobs and the 650 New Full-time Jobs previously created by December 31<sup>st</sup> of Employment Year Eight;

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- i. Retain 3,100 Existing Full-time Jobs and the 650 New Full-time Jobs previously created by December 31<sup>st</sup> of Employment Year Nine;
- j. Retain 3,100 Existing Full-time Jobs and the 650 New Full-time Jobs previously created, and create an additional 2,985 New Full-time Jobs by December 31<sup>st</sup> of Employment Year Ten.

2.2 Number of Existing Full-time Jobs retained as of December 31, 20\_\_ : \_\_\_\_\_

2.3 Number of New Full-time Jobs created and retained as of December 31, 20\_\_ : \_\_\_\_\_

2.4 Number of Contract Jobs created and retained as of December 31, 20\_\_ : \_\_\_\_\_

2.5 As of December 31, 20\_\_ did the number of Existing Full-time Jobs or New Full-time Jobs created and retained fall below the numbers required under §1.02(a) of the Agreement?

☐ Yes

☐ No

If Apple answered "Yes" to question 2.3, did Apple re-establish the required numbers within 90 days after December 31, 20\_\_ as required by §1.02(c) of the Agreement?

☐ Yes

☐ No

2.6 §1.02(b) of the Agreement requires that the average annual wages, not including health insurance and retirement benefits, of the New Full-Time Jobs, excluding Contract Jobs, created and retained shall be as follows:

<u>Year</u>	<u>Average Annual Wage</u>
2012	\$ 54,000
2013	\$ 56,000
2014	\$ 58,000
2015	\$ 61,000
2016	\$ 63,000
2017	\$ 65,000
2018	\$ 67,000
2019	\$ 70,000
2020	\$ 72,000
2021	\$ 73,500

2.7 Did the average annual wages, not including health insurance and retirement benefits, of the New Full-Time Jobs created and retained during the year ended December 31, 20\_\_ equal or exceed the requirements in §1.02(b) of the Agreement?

☐ Yes

☐ No

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#### 3.0 Recruitment

3.1 §1.03 of the Agreement requires Apple to:

- a. Make commercially reasonable efforts to work with non-profit organizations such as the Austin Asian American Chamber of Commerce, the Austin Gay and Lesbian Chamber of Commerce, the Capital City African American Chamber of Commerce, the Greater Austin Hispanic Chamber of Commerce, the Texas Asian Chamber of Commerce, the Austin/Travis County Reentry Roundtable, Minorities for Equality in Employment Education Liberty, the Texas Department of Assistive and Rehabilitative Services (DARS), the National Society of Black Engineers, the Society of Hispanic Professional Engineers and other appropriate organizations, to expand its pool of diverse candidates in recruiting efforts for jobs at Apple's Americas Operations Center;
- b. Adhere to its Equal Employment Policies and Practices attached as Exhibit A to the Agreement; and
- c. Make commercially reasonable efforts to recruit residents of the Austin area for its New Full-time Jobs.

3.2 Did Apple comply with the recruiting requirements in §1.03 of the Agreement during the year ended December 31, 20\_\_?

☐ Yes

☐ No

#### 4.0 Local Business Participation

4.1 §1.04(a) of the Agreement requires Apple to:

- a. Use commercially reasonable efforts to provide local certified minority-owned and women-owned business enterprises ("M/WBEs") an equal opportunity to participate as suppliers for materials and services purchased by Apple exclusively for use at the company's Americas Operations Center, and to fulfill this requirement Apple shall contact the City's Department of Small and Minority Business Resources ("SMBR") for a list of available City certified M/WBEs;
- b. Develop and submit to the City a reasonable supplier diversity policy regarding Apple's procurement of materials and services to be used exclusively at the Americas Operations Center within 90 days of the Effective Date of the Agreement;
- c. Adhere to this policy for the procurement of materials and services at the Americas Operations Center with respect to any individual procurement of materials or services for which the cost is more than \$5,000 and there are qualified local certified M/WBE suppliers; and
- d. Provide documentation of its efforts to comply with §1.04(a) to SMBR upon request of SMBR.

