

LOEWS CORP
Form 4
July 02, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
HARRIS WALTER L

(Last) (First) (Middle)
320 WEST 57TH STREET
(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
LOEWS CORP [LTR; CG]

3. Date of Earliest Transaction
(Month/Day/Year)
06/29/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Securities (Instr. 3 and 4)
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Derivative Security				(A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Appreciation Right	\$ 51.08	06/29/2007			A		1,500		06/29/2007	06/29/2017	Common Stock	1,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HARRIS WALTER L 320 WEST 57TH STREET NEW YORK, NY 10019		X		

Signatures

/s/ Gary W. Garson, by power of attorney for Walter L. Harris
07/02/2007

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The Reporting Person received the Derivative Security pursuant to a grant of stock appreciation rights at no cost.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. created as of July 15, 2010. Camden Partners Strategic Manager, LLC, or Camden Partners Strategic Manager, is the managing member of Camden Partners Strategic III, LLC, or Camden Partners Strategic III, which is the general partner of Camden Partners Strategic Fund III, L.P. and Camden Partners Strategic Fund III-A, L.P., or the Camden Funds. Because Richard M. Berkeley, Don Hughes, Dick Johnston and David Warnock are the managing members of Camden Partners Strategic Manager, Camden Partners Strategic Manager is managing member of Camden Partners Strategic III and Camden Partners Strategic III is the general partner of the Camden Funds, Messrs. Berkeley, Hughes, Johnston and Warnock may be deemed to have voting and dispositive power over the shares held by the Camden Funds. The address of the Camden Funds and their affiliated entities and individuals is 500 E. Pratt Street, Suite 1200, Baltimore, Maryland 21202. For a discussion of our material relationships with the Camden Funds and affiliated entities, see Certain Relationships and Related Party Transactions. The Camden Funds are not affiliated with Camden Property Trust.

(14) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Bible that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Bible is one of our employees.

- (15) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Carner that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Carner is one of our employees.
- (16) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Case that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Case is one of our employees.

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- (17) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Chaney that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Chaney is one of our employees.
- (18) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Denler that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Denler is one of our employees.
- (19) Mr. Dilworth is an affiliate of a broker-dealer, purchased the securities in the ordinary course of business and, at the time of the purchase of the securities to be resold, had no agreements or understandings, directly or indirectly, with any person to distribute the securities. Mr. Dilworth is a party to our Fifth Amended and Restated Shareholders Agreement and our Second Amended and Restated Registration Rights Agreement. For a description of the terms of these agreements, see Certain Relationships and Related Party Transactions 2010 Shareholders Agreement and Description of Capital Stock Registration Rights.
- (20) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Harrison that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Harrison is one of our employees.
- (21) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Lindwall that are fully vested and exercisable within 60 days of July 15, 2010. For a discussion of our material relationships with Mr. Lindwall, see Certain Relationships and Related Party Transactions.
- (22) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Ms. Massey that are fully vested and exercisable within 60 days of July 15, 2010. Ms. Massey is one of our employees.
- (23) Mr. Mueller is a party to our Fifth Amended and Restated Shareholders Agreement and our Second Amended and Restated Registration Rights Agreement. For a description of the terms of these agreements, see Certain Relationships and Related Party Transactions 2010 Shareholders Agreement and Description of Capital Stock Registration Rights.
- (24) Represents 200,000 shares held by Jeffrey Roper and Patricia Roper, tenants in common and 210,312 shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Roper that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Roper is one of our employees.
- (25) Represents 75,000 shares held by Mobileneer, Ltd., 50,000 shares held by Dean R. Schmidt and 329,219 shares issuable upon the exercise of options to purchase shares of our common stock held by Mr. Schmidt that are fully vested and exercisable within 60 days of July 15, 2010. Mr. Schmidt is a partner of Mobileneer, Ltd. and may be deemed to have voting and dispositive power over the shares held by Mobileneer, Ltd. The address of Mobileneer, Ltd. is 5208 Seascape Lane, Plano, Texas 75093. Mr. Schmidt is one of our employees.
- (26) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Ms. Steiner Jovanovic that are fully vested and exercisable within 60 days of July 15, 2010. Ms. Steiner Jovanovic is one of our employees.
- (27) Represents shares issuable upon the exercise of options to purchase shares of our common stock held by Ms. Turner that are fully vested and exercisable within 60 days of July 15, 2010. Ms. Turner is one of our

employees.

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DESCRIPTION OF CAPITAL STOCK

General

The following is a summary of the rights of our common stock and preferred stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws, as they will be in effect upon the completion of this offering. For more detailed information, please see our amended and restated certificate of incorporation and amended and restated bylaws, to be effective upon completion of this offering, which will be filed as exhibits to the registration statement of which this prospectus is a part.

Immediately following the completion of this offering, our authorized capital stock will consist of 135,000,000 shares, with a par value of \$0.001 per share, of which:

125,000,000 shares are designated as common stock; and

10,000,000 shares are designated as preferred stock.

At June 30, 2010, assuming the conversion of all outstanding shares of our convertible preferred stock into common stock and the issuance of 343,188 shares of our common stock in payment of accumulated and unpaid dividends on our Series A, Series A1 and Series B convertible preferred stock accrued as of June 30, 2010, we had outstanding 56,305,404 shares of common stock, held of record by 102 stockholders. In addition, as of June 30, 2010, we had outstanding options to acquire 9,212,034 shares of common stock.

Common Stock

The holders of our common stock are entitled to one vote per share on all matters to be voted on by the stockholders. Subject to preferences that may be applicable to any outstanding shares of preferred stock, holders of common stock are entitled to receive ratably such dividends as may be declared by our board of directors out of funds legally available therefor. In the event we liquidate, dissolve or wind up, holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preferences of any outstanding shares of preferred stock. Holders of common stock have no preemptive, conversion or subscription rights. There are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of common stock are, and all shares of common stock to be outstanding upon completion of this offering will be, fully paid and nonassessable.

Preferred Stock

Our board of directors has the authority, without further action by the stockholders, to issue from time to time the preferred stock in one or more series, to fix the number of shares of any such series and the designation thereof and to fix the rights, preferences, privileges and restrictions granted to or imposed upon such preferred stock, including dividend rights, dividend rate, conversion rights, voting rights, rights and terms of redemption, redemption prices, liquidation preference and sinking fund terms, any or all of which may be greater than or senior to the rights of the common stock. The issuance of preferred stock could adversely affect the voting power of holders of common stock and reduce the likelihood that such holders will receive dividend payments and payments upon liquidation. Such issuance could have the effect of decreasing the market price of our common stock. The issuance of preferred stock or even the ability to issue preferred stock could have the effect of delaying, deterring or preventing a change in control. We have no present plans to issue any shares of preferred stock.

Registration Rights

Second Amended and Restated Registration Rights Agreement

We have entered into a Second Amended and Restated Registration Rights Agreement dated February 22, 2008, or the Registration Rights Agreement, with certain of our stockholders. Subject to the terms of this agreement, the holders of an aggregate of 53,089,614 shares of our common stock, or their permitted

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transferees, are entitled to rights with respect to the registration of these shares under the Securities Act. These rights include demand registration rights, short-form registration rights and piggyback registration rights.

The following description of the terms of the Registration Rights Agreement is intended as a summary only and is qualified in its entirety by reference to the Registration Rights Agreement filed as an exhibit to the registration statement of which this prospectus is a part.

Demand registration rights. Under the terms of the Registration Rights Agreement, the holders of a majority of our then outstanding Series A Convertible Preferred Stock and the holders of a majority of our then outstanding Series A1 Convertible Preferred Stock each may make a written request to us for the registration of the offer and sale of all or part of the shares having registration rights, or registrable securities, under the Securities Act if the amount of registrable securities to be registered has an aggregate market value, based upon the offering price to the public, equal to at least \$10 million. We will be required, upon such written request, to deliver notice of such registration request to the other holders of registrable securities within ten days after our receipt of the request and to use our best efforts to effect the requested registration within 90 days after we have given written notice. We are required to effect only two registrations pursuant to this provision of the registration agreement at the request of holders of a majority of the Series A Convertible Preferred Stock and one registration pursuant to this provision of the registration statement at the request of holders of a majority of the Series A1 Convertible Preferred Stock. We are not required to effect a demand registration prior to six months after the completion of this offering.

Short-form registration rights. If we are eligible to file a registration statement on Form S-3 or any successor form with similar short-form disclosure requirements, the holders of registrable securities under the Registration Rights Agreement have unlimited rights to request registration of their shares on Form S-3 provided that the registrable securities to be registered have an aggregate market value, based upon the offering price to the public, equal to at least \$2.5 million. We are not required to effect more than two short form registrations in any 12-month period.

Piggyback registration rights. If we register any of our securities either for our own account or for the account of other security holders, the holders of the registrable securities under the Registration Rights Agreement are entitled to include their registrable securities in the registration subject to certain exceptions relating to employee benefit plans and mergers and acquisitions. The managing underwriters of any underwritten offering may limit the number of registrable securities included in the underwritten offering if the underwriters believe that including these shares would materially or adversely affect the offering subject to certain limitations.

Expenses. All fees, costs and expenses of registrations pursuant to the Registration Rights Agreement will be borne by us except for the underwriting fees, discounts or commissions attributable to the sale of the registrable securities, which shall be borne by the holders selling such registrable securities in the registration.

1998 Shareholders Agreement

We have also entered into a Shareholders Agreement with certain of our stockholders dated December 1, 1998, as amended, or the 1998 Shareholders Agreement, pursuant to which the holders of an aggregate of 29,798,243 shares of our common stock, or their permitted transferees, are entitled to piggyback registration rights for registrations occurring after a public market for shares of our common stock has been established. Under the terms of the 1998 Shareholders Agreement, a public market for shares of our common stock has been established when at least 15% of our common stock has been sold pursuant to one or more effective registration statements under the Securities Act and our common stock is publicly traded in the over-the-counter market or is listed on a national securities exchange.

The following description of the registration rights provisions included in the 1998 Shareholders Agreement is intended as a summary only and is qualified in its entirety by reference to the 1998 Shareholders Agreement filed as an exhibit to the registration statement of which this prospectus is a part.

Piggyback registration rights. Under the terms of the 1998 Shareholders Agreement, if we register shares of our common stock for sale to the public after the establishment of a public market for the shares, the

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holders of shares having registration rights under the 1998 Shareholders Agreement, or registrable shares, are entitled to include their registrable shares in the registration subject to certain exceptions relating to employee benefit plans and mergers and acquisitions. The managing underwriters of any underwritten offering may limit the number of registrable shares included in the underwritten offering if the underwriters believe that including these shares would materially or adversely affect the offering subject to certain limitations.

Expenses. All fees, costs and expenses of piggyback registrations pursuant to the 1998 Shareholders Agreement will be borne by us except for the fees of counsel to the selling holders and underwriting fees, discounts or commissions attributable to the sale of the registrable shares, which will be borne by the selling holders.

Rights of First Offer, Co-Sale and Appraisal

Pursuant to the 1998 Shareholders Agreement, Seren Capital, Ltd., an entity affiliated with Stephen T. Winn, is entitled to a right of first offer with respect to 100,000 shares of our common stock and holders of an aggregate of 100,000 shares of our common stock, or their permitted transferees, are entitled to co-sale and appraisal rights with respect to their shares in certain circumstances. These rights terminate if a public market for shares of our common stock has been established. Under the terms of our 1998 Shareholders Agreement, a public market for shares of our common stock has been established when at least 15% of our common stock then outstanding has been sold pursuant to one or more effective registration statements under the Securities Act and our common stock is publicly traded in the over-the-counter market or is listed on a national securities exchange.

The following description of the rights of first offer, co-sale and appraisal included in the 1998 Shareholders Agreement is intended as a summary only and is qualified in its entirety by reference to the 1998 Shareholders Agreement filed as an exhibit to the registration statement to which this prospectus is part.

If a party to the 1998 Shareholders Agreement desires to transfer shares of our common stock to a third party, such stockholder is required first to give notice to Seren Capital, Ltd. and to offer to sell to Seren Capital, Ltd. the shares of common stock such stockholder proposes to transfer. Seren Capital, Ltd. is controlled by Stephen T. Winn.

Under the terms of the 1998 Shareholders Agreement, if Stephen T. Winn or entities or individuals affiliated with him propose to sell any of their shares of common stock, they must first offer to the other stockholders who are party to the 1998 Shareholders Agreement an opportunity to sell their respective pro rata share of the shares proposed to be sold in such proposed sale.

In addition, if Stephen T. Winn or entities or individuals affiliated with him, together with any other party or parties to the 1998 Shareholders Agreement collectively owning over 50% of our outstanding common stock determine to sell their common stock to a third party, whether by sale, merger or consolidation, or to cause us to sell all or substantially all of our assets to a third party, such stockholders may, at their option, require the other stockholders who are parties to the 1998 Shareholders Agreement to vote their shares in favor of such transaction and sell their shares in such transaction. If any stockholder who is a party to the 1998 Shareholders Agreement is required to sell their shares in connection with a sale of our company and disagrees with the terms of such sale, that stockholder may obtain an appraisal of his or her common stock and, depending on the result of the appraisal, may cause us to pay that stockholder the appraised price of his or her common stock and the costs of the appraisal.

Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws

Certain provisions of Delaware law and our amended and restated certificate of incorporation and our amended and restated bylaws, as they will be in effect upon the completion of this offering, contain provisions that could have the effect of delaying, deferring or discouraging another party from acquiring control of us. These provisions, which are

summarized below, may have the effect of discouraging coercive takeover practices and inadequate takeover bids. These provisions are also designed, in part, to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of

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increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Undesignated preferred stock. As discussed above, our board of directors has the ability to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of our company.

Limits on ability of stockholders to act by written consent or call a special meeting. Our amended and restated certificate of incorporation will provide that our stockholders may not act by written consent. This limit on the ability of our stockholders to act by written consent may lengthen the amount of time required to take stockholder actions. As a result, a holder controlling a majority of our capital stock would not be able to amend our bylaws or remove directors without holding a meeting of our stockholders called in accordance with our amended and restated bylaws.

In addition, our amended and restated bylaws will provide that special meetings of the stockholders may be called only by the chairperson of our board of directors, our Chief Executive Officer, our president (in the absence of our Chief Executive Officer) or our board of directors. Our amended and restated bylaws will prohibit a stockholder from calling a special meeting, which may delay the ability of our stockholders to force consideration of a proposal or for holders controlling a majority of our capital stock to take any action, including the removal of directors.

Requirements for advance notification of stockholder nominations and proposals. Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee of our board of directors. However, our amended and restated bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed. These provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

Board vacancies filled only by majority of directors then in office. Vacancies and newly created seats on our board of directors may be filled only by our board of directors. Only our board of directors may determine the number of directors on our board of directors. The inability of stockholders to determine the number of directors or to fill vacancies or newly created seats on our board of directors makes it more difficult to change the composition of our board of directors, but these provisions promote a continuity of existing management.

No cumulative voting. The Delaware General Corporation Law provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless our certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation and amended and restated bylaws do not expressly provide for cumulative voting.

Directors removed only for cause. Our amended and restated certificate of incorporation will provide that directors may be removed by stockholders only for cause.

Delaware anti-takeover statute. We are subject to the provisions of Section 203 of the Delaware General Corporation Law regulating corporate takeovers. In general, Section 203 prohibits a publicly held Delaware corporation from engaging, under certain circumstances, in a business combination with an interested stockholder for a period of three years following the date on which the person became an interested stockholder unless:

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Prior to the date of the transaction, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

Upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding,

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but not the outstanding voting stock owned by the interested stockholder, (1) shares owned by persons who are directors and also officers and (2) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

At or subsequent to the date of the transaction, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 $\frac{2}{3}$ % of the outstanding voting stock that is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An interested stockholder is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status, did own 15% or more of a corporation's outstanding voting stock. We expect the existence of this provision to have an anti-takeover effect with respect to transactions our board of directors does not approve in advance. We also anticipate that Section 203 may also discourage attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

The provisions of Delaware law and our amended and restated certificate of incorporation and our amended and restated bylaws, as they will be in effect upon the completion of this offering, could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Transfer Agent and Registrar

Upon completion of this offering the transfer agent and registrar for our common stock will be Computershare Trust Company, N.A. The transfer agent's address is 250 Royall Street, Canton, Massachusetts 02021 and its telephone number is (800) 962-4284.

The NASDAQ Global Market Listing

We have applied to list the shares of our common stock on the NASDAQ Global Market under the symbol RP.

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Prior to this offering, there has been no public market for shares of our common stock. Future sales of substantial amounts of shares of our common stock, including shares issued upon the exercise of outstanding options or warrants, in the public market after this offering, or the possibility of these sales occurring, could adversely affect the prevailing market price for our common stock from time to time or impair our ability to raise equity capital in the future.

Upon the completion of this offering, a total of 62,305,404 shares of common stock will be outstanding. Of these shares, all 13,500,000 shares of common stock sold in this offering, plus any shares sold upon exercise of the underwriters' over-allotment option, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless these shares are held by affiliates, as that term is defined in Rule 144 under the Securities Act.

The remaining 48,805,404 shares of common stock will be restricted securities, as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below.

Subject to the lock-up agreements described below and the provisions of Rules 144 and 701 under the Securities Act, these restricted securities will be available for sale in the public market as follows:

Date	Number of Shares
On the date of this prospectus	101,000
Between 90 and 180 days (subject to extension) after the date of this prospectus	8,790
At various times beginning more than 180 days (subject to extension) after the date of this prospectus	48,695,614

In addition, _____ shares of common stock will be eligible for sale upon exercise of vested options 180 days following the effective date of this offering, subject to extension as described under Underwriting.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements for at least 90 days, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates, is entitled to sell such shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then such person is entitled to sell such shares without complying with any of the requirements of Rule 144.

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements for 90 days, an affiliate of ours who owns shares that were acquired from us or an affiliate of ours at least six months prior to the proposed sale is entitled to sell, upon the expiration of the lock-up agreements described below, within any three-month period beginning 90 days after the date of this prospectus, a number of shares that does not exceed the

greater of:

1% of the number of shares of common stock then outstanding, which will equal approximately 623,054 shares immediately after the offering; or

the average weekly trading volume of the common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

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Rule 701

Rule 701 generally allows a stockholder who purchased shares of our common stock pursuant to a written compensatory plan or contract in compliance with Rule 701 and who is not deemed to have been our affiliate during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation or notice provisions of Rule 144. Rule 701 permits our affiliates who purchase shares of our common stock pursuant to a written compensatory plan or contract in compliance with Rule 701 to sell these shares in reliance upon Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required to wait until 90 days after the date of this prospectus before selling such shares pursuant to Rule 701.

Lock-Up Agreements

We, all of our officers and directors and holders of substantially all of our outstanding stock and options have agreed that, without the prior written consent of Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc., we and they will not, during the period ending 180 days after the date of this prospectus:

offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or

enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock,

whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise. This agreement is subject to certain exceptions, and is also subject to extension for up to an additional 34 days, as set forth under [Underwriting](#).

Registration Rights

Upon completion of this offering, the holders of 45,911,303 shares of common stock or their transferees will be entitled to various rights with respect to the registration of these shares under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates. See [Description of Capital Stock](#) [Registration Rights](#) for additional information.

Registration Statements

We intend to file a registration statement on Form S-8 under the Securities Act covering all of the shares of common stock subject to options outstanding or reserved for issuance under our stock plans. We expect to file this registration statement as soon as practicable after this offering. However, none of the shares registered on Form S-8 will be eligible for resale until the expiration of the lock-up agreements to which they are subject.

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**MATERIAL U.S. FEDERAL INCOME TAX AND ESTATE TAX
CONSEQUENCES TO NON-U.S. HOLDERS**

The following is a summary of the material U.S. federal income tax and estate tax consequences of the ownership and disposition of our common stock to non-U.S. holders, but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary is based upon the provisions of the Internal Revenue Code, Treasury regulations promulgated thereunder, administrative rulings and judicial decisions, all as of the date hereof. These authorities may be changed, possibly retroactively, so as to result in U.S. federal income or estate tax consequences different from those set forth below. We have not sought any ruling from the Internal Revenue Service, or the IRS, with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions.

This summary also does not address the tax considerations arising under the laws of any non-U.S., state or local jurisdiction or under U.S. federal gift and estate tax laws, except to the limited extent below. In addition, this discussion does not address tax considerations applicable to an investor's particular circumstances or to investors that may be subject to special tax rules, including, without limitation:

banks, insurance companies or other financial institutions;

persons subject to the alternative minimum tax;

tax-exempt organizations;

controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax;

dealers in securities or currencies;

traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;

persons that own, or are deemed to own, more than five percent of our capital stock (except to the extent specifically set forth below);

certain former citizens or long-term residents of the United States;

persons who hold our common stock as a position in a hedging transaction, straddle, conversion transaction or other risk reduction transaction;

persons who do not hold our common stock as a capital asset (within the meaning of Section 1221 of the Internal Revenue Code); and

persons deemed to sell our common stock under the constructive sale provisions of the Internal Revenue Code.

In addition, if a partnership or entity classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that hold our common stock, and partners in such partnerships, should consult their tax advisors.

You are urged to consult your tax advisor with respect to the application of the U.S. federal income tax laws to your particular situation, as well as any tax consequences of the purchase, ownership and disposition of our common stock arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, non-U.S. or other taxing jurisdiction or under any applicable tax treaty.

Non-U.S. Holder Defined

For purposes of this discussion, you are a non-U.S. holder if you are any holder other than:

an individual citizen or resident of the United States;

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a corporation or other entity taxable as a corporation created or organized in the United States or under the laws of the United States or any political subdivision thereof;

an estate whose income is subject to U.S. federal income tax regardless of its source; or

a trust (x) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (y) which has made an election to be treated as a U.S. person.

Distributions

We have not made any distributions on our common stock, and we do not plan to make any distributions for the foreseeable future. However, if we do make distributions on our common stock, those payments will constitute dividends for U.S. tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed both our current and our accumulated earnings and profits, they will constitute a return of capital and will first reduce your basis in our common stock, but not below zero, and then will be treated as gain from the sale of stock.

Any dividend paid to you generally will be subject to U.S. withholding tax either at a rate of 30% of the gross amount of the dividend or such lower rate as may be specified by an applicable income tax treaty. In order to receive a reduced treaty rate, you must provide us with an IRS Form W-8BEN or other appropriate version of IRS Form W-8 certifying qualification for the reduced rate. A non-U.S. holder of shares of our common stock eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the IRS. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through other intermediaries.

Dividends received by you that are effectively connected with your conduct of a U.S. trade or business (and, if an income tax treaty applies, such dividend is attributable to a permanent establishment maintained by the non-U.S. holder in the United States) are exempt from such withholding tax. In order to obtain this exemption, you must provide us with an IRS Form W-8ECI or other applicable IRS Form W-8 properly certifying such exemption. Such effectively connected dividends, although not subject to withholding tax, are taxed at the same graduated rates applicable to U.S. persons, net of certain deductions and credits, subject to an applicable income tax treaty providing otherwise. In addition, if you are a corporate non-U.S. holder, dividends you receive that are effectively connected with your conduct of a U.S. trade or business may also be subject to a branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty.

Gain on Disposition of Common Stock

You generally will not be required to pay U.S. federal income tax on any gain realized upon the sale or other disposition of our common stock unless:

the gain is effectively connected with your conduct of a U.S. trade or business (and, if an income tax treaty applies, the gain is attributable to a permanent establishment maintained by you in the United States);

you are an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met; or

our common stock constitutes a U.S. real property interest by reason of our status as a U.S. real property holding corporation, or a USRPHC, for U.S. federal income tax purposes at any time within

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the shorter of the five-year period preceding the disposition or your holding period for our common stock.

We believe that we are not currently and will not become a USRPHC. However, because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property relative to the fair market value of our other business assets, there can be no assurance that we will not become a USRPHC in the future. Even if we become a USRPHC, however, as long as our common stock is regularly traded on an established securities market, such common stock will be treated as U.S. real property interests only if you actually or constructively hold more than five percent of such regularly traded common stock at any time during the applicable period that is specified in the Internal Revenue Code.

If you are a non-U.S. holder described in the first bullet above, you will be required to pay tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates, and corporate non-U.S. holders described in the first bullet above may be subject to the branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. If you are an individual non-U.S. holder described in the second bullet above, you will be required to pay a flat 30% tax on the gain derived from the sale, which tax may be offset by U.S. source capital losses (even though you are not considered a resident of the United States). You should consult any applicable income tax or other treaties that may provide for different rules.

Federal Estate Tax

Our common stock beneficially owned by an individual who is not a citizen or resident of the United States (as defined for U.S. federal estate tax purposes) at the time of death will generally be includable in the decedent's gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

Backup Withholding and Information Reporting

Generally, we must report annually to the IRS the amount of dividends paid to you, your name and address, and the amount of tax withheld, if any. A similar report is sent to you. Pursuant to applicable income tax treaties or other agreements, the IRS may make these reports available to tax authorities in your country of residence.

Payments of dividends or of proceeds on the disposition of stock made to you may be subject to information reporting and backup withholding at a current rate of 28% unless you establish an exemption, for example by properly certifying your non-U.S. status on a Form W-8BEN or another appropriate version of IRS Form W-8.

Notwithstanding the foregoing, backup withholding and information reporting may apply if either we or our paying agent has actual knowledge, or reason to know, that you are a U.S. person.

Backup withholding is not an additional tax; rather, the U.S. income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund or credit may generally be obtained from the IRS, provided that the required information is furnished to the IRS in a timely manner.

Recently Enacted Legislation Affecting Taxation of Our Common Stock Held By or Through Foreign Entities

Recently enacted legislation generally will impose a U.S. federal withholding tax of 30% on dividends and the gross proceeds of a disposition of our common stock paid after December 31, 2012 to a foreign financial institution unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners). The legislation also will generally impose a U.S. federal withholding tax of 30% on dividends and

the gross proceeds of a disposition of our common stock paid after December 31, 2012 to a non-financial foreign entity unless such entity provides the withholding agent with a certification identifying the direct and indirect U.S. owners of the entity. Under

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certain circumstances, a non-U.S. stockholder might be eligible for refunds or credits of such taxes. Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of this legislation on their investment in our common stock. Stockholders are encouraged to consult with their own tax advisors regarding the possible implications of the legislation on their investment in our common stock.

The preceding discussion of U.S. federal tax considerations is for general information only. It is not tax advice. Each prospective investor should consult its own tax advisor regarding the particular U.S. federal, state and local and Non-U.S. tax consequences of purchasing, holding and disposing of our common stock, including the consequences of any proposed change in applicable laws.

Table of Contents**UNDERWRITING**

Under the terms and subject to the conditions contained in an underwriting agreement dated _____, 2010 we and the selling stockholders have agreed to sell to the underwriters named below, for whom Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. are acting as representatives, the following respective numbers of shares of common stock:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
Deutsche Bank Securities Inc.	
JMP Securities LLC	
Pacific Crest Securities LLC	
RBC Capital Markets Corporation	
William Blair & Company, L.L.C.	
Total	13,500,000

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in the offering if any are purchased, other than those shares covered by the over-allotment option described below. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or, in some circumstances, the offering may be terminated.

Certain of the selling stockholders have granted to the underwriters a 30-day option to purchase on a pro rata basis up to 2,025,000 additional shares at the initial public offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of common stock.

The underwriters propose to offer the shares of common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of \$ _____ per share. The underwriters and selling group members may allow a discount of \$ _____ per share on sales to other broker/dealers. After the initial public offering, the representatives may change the public offering price and concession and discount to broker/dealers.

The following table summarizes the compensation and estimated expenses we and the selling stockholders will pay:

	Per Share		Total	
	Without	With	Without	With
	Over-allotment	Over-allotment	Over-allotment	Over-allotment

Underwriting discounts and commissions paid by us				
Expenses payable by us				
Underwriting discounts and commissions paid by the selling stockholders				

Expenses payable by the selling
stockholders

The representatives have informed us that they do not expect sales to accounts over which the underwriters have discretionary authority to exceed 5% of the shares of common stock being offered.

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the SEC a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of the representatives for a period of 180 days after the date of this prospectus, except grants of, or issuances pursuant to the exercise of, employee stock options granted pursuant to the terms of a plan now in effect and limited issuances in connection with acquisitions and other strategic transactions so long as

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such recipients execute a lock-up agreement in the form described below covering the remaining portion of the 180 day-period after the date of this prospectus. However, in the event that either (1) during the last 17 days of the lock-up period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the lock-up period, we announce that we will release earnings results during the 16-day period beginning on the last day of the lock-up period, then in either case the expiration of the lock-up will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless the representatives waive, in writing, such an extension.

Subject to certain exceptions, our officers, directors and holders of substantially all of our outstanding stock, options and warrants have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any such offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of the representatives for a period of 180 days after the date of this prospectus. However, in the event that either (1) during the last 17 days of the lock-up period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the lock-up period, we announce that we will release earnings results during the 16-day period beginning on the last day of the lock-up period, then in either case the expiration of the lock-up will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless the representatives waive, in writing, such an extension.

We and the selling stockholders have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect.

We have applied to list the shares of our common stock on the NASDAQ Global Market under the symbol RP.

In connection with the offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Exchange Act.

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment transactions involve sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing shares in the open market.

Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. If the underwriters sell more shares than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are

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concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the NASDAQ Global Market or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representatives may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make Internet distributions on the same basis as other allocations.

From time to time, the underwriters may perform investment banking and advisory services for us for which they may receive customary fees and expenses.

The shares of common stock are offered for sale in those jurisdictions in the United States, Europe and elsewhere where it is lawful to make such offers.

Each of the underwriters has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver any of the shares of common stock directly or indirectly, or distribute this prospectus or any other offering material relating to the shares of common stock, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on us except as set forth in the underwriting agreement.

European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive, each, a Relevant Member State, each underwriter represents and agrees that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, or the Relevant Implementation Date, it has not made and will not make an offer of Securities to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Securities that has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Securities to the public in that Relevant Member State at any time,

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000 and (3) an annual net turnover of more than 50,000,000, as shown in

its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the manager for any such offer; or

(d) in any other circumstances that do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of Shares to the public in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient

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information on the terms of the offer and the Shares to be offered so as to enable an investor to decide to purchase or subscribe the Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Notice to Investors in the United Kingdom

Each of the underwriters severally represents, warrants and agrees as follows:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, or the FSMA) to persons who have professional experience in matters relating to investments falling with Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to us; and

(b) it has complied with, and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the shares of common stock in, from or otherwise involving the United Kingdom.

Notice to Residents of Japan

The underwriters will not offer or sell any of our common stock directly or indirectly in Japan or to, or for the benefit of any Japanese person or to others, for re-offering or re-sale directly or indirectly in Japan or to any Japanese person, except in each case pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law of Japan and any other applicable laws and regulations of Japan. For purposes of this paragraph, Japanese person means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Residents of Hong Kong

The underwriters and each of their affiliates have not (i) offered or sold, and will not offer or sell, in Hong Kong, by means of any document, our common stock other than (a) to professional investors as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a prospectus as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance or (ii) issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to our common stock which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to our securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the Securities and Futures Ordinance and any rules made under that Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Notice to Residents of Singapore

This prospectus or any other offering material relating to our common stock has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the common stock will be offered in Singapore pursuant to exemptions under Section 274 and Section 275 of the Securities and Futures Act, Chapter 289 of Singapore, or the Securities and Futures Act. Accordingly our common stock may not be offered or sold, or be the subject of an

invitation for subscription or purchase, nor may this prospectus or any other offering material relating to our common stock be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than (a) to an institutional investor or

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other person specified in Section 274 of the Securities and Futures Act, (b) to a sophisticated investor, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Notice to Residents of Germany

Each person who is in possession of this prospectus is aware of the fact that no German sales prospectus (Verkaufsprospekt) within the meaning of the Securities Sales Prospectus Act, Wertpapier-Verkaufsprospektgesetz, or the Act, of the Federal Republic of Germany has been or will be published with respect to our common stock. In particular, each underwriter has represented that it has not engaged and has agreed that it will not engage in a public offering in (öffentliches Angebot) within the meaning of the Act with respect to any of our common stock otherwise than in accordance with the Act and all other applicable legal and regulatory requirements.

Notice to Residents of France

The shares of common stock are being issued and sold outside the Republic of France and that, in connection with their initial distribution, it has not offered or sold and will not offer or sell, directly or indirectly, any shares of common stock to the public in the Republic of France, and that it has not distributed and will not distribute or cause to be distributed to the public in the Republic of France this prospectus or any other offering material relating to the shares of common stock, and that such offers, sales and distributions have been and will be made in the Republic of France only to qualified investors (investisseurs qualifiés) in accordance with Article L.411-2 of the Monetary and Financial Code and décret no. 98-880 dated 1st October, 1998.

Notice to Residents of the Netherlands

Our common stock may not be offered, sold, transferred or delivered in or from the Netherlands as part of their initial distribution or at any time thereafter, directly or indirectly, other than to, individuals or legal entities situated in the Netherlands who or which trade or invest in securities in the conduct of a business or profession (which includes banks, securities intermediaries (including dealers and brokers), insurance companies, pension funds, collective investment institution, central governments, large international and supranational organizations, other institutional investors and other parties, including treasury departments of commercial enterprises, which as an ancillary activity regularly invest in securities (hereinafter, the Professional Investors), provided that in the offer, prospectus and in any other documents or advertisements in which a forthcoming offering of our common stock is publicly announced (whether electronically or otherwise) in the Netherlands it is stated that such offer is and will be exclusively made to such Professional Investors. Individual or legal entities who are not Professional Investors may not participate in the offering of our common stock, and this prospectus or any other offering material relating to our common stock may not be considered an offer or the prospect of an offer to sell or exchange our common stock.

Notice to Residents of Italy

No prospectus has or will be registered in the Republic of Italy with the Italian Stock Exchange Commission (*Commissione Nazionale per le Società di Borsa*), or Consob, pursuant to the Prospectus Directive and Italian laws and regulations on financial products. Accordingly, the common stock may not be offered, sold or delivered in the Republic of Italy, and copies of this prospectus or any other document relating to the common stock may not be distributed in the Republic of Italy, except to (a) qualified investors (*investori qualificati*), or the Qualified Investors, pursuant to Article 100 of Legislative Decree no. 58 dated February 24, 1998, as amended, or the Financial Act, as defined in Article 34-ter of Consob Regulation no. 11971 dated May 14, 1999, as amended, Regulation no. 11971; or (b) in circumstances where there is an exemption from the rules governing an offer to the public of financial products pursuant to Article 94 *et seq.* of the Financial Act, and to Regulation no. 11971. Any offer, sale or delivery of the

common stock in the Republic of Italy must be (a) made by an investment firm, a bank or financial intermediary authorized to engage in such

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activities in Italy, in compliance with the Financial Act and with Legislative Decree no. 385 dated September 1, 1993, as amended and Consob Regulation no. 16190 dated October 29, 2007, as amended, and any other applicable law and regulation; and (b) in compliance with any applicable Italian laws and regulations and any other condition or limitation that may be imposed by Consob, the Bank of Italy (*Banca d Italia*) and any other relevant Italian authorities.

Notice to Residents of Switzerland

The common stock may not and will not be publicly offered, distributed or re-distributed in or from Switzerland and neither this prospectus nor any other solicitation for investments in the common stock may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations. This prospectus may not be copied, reproduced, distributed or passed on to others without the prior written consent of the international underwriters. This prospectus is not a prospectus within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations or a listing prospectus according to the Listing Rules of the SIX Swiss Exchange and may not comply with the information standards required thereunder. We will not apply for a listing of our common stock on any Swiss stock exchange or other Swiss regulated market and this prospectus may not comply with the information required under the relevant listing rules.

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NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of the common stock in Canada is being made only on a private placement basis exempt from the requirement that we and the selling stockholders prepare and file a prospectus with the securities regulatory authorities in each province where trades of common stock are made. Any resale of the common stock in Canada must be made under applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the common stock.

Representations of Purchasers

By purchasing common stock in Canada and accepting a purchase confirmation a purchaser is representing to us, the selling stockholders and the dealer from whom the purchase confirmation is received that:

the purchaser is entitled under applicable provincial securities laws to purchase the common stock without the benefit of a prospectus qualified under those securities laws,

where required by law, that the purchaser is purchasing as principal and not as agent,

the purchaser has reviewed the text above under Resale Restrictions, and

the purchaser acknowledges and consents to the provision of specified information concerning its purchase of the common stock to the regulatory authority that by law is entitled to collect the information.

Further details concerning the legal authority for this information is available on request.

Rights of Action Ontario Purchasers Only

Under Ontario securities legislation, certain purchasers who purchase a security offered by this prospectus during the period of distribution will have a statutory right of action for damages, or while still the owner of the common stock, for rescission against us and the selling stockholders in the event that this prospectus contains a misrepresentation without regard to whether the purchaser relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the common stock. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the common stock. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us or the selling stockholders. In no case will the amount recoverable in any action exceed the price at which the common stock were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, we and the selling stockholders will have no liability. In the case of an action for damages, we and the selling stockholders will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the common stock as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein and the selling stockholders may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment

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against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the common stock in their particular circumstances and about the eligibility of the common stock for investment by the purchaser under relevant Canadian legislation.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Wilson Sonsini Goodrich & Rosati, Professional Corporation, Austin, Texas. Certain legal matters in connection with the offering will be passed upon for the underwriters by Simpson Thacher & Bartlett LLP, Palo Alto, California.

EXPERTS

The consolidated financial statements of RealPage, Inc. at December 31, 2008 and 2009, and for each of the three years in the period ended December 31, 2009, appearing in this prospectus and the registration statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock we are offering. The registration statement, including the attached exhibits and schedule, contains additional relevant information about us and our common stock. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedule thereto. The rules and regulations of the SEC allow us to omit from this prospectus certain information included in the registration statement.

For further information about us and the common stock, you may inspect a copy of the registration statement and the exhibits and schedule to the registration statement without charge at the offices of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain copies of all or any part of the registration statement from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549 upon the payment of the prescribed fees. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. You can also inspect our registration statement on this website.

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of
RealPage, Inc.

We have audited the accompanying consolidated balance sheets of RealPage, Inc. (the Company) as of December 31, 2008 and 2009, and the related consolidated statements of operations, changes in redeemable convertible preferred stock and stockholders' deficit and cash flows for each of the three years in the period ended December 31, 2009. Our audits also included the financial statement schedule listed in the index under Item 16(b). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and schedule are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of RealPage, Inc. at December 31, 2008 and 2009, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2009 in conformity with United States generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects, the information set forth within.

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for business combinations on January 1, 2009.

/s/ Ernst & Young LLP

Dallas, Texas

April 28, 2010, except for Note 15, as to which the date is July 23, 2010

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RealPage, Inc.
Consolidated Balance Sheets

(in thousands, except share and per share amounts)

	December 31,		June 30,	Pro Forma
	2008	2009	2010	June 30,
			(unaudited)	2010
				(unaudited)
Assets				
Current assets:				
Cash and cash equivalents	\$ 4,248	\$ 4,427	\$ 5,132	
Restricted cash	14,131	14,886	18,616	
Accounts receivable, less allowance for doubtful accounts of \$2,895, \$2,222, and \$2,100 at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively	27,459	25,841	24,094	
Deferred tax asset, net of valuation allowance		3,110	2,595	
Other current assets	3,281	2,739	4,532	
Total current assets	49,119	51,003	54,969	
Property, equipment, and software, net	19,137	20,749	20,297	
Goodwill	17,849	27,366	32,144	
Identified intangible assets, net	15,125	22,891	30,394	
Deferred tax asset, net of valuation allowance		17,803	18,404	
Other assets	1,110	2,301	4,309	
Total assets	\$ 102,340	\$ 142,113	\$ 160,517	
Liabilities, redeemable convertible preferred stock and stockholders deficit				
Current liabilities:				
Accounts payable	\$ 3,405	\$ 3,705	\$ 4,681	
Accrued expenses and other current liabilities	13,255	10,830	11,236	
Current portion of deferred revenue	38,712	39,976	42,120	
Current portion of long-term debt	6,216	8,412	9,823	
Customer deposits held in restricted accounts	14,117	15,127	18,525	
Total current liabilities	75,705	78,050	86,385	
Deferred revenue	8,520	9,452	8,734	
Deferred tax liability	1,132			
Revolving credit facility	10,000		5,673	
Long-term debt, less current portion	27,498	43,449	47,728	
Other long-term liabilities	6,767	5,806	4,529	
Total liabilities	129,622	136,757	153,049	
Commitments and contingencies (Note 9)				

Redeemable convertible preferred stock, Series A and A1, \$0.001 par value: authorized, issued and outstanding 25,906,250 shares (liquidation value \$51,823, \$51,823 and \$52,856 at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively):	51,724	51,786	52,838	
Redeemable convertible preferred stock, Series B, \$0.001 par value: authorized, issued and outstanding 1,625,000 shares (liquidation value \$6,500, \$6,500 and \$6,631 at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively):	6,478	6,491	6,626	
Redeemable convertible preferred stock, Series C, \$0.001 par value: authorized, issued and outstanding 1,512,498 shares (liquidation value \$13,613, \$13,613 and \$13,613 at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively):	13,473	13,555	13,583	
Stockholders' (deficit) equity:				
Common stock, \$0.001 par value: 67,500,000 shares authorized and 23,771,624, 26,667,319 and 27,125,629 issued and 23,702,182, 26,460,781 and 26,918,468 outstanding as of December 31, 2008, 2009 and June 30, 2010 (unaudited), respectively	25	27	27	56
Additional paid-in capital	19,693	24,232	25,185	98,203
Treasury stock shares, at cost 69,442, 206,538 and 207,161 shares as of December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively	(449)	(938)	(942)	(942)
Accumulated deficit	(118,226)	(89,797)	(89,836)	(89,836)
Accumulated other comprehensive income			(13)	(13)
Total stockholders' (deficit) equity	(98,957)	(66,476)	(65,579)	7,468
Total liabilities, redeemable convertible preferred stock and stockholders' deficit	\$ 102,340	\$ 142,113	\$ 160,517	

See accompanying notes

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Table of Contents**RealPage, Inc.****Consolidated Statements of Operations**

(in thousands, except per share amounts)

	Year Ended December 31,			Six Months Ended	
	2007	2008	2009	June 30,	2010
				(unaudited)	(unaudited)
Revenue:					
On demand	\$ 62,592	\$ 95,192	\$ 128,377	\$ 60,116	\$ 76,866
On premise	11,560	7,582	3,860	2,878	4,292
Professional and other	9,429	9,794	8,665	4,117	5,029
 Total revenue	 83,581	 112,568	 140,902	 \$ 67,111	 \$ 86,187
Cost of revenue ⁽¹⁾	35,703	46,058	58,513	27,603	36,392
 Gross profit	 47,878	 66,510	 82,389	 39,508	 49,795
Operating expense:					
Product development ⁽¹⁾	21,708	28,806	27,446	13,598	17,304
Sales and marketing ⁽¹⁾	18,047	23,923	27,804	13,013	16,365
General and administrative ⁽¹⁾	9,756	14,135	20,210	8,723	13,261
 Total operating expense	 49,511	 66,864	 75,460	 35,334	 46,930
 Operating (loss) income	 (1,633)	 (354)	 6,929	 4,174	 2,865
Interest expense and other, net	(1,510)	(2,152)	(4,528)	(1,983)	(2,927)
 (Loss) income before income taxes	 (3,143)	 (2,506)	 2,401	 2,191	 (62)
 Income tax expense (benefit)		703	(26,028)	154	(23)
 Net (loss) income	 \$ (3,143)	 \$ (3,209)	 \$ 28,429	 \$ 2,037	 \$ (39)
 Net (loss) income attributable to common stockholders					
Basic	\$ (9,143)	\$ (10,658)	\$ 10,611	\$ (845)	\$ (2,363)
Diluted	\$ (9,143)	\$ (10,658)	\$ 10,611	\$ (845)	\$ (2,363)
 Net (loss) income per share attributable to common stockholders					
Basic	\$ (0.89)	\$ (0.77)	\$ 0.44	\$ (0.04)	\$ (0.09)
Diluted	\$ (0.89)	\$ (0.77)	\$ 0.42	\$ (0.04)	\$ (0.09)
 Weighted average shares used in computing net (loss) income per share attributable to common stockholders					
Basic	10,223	13,886	23,934	23,831	25,901

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Diluted	10,223	13,886	25,511	23,831	25,901
Pro forma net income per share attributable to common stockholders (unaudited) ⁽²⁾					
Basic			\$ 0.54		\$ (0.00)
Diluted			\$ 0.52		\$ (0.00)
Pro forma weighted average shares outstanding used in computing net income per share attributable to common stockholders (unaudited) ⁽²⁾					
Basic			52,978		54,945
Diluted			54,555		54,945

(1) Includes stock-based compensation expense as follows:

	Year Ended December 31,			Six Months Ended June 30,	
	2007	2008	2009	2009	2010
Cost of revenue	\$ 48	\$ 104	\$ 367	\$ 152	\$ 267
Product development	251	727	1,175	499	1,037
Sales and marketing	110	277	498	215	340
General and administrative	81	368	765	312	742

(2) Pro forma net income per share and pro forma weighted average shares outstanding are computed in contemplation of our public offering. See Note 11 for discussion of calculation.

See accompanying notes

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Table of Contents**RealPage, Inc.****Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit**

(in thousands)

	Redeemable Convertible		Accumulated				Treasury Shares		Total Stockholders' Deficit	
	Preferred Stock Shares	Amount	Common Stock		Paid-in Capital	Other Comprehensive Income	Accumulated Deficit	Shares		Amount
			Shares	Amount						
As of December 31, 2006	27,532	\$ 72,300	10,066	\$ 10	\$ 12,591		\$ (111,874)		\$ (111,874)	
Change in redeemable convertible preferred stock		6,234			(6,234)					
Change in stock options			485	1	968					
Change in stock warrants			87		175					
Change in based compensation					490					
Change in shares issued to a director					47					
							(3,143)			
As of December 31, 2007	27,532	78,534	10,638	11	8,037		(115,017)		(115,017)	
Change in redeemable convertible preferred stock	1,512	13,357								
Change in redeemable convertible preferred stock		7,698			(7,698)					
Change in stock options			332	1	770					
Change in stock warrants			4,653	4	267					
Change in redemption of redeemable convertible preferred stock		(27,914)	8,148	9	16,841					
Change in treasury stock purchase, at cost								(69)	\$ (449)	
Change in based compensation					1,476					
							(3,209)			
As of December 31, 2008	29,044	71,675	23,771	25	19,693		(118,226)	(69)	(449)	
Change in redeemable convertible preferred stock		5,678			(5,678)					
Change in stock options			178		543					
Change in stock warrants			200		4					
Change in stock warrants										
Change in shares issued			16							
Change in redemption of redeemable convertible preferred stock		(5,521)	1,419	1	3,004					

ns related to														
ons			1,083		1		3,861							
y stock purchase, at													(137)	(489)
ased compensation							2,805							
me												28,429		
as of														
er 31, 2009	29,044	71,832	26,667		27		24,232					(89,797)	(206)	(938)
n of redeemable														
ble preferred stock		2,376					(2,376)							
of stock options			94				217							
n stock warrants														
d			8											
ion of redeemable														
ble preferred stock		(1,161)	343				726							
s														
of restricted stock			13											
y stock purchase, at													(1)	(4)
ased compensation							2,386							
currency														
on													(13)	
s)														(39)
prehensive														
as of June 30,														
audited)	29,044	\$ 73,047	27,125	\$ 27	\$ 25,185	\$	(13)	\$	(89,836)	(207)	\$	(942)	\$	(

See accompanying notes.

Table of Contents**RealPage, Inc.****Consolidated Statements of Cash Flows**

(in thousands)

	Year Ended December 31,			Six Months Ended June 30,	
	2007	2008	2009	2009	2010
				(unaudited)	(unaudited)
Cash flows from operating activities:					
Net (loss) income	\$ (3,143)	\$ (3,209)	\$ 28,429	\$ 2,037	\$ (39)
Adjustments to reconcile net (loss) income to net cash provided by operating activities:					
Depreciation and amortization	7,127	10,997	14,769	7,004	9,544
Deferred tax expense (benefit)		489	(26,308)		(86)
Stock-based compensation	490	1,476	2,805	1,178	2,386
Loss on disposal of assets		115	127	193	3
Impairment of assets		830	119		
Changes in assets and liabilities, net of assets acquired and liabilities assumed in business combinations:					
Accounts receivable	(5,168)	(7,622)	2,407	4,611	2,601
Customer deposits		(105)	255	(70)	(332)
Other current assets	(330)	(203)	559	(254)	(1,744)
Other assets	(375)	(290)	(1,140)	(75)	(1,915)
Accounts payable	939	(579)	645	101	733
Accrued compensation, taxes and benefits	210	934	(461)	(448)	(63)
Deferred revenue	4,382	5,561	1,094	(1,169)	(3,075)
Other current and long-term liabilities	309	(432)	1,458	922	184
Net cash provided by operating activities	4,441	7,962	24,758	14,030	8,197
Cash flows from investing activities:					
Purchases of property, equipment and software	(7,122)	(10,263)	(9,509)	(4,111)	(4,718)
Acquisition of businesses, net of cash acquired	(9,033)	(22,057)	(15,167)	(765)	(13,292)
Net cash used by investing activities	(16,155)	(32,320)	(24,676)	(4,876)	(18,010)
Cash flows from financing activities:					
Proceeds from notes payable	10,917	15,521	35,000		10,000
Payments on notes payable	(7,015)	(2,454)	(16,853)	(3,799)	(4,745)
Proceeds from (payments on) revolving credit facility, net	7,584	1,416	(10,000)		5,673
Payments on capital lease obligations	(678)	(2,558)	(5,592)	(1,629)	(610)

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Issuance of redeemable convertible preferred stock, net of costs		13,357		12	
Preferred stock dividend			(2,516)	(90)	
Issuance of common stock	1,144	1,042	547		217
Purchase of treasury stock		(449)	(489)		(4)
Net cash provided by (used in) financing activities	11,952	25,875	97	(5,506)	10,531
Net increase in cash and cash equivalents	238	1,517	179	3,648	718
Effect of exchange rate on cash					(13)
Cash and cash equivalents:					
Beginning of period	2,493	2,731	4,248	4,248	4,427
End of period	\$ 2,731	\$ 4,248	\$ 4,427	\$ 7,896	\$ 5,132
Supplemental cash flow information:					
Cash paid for interest	\$ 1,212	\$ 2,651	\$ 3,833	\$ 1,784	\$ 2,631
Cash paid for income taxes, net of refunds	\$ 39	\$ 117	\$ 228	\$ 181	\$ 202
Non-cash financing activities:					
Fixed assets acquired under capital leases	\$ 6,320	\$ 2,077	\$ 2,462	\$ 2,638	\$
Accrued dividends and accretion of preferred stock	\$ 6,234	\$ 7,698	\$ 5,678	\$ 3,017	\$ 2,376
Conversion of preferred stock dividend to common shares	\$	\$ 16,850	\$ 3,005	\$	\$ 726

See accompanying notes.

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RealPage, Inc.

Notes To Consolidated Financial Statements

1. The Company

RealPage, Inc., a Delaware corporation, and its subsidiaries, (Company or we or us) is a provider of property management solutions that enable owners and managers of single-family and a wide variety of multi-family rental property types to manage their marketing, pricing, screening, leasing, accounting, purchasing and other property operations. Our on demand software solutions are delivered through an integrated software platform that provides a single point of access and a shared repository of prospect, resident and property data. By integrating and streamlining a wide range of complex processes and interactions among the rental housing ecosystem of owners, managers, prospects, residents and service providers, our platform optimizes the property management process and improves the experience for all of these constituents. Our solutions enable property owners and managers to optimize revenues and reduce operating costs through higher occupancy, improved pricing methodologies, new sources of revenue from ancillary services, improved collections and more integrated and centralized processes.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated balance sheets as of December 31, 2008 and 2009 and June 30, 2010 (unaudited) and the accompanying consolidated statements of operations and cash flows for each of the three years in the period ended December 31, 2009 and the six months ended June 30, 2009 and 2010 represent our financial position, results of operations and cash flows as of and for the periods then ended. The consolidated financial statements include the accounts of RealPage, Inc. and our wholly-owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

In preparing the accompanying consolidated financial statements, we have reviewed, as determined necessary by our management, events that have occurred after June 30, 2010, up until the issuance of the financial statements. As such, our management was not aware of any subsequent events, other than those disclosed herein, requiring additional disclosure.

Applicable Accounting Guidance

Any reference in these notes to applicable accounting guidance is meant to refer to the authoritative non-governmental United States generally accepted accounting principles as found in the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC).

Unaudited Interim Financial Information

The accompanying unaudited interim consolidated balance sheet as of June 30, 2010, the consolidated statements of income and cash flows for the six months ended June 30, 2009 and 2010, and the consolidated statement of convertible preferred stock and stockholders' deficit for the six months ended June 30, 2010 are unaudited. These unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. In the opinion of our management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and include all adjustments necessary for the fair statement of our financial position, as of June 30, 2010, the results of operations and cash flows for the six months ended June 30, 2009 and 2010 and stockholders' deficit for the six months ended

June 30, 2010. The results of operations for the six months ended June 30, 2010 are not necessarily indicative of the results to be expected for the year ending December 31, 2010 or for any other period.

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Unaudited Pro Forma Presentation

Assuming achievement of the net proceeds and per share price requirements of a qualified public offering, upon the consummation of the initial public offering contemplated in this prospectus and consent of 90% of our Series A redeemable convertible preferred stock, all of the outstanding shares of our convertible preferred stock will convert into shares of our common stock. The December 31, 2009 and June 30, 2010 unaudited pro forma balance sheet data has been prepared assuming the conversion of the redeemable convertible preferred stock outstanding into 29,043,748 shares of common stock. The unaudited pro forma net income per share attributed to common stockholders for the periods ended December 31, 2009 and June 30, 2010 were computed using the weighted average number of common shares outstanding and have been prepared assuming the conversion of the convertible preferred stock outstanding into 29,043,748 shares of common stock.

Accounting Reclassification

In the second quarter of 2010, an adjustment was made to reclassify amounts previously reported as current portion of deferred revenue. This adjustment resulted in increase to the long term portion of deferred revenue of \$3.5 million and \$4.0 million as of December 31, 2008 and 2009, respectively, and corresponding decreases in the current portion of deferred revenue and current liabilities. These changes did not have an impact on our consolidated statements of operations or statements of cash flows for any period presented.

Segment and Geographic Information

Our chief operating decision maker is our Chief Executive Officer, who reviews financial information presented on a company-wide basis. As a result, we determined that the Company has a single reporting segment and operating unit structure.

Principally, all of our revenues for the periods ended December 31, 2007, 2008 and 2009 and June 30, 2009 and 2010 (unaudited) were in North America.

Net long-lived assets held were \$18.6 million, \$20.3 million and \$19.7 million in North America and \$0.6 million, \$0.5 million and \$0.6 million in our international subsidiaries at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires our management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant estimates include the allowance for doubtful accounts; the useful lives of intangible assets and the recoverability or impairment of tangible and intangible asset values; purchase accounting allocations and related reserves; revenue and deferred revenue; stock-based compensation; and our effective income tax rate and the recoverability of deferred tax assets, which are based upon our expectations of future taxable income and allowable deductions. Actual results could differ from these estimates.

Cash Equivalents

We consider all highly liquid investments with a maturity date, when purchased, of three months or less to be cash equivalents.

Concentrations of Credit Risk

Our cash accounts, including an overnight repurchase account, are maintained at various financial institutions and may, from time to time, exceed federally insured limits. The Company has not experienced any losses in such accounts.

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Concentrations of credit risk with respect to accounts receivable result from substantially all of our customers being in the multi-family rental housing market. Our customers, however, are dispersed across different geographic areas. We do not require collateral from customers. We maintain an allowance for losses based upon the expected collectability of accounts receivable. Accounts receivable are written off upon determination of non-collectability following established Company policies based on the aging from the accounts receivable invoice date.

No single customer accounted for 5% or more of our revenue or accounts receivable for the years ended December 31, 2007, 2008 or 2009 or the six months ended June 30, 2009 or 2010 (unaudited).

Fair Value of Financial Instruments

Effective January 1, 2008, we adopted a new accounting standard which defines fair value, establishes a framework for measuring fair value and expands on required disclosures regarding fair value measurements. This standard applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements accordingly, but does not require any new fair value measurements of previously reported balances. The adoption had no impact on our consolidated results of operations or financial position.

Financial assets and liabilities with carrying amounts approximating fair value include cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued expenses and other current liabilities. The carrying amount of these financial assets and liabilities approximates fair value because of their short maturities. The carrying amount of our debt and other long-term liabilities approximates their fair value. The fair value of debt was based upon our management's best estimate of interest rates that would be available for similar debt obligations as of December 31, 2008 and 2009 and June 30, 2010 (unaudited) and was consistent with the interest rates we received in connection with the refinancing of our debt obligations in February 2010.

Accounts Receivable

For several of our solutions, we invoice customers prior to the period in which service is provided. Accounts receivable represent trade receivables from customers when we have invoiced for software solutions and/or services and we have not yet received payment. We present accounts receivable net of an allowance for doubtful accounts. We maintain an allowance for doubtful accounts for estimated losses resulting from the inability of customers to make required payments, or the customer cancelling prior to the service being rendered. In doing so, we consider the current financial condition of the customer, the specific details of the customer account, the age of the outstanding balance, the current economic environment and historical credit trends. As a result, a portion of our allowance is for services not yet rendered and, therefore, is charged as an offset to deferred revenue, which does not have an effect on the statement of operations. Any change in the assumptions used in analyzing a specific account receivable might result in an additional allowance for doubtful accounts being recognized in the period in which the change occurs.

Property, Equipment and Software

Property, equipment and software are recorded at cost less accumulated depreciation and amortization, which are computed using the straight-line method over the following estimated useful lives:

Leasehold improvements	3-10 years
Data processing and communications equipment	3-10 years
Furniture, fixtures and other equipment	3-5 years
Software	3 years

Software includes purchased software and internally developed software. Leasehold improvements are depreciated over the shorter of the lease term or the estimated useful lives of the assets.

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Table of Contents***Business Combinations***

When we acquire businesses, we allocate the total consideration paid to the fair value of the tangible assets, liabilities, and identifiable intangible assets acquired. Any residual purchase consideration is recorded as goodwill. The allocation of the purchase price requires our management to make significant estimates in determining the fair values of assets acquired and liabilities assumed, in particular with respect to identified intangible assets. These estimates are based on the application of valuation models using historical experience and information obtained from the management of the acquired companies. These estimates can include, but are not limited to, the cash flows that an asset is expected to generate in the future, the appropriate weighted-average cost of capital and the cost savings expected to be derived from acquiring an asset. These estimates are inherently uncertain and unpredictable. In addition, unanticipated events and circumstances may occur which may affect the accuracy or validity of these estimates. In accordance with new accounting guidance, beginning in 2009, we began including the fair value of contingent consideration to be paid within the total consideration allocated to the fair value of the assets acquired and liabilities assumed. This requires us to make estimates regarding the fair value of the amounts to be paid. Additionally, we expense acquisition-related costs as incurred rather than including as a component of purchase price.

Impairment of Long-Lived Assets

We perform an impairment review of long-lived assets held and used whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors we consider important that could trigger an impairment review include, but are not limited to, significant under-performance relative to projected future operating results, significant changes in the manner of our use of the acquired assets or our overall business and/or product strategies. When we determine that the carrying value of a long-lived asset may not be recoverable based upon the existence of one or more of these indicators, we determine the recoverability by comparing the carrying amount of the asset or asset group to net future undiscounted cash flows that the asset or assets are expected to generate. We would then recognize an impairment charge equal to the amount by which the carrying amount exceeds the fair market value of the asset or assets.

In December 2008, we decided to sell certain assets associated with one of our service offerings with a net book value of \$1.8 million. Assets identified for sale were written down to their estimated market value at December 31, 2008, resulting in a loss of \$0.8 million. The estimated market value of \$1.0 million was based on observable prices for similar assets. We have recorded these assets in other current assets in the consolidated balance sheet at December 31, 2008. During 2009, a portion of these assets were sold. The balance of these assets at December 31, 2009, was \$0.2 million. As the held for sale criteria were no longer met, these assets were reclassified to fixed assets at December 31, 2009.

Goodwill and Other Intangible Assets with Indefinite Lives

We test goodwill and other intangible assets with indefinite lives for impairment separately on an annual basis in the fourth quarter of each year. Additionally, we will test goodwill and other intangible assets with indefinite lives in the interim if events and circumstances indicate that goodwill and other intangible assets with indefinite lives may be impaired. The events and circumstances that we consider include significant under-performance relative to projected future operating results and significant changes in our overall business and/or product strategies. We evaluate impairment of goodwill using a two-step process. The first step involves a comparison of the fair value of a reporting unit with its carrying amount. If the carrying amount of the reporting unit exceeds its fair value, the second step of the process involves a comparison of the fair value and carrying amount of the goodwill of that reporting unit and determination of the impairment charge, if any. We evaluate other intangible assets with indefinite lives by estimating the fair value of those assets based on estimated future earnings derived from the assets using the income approach

model. If the carrying amount of the other intangible assets with indefinite lives exceeds the fair value, we would recognize an impairment loss equal to the excess of carrying value over fair value. If an event occurs that would cause us to revise our estimates and assumptions used in analyzing the value of our goodwill and other intangible assets with indefinite lives, the revision could result in a non-cash impairment charge that could have a material impact on

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our financial results. There was no impairment of goodwill or intangible assets with indefinite lives in 2007, 2008 or 2009.

Intangible Assets

Intangible assets consist of acquired developed product technologies, acquired customer relationships, vendor relationships, non-competition agreements and tradenames. We record intangible assets at fair value and amortize those with finite lives over the shorter of the contractual life or the estimated useful life. We estimate the useful lives of acquired developed product technologies and customer relationships based on factors that include the planned use of each developed product technology and the expected pattern of future cash flows to be derived from each developed product technology and existing customer relationships. We include amortization of acquired developed product technologies in cost of revenue, amortization of acquired customer relationships in sales and marketing expenses and amortization of vendor relationships and non-competition agreements in general and administrative expenses in our consolidated statements of operations.

Income Taxes

Income taxes are provided based on the liability method, which results in income tax assets and liabilities arising from temporary differences. Temporary differences are differences between the tax basis of assets and liabilities and their reported amounts in the financial statements that will result in taxable or deductible amounts in future years. The liability method requires the effect of tax rate changes on current and accumulated deferred income taxes to be reflected in the period in which the rate change was enacted. The liability method also requires that deferred tax assets be reduced by a valuation allowance unless it is more likely than not that the assets will be realized.

We may recognize a tax benefit from uncertain tax positions only if it is at least more likely than not that the tax position will be sustained upon examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement with the taxing authorities. Upon our adoption of the related standard, there was no liability for uncertain tax positions due to the fact that there were no identified tax benefits that were considered uncertain positions.

We establish valuation allowances when necessary to reduce deferred tax assets to the amounts expected to be realized. We evaluate the need for, and the adequacy of, valuation allowances based on the expected realization of our deferred tax assets. The factors used to assess the likelihood of realization include historical earnings, our latest forecast of taxable income and available tax planning strategies that could be implemented to realize the net deferred tax assets.

Our effective tax rates are primarily affected by the amount of our taxable income or losses in the various taxing jurisdictions in which we operate, the amount of federal and state net operating losses and tax credits, the extent to which we can utilize these net operating loss carryforwards and tax credits and certain benefits related to stock option activity.

Revenue Recognition

We derive our revenue from three primary sources: our on demand software solutions; our on premise software solutions; and professional and other services. We commence revenue recognition when all of the following conditions are met:

there is persuasive evidence of an arrangement;

the solution and/or service has been provided to the customer;

the collection of the fees is probable; and

the amount of fees to be paid by the customer is fixed or determinable.

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For multi-element arrangements that include multiple software solutions and/or services, we allocate arrangement consideration to all deliverables that have stand-alone value based on their relative selling prices. In such circumstances, we utilize the following hierarchy to determine the selling price to be used for allocating revenue to deliverables as follows:

Vendor specific objective evidence (VSOE), if available. The price at which we sell the element in a separate stand-alone transaction;

Third-party evidence of selling price (TPE), if VSOE of selling price is not available. Evidence from us or other companies of the value of a largely interchangeable element in a transaction; and

Estimated selling price (ESP), if neither VSOE nor TPE of selling price is available. Our best estimate of the stand-alone selling price of an element in a transaction.

Our process for determining ESP for deliverables without VSOE or TPE considers multiple factors that may vary depending upon the unique facts and circumstances related to each deliverable. Key factors primarily considered in developing ESP include prices charged by us for similar offerings when sold separately, pricing policies and approvals from standard pricing and other business objectives.

From time to time, we sell on demand software solutions with professional services. In such cases, as each element has stand alone value, we allocate arrangement consideration based on our estimated selling price of the on demand software solution and VSOE of the selling price of the professional services.

On Demand Revenue

Our on demand revenue consists of license and subscription fees, transaction fees related to certain of our software-enabled value-added services and commissions derived from us selling certain risk mitigation services.

License and subscription fees are comprised of a charge billed at the initial order date and monthly or annual subscription fees for accessing our on demand software solutions. The license fee billed at the initial order date is recognized as revenue on a straight-line basis over the longer of the contractual term or the period in which the customer is expected to benefit, which we consider to be four years. Recognition starts once the product has been activated. Revenue from monthly and annual subscription fees is recognized on a straight-line basis over the access period.

We recognize revenue from transaction fees derived from certain of our software-enabled value-added services as the related services are performed.

As part of our risk mitigation services to the rental housing industry, we act as an insurance agent and derive commission revenue from the sale of insurance products to individuals. The commissions are based upon a percentage of the premium that the insurance company charges to the policyholder and are subject to forfeiture in instances where a policyholder cancels prior to the end of the policy. If the policy is cancelled, our commissions are forfeited as a percent of the unearned premium. As a result, recognize the commissions related to these services ratably over the policy term as the associated premiums are earned.

On Premise Revenue

Revenue from our on premise software solutions is comprised of an annual term license, which includes maintenance and support. Customers can renew their annual term license for additional one-year terms at renewal price levels. We recognize the annual term license on a straight-line basis over the contract term.

In addition, we have arrangements that include perpetual licenses with maintenance and other services to be provided over a fixed term. We allocate and defer revenue equivalent to the VSOE of fair value for the undelivered elements and recognize the difference between the total arrangement fee and the amount deferred for the undelivered elements as revenue. We have determined that we do not have VSOE of fair value for its customer support and professional services in these specific arrangements. As a result, the elements within its multiple-element sales agreements do not qualify for treatment as separate units of accounting. Accordingly, we account for fees received under multiple-element arrangements with customer support or other professional

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services as a single unit of accounting and recognize the entire arrangement ratably over the longer of the customer support period or the period during which professional services are rendered.

Professional and Other Revenue

Professional & other revenue is recognized as the services are rendered for time and material contracts. Training revenues are recognized after the services are performed.

Deferred Revenue

Deferred revenue primarily consists of billings or payments received in advance of revenue recognition from our subscription service described above and is recognized as the revenue recognition criteria are met. For several of our solutions, we invoice our customers in annual, monthly or quarterly installments in advance of the commencement of the service period. Accordingly, the deferred revenue balance does not represent the total contract value of annual subscription agreements.

Cost of Revenue

Cost of revenue consists primarily of salaries and related personnel expenses of our operations and support personnel, including training and implementation services, expenses related to the operation of our data center, fees paid to third-party providers, allocations of facilities overhead costs and depreciation, amortization of acquired technologies and amortization of capitalized software.

Customer Acquisition Costs

The costs of obtaining new customers are expensed as incurred.

Stock-Based Compensation

We record stock-based compensation expense for options granted to employees based on the estimated fair value for the awards, using the Black-Scholes option pricing model on the date of grant. We recognize expense over the requisite service period, which is generally the vesting period, on a straight-line basis.

At each stock option grant date, we utilize peer group data to calculate our expected volatility. Expected volatility is based on historical and expected volatility rates of publicly traded peers. The expected life of each option grant is based on existing employee exercise patterns. The risk-free rate is based on the treasury yield rate with a maturity corresponding to the expected option life assumed at the grant date. We do not estimate forfeitures as the awards vest quarterly over the related service term.

Changes to the underlying assumptions may have a significant impact on the underlying value of the stock options, which could have a material impact on our consolidated financial statements.

We have granted stock options at exercise prices believed to be equal to or above the fair market value of our common stock, as of the grant date. Given the absence of any active market for our common stock, the fair market value of the common stock underlying stock options granted was determined by our compensation committee, with input from our management, and considered contemporaneous third-party valuations.

For the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 (unaudited), we incurred expenses of \$0.5 million, \$1.5 million, \$2.8 million, \$1.2 million and \$2.4 million, respectively, for stock-based compensation expense.

Capitalized Product Development Costs

We capitalize specific product development costs, including costs to develop software products or the software components of our solutions to be marketed to external users, as well as software programs to be used solely to meet our internal needs. The costs incurred in the preliminary stages of development related to research, project planning, training, maintenance and general and administrative activities, and overhead costs are expensed as incurred. The costs of relatively minor upgrades and enhancements to the software are also expensed as incurred. Once an application has reached the development stage, internal and external costs

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incurred in the performance of application development stage activities, including costs of materials, services and payroll and payroll-related costs for employees, are capitalized, if direct and incremental, until the software is substantially complete and ready for its intended use. Capitalization ceases upon completion of all substantial testing. We also capitalize costs related to specific upgrades and enhancements when it is probable the expenditures will result in additional functionality. Capitalized costs are recorded as part of property and equipment. Internal use software is amortized on a straight-line basis over its estimated useful life, generally three years. We capitalized \$1.5 million, \$1.4 and \$0.8 million of product development costs during the years ended December 31, 2008 and 2009 and the six months ended June 30, 2010 (unaudited), respectively, and recognized amortization expense of \$0.8 million, \$0.9 million, \$1.3 million, \$0.6 million and \$0.6 million during the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 (unaudited), respectively, included as a component of cost of revenue. Unamortized product development cost was \$2.9 million, \$3.1 million and \$3.2 million at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively. Our management evaluates the useful lives of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets. There were no impairments to internal use software during the years ended December 31, 2007, 2008 or 2009.

Advertising Expenses

Advertising costs are expensed as incurred and totaled \$3.4 million, \$4.9 million, \$5.9 million, \$2.5 million and \$3.5 million for the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 (unaudited), respectively.

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	December 31, 2008	2009	June 30, 2010 (unaudited)
	(in thousands)		
Accrued compensation, payroll taxes, and benefits	\$ 5,264	\$ 5,034	\$ 4,971
Current portion of capital leases	2,852	1,540	1,280
Current portion of liabilities related to acquisitions	3,358	1,903	2,134
Other current liabilities	1,781	2,353	2,851
Total accrued expenses and other current liabilities	\$ 13,255	\$ 10,830	\$ 11,236

Other Long-Term Liabilities

Other long-term liabilities consisted of the following:

December 31, 2008	2009	June 30, 2010 (unaudited)
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	(in thousands)		
Capital leases, less current portion	\$ 2,377	\$ 589	\$ 239
Long-term liabilities related to acquisitions, less current portion	2,470	2,455	1,690
Other long-term liabilities	1,920	2,762	2,600
Total other long-term liabilities	\$ 6,767	\$ 5,806	\$ 4,529

Recently Issued Accounting Standards

In September 2009, we adopted the FASB ASC. The FASB established the ASC as the single source of authoritative non-governmental GAAP, superseding various existing authoritative accounting pronouncements.

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It eliminates the previous GAAP hierarchy and establishes one level of authoritative GAAP. All other literature is considered non-authoritative. The FASB will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue an Accounting Standards Update (ASU). The FASB will not consider ASUs as authoritative in their own right. ASUs will serve only to update the ASC, provide background information about the guidance and provide the bases for conclusions on the change(s) in the ASC.

In December 2007, the FASB issued guidance regarding business combinations, which significantly changes the principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree and the goodwill acquired. This statement is effective prospectively, except for certain retrospective adjustments to deferred tax balances, for fiscal years beginning after December 15, 2008. We applied these provisions to our 2009 acquisitions which resulted in expensing related transaction costs and valuing contingent consideration at the date of acquisition. See Note 3.

In May 2009, the FASB issued an ASU that established general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. Although there is new terminology, the standard is based on the same principles as those that currently exist in the auditing standards. The standard, which includes a new required disclosure of the date through which an entity has evaluated subsequent events, is effective for interim or annual periods ending after June 15, 2009. The adoption had no impact on our consolidated results of operations or financial position.

In September 2009, the FASB issued an ASU providing clarification for measuring the fair value of a liability when a quoted price in an active market for the identical liability is not available. It also clarifies that, when estimating the fair value of a liability, a reporting entity is not required to include a separate input or adjustment to other inputs relating to the existence of a restriction that prevents the transfer of the liability. This ASU is effective for fiscal periods beginning after August 27, 2009. We do not believe this update will have a material impact on our consolidated financial statements.

3. Acquisitions

2007 Acquisition

In April 2007, we acquired all of the issued and outstanding member interests of Multifamily Internet Ventures, LLC, the Irvine, California-based parent company of LeasingDesk LLC (LeasingDesk). We purchased LeasingDesk to be able to provide resident insurance programs to the multi-family housing industry. The LeasingDesk product line includes eRenterPlan, a liability policy that insures owners against financial loss due to resident-caused damage, or an enhanced version of the product which includes renter's insurance, providing additional coverage for resident personal belongings in the event of loss. The aggregate purchase price was \$7.3 million, net of cash acquired, including cash payment of \$7.1 million and acquisition-related costs of \$0.2 million. In April 2008, we also paid \$0.3 million in contingent consideration. The fair value of this contingent consideration was not included within total consideration at the acquisition date. This payment was recorded as additional goodwill. The purchase price of the acquisition was allocated to the net assets acquired based on the fair values at the date of the acquisition. Goodwill associated with the LeasingDesk acquisition is deductible for tax purposes. We included the operating results in our consolidated results of operations from the effective date of the acquisition.

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We allocated the purchase price for LeasingDesk as follows:

	LeasingDesk (in thousands)
Intangible assets:	
Developed product technologies	\$ 116
Customer relationships	2,020
Non-competition agreements	120
Tradenames	420
Goodwill	5,241
Deferred revenue	(434)
Net other assets (liabilities)	(135)
 Total purchase price, net of cash acquired	 \$ 7,348

2008 Acquisitions

In January 2008, we entered into an asset purchase agreement with WebRoomz, LLC (WebRoomz) to acquire technology for an on demand leasing system for the student and privatized military housing markets. WebRoomz is a web-based portal that allows tenants to match roommates and manages the entire leasing process using a document management system. The aggregate purchase price was \$1.2 million, which included the payment of cash and acquisition related costs of \$0.1 million. We included the operating results in our consolidated results of operations from the effective date of the acquisition.

In October 2008, we completed an acquisition of all of the issued and outstanding stock of OpsTechnology, Inc. (Ops). Ops offers three on demand products designed to improve efficiencies and reduce costs for multi-family companies. The aggregate purchase price at closing, net of acquired cash, was \$21.6 million, which included a cash payment of \$20.3 million, acquisition-related costs of \$0.3 million and an additional cash payment of \$2.7 million, which was paid on the first anniversary of the acquisition date. In addition, certain former owners of Ops earned 333,332 shares of our common stock by achieving certain revenue targets in 2009. This increased the overall consideration by \$1.7 million. The fair value of this contingent consideration was not included within total consideration at the acquisition date. This payment was recorded as additional goodwill.

We made both of these acquisitions because of the immediate availability of product offerings that complemented our existing products. We accounted for the Webroomz and Ops acquisitions using the purchase method of accounting. Goodwill associated with the Webroomz acquisition is deductible for tax purposes; however, the goodwill associated with the Ops acquisition is not deductible for tax purposes.

We allocated the purchase prices for Webroomz and Ops as follows:

	Webroomz	Ops
	(in thousands)	
Intangible assets:		

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Developed product technologies	\$ 228	\$ 2,457
Customer relationships		4,884
Vendor relationships		5,650
Tradenames		1,840
Goodwill	953	7,253
Deferred revenue		(619)
Deferred tax liability		(644)
Net other assets (liabilities)		809
Total purchase price, net of cash acquired	\$ 1,181	\$ 21,630

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In September 2009, we purchased substantially all of the assets of Evergreen Solutions, Inc. (Evergreen). The acquisition of Evergreen further advanced our ability to offer open access to our products for clients and certified partners, and improves our ability to offer integration of our products and services with third-party solutions. The aggregate purchase price at closing was \$0.9 million, which included a cash payment of \$0.7 million and the fair value of contingent consideration of \$0.2 million, which was paid in March 2010 and is based on the collection of pre-acquisition accounts receivable balances from customers. The \$0.2 million is recorded within the current portion of acquisition related liabilities on the balance sheet. The customer relationships have useful lives of four years and are amortized in proportion to the estimated cash flows derived from the relationship. We have determined that the tradename has an indefinite life, as we anticipate keeping the tradename for the foreseeable future given its recognition in the marketplace. All direct acquisition costs were immaterial and expensed as incurred. We included the operating results of this acquisition in our consolidated results of operations from the effective date of the acquisition.

In September 2009, we purchased 100% of the outstanding stock of A.L. Wizard, Inc. (ALW). The acquisition of ALW immediately provided us with an application of on demand software and services for residential property management customers who manage senior living properties. The aggregate purchase price at closing was \$2.8 million, net of cash acquired of \$0.2 million, which included a cash payment of \$2.5 million upon acquisition and additional cash payments of \$0.5 million, half of which is due on the first anniversary of the acquisition date, with the remaining amount due 18 months from the acquisition date. The \$0.5 million is recorded in acquisition-related liabilities on the balance sheet. We acquired deferred revenue as a contractual obligation, which was recorded at its assessed fair value of \$0.5 million. The fair value was determined by incorporating the total cost to service the revenue and a normal profit margin for the industry. The customer relationships have useful lives of seven years and are amortized in proportion to the estimated cash flows derived from the relationship. Acquired developed product technologies have a useful life of three years and are amortized straight-line over the estimated useful life. We have determined that the tradename has an indefinite life, as we anticipate keeping the tradename for the foreseeable future given its recognition in the marketplace. All direct acquisition costs were immaterial and expensed as incurred. We included the operating results of this acquisition in our consolidated results from the effective date of the acquisition.

In November 2009, we purchased 100% of the outstanding stock of Propertyware, Inc. (Propertyware). The acquisition of Propertyware provided an entry into the single-family and small, centrally managed multi-family property markets. The acquisition also expanded the breadth of products Propertyware will make available to its residential property management customers. The aggregate purchase price at closing was \$11.9 million, net of cash acquired, which included a cash payment of \$9.0 million and additional cash payments of \$0.5 million payable on the first anniversary of the acquisition date and \$0.5 million payable 18 months after the acquisition date. The \$1.0 million is recorded in acquisition-related liabilities on the balance sheet. In addition, the purchase price included the issuance of 500,000 restricted common shares which vest as certain revenue targets are achieved as defined in the purchase agreement. The fair value of these shares is estimated to be \$2.2 million and is based on our management's estimate of the fair value of the stock and the probability of the achievement of these revenue targets. These shares have a maximum value of \$2.5 million. We acquired deferred revenue as a contractual obligation, which was recorded at its assessed fair value of \$0.5 million. The acquired intangibles were recorded at fair value based on assumptions made by us. The customer relationships have useful lives of ten years and are amortized in proportion to the estimated cash flows derived from the relationship. Acquired developed product technologies have a useful life of three years and are amortized straight-line over the estimated useful life. We have determined that the tradename has an indefinite life, as we anticipate keeping the tradename for the foreseeable future given its recognition in the marketplace. All direct acquisition costs were immaterial and expensed as incurred. We included the operating results of this acquisition in our consolidated results of operations from the effective date of the acquisition.

We made each of these acquisitions because of the immediate availability of product offerings that complemented our existing products. We accounted for the Evergreen, ALW and Propertyware acquisitions by allocating the total consideration, including the fair value of contingent consideration to the fair value of assets received and liabilities assumed. Goodwill associated with the Evergreen acquisition is deductible for tax

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purposes; however, the goodwill associated with the ALW and Propertyware acquisitions is not deductible for tax purposes.

We allocated the purchase prices for Evergreen, ALW and Propertyware as follows:

	Evergreen	ALW	Propertyware
		(in thousands)	
Intangible assets:			
Developed product technologies	\$	\$ 1,192	\$ 7,427
Customer relationships	154	964	1,050
Tradenames	34	373	1,080
Goodwill	472	1,222	6,144
Deferred revenue		(520)	(451)
Deferred tax (liability)		(863)	(3,407)
Net other assets	225	415	78
 Total purchase price, net of cash acquired	 \$ 885	 \$ 2,783	 \$ 11,921

2010 Acquisitions

In February 2010, we acquired the assets of Domin-8 Enterprise Solutions, Inc. (Domin-8). The acquisition of these assets improved our ability to serve our multi-family clients with mixed portfolios that include smaller, centrally-managed apartment communities. The aggregate purchase price at closing was \$12.9 million, net of cash acquired, which was paid upon acquisition of the assets. We acquired deferred revenue as a contractual obligation, which was recorded at its assessed fair value of \$4.5 million. The fair value of the deferred revenue was determined based on estimated costs to support acquired contracts plus a reasonable margin. The acquired intangibles were recorded at fair value based on assumptions made by us. The customer relationships have useful lives of approximately six years and are amortized in proportion to the estimated cash flows derived from the relationship. Acquired developed product technologies have a useful life of three years and are amortized straight-line over the estimated useful life. We have determined that the tradename has an indefinite life, as we anticipate keeping the tradename for the foreseeable future given its recognition in the marketplace. Approximately \$0.7 million and \$0.3 million of transaction costs related to this acquisition were expensed as incurred during 2009 and the period ending June 30, 2010, respectively. We included the operating results of this acquisition in our consolidated results of operations from the effective date of the acquisition. This acquisition was financed from the proceeds from the amended credit facility (See Note 6) and cash flow from operations.

We made this acquisition because of the immediate availability of product offerings that complemented our existing products. We accounted for this acquisition by allocating the total consideration to the fair value of assets received and liabilities assumed. Goodwill associated with this acquisition is deductible for tax purposes.

We allocated the purchase price for Domin-8 as follows:

Domin-8
(in thousands)

Intangible assets:		
Developed product technologies	\$	3,678
Customer relationships		6,418
Tradenames		1,278
Goodwill		4,778
Deferred revenue		(4,502)
Net other assets		1,273
Total purchase price, net of cash acquired	\$	12,923

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In July, 2010, we purchased 100% of the outstanding stock of eReal Estate Integration, Inc. (eREI) for approximately \$10.0 million. The acquisition of eREI improved our lead management and lead syndication capabilities. This acquisition was financed from proceeds from our revolving line of credit and cash flows from operations. Due to the timing of this acquisition, the purchase price allocation was not complete as of the date of this filing due to the pending completion of the valuation of intangible assets. All direct acquisition costs were immaterial and expensed as incurred.

Pro Forma Results of Acquisitions

The following table presents unaudited pro forma results of operations for 2007, 2008 and 2009 as if the aforementioned acquisitions, including Domin-8 and eREI, had occurred at the beginning of each period presented. We prepared the pro forma financial information for the combined entities for comparative purposes only, and it is not indicative of what actual results would have been if the acquisitions had taken place at the beginning of the periods presented, or of future results.

	Year Ended December 31,			Six Months
	2007	2008	2009	Ended
	Pro Forma	Pro Forma	Pro Forma	June 30,
	(unaudited)	(unaudited)	(unaudited)	2010
	(in thousands)			Pro Forma
				(unaudited)
Revenue:				
On demand	\$ 73,723	\$ 109,453	\$ 136,624	\$ 78,165
On premise	17,605	16,673	13,035	5,042
Professional and other	13,723	15,041	12,080	5,057
Total revenue	105,051	141,167	161,739	88,264
Net (loss) income	(6,308)	(16,667)	28,663	(551)
Net (loss) income attributable to common stockholders:				
Basic and diluted	(12,308)	(24,116)	10,845	(2,875)
Net (loss) income per share attributable to common stockholders:				
Basic	\$ (1.20)	\$ (1.74)	\$ 0.45	\$ (0.11)
Diluted	\$ (1.20)	\$ (1.74)	\$ 0.43	\$ (0.11)

The acquisitions in 2007, 2008, 2009 and 2010 were financed with cash flows from operations and financing activities.

Acquisition-Related Liabilities from Pre-2007 Acquisition

In connection with a 2002 acquisition, a liability was recorded for a \$6.0 million earn-out payable to the seller, as payment was considered probable. At December 31, 2008 and 2009 and June 30, 2010 (unaudited), we owed \$3.0 million, \$2.5 million and \$2.2 million, respectively, in remaining earn-out fees relating to this acquisition, of which \$2.5 million, \$2.0 million and \$1.7 million are included in other long-term liabilities on the consolidated

balance sheets at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively.

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Property, equipment and software consist of the following:

	December 31, 2008	December 31, 2009	June 30, 2010 (unaudited)
	(in thousands)		
Leasehold improvements	\$ 5,069	\$ 6,039	\$ 6,404
Data processing and communications equipment	20,078	26,969	27,805
Furniture, fixtures, and other equipment	5,233	6,251	7,007
Software	19,005	21,807	24,187
	49,385	61,066	65,403
Less: Accumulated depreciation and amortization	(30,248)	(40,317)	(45,106)
Property, equipment and software, net	\$ 19,137	\$ 20,749	\$ 20,297

Depreciation and amortization expense for property, equipment and software was \$5.7 million, \$9.2 million, \$10.3 million, \$4.9 million and \$5.7 million for the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 (unaudited), respectively. This includes depreciation for assets purchased through capital leases.

5. Goodwill and Other Intangible Assets

The change in the carrying amount of goodwill for the years ended December 31, 2008 and 2009, and the six months ended June 30, 2010 (unaudited), is as follows:

	(in thousands)
Balance at December 31, 2007	\$ 9,194
Contingent consideration	449
Goodwill acquired	8,206
Balance at December 31, 2008	17,849
Contingent consideration	1,679
Goodwill acquired	7,838
Balance at December 31, 2009	27,366
Goodwill acquired	4,778
Balance at June 30, 2010	\$ 32,144

Other intangible assets consisted of the following at December 31, 2008 and 2009 and June 30, 2010 (unaudited):

	Amortization Period	December 31, 2008			December 31, 2009		
		Carrying Amount	Accumulated Amortization	Net	Carrying Amount	Accumulated Amortization	Net
(in thousands)							
Finite-lived intangible assets							
Developed technologies	3 years	\$ 2,801	\$ (412)	\$ 2,389	\$ 11,421	\$ (1,870)	\$ 9,551
Customer relationships	1-10 years	7,539	(2,469)	5,070	9,707	(4,301)	5,406
Vendor relationships	7 years	5,650	(311)	5,339	5,650	(1,500)	4,150
Non-competition agreement	4-5 years	120	(53)	67	120	(83)	37
Total finite-lived intangible assets		16,110	(3,245)	12,865	26,898	(7,754)	19,144
Indefinite-lived intangible assets							
Tradenames		2,260		2,260	3,747		3,747
Total intangible assets		\$ 18,370	\$ (3,245)	\$ 15,125	\$ 30,645	\$ (7,754)	\$ 22,891

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	Amortization Period	June 30, 2010 (unaudited)		
		Carrying Amount	Accumulated Amortization (in thousands)	Net
Finite-lived intangible assets				
Developed technologies	3 years	\$ 15,102	\$ (4,237)	\$ 10,865
Customer relationships	1-10 years	16,125	(5,797)	10,328
Vendor relationships	7 years	5,650	(1,500)	4,150
Non-competition agreements	4-5 years	120	(97)	23
Total finite-lived intangible assets		36,997	(11,631)	25,366
Indefinite-lived intangible assets				
Tradenames		5,028		5,028
Total Intangible assets		\$ 42,025	\$ (11,631)	\$ 30,394

There was no impairment of goodwill or trade names indicated during 2008 or 2009.

Amortization of finite-lived intangible assets was \$1.5 million, \$1.8 million, \$4.5 million, \$2.1 million, and \$3.9 million for the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 (unaudited), respectively.

As of June 30, 2010 (unaudited), the following table sets forth the estimated amortization of intangible assets for the years ending December 31:

	(in thousands)
Year ending December 31,	
2010 (6 months)	\$ 3,870
2011	8,086
2012	6,686
2013	3,082
2014	2,336

6. Debt

The following table summarizes the components of debt as of:

December 31, 2008	December 31, 2009	June 30, 2010 (unaudited)
(in thousands)		

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Revolver	\$ 10,000		\$ 5,673
Term loan	12,650	\$ 33,688	40,305
Promissory notes issued to preferred stockholders	11,064	8,173	7,247
Secured promissory notes	10,000	10,000	10,000
	\$ 43,714	\$ 51,861	\$ 63,225

In September 2009, we entered into a Credit Agreement (Credit Agreement) with two lenders, which provided for \$35.0 million term loan and a \$10.0 million revolving line of credit. A portion of the proceeds from the Credit Agreement was used to repay the balance outstanding under our prior credit agreement. The term loan and revolving line of credit bear interest at rates of the greater of 7.5%, a stated rate of 5.0% plus LIBOR, or a stated rate of 5.0% plus the bank's prime rate (or, if greater than 3.5%, the federal funds rate plus 0.5% or three month LIBOR plus 1.0%). The term loan and revolving line of credit were collateralized by all of our personal property and are subject to financial covenants, including meeting certain financial measures.

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In February 2010, we entered into an amendment to the Credit Agreement. Under the terms of the amendment, the original term loan was increased by an additional \$10.0 million. The related interest rates and maturity periods remained consistent with the terms of Credit Agreement.

In June 2010, we entered into a subsequent amendment to the Credit Facility. Under the terms of the June 2010 amendment, an additional \$30 million in delayed draw term loans was made available for borrowing until December 22, 2011. After the June 2010 amendment, the term loan and revolving line of credit bear interest at a stated rate of 3.5% plus LIBOR, or a stated rate of 0.75% plus Wells Fargo's prime rate (or, if greater, the federal funds rate plus 0.5% or three month LIBOR plus 1.0%). Under the terms of the June 2010 amendment, principal payments on the term loan will be paid in quarterly installments equal to 3.75% of the principal amount of term loans, with the balance of all term loans and the revolver due on June 30, 2014. In June 2010, we borrowed from our revolving line of credit for an amount of \$3.0 million in order to partially facilitate an acquisition. In July 2010, we borrowed an additional \$2.0 million from our revolving line of credit. As of June 30, 2010, we are in compliance with our debt covenants.

In August 2008, we entered into a note purchase agreement with a separate lender. Under the terms of the agreement, we issued secured promissory notes (Notes) in the amount of \$10.0 million with an interest rate of 13.75%, payable quarterly. The Notes are to be paid in full before August 1, 2013. The Notes are collateralized by all of our personal property and are subordinated to the Credit Agreement.

On December 30, 2008 and April 23, 2010, in connection with a declaration of a dividend for all holders of our redeemable convertible preferred stock, we issued promissory notes to the holders of our convertible preferred stock (Stockholder Notes) in an aggregate principal amount of \$11.1 million and \$0.4 million, respectively. The Stockholder Notes bear interest at a rate of 8% and are payable in 16 consecutive quarterly payments of principal and interest. We must meet certain debt to EBITDA levels and exceed minimum and average cash balance requirements in order to make the interest payments. Additionally, an amount equal to \$1.2 million will be paid upon maturity to holders of the Stockholder Notes. We recognized \$0.2 million and \$0.1 million of additional interest expense related to these notes during the year ended December 31, 2009 and the six months ended June 30, 2010 (unaudited), respectively. The payments may be deferred at the discretion of the board of directors.

After giving effect to the June 2010 amendment to the Credit Agreement and April 23, 2010 Stockholder Notes, principal payments are due in the five years ending December 31 as follows:

	(in thousands)
Year ending December 31,	
2010	\$ 9,330
2011	9,115
2012	8,433
2013	16,390
Thereafter	24,048

7. Redeemable Convertible Preferred Stock

At June 30, 2010, we had outstanding 15,806,250 shares of Series A Redeemable Convertible Preferred Stock (Series A Preferred), 10,100,000 shares of Series A1 Redeemable Convertible Preferred Stock (Series A1 Preferred), 1,625,000 shares of Series B Redeemable Convertible Preferred Stock (Series B Preferred) and 1,512,498 shares of

Series C Redeemable Convertible Preferred Stock (Series C Preferred). The Series C Preferred was issued on February 28, 2008, at a purchase price of \$9.00 per share.

Each holder of preferred stock generally votes with our common stock and is entitled to the number of votes equal to the number of shares of common stock into which the preferred stock could be converted. Each share of preferred stock is convertible at the option of the holder at the liquidation preference, as defined below, divided by the original issue price. Conversion is mandatory upon written consent or affirmative vote at a meeting of the holders of a majority of the then outstanding shares of Series A Preferred, or, with such

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consent of the holders of the Series A Preferred, immediately prior to the closing of a qualified initial public offering (IPO), as defined in our certificate of incorporation.

The holders of Series A Preferred, Series A1 Preferred and Series B Preferred are entitled to receive cumulative cash dividends at the rate of 8% per annum of the original issue price if and when declared out of funds legally available by the board of directors. To the extent declared, the dividends are payable quarterly. Upon conversion, the holders may also elect to convert an amount equal to 62.5% of all then accrued and unpaid dividends into common stock at the applicable conversion rate. The holders of Series C Preferred are entitled to receive cumulative cash dividends at the rate of 8% per annum of the original issue price if and when declared by the board of directors, for the first 18 months after issuance and are entitled to noncumulative dividends thereafter. Dividends on Series C Preferred shares may not be paid until dividends have been declared and paid to holders of the Series A Preferred, Series A1 Preferred and Series B Preferred. On December 31, 2008, dividends of \$27.9 million were declared by the board of directors. These dividends were distributed through the issuance of 8,147,441 common shares and subordinated notes of \$11.1 million. On December 31, 2009, dividends of \$5.5 million were declared by the board of directors. These dividends were distributed through the issuance of 1,418,669 common shares and payment of \$2.5 million in cash. On April 23, 2010, dividends of \$1.2 million were declared by the board of directors. These dividends were distributed through the issuance of 342,632 common shares and subordinated notes of \$0.4 million.

Upon any liquidation, dissolution, or winding up of the Company, the holders of the Series A Preferred, Series A1 Preferred, Series B Preferred and Series C Preferred will be entitled to receive the original issue price plus all accrued and unpaid dividends (Liquidation Preference). The holders of the Series A Preferred, Series B Preferred and Series C Preferred are entitled to receive the full Liquidation Preference prior to any distribution to the holders of the Series A1 Preferred. Upon liquidation, after the holders of the Series A Preferred, Series B Preferred, Series C Preferred and Series A1 Preferred have been paid in full the Liquidation Preference, our remaining assets shall be distributed ratably among the holders of the common stock then outstanding and the holders of the Series A Preferred, Series A1 Preferred and Series B Preferred, on an as-converted basis, until the holders of such series of preferred stock have received an aggregate of three times the issue price per share of each such series of preferred stock (Participation Payment). After the holders of the Series A Preferred, Series A1 Preferred and Series B Preferred have received the Participation Payment, the holders of such series of preferred stock shall not have any further right as holders of preferred stock to participate in any distributions of our remaining assets, which shall be distributed ratably solely to the holders of common stock.

The Series A Preferred, Series B Preferred and Series C Preferred are redeemable at the option of the holders of the Series A Preferred beginning on December 31, 2011, if we have not completed a liquidation or qualified IPO. Upon election by the holders of the Series A Preferred to redeem the Series A Preferred, the holders of the Series B Preferred and Series C Preferred may elect to redeem such series of preferred stock. If the holders of the Series A Preferred, Series B Preferred and Series C Preferred elect to redeem, the redemption price will generally be paid over four years. The Series A1 Preferred is redeemable and will be paid over a 12-month period once the holders of the Series A Preferred and, if applicable, the Series B Preferred and Series C Preferred have elected and been paid for a redemption. The redemption price is the greater of the original purchase price per share plus all accrued dividends or the fair market value per share as of the most recent fiscal quarter ended prior to the date that the initial redemption notice is sent to the Company. Based on the estimated fair value of the Company as of June 30, 2010 (unaudited), the redemption price of the Series A Preferred, Series A1 Preferred, Series B Preferred and Series C Preferred would exceed the original purchase price plus all accrued dividends as of the first redemption date by approximately \$158.1 million. As of June 30, 2010, we have not provided for additional accretion of this amount for the Series A Preferred, Series A1 Preferred and Series B Preferred beyond the original purchase price plus accrued dividends, as we believe that it is probable that the Series A Preferred, Series A1 Preferred, Series B Preferred and Series C Preferred plus accrued dividends will be converted into common stock prior to the redemption date.

At December 31, 2011, if we have not completed a liquidation or qualified IPO, and the Series A Preferred holders have not given notice to redeem the Series A Preferred, certain Series A Preferred

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stockholders, who hold 2,906,250 shares, may require us to redeem all or any portion of its Series A Preferred shares. One hundred eighty days notice is required, and we may issue common stock to make redemption payments if cash is not sufficient for the redemption payments and ongoing business requirements.

8. Share Options and Warrants***Stock Option Plan***

Our Amended and Restated 1998 Stock Incentive Plan (Stock Incentive Plan) provides for awards which may be granted in the form of incentive stock options, nonqualified stock options, restricted stock, stock appreciation rights and performance units with value based upon our performance. Stock options generally vest ratably over four years following the date of grant and expire ten years from the date of the grant. We also grant awards to our directors, generally in the form of stock options, in accordance with the Board of Directors Policy (Board Plan). The options generally vest immediately and have a four-year term. Should a director leave the board, we have the right to repurchase shares as if the options vested on a pro rata basis. In 2009, we began issuing options that vest over four years with 75% vesting ratably over 15 quarters and the remaining 25% vesting on the 16th quarter. All outstanding options were granted at exercise prices equal to or exceeding our estimate of the fair market value of our common stock at the date of grant. There were 75,000 and 85,000 outstanding director options at December 31, 2009 and June 30, 2010 (unaudited), respectively. In addition, there were 261,173 shares of restricted stock that were issued and outstanding under the Stock Incentive Plan at December 31, 2009 and June 30, 2010.

In May 2010, we issued 13,332 shares of restricted stock to our independent board members pursuant to our independent director compensation plan.

The following table summarizes transactions under our Stock Incentive Plan and Board Plan:

	Number of Shares	Range of Exercise Prices	Weighted Average Exercise Price
Balance at December 31, 2006	4,733,859	2.00 - 2.50	2.06
Granted	1,116,750	3.00 - 5.50	3.68
Exercised	(484,391)	2.00	2.00
Forfeited/cancelled	(354,296)	2.00 - 3.50	2.13
Balance at December 31, 2007	5,011,922	2.00 - 5.50	2.42
Granted	1,987,000	6.00 - 7.00	6.55
Exercised	(332,454)	2.00 - 7.00	2.32
Forfeited/cancelled	(431,905)	2.00 - 7.00	3.49
Balance at December 31, 2008	6,234,563	2.00 - 7.00	3.67
Granted	2,284,000	6.00	6.00
Exercised	(177,891)	2.00 - 6.00	3.05
Forfeited/cancelled	(411,943)	2.00 - 7.00	4.18
Balance at December 31, 2009	7,928,729	2.00 - 7.00	4.33

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Granted	1,549,000	7.50 - 8.00	7.70
Exercised	(93,556)	2.00 - 6.00	2.33
Forfeited/cancelled	(172,139)	2.00 - 8.00	6.08
Balance, June 30, 2010 (unaudited)	9,212,034	2.00 - 8.00	4.88

At December 31, 2009 and June 30, 2010 (unaudited), there were approximately 366,000 and 999,272 shares available for future grants under the Stock Incentive Plan and Board Plan, respectively. Our board of directors and stockholders approved increases to the number of shares of common stock reserved for issuance under our 1998 Stock Incentive Plan in April 2010 and June 2010.

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The weighted average grant-date fair value of options granted during the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2010 (unaudited) was \$3.44, \$5.80, \$5.26 and \$7.22, respectively. The aggregate intrinsic value of stock options exercised in the years ended December 31, 2007, 2008, 2009 and the six months ended June 30, 2010 (unaudited) was \$0.9 million, \$0.6 million, \$0.4 million and \$0.5 million respectively. The aggregate intrinsic value of outstanding stock options was \$12.9 million and \$28.4 million as of December 31, 2009 and June 30, 2010 (unaudited), respectively. The aggregate intrinsic value of options exercisable was \$12.1 million and \$22.3 million as of December 31, 2009 and June 30, 2010 (unaudited), respectively.

The following table summarizes outstanding stock options at December 31, 2009 and June 30, 2010 (unaudited), that are vested and expected to vest, non-vested, and stock options that are currently exercisable.

	December 31, 2009			June 30, 2010 (unaudited)		
	Fully Vested and Expected to Vest	Non-Vested	Exercisable	Fully Vested and Expected to Vest	Non-Vested	Exercisable
Number of shares outstanding	7,647,137	3,577,919	4,350,808	8,804,835	4,339,508	4,872,215
Weighted average remaining contractual life	7.20	9.02	5.83	7.16	8.98	5.72
Weighted average price per share	\$ 4.26	\$ 5.88	\$ 3.04	\$ 4.79	\$ 5.56	\$ 3.39

As of December 31, 2009 and June 30, 2010 (unaudited), the total future compensation cost related to nonvested stock options to be recognized in the consolidated statement of operations was \$6.9 million and \$9.9 million, respectively, with a weighted average period over which these awards are expected to be recognized of 2.4 years and 2.4 years, respectively. Of the June 30, 2010 (unaudited) total, \$3.4 million, \$3.2 million, \$2.3 million and \$1.2 million will be recognized in 2010, 2011, 2012 and 2013, respectively.

The total number of stock options that vested during the year ended December 31, 2009 and the six months ended June 30, 2010 (unaudited) was 1,490,060 and 521,407 respectively. The fair value of these options was \$5.9 million and \$4.2 million, respectively.

In July 2010, we granted 569,250 options to purchase shares of common stock. The exercise price for these options was \$9.00 per share.

Stock-Based Compensation Assumptions

We have utilized the Black-Scholes option pricing model as the appropriate model for determining the fair value of stock-based awards. The awards granted in 2007, 2008, 2009, and the first six months of 2010 (unaudited) were valued using the following assumptions:

Risk-free interest rates	1.5-4.8%
Expected option life (in years)	6
Dividend yield	0%
Expected volatility	50-60%

Risk-free interest rate. This is the average U.S. Treasury rate (having a term that most closely approximates the expected life of the option) for the period in which the option was granted.

Expected life of the options. This is the period of time that the options granted are expected to remain outstanding.

Dividend yield. We have never declared or paid dividends on our common stock and do not anticipate paying dividends in the foreseeable future.

Expected volatility. Volatility is a measure of the amount by which a financial variable such as a share price has fluctuated (historical volatility) or is expected to fluctuate (expected volatility) during a period. The

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Company was privately held during the periods presented and arrived at a volatility rate after considering historical and expected volatility rates of publicly traded peers.

Stock Purchase Warrants

In December 2005, we issued two-year fully exercisable warrants to purchase 87,500 shares of common stock at \$2.00 per share to two significant customers. The estimated fair value of the warrants was de minimis. In December 2007, the warrants were exercised.

In July 2007, we issued one-year fully exercisable warrants to purchase 75,000 shares of common stock at \$3.50 per share to a customer. The estimated fair value of the warrants was \$47,000. The value of the warrants was recorded as a discount to unearned revenue and was amortized into revenue over the period of expected benefit with an order signed at that time. In June 2008, the warrants were exercised.

In connection with the issuance of the Series A Preferred, we issued to current and prior stockholders stock purchase warrants representing the right to purchase an aggregate of 4,578,000 shares of our common stock, at an exercise price of \$0.002 per share. These warrants contained a net-cash settlement provision and accordingly were recorded as a liability; however, due to various measures determining exercisability and vesting, the fair value of this liability was nominal. In February 2008, these warrants were amended to be fully vested at the time of the issuance of the Series C Preferred. In 2008, stockholders exercised warrants to purchase 4,553,000 shares of common stock, and the remaining 25,000 warrants expired.

We issued a five-year warrant to purchase 225,000 shares of common stock at \$0.02 per share in connection with a 2004 acquisition. As of December 31, 2008 and 2009, 200,000 and zero shares, respectively, remained outstanding in connection with this warrant.

We issued a five-year warrant to purchase 25,000 and 12,500 shares of common stock at \$2.00 per share in connection with 2004 and 2005 amendments to our prior credit facility. In May 2009, the warrant to purchase 25,000 shares was automatically net exercised for 15,808 shares of common stock. As of December 31, 2009, the Company has 12,500 warrants outstanding. In March 2010, the warrant to purchase 12,500 shares was automatically net exercised for 8,790 shares of common stock. As of June 30, 2010, we have no warrants outstanding.

9. Commitments and Contingencies***Lease Commitments***

We lease office space and equipment under capital and operating leases that expire at various times through 2016. We recognize lease expense for these leases on a straight-line basis over the lease terms.

The assets under capital lease are as follows:

	December 31,	
	2008	2009
	(in thousands)	
Data processing and communications equipment	\$ 3,336	\$ 5,679
Software	5,616	5,903

	8,952	11,582
Less: Accumulated depreciation and amortization	(3,169)	(6,411)
Assets under capital lease, net	\$ 5,783	\$ 5,171

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Aggregate annual rental commitments at December 31, 2009, under operating leases with initial or remaining non-cancelable lease terms greater than one year and capital leases are as follows:

	Capital Leases (in thousands)	Operating Leases
2010	\$ 1,670	\$ 4,922
2011	538	4,372
2012	65	3,825
2013		3,809
2014		3,782
Thereafter		6,341
Total Minimum lease payments	\$ 2,273	\$ 27,051
Less amount representing average interest at 9.1%	(144)	
	2,129	
Less current portion	(1,540)	
Long-term portion	\$ 589	

Rent expense was \$3.1 million, \$4.5 million, \$5.1 million, \$2.5 million and \$3.2 million for the years ended December 31, 2007, 2008 and 2009, and the six months ended June 30, 2009 and 2010 (unaudited), respectively.

Guarantor Arrangements

We have agreements whereby we indemnify our officers and directors for certain events or occurrences while the officer or director is or was serving at our request in such capacity. The term of the indemnification period is for the officer or director's lifetime. The maximum potential amount of future payments we could be required to make under these indemnification agreements is unlimited; however, we have a director and officer insurance policy that limits our exposure and enables us to recover a portion of any future amounts paid. As a result of our insurance policy coverage, we believe the estimated fair value of these indemnification agreements is minimal. Accordingly, we had no liabilities recorded for these agreements as of December 31, 2008 and 2009, or June 30, 2010 (unaudited).

In the ordinary course of our business, we enter into standard indemnification provisions in our agreements with our customers. Pursuant to these provisions, we indemnify our customers for losses suffered or incurred in connection with third-party claims that our products infringed upon any U.S. patent, copyright, trademark or other intellectual property right. Where applicable, we generally limit such infringement indemnities to those claims directed solely to our products and not in combination with other software or products. With respect to our products, we also generally reserve the right to resolve such claims by designing a non-infringing alternative, by obtaining a license on reasonable terms, or by terminating our relationship with the customer and refunding the customer's fees.

The potential amount of future payments to defend lawsuits or settle indemnified claims under these indemnification provisions is unlimited in certain agreements; however, we believe the estimated fair value of these indemnity provisions is minimal, and, accordingly, we had no liabilities recorded for these agreements as of December 31, 2008 and 2009, or June 30, 2010 (unaudited).

Litigation

We are subject to litigation and claims arising in the ordinary course of business. Our management believes that the probable resolution of any such litigation will not materially affect our consolidated financial position and results of operations.

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Table of Contents**10. Funds Held for Others**

In connection with our payment processing services, we collect tenant funds and subsequently remit these tenant funds to our customers after varying holding periods. These funds are settled through our Originating Depository Financial Institution (ODFI) custodial account at a major bank. As part of this processing, we earn interest from the time the money is collected from the tenants until the time of remittance to our customers' accounts. This interest generated from the ODFI custodial account balances is included in revenue and was \$0.2 million, \$0.1 million, \$0.0 million, \$0.0 million and \$0.0 million for the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 (unaudited), respectively.

The ODFI custodial account balances were \$12.7 million, \$13.0 million and \$16.9 million at December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively. The ODFI custodial account balances are included in our consolidated balance sheets as restricted cash. The corresponding liability for these custodial balances is reflected as customer deposits. In connection with the timing of our payment processing services, we are exposed to credit risk in the event of nonperformance by other parties, such as returned checks. We utilize credit analysis and other controls to manage the credit risk exposure. We have not experienced any credit losses to date. Any expected losses are included in our accounts receivable allowances on our consolidated balance sheet.

In January 2007, we established a wholly owned subsidiary, RealPage Payment Processing Services, Inc. (RPPS), a bankruptcy-remote, special-purpose entity, and transferred the ODFI custodial accounts and all ACH transaction processing responsibilities to RPPS. We provide processing and administrative services to RPPS through a services agreement.

The obligations of RPPS under the ODFI custodial account agreement are guaranteed by us.

In connection with our resident insurance products, we collect premiums from policy holders and subsequently remit the premium, net of our commission, to the underwriter. We maintain separate accounts for these transactions. We had \$1.5 million, \$1.9 million and \$1.6 million in restricted cash for the periods ended December 31, 2008 and 2009, and June 30, 2010 (unaudited), respectively, and \$1.5 million, \$2.2 million and \$1.6 million in customer deposits related to these insurance products for periods ended December 31, 2008 and 2009 and June 30, 2010 (unaudited), respectively.

11. Net Income (Loss) Per Share

Net income (loss) per share is presented in conformity with the two-class method required for participating securities. Holders of Series A Preferred, Series A1 Preferred, Series B Preferred and Series C Preferred are each entitled to receive 8% per annum cumulative dividends, payable prior and in preference to any dividends on any other shares of our capital stock. In the event a dividend is paid on common stock, holders of Series A Preferred, Series A1 Preferred, Series B Preferred, Series C Preferred and non-vested restricted stock are entitled to a proportionate share of any such dividend as if they were holders of common shares (on an as-if converted basis). Holders of Series A Preferred, Series A1 Preferred, Series B Preferred, Series C Preferred and non-vested restricted stock do not share in loss of the Company.

Under the two-class method, basic net income per share attributable to common stockholders is computed by dividing the net income attributable to common stockholders by the weighted average number of common shares outstanding during the period. Net income attributable to common stockholders is determined by allocating undistributed earnings, calculated as net income less current period Series A Preferred, Series A1 Preferred, Series B Preferred and Series C Preferred cumulative dividends, between the holders of common stock and Series A Preferred,

Series A1 Preferred, Series B Preferred and Series C Preferred. Diluted net income per share attributable to common stockholders is computed by using the weighted average number of common shares outstanding, including potential dilutive shares of common stock assuming the dilutive effect of outstanding stock options using the treasury stock method.

Pro forma basic and diluted net income per share were computed to give effect to the conversion of the Series A Preferred, Series A1 Preferred, Series B Preferred and Series C Preferred using the as-if converted

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method into common stock as though the conversion had occurred as of January 1, 2009, or original date of issuance, if later.

The following table presents the calculation of basic and diluted net income per share attributable to common stockholders and pro forma basic and diluted net income per share:

	Year Ended December 31,			Six Months Ended	
	2007	2008	2009	2009	2010
	(in thousands, except per share amounts)				
Numerator:					
Net (loss) income	\$ (3,143)	\$ (3,209)	\$ 28,429	\$ 2,037	\$ (39)
8% cumulative dividends on participating preferred stock	(6,000)	(7,449)	(5,521)	(2,882)	(2,324)
Undistributed earnings allocated to participating preferred and restricted stock			(12,297)		
Net (loss) income attributable to common stockholders basic and diluted	\$ (9,143)	\$ (10,658)	\$ 10,611	\$ (845)	\$ (2,363)
Denominator:					
Basic:					
Weighted average common shares used in computing basic net income (loss) per share	10,223	13,886	23,934	23,831	25,901
Diluted:					
Weighted average common shares used in computing basic net income (loss) per share	10,223	13,886	23,934	23,831	25,901
Add weighted average effect of dilutive securities:					
Stock options			1,531		
Stock warrants			46		
Weighted average common shares used in computing diluted net income (loss) per share	10,223	13,886	25,511	23,831	25,901
Net (loss) income per common share:					
Basic	\$ (0.89)	\$ (0.77)	\$ 0.44	\$ (0.04)	\$ (0.09)
Diluted	\$ (0.89)	\$ (0.77)	\$ 0.42	\$ (0.04)	\$ (0.09)
Shares used in computing pro forma net income per share (unaudited):					
Basic:					
Basic weighted average common shares from above			23,934		25,901
Add assumed conversion of convertible preferred stock			29,044		29,044
Shares used in computing pro forma basic net income per share			52,978		54,945

Diluted:		
Diluted weighted average common shares from above	25,511	25,901
Add conversion of Series A, Series A1, Series B, Series C convertible preferred stock excluded under the two class method	29,044	29,044
Shares used in computing pro forma diluted net income per share	54,555	54,945
Pro forma net income per share (unaudited):		
Basic	\$ 0.54	\$ (0.00)
Diluted	\$ 0.52	\$ (0.00)

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Table of Contents**12. Related Party Transactions**

We purchased transportation services of approximately \$87,000, \$34,000 and \$44,000, for the years ended December 31, 2007, 2008 and 2009 from a significant stockholder and company controlled by our Chief Executive Officer.

In connection with the residential relocation of one of our executives, an independent third-party relocation company purchased a home in June 2010, on the Company's behalf, for approximately \$0.9 million pursuant to the standard home-sale assistance terms utilized by us in the ordinary course of business.

13. Income Taxes

Our effective tax rate for the six month period ending June 30, 2010 was approximately 37% and accordingly a benefit was recognized as we consider it realizable. The provision for income taxes consists of the following as of December 31:

	Year Ended December 31,		
	2007	2008	2009
	(in thousands)		
Current:			
Federal			
State		\$ 197	\$ 231
Foreign		17	49
Total current taxes		214	280
Deferred:			
Federal		489	(25,147)
State			(1,161)
Foreign			
Total deferred taxes		489	(26,308)
Total income tax provision (benefit)		\$ 703	\$ (26,028)

The reconciliation of our income tax benefit computed at the U.S. federal statutory tax rate to the actual income tax expense is as follows:

	Year Ended December 31,		
	2007	2008	2009
	(in thousands)		
Expense derived by applying the Federal income tax rate to (loss) income before taxes	\$ (1,068)	\$ (872)	\$ 837
State income tax, net of federal benefit		197	152

Foreign income tax		17	(50)
Change in valuation allowance			(27,036)
Nondeductible expenses	143	185	166
Losses not benefitted	1,046	567	
Other	(121)	609	(97)
		\$ 703	\$ (26,028)

Significant components of our deferred tax assets and liabilities are as follows:

	December 31,	
	2008	2009
	(in thousands)	
Deferred tax assets:		
Property, equipment, and software	\$ 597	
Reserves and accrued liabilities	6,101	\$ 8,228
Net operating loss carryforwards	25,579	24,270
Total gross deferred tax assets	32,277	32,498

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	December 31,	
	2008	2009
	(in thousands)	
Deferred tax asset valuation allowance	(31,563)	(4,527)
Deferred tax assets	714	27,971
Deferred tax liabilities		
Property, equipment, and software		(1,868)
Other	(235)	(476)
Intangible assets	(1,611)	(4,714)
Total deferred tax liabilities	(1,846)	(7,058)
Net deferred tax assets/(liabilities)	\$ (1,132)	\$ 20,913

Our management periodically evaluates the realizability of the deferred tax assets and recognizes the tax benefit when it is determined they are realizable. At such time, if it is determined that it is more likely than not that the deferred tax assets are realizable, the valuation allowance will be adjusted. In December 2009, based on current year income, and our projections of future income, we concluded it was more likely than not that certain of our deferred tax assets would be realizable, and therefore the valuation allowance was reduced by \$27.0 million.

Our federal net operating loss carryforwards of \$67.2 million will begin to expire in 2020. A change in ownership, as defined in Section 382 of the Internal Revenue Code, may limit utilization of the federal net operating loss and research and development credit carryforwards.

A cumulative change in ownership among material shareholders, as defined in Section 382 of the Internal Revenue Code during a three-year period, may limit utilization of the federal net operating loss and research and development credit carryforwards. Based on available information, the Company believes it is not currently subject the Section 382 limitation. If triggered under current conditions, the timing of utilization of our net operating loss may be impacted.

Uncertain Tax Positions

Effective January 1, 2007, we adopted a new accounting standard relating to the accounting for uncertain tax positions. We recorded no additional tax liability as a result of the adoption of this standard and no adjustments to the January 1, 2007 balance of retained deficit, and therefore no accrued interest and penalties recognized as of January 1, 2007. At December 31, 2008 and 2009, we had no unrecognized tax benefits. Our policy is to include interest and penalties related to unrecognized tax benefits in income tax expense, and as of December 31, 2008 and December 31, 2009, there were no accrued interest and penalties.

We file consolidated and separate tax returns in the U.S. federal jurisdiction and in several state jurisdictions and one foreign jurisdiction. We are no longer subject to U.S. federal income tax examinations for years before 2006 and are no longer subject to state and local income tax examinations by tax authorities for years before 2005. We are not currently under audit for federal, state or any foreign jurisdictions.

14. Employee Benefit Plans

In 1998, our board of directors approved a defined contribution plan that provides retirement benefits under the provisions of Section 401(k) of the Internal Revenue Code. Our 401(k) Plan (Plan) covers substantially all employees who meet a minimum service requirement. Under the Plan, we can elect to make voluntary contributions. Contributions of \$0.2 million, \$0.3 million, \$0.4 million, \$0.2 million and \$0.2 million were made by us for the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 (unaudited), respectively.

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15. Subsequent Event

On July 22, 2010, the board of directors approved an amended and restated certificate of incorporation that will, prior to the effectiveness of the registration statement, effect a reverse stock split of every 2 outstanding shares of preferred stock and common stock into 1 share of preferred stock or common stock, respectively. The par value of the common and convertible preferred stock will not be adjusted as a result of the reverse stock split. All issued and outstanding common stock, restricted stock, redeemable convertible preferred stock, and warrants for common stock and per share amounts contained in the financial statements have been retroactively adjusted to reflect this reverse stock split for all periods presented. The reverse stock split was effected on July 23, 2010.

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Table of Contents**PART II****Information Not Required in Prospectus****Item 13. *Other Expenses of Issuance and Distribution***

The following table presents the costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale of common stock being registered. All amounts are estimates except the SEC registration fee and the FINRA filing fees.

SEC Registration fee	\$ 10,695.00
FINRA filing fee	15,500.00
NASDAQ Global Market listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue sky fees and expenses	*
Custodian and transfer agent fees	*
Miscellaneous fees and expenses	*
Total	*

* To be filed by amendment.

Item 14. *Indemnification of Directors and Officers*

Section 145 of the Delaware General Corporation Law authorizes a corporation's board of directors to grant, and authorizes a court to award, indemnity to officers, directors and other corporate agents.

As permitted by Section 102(b)(7) of the Delaware General Corporation Law, the registrant's amended and restated certificate of incorporation to be effective upon the completion of this offering includes provisions that eliminate the personal liability of its directors and officers for monetary damages for a breach of their fiduciary duty as directors and officers.

In addition, as permitted by Section 145 of the Delaware General Corporation Law, the registrant's amended and restated bylaws to be effective upon the completion of this offering provide that:

The registrant shall indemnify its directors and officers for serving the registrant in those capacities or for serving other business enterprises at the registrant's request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful.

The registrant may, in its discretion, indemnify employees and agents in those circumstances in which indemnification is not required by law.

The registrant will be required to advance expenses, as incurred, to its directors and officers in connection with defending a proceeding, except that such director or officer shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification.

The registrant will not be obligated pursuant to the bylaws to indemnify a person with respect to proceedings initiated by that person, except with respect to proceedings authorized by the registrant's board of directors. The rights conferred in the bylaws are not exclusive, and the registrant is authorized to enter into indemnification agreements with its directors, officers, employees and agents and to obtain insurance to indemnify such persons.

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The registrant may not retroactively amend the bylaw provisions to reduce its indemnification obligations to directors, officers, employees and agents.

Prior to the completion of this offering, the registrant plans to enter into separate indemnification agreements with each of its directors and executive officers that provide the maximum indemnity allowed to directors and executive officers by Section 145 of the Delaware General Corporation Law and also provides for certain additional procedural protections. The registrant also maintains insurance to insure directors and officers against certain liabilities.

These indemnification provisions and the indemnification agreements to be entered into between the registrant and its officers and directors may be sufficiently broad to permit indemnification of the registrant's officers and directors for liabilities (including reimbursement of expenses incurred) arising under the Securities Act.

The underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification by the underwriters of the registrant and its officers and directors for certain liabilities arising under the Securities Act and otherwise.

Item 15. *Recent Sales of Unregistered Securities*

1. On July 25, 2007, the registrant sold and issued to one of its customers who was an accredited investor a warrant to purchase 50,000 shares of its common stock at an exercise price per share of \$2.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

2. On July 26, 2007, the registrant granted to certain of its employees options to purchase an aggregate of 69,750 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$3.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

3. On July 26, 2007, the registrant sold and issued to one of its customers who was an accredited investor a warrant to purchase 75,000 shares of its common stock at an exercise price per share of \$3.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

4. On October 17, 2007, the registrant sold and issued pursuant to an option exercise by one of its executive officers an aggregate of 125,000 shares of its common stock at a purchase price of \$2.00 per share for an aggregate consideration of \$250,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

5. On October 23, 2007, the registrant sold and issued pursuant to option exercises by one of its directors an aggregate of 175,000 shares of its common stock at a purchase price of \$2.00 per share for an aggregate consideration of \$350,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

6. On November 29, 2007, the registrant granted to certain of its employees options to purchase an aggregate of 173,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$5.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the

registrant's board of directors.

7. On November 29, 2007, the registrant granted to one of its employees who was also an accredited investor options to purchase an aggregate of 100,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$5.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

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8. On December 19, 2007, the registrant sold and issued an aggregate of 37,500 shares of its common stock pursuant to the exercise of a warrant held by one of its customers who was an accredited investor at a purchase price of \$2.00 per share for an aggregate consideration of \$75,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

9. On December 20, 2007, the registrant sold and issued an aggregate of 50,000 shares of its common stock pursuant to the exercise of a warrant held by one of its customers who was an accredited investor at a purchase price of \$2.00 per share for an aggregate consideration of \$100,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

10. On January 4, 2008, the registrant sold and issued an aggregate of 18,750 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$37,500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

11. On January 30, 2008, the registrant sold and issued pursuant to option exercises by one of its directors an aggregate of 175,000 shares of its common stock at a purchase price of \$2.00 per share for an aggregate consideration of \$350,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

12. On February 8, 2008, the registrant sold and issued an aggregate of 5,156 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$10,313. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

13. On February 18, 2008, the registrant sold and issued an aggregate of 656 shares of its common stock pursuant to option exercises by the holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$1,313. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

14. On February 22, 2008, the registrant sold and issued to seven accredited investors who were also existing stockholders of the registrant an aggregate of 1,512,498 shares of its Series C Convertible Preferred Stock at a price of \$9.00 per share for an aggregate price of \$13,612,500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

15. On February 28, 2008, the registrant sold and issued an aggregate of 22,499 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$45,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

16. On February 29, 2008, the registrant granted to certain of its employees options to purchase an aggregate of 243,250 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

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17. On February 29, 2008, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 417,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

18. On February 29, 2008, the registrant sold and issued an aggregate of 5,234 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$10,469. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

19. On March 18, 2008, the registrant sold and issued an aggregate of 781 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$5.50 per share for an aggregate consideration of \$4,295.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

20. On March 21, 2008, the registrant sold and issued an aggregate of 703 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$1,406. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

21. On April 10, 2008, the registrant sold and issued an aggregate of 3,750,000 shares of its common stock pursuant to the exercise of a warrant held by an executive officer, director and stockholder at a purchase price of \$0.002 per share for an aggregate consideration of \$7,500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

22. On April 10, 2008, the registrant sold and issued an aggregate of 153,125 shares of its common stock pursuant to the exercise of a warrant held by an accredited investor affiliated with an executive officer, director and stockholder at a purchase price of \$0.002 per share for an aggregate consideration of \$306.25. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

23. On April 25, 2008, the registrant sold and issued an aggregate of 469 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$938. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

24. On May 20, 2008, the registrant sold and issued an aggregate of 75,000 shares of its common stock pursuant to the exercise of a warrant held by a former stockholder of the registrant's predecessor corporation who was an accredited investor at a purchase price of \$0.002 per share for an aggregate consideration of \$150. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

25. On May 29, 2008, the registrant granted to certain of its employees options to purchase an aggregate of 150,750 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of

\$7.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

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26. On May 29, 2008, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 148,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

27. On June 18, 2008, the registrant sold and issued an aggregate of 750 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$1,500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

28. On June 30, 2008, the registrant sold and issued an aggregate of 75,000 shares of its common stock pursuant to the exercise of a warrant held by one of its customers who was an accredited investor at a purchase price of \$3.50 per share for an aggregate consideration of \$262,500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

29. On July 15, 2008, the registrant sold and issued an aggregate of 25,000 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan, 6,250 of which were sold and issued at a purchase price of \$3.50 per share and 18,750 of which were sold and issued at a purchase price per share of \$3.00, for an aggregate consideration of \$78,125. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

30. On July 20, 2008, the registrant granted to certain of its employees options to purchase an aggregate of 45,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

31. On July 20, 2008, the registrant granted to one of its employees who was also an accredited investor options to purchase an aggregate of 87,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

32. On August 7, 2008, the registrant sold and issued an aggregate of 2,578 shares of its common stock pursuant to option exercises by a holder of a stock options issued under the registrant's 1998 Stock Incentive Plan, 1,953 of which were sold and issued at a purchase price of \$2.00 per share and 625 of which were sold and issued at a purchase price per share of \$7.00, for an aggregate consideration of \$8,282. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

33. On September 15, 2008, the registrant sold and issued an aggregate of 4,687 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$5.50 per share for an aggregate consideration of \$25,781.25. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

34. On October 7, 2008, the registrant sold and issued an aggregate of 875 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$1,750. The issuance and sale of

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these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

35. On October 8, 2008, the registrant sold and issued an aggregate of 500,000 shares of its common stock pursuant to the exercise of a warrant held by a former stockholder of the registrant's predecessor corporation who was an accredited investor at a purchase price of \$0.002 per share for an aggregate consideration of \$1,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

36. On October 20, 2008, the registrant sold and issued an aggregate of 25,000 shares of its common stock pursuant to the exercise of a warrant held by one of its employees who was an accredited investor at a purchase price of \$0.02 per share for an aggregate consideration of \$500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

37. On October 29, 2008, the registrant sold and issued an aggregate of 46,875 shares of its common stock pursuant to option exercises by a holder of a stock options issued under the registrant's 1998 Stock Incentive Plan, 37,500 of which were sold and issued at a purchase price of \$2.50 per share and 9,375 of which were sold and issued at a purchase price per share of \$3.50, for an aggregate consideration of \$126,562.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

38. On November 4, 2008, the registrant sold and issued an aggregate of 562 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$1,125. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

39. On November 19, 2008, the registrant sold and issued an aggregate of 21,875 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$3.00 per share for an aggregate consideration of \$65,625. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

40. On December 12, 2008, the registrant granted to certain of its employees options to purchase an aggregate of 298,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

41. On December 12, 2008, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 147,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

42. On December 12, 2008, the registrant granted to certain of its directors options to purchase an aggregate of 50,000 shares of its common stock at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

43. On December 17, 2008, the registrant granted to certain of its employees options to purchase an aggregate of 170,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an

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exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

44. On December 17, 2008, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 230,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

45. On December 30, 2008, the registrant sold and issued an aggregate of 75,000 shares of its common stock pursuant to the exercise of a warrants held by two former stockholders of the registrant's predecessor corporation who were accredited investor sat a purchase price of \$0.002 per share for an aggregate consideration of \$150. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

46. On December 31, 2008, the registrant issued an aggregate of 8,147,441 shares of its common stock to holders of its convertible preferred stock in partial payment of cumulative dividends accrued on the convertible preferred stock through such date. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

47. On February 26, 2009, the registrant granted to certain of its employees options to purchase an aggregate of 268,750 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

48. On February 26, 2009, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 450,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

49. On March 9, 2009, the registrant sold and issued an aggregate of 200,000 shares of its common stock pursuant to the exercise of a warrant held by one of its employees who was an accredited investor at a purchase price of \$0.02 per share for an aggregate consideration of \$4,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

50. On April 3, 2009, the registrant sold and issued an aggregate of 2,031 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$4,063. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

51. On May 28, 2009, the registrant sold and issued an aggregate of 15,808 shares of its common stock pursuant to the exercise of a warrant held by one of its lenders who was an accredited investor at a purchase price of \$2.00 per share for an aggregate consideration of \$31,617. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

52. On June 4, 2009, the registrant granted to certain of its employees options to purchase an aggregate of 230,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration

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pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

53. On June 4, 2009, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 55,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

54. On June 17, 2009, the registrant sold and issued an aggregate of 1,858 shares of its common stock pursuant to option exercises by a holder of a stock options issued under the registrant's 1998 Stock Incentive Plan, 1,015 of which were sold and issued at a purchase price of \$2.00 per share and 781 of which were sold and issued at a purchase price per share of \$2.50, for an aggregate consideration of \$3,984.75. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

55. On June 17, 2009, the registrant sold and issued an aggregate of 62 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$6.00 per share for an aggregate consideration of \$375. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

56. On August 13, 2009, the registrant sold and issued an aggregate of 84,375 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$3.00 per share for an aggregate consideration of \$253,125. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

57. On August 14, 2009, the registrant sold and issued an aggregate of 562 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$3.50 per share for an aggregate consideration of \$1,968.75. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

58. On September 18, 2009, the registrant sold and issued an aggregate of 1,250 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$2,500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

59. On September 28, 2009, the registrant granted to certain of its employees options to purchase an aggregate of 324,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

60. On September 28, 2009, the registrant granted to certain of its employees and consultants who were also accredited investors options to purchase an aggregate of 557,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not

involving a public offering.

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61. On October 6, 2009, the registrant sold and issued an aggregate of 1,719 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$3,438. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

62. On October 21, 2009, the registrant issued 169,767 shares of its common stock to certain of its current or former employees and consultants as compensation for the achievement of certain performance milestones agreed to in connection with the registrant's acquisition of OpsTechnology, Inc. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

63. On October 21, 2009, the registrant issued 163,565 shares of its common stock to certain of its current employees who were also accredited investors as compensation for the achievement of certain performance milestones agreed to in connection with the registrant's acquisition of OpsTechnology, Inc. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

64. On October 28, 2009, the registrant granted to certain of its employees options to purchase an aggregate of 112,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

65. On October 28, 2009, the registrant awarded and issued 11,174 restricted shares of its common stock to employees under the registrant's 1998 Stock Incentive Plan in connection with the registrant's acquisition of Propertyware, Inc. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

66. On October 28, 2009, the registrant awarded and issued 249,999 restricted shares of its common stock to employees who were also accredited investors under the registrant's 1998 Stock Incentive Plan in connection with the registrant's acquisition of Propertyware, Inc. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

67. On October 28, 2009, the registrant issued 488,825 restricted shares of its common stock to nine accredited investors in partial consideration of the registrant's acquisition of Propertyware, Inc. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

68. On November 19, 2009, the registrant granted to certain of its employees options to purchase an aggregate of 181,250 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

69. On November 19, 2009, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 55,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan

at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

70. On November 28, 2009, the registrant sold and issued an aggregate of 60,156 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock

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Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$120,313. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

71. On November 28, 2009, the registrant sold and issued pursuant to option exercises by one of its directors an aggregate of 18,875 shares of its common stock at a purchase price of \$6.00 per share for an aggregate consideration of \$113,250. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

72. On December 8, 2009, the registrant sold and issued an aggregate of 937 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$1,875. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

73. On December 23, 2009, the registrant sold and issued pursuant to option exercises by one of its directors an aggregate of 6,125 shares of its common stock at a purchase price of \$6.00 per share for an aggregate consideration of \$36,750. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

74. On December 29, 2009, the registrant granted to one of its directors an option to purchase an aggregate of 50,000 shares of its common stock at an exercise price per share of \$6.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

75. On December 31, 2009, the registrant issued an aggregate of 1,418,669 shares of its common stock to holders of its convertible preferred stock in partial payment of cumulative dividends accrued on the convertible preferred stock through such date. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

76. On January 8, 2010, the registrant sold and issued pursuant to an option exercise by one of its executive officers an aggregate of 12,500 shares of its common stock at a purchase price of \$2.00 per share for an aggregate consideration of \$25,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

77. On January 8, 2010, the registrant sold and issued pursuant to an option exercise by one of its officers who was also an accredited investor an aggregate of 12,500 shares of its common stock at a purchase price of \$2.00 per share for an aggregate consideration of \$25,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

78. On January 8, 2010, the registrant sold and issued an aggregate of 25,000 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$3.00 per share for an aggregate consideration of \$75,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

79. On January 14, 2010, the registrant sold and issued an aggregate of 1,000 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.50 per share for an aggregate consideration of \$2,500. The issuance

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and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

80. On February 25, 2010, the registrant granted to certain of its employees options to purchase an aggregate of 265,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

81. On February 25, 2010, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 595,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

82. On February 25, 2010, the registrant granted to certain of its directors options to purchase an aggregate of 60,000 shares of its common stock at an exercise price per share of \$7.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

83. On March 1, 2010, the registrant sold and issued an aggregate of 500 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$6.00 per share for an aggregate consideration of \$3,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

84. On March 18, 2010, the registrant sold and issued an aggregate of 8,790 shares of its common stock pursuant to the exercise of a warrant held by one of its lenders who was an accredited investor at a purchase price of \$2.00 per share for an aggregate consideration of \$17,581. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

85. On March 25, 2010, the registrant sold and issued an aggregate of 15,000 shares of its common stock pursuant to option exercises by a holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$30,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

86. On April 20, 2010, the registrant granted to one of its employees who was also an accredited investor options to purchase an aggregate of 12,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$7.50. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

87. On April 23, 2010, the registrant issued an aggregate of 342,632 shares of its common stock to holders of its Series A Convertible Preferred Stock, Series A1 Convertible Preferred Stock and Series B Convertible Preferred Stock in partial payment of cumulative dividends accrued on such series of convertible preferred stock through March 31, 2010. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

88. On May 12, 2010, the registrant awarded and issued an aggregate of 13,332 restricted shares of its common stock to the registrant's independent directors in accordance with the registrant's independent director

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compensation plan. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

89. On May 12, 2010, the registrant granted to certain of its employees options to purchase an aggregate of 228,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$8.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

90. On May 12, 2010, the registrant granted to certain of its employees who were also accredited investors options to purchase an aggregate of 237,500 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$8.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

91. On May 13, 2010, the registrant sold and issued an aggregate of 806 shares of its common stock pursuant to option exercises by the holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$6.00 per share for an aggregate consideration of \$4,839. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

92. On June 3, 2010, the registrant granted to one of its employees an option to purchase an aggregate of 150,000 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$8.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

93. On June 18, 2010, the registrant sold and issued an aggregate of 1,250 shares of its common stock pursuant to an option exercise by the holder of a stock option issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$2,500. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

94. On June 30, 2010, the registrant sold and issued an aggregate of 25,000 shares of its common stock pursuant to option exercises by the holder of stock options issued under the registrant's 1998 Stock Incentive Plan at a purchase price of \$2.00 per share for an aggregate consideration of \$50,000. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

95. On July 1, 2010, the registrant issued 499,999 restricted shares of its common stock to six accredited investors in partial consideration of the registrant's acquisition of eReal Estate Integration, Inc. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

96. On July 14, 2010, the registrant granted to certain of its employees options to purchase an aggregate of 569,250 shares of its common stock under the registrant's 1998 Stock Incentive Plan at an exercise price per share of \$9.00. The issuance and sale of these securities were deemed to be exempt from registration pursuant to Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan approved by the registrant's board of directors.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions. Stock certificates and warrants issued in the foregoing transactions bear appropriate Securities Act legends as to the restricted nature of such securities.

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Table of Contents**Item 16. Exhibits and Financial Statement Schedules****(a) Exhibits**

Exhibit Number	Description
1.1*	Form of Underwriting Agreement
3.1	Amended and Restated Certificate of Incorporation of the Registrant currently in effect
3.2	Form of Amended and Restated Certificate of Incorporation of the Registrant to be effective upon the completion of this offering
3.3**	Bylaws of the Registrant in effect before the completion of this offering
3.4	Form of Amended and Restated Bylaws of the Registrant to be effective upon the completion of this offering
4.1	Form of Common Stock certificate of the Registrant
4.2**	Shareholders Agreement among the Registrant and certain stockholders, dated December 1, 1998, as amended July 16, 1999 and November 3, 2000
4.3**	Second Amended and Restated Registration Rights Agreement among the Registrant and certain stockholders, dated February 22, 2008
4.4**	Fourth Amended and Restated Shareholders Agreement among the Registrant and certain stockholders, dated March 17, 2010
4.5**	Letter Agreement between the Registrant and Camden Partners Strategic Fund III, L.P. regarding management rights, dated December 14, 2005
4.6**	Letter Agreement between the Registrant and Camden Partners Strategic Fund III-A, L.P. regarding management rights, dated December 14, 2005
4.7**	Fifth Amended and Restated Shareholders Agreement among the Registrant and certain stockholders, dated June 7, 2010
5.1	Opinion of Wilson Sonsini Goodrich & Rosati, Professional Corporation
10.1**	Form of Indemnification Agreement to be entered into between the Registrant and each of its directors and officers
10.2+**	Amended and Restated 1998 Stock Incentive Plan
10.2A+**	Form of Notice of Stock Option Grant
10.2B+**	Form of Notice of Grant of Restricted Shares
10.2C+**	Form of Non-Qualified Stock Option Agreement (Second Series)
10.2D+**	Form of Non-Qualified Stock Option Agreement
10.2E+**	Form of Notice of Stock Option Grant (May 2010)
10.2F+**	Form of Notice of Stock Option Grant (May 2010 - California)
10.2G+**	Amended and Restated 1998 Stock Incentive Plan (June 2010)
10.2H+**	Form of Notice of Stock Option Grant (Accelerated Vesting)
10.3+**	Form of Director's Nonqualified Stock Option Agreement
10.4+	2010 Equity Incentive Plan
10.5+**	Form of 2009 Management Incentive Plan
10.6+**	Form of 2010 Management Incentive Plan
10.6A+**	Form of 2010 Management Incentive Plan (as revised May 2010)
10.7+**	Stand-Alone Stock Option Agreement between the Registrant and Peter Gyenes, dated February 25, 2010
10.8+**	Non-Qualified Stock Option Agreement (Second Series) under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Timothy J. Barker dated October 27, 2005

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- 10.9+** Non-Qualified Stock Option Agreement (Second Series) under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Timothy J. Barker dated February 26, 2009
- 10.10+** Notice of Stock Option Grant under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Timothy J. Barker dated February 25, 2010
- 10.11+** Employment Agreement between the Registrant and Stephen T. Winn, dated December 30, 2003
- 10.12+** Employment Agreement between the Registrant and Timothy J. Barker, dated October 31, 2005
- 10.13+** Amendment to Employment Agreement between the Registrant and Timothy J. Barker, dated January 1, 2010
- 10.14+** Employment Agreement between the Registrant and William E. Van Valkenberg, dated September 24, 2009

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Exhibit Number	Description
10.15+**	Master Agreement for Consulting Services between the Registrant and William E. Van Valkenberg, dated June 28, 2009
10.16+**	Employment Agreement between the Registrant and Ashley Chaffin Glover, dated March 3, 2005
10.17+**	Employment Agreement between Multifamily Internet Ventures, LLC and Dirk D. Wakeham, dated April 12, 2007 and amended April 12, 2007
10.18**	Credit Agreement among the Registrant, Wells Fargo Foothill, LLC and Comerica Bank dated, September 3, 2009
10.19**	Security Agreement among the Registrant, OpsTechnology, Inc., Multifamily Internet Ventures, LLC, Starfire Media, Inc., RealPage India Holdings, Inc. and Wells Fargo Foothill, LLC, dated September 3, 2009
10.20**	General Continuing Guaranty among OpsTechnology, Inc., Multifamily Internet Ventures, LLC, Starfire Media, Inc., RealPage India Holdings, Inc. and Wells Fargo Foothill, LLC, dated September 3, 2009
10.21**	Waiver and First Amendment to Credit Agreement among the Registrant, Wells Fargo Foothill, LLC and Comerica Bank, dated September 16, 2009
10.22**	General Continuing Guaranty between A.L. Wizard, Inc. and Wells Fargo Foothill, LLC, dated September 25, 2009
10.23**	Waiver and Second Amendment to Credit Agreement among the Registrant, Wells Fargo Foothill, LLC and Comerica bank, dated October 15, 2009
10.24**	General Continuing Guarantee between Propertyware, Inc. and Wells Fargo Foothill, LLC, dated November 6, 2009
10.25**	Supplement No. 2 to Security Agreement between Propertyware, Inc. and Wells Fargo Foothill, LLC, dated November 6, 2009
10.26**	Consent and Third Amendment to Credit Agreement among the Registrant, Wells Fargo Foothill, LLC, and Comerica Bank dated December 23, 2009
10.27**	Waiver, Consent and Fourth Amendment to Credit Agreement among the Registrant, Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC) and Comerica Bank dated February 10, 2010
10.28**	General Security Agreement between 43642 Yukon, Inc. and Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC), dated February 10, 2010
10.29**	Guarantee between 43642 Yukon, Inc. and Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC), dated February 10, 2010
10.30**	Share Pledge between the Registrant and Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC), dated February 10, 2010
10.31**	Note Purchase Agreement between the Registrant and HV Capital Investors, L.L.C., dated August 1, 2008
10.32**	Security Agreement between the Registrant and HV Capital Investors, L.L.C., dated August 1, 2008
10.33**	Form of Secured Promissory Note issued by the Registrant to HV Capital Investors, L.L.C. on August 1, 2008 and September 19, 2008
10.34**	First Amendment to Note Purchase Agreement between the Registrant and HV Capital Investors, L.L.C., dated January 20, 2009 and effective as of December 31, 2008
10.35**	Form of Unsecured Subordinated Promissory Note (Series A and Series A1)
10.35A**	Schedule of Holders of Unsecured Subordinated Promissory Notes (Series A and Series A1)
10.36**	Form of Unsecured Subordinated Promissory Note (Series B and Series C)
10.36A**	Schedule of Holders of Unsecured Subordinated Promissory Notes (Series B and Series C)

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- 10.37** Form of Unsecured Subordinated Promissory Note (April 2010)
- 10.37A** Schedule of Holders of Unsecured Subordinated Promissory Notes (April 2010)
- 10.38** Amendment No. 1 to Unsecured Subordinated Promissory Notes among the Registrant and certain holders of its Unsecured Subordinated Promissory Notes
- 10.39** Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated July 23, 1999
- 10.40** First Amendment to Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated November 29, 1999
- 10.41** Second Amendment to Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated January 30, 2006
- 10.42** Third Amendment to Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated August 28, 2006

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Exhibit Number	Description
10.43**	Fourth Amendment to Lease Agreement between the Registrant and ARI-Commercial Properties, Inc., dated November 2007
10.44**	Fifth Amendment to Lease Agreement between the Registrant and ARI-Commercial Properties, Inc., dated February 4, 2009
10.45**	Sixth Amendment to Lease Agreement between the Registrant and ARI-Commercial Properties, Inc., dated March 30, 2009
10.46**	Lease Agreement between the Registrant and Savoy IBP 8, Ltd., dated August 28, 2006
10.47**	First Amendment to Lease Agreement among the Registrant, ARI-International Business Park, LLC, ARI -IBP 1, LLC, ARI - IBP 2, LLC, ARI - IBP 3, LLC, ARI - IBP 4, LLC, ARI - IBP 5, LLC, ARI - IBP 6, LLC, ARI - IBP 7, LLC, ARI - IBP 8, LLC, ARI - IBP 9, LLC, ARI - IBP 11, LLC and ARI - IBP 12, LLC, dated December 28, 2009
10.48 **	Master Services Agreement between the Registrant and DataBank Holdings Ltd., dated May 31, 2007
10.49+**	Form of Notice of Grant of Restricted Shares (Outside Directors)
10.50+**	Employment Agreement between the Registrant and Jason Lindwall, dated January 8, 2008
10.51+**	Employment Agreement between the Registrant and Margot Leberberg, dated May 12, 2010
10.52+**	Notice of Stock Option Grant under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Margot Leberberg, dated May 12, 2010
10.53+**	Employment Release Agreement between the Registrant and William Van Valkenberg, dated June 8, 2010
10.54**	Consent and Fifth Amendment to Credit Agreement among the Registrant, Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC) and Comerica Bank, dated June 22, 2010
10.55**	Sixth Amendment to Credit Agreement among the Registrant, Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC) and Comerica Bank, dated June 22, 2010
21.1	Subsidiaries of the Registrant
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
23.2	Consent of Wilson Sonsini Goodrich & Rosati, Professional Corporation (contained in Exhibit 5.1)
24.1**	Power of Attorney (contained in the signature page to this registration statement)

+ Indicates management contract or compensatory plan or arrangement.

* To be filed by amendment.

** Previously filed.

Confidential treatment has been requested for portions of this exhibit. These portions have been omitted from the Registration Statement and submitted separately to the Securities and Exchange Commission.

Table of Contents**(b) Financial Statement Schedules**

The following schedule is filed as part of this registration statement:

All other schedules have been omitted because the information required to be presented in them is not applicable or is shown in the financial statements or related notes.

SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS**REALPAGE, INC.****December 31, 2009****(in thousands)****Allowance for Doubtful Accounts**

Description	Balance at Beginning of Year	Additions Charged to Costs and Expenses	Additions Due to Acquisitions	Deduction(1)	Balance at End of Year
Year ended December 31:					
2007	\$ 923	\$ 1,490			\$ 2,413
2008	2,413	301	\$ 181		2,895
2009	2,895	441	175	\$ (1,289)	2,222

(1) Uncollectible accounts written off, net of recoveries.

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

1. For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed

to be part of this registration statement as of the time it was declared effective.

2. For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

Table of Contents**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Carrollton, State of Texas, on this 26th day of July, 2010.

REALPAGE, INC.

By: /s/ Stephen T. Winn

Stephen T. Winn
Chairman of the Board, Chief Executive Officer and Director

Pursuant to the requirements of the Securities Act of 1933, as amended, this Amendment to the Registration Statement has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Stephen T. Winn Stephen T. Winn	Chairman of the Board, Chief Executive Officer, and Director (Principal Executive Officer)	July 26, 2010
/s/ Timothy J. Barker Timothy J. Barker	Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)	July 26, 2010
*	Director	July 26, 2010
Alfred R. Berkeley, III *	Director	July 26, 2010
Richard M. Berkeley *	Director	July 26, 2010
Peter Gyenes *	Director	July 26, 2010
Jeffrey T. Leeds *	Director	July 26, 2010
Jason A. Wright		

*By: /s/ Stephen T. Winn

Stephen T. Winn
Attorney-in-Fact

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Table of Contents**EXHIBIT INDEX**

Exhibit Number	Description
1.1*	Form of Underwriting Agreement
3.1	Amended and Restated Certificate of Incorporation of the Registrant currently in effect
3.2	Form of Amended and Restated Certificate of Incorporation of the Registrant to be effective upon the completion of this offering
3.3**	Bylaws of the Registrant in effect before the completion of this offering
3.4	Form of Amended and Restated Bylaws of the Registrant to be effective upon the completion of this offering
4.1	Form of Common Stock certificate of the Registrant
4.2**	Shareholders Agreement among the Registrant and certain stockholders, dated December 1, 1998, as amended July 16, 1999 and November 3, 2000
4.3**	Second Amended and Restated Registration Rights Agreement among the Registrant and certain stockholders, dated February 22, 2008
4.4**	Fourth Amended and Restated Shareholders Agreement among the Registrant and certain stockholders, dated March 17, 2010
4.5**	Letter Agreement between the Registrant and Camden Partners Strategic Fund III, L.P. regarding management rights, dated December 14, 2005
4.6**	Letter Agreement between the Registrant and Camden Partners Strategic Fund III-A, L.P. regarding management rights, dated December 14, 2005
4.7**	Fifth Amended and Restated Shareholders Agreement among the Registrant and certain stockholders, dated June 7, 2010
5.1	Opinion of Wilson Sonsini Goodrich & Rosati, Professional Corporation
10.1**	Form of Indemnification Agreement to be entered into between the Registrant and each of its directors and officers
10.2+**	Amended and Restated 1998 Stock Incentive Plan
10.2A+**	Form of Notice of Stock Option Grant
10.2B+**	Form of Notice of Grant of Restricted Shares
10.2C+**	Form of Non-Qualified Stock Option Agreement (Second Series)
10.2D+**	Form of Non-Qualified Stock Option Agreement
10.2E+**	Form of Notice of Stock Option Grant (May 2010)
10.2F+**	Form of Notice of Stock Option Grant (May 2010 - California)
10.2G+**	Amended and Restated 1998 Stock Incentive Plan (June 2010)
10.2H+**	Form of Notice of Stock Option Grant (Accelerated Vesting)
10.3+**	Form of Director's Nonqualified Stock Option Agreement
10.4+	2010 Equity Incentive Plan
10.5+**	Form of 2009 Management Incentive Plan
10.6+**	Form of 2010 Management Incentive Plan
10.6A+**	Form of 2010 Management Incentive Plan (as revised May 2010)
10.7+**	Stand-Alone Stock Option Agreement between the Registrant and Peter Gyenes, dated February 25, 2010
10.8+**	Non-Qualified Stock Option Agreement (Second Series) under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Timothy J. Barker dated October 27, 2005
10.9+**	Non-Qualified Stock Option Agreement (Second Series) under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Timothy J. Barker dated February 26, 2009

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- 10.10+** Notice of Stock Option Grant under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Timothy J. Barker dated February 25, 2010
 - 10.11+** Employment Agreement between the Registrant and Stephen T. Winn, dated December 30, 2003
 - 10.12+** Employment Agreement between the Registrant and Timothy J. Barker, dated October 31, 2005
 - 10.13+** Amendment to Employment Agreement between the Registrant and Timothy J. Barker, dated January 1, 2010
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Exhibit Number	Description
10.14+**	Employment Agreement between the Registrant and William E. Van Valkenberg, dated