4.2 Did Apple comply with the local business participation requirements in §1.04(a) of the Agreement during the year ended December 31, 20\_\_?

☐ Yes

☐ No

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- 4.3 Was there any design or construction work at Apple's Americas Operations Center during the year ended December 31, 20\_\_?

☐ Yes

☐ No

If not, skip to Section 5.0.

- 4.4 §1.04(b) of the Agreement requires Apple to comply with the applicable standards and principles of Chapters 2-9A through 2-9D of the City's M/WBE Program Ordinance in the design and construction of its Americas Operations Center.
- 4.5 §1.04(c) of the Agreement requires that with respect to any design or construction projects at the Americas Operations Center, including, but not limited to, leasehold improvements, Apple, its architect and general contractor shall meet the following ethnic-specific participation goals:

	Professional Services Participation Goals	Construction Participation Goals
African-American-owned Business Enterprises	1.9%	1.7%
Hispanic-owned Business Enterprises	9.0%	9.7%
Asian-American and Native American-owned Business Enterprises	4.9%	2.3%
Women-owned Business Enterprises	15.8%	13.8%

In an effort to meet the ethnic-specific M/WBE utilization goals, Apple shall implement an outreach program designed to solicit participation of M/WBEs. These outreach efforts should also target small businesses generally. Apple may seek the assistance of the City's Department of Small and Minority Business Resources ("SMBR") in these outreach efforts as described in Section 1.04(d).

For any year in which Apple, the architect and the general contractor fail to meet each of these goals, Apple, the architect and the general contractor must demonstrate good faith efforts to meet the goals as described in the City's M/WBE Program Ordinance. Apple shall submit periodic documentation demonstrating its own and the general contractor's good faith efforts to meet the goals as is required under Section 1.04(e).

- 4.6 §1.04(d) of the Agreement requires Apple, the architect and its general contractor to apprise SMBR when Apple desires assistance from SMBR in its efforts to meet the ethnic specific M/WBE utilization goals.
- 4.7 §1.04(e) of the Agreement requires Apple to provide monthly reports to SMBR, on forms provided by SMBR, to track (i) the utilization on a percentage basis of M/WBE firms in the design and construction of buildings or improvements; and (ii) a summary of Apple's efforts to implement the standards and principles of the City's M/WBE Program Ordinance.
- 4.8 Did Apple comply with the requirements in §1.04(b), 1.04(c), 1.04(d) and §1.04(e) of the Agreement during the year ended December 31, 20\_\_?

☐ Yes

☐ No

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#### 5.0 Additional Covenants

5.1 Did Apple timely submit this Certificate of Compliance as is required under Section 1.06 of the Agreement during the year ended December 31, 20\_\_?

☐ Yes

☐ No

5.2 Did Apple comply with the other provisions of the Agreement during the year ended December 31, 20\_\_?

☐ Yes

☐ No

#### 6.0 Chapter 380 Payment Request

6.1 The Agreement provides annual Chapter 380 payment for up to ten Employment Years based on Apple's performance during the ten year period. For Apple's performance during Employment Years One through Six, the Agreement provides for annual Chapter 380 payments equal to 100% of the City property taxes paid by Apple on New Improvements and New Machinery and Equipment, as those terms are defined in the Agreement.

Real Property

Business Personal Property

City property taxes paid for  
January 1, 20\_\_ valuation:

\_\_\_\_\_

\_\_\_\_\_

Chapter 380 Payment Request: \_\_\_\_\_

6.2 Attach Property Tax Notice.

I, the authorized representative for Apple, hereby certify that the above information is correct and accurate pursuant to the terms of the Agreement. I further certify that Apple complied fully with the Chapter 380 Economic Development Agreement during the year ended December 31, 20\_\_, including Section 1.05 regarding Compliance with City Regulations and Section 1.07 regarding Texas Government Code Chapter 2264.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title (Chief Financial Officer or equivalent): \_\_\_\_\_

Date: \_\_\_\_\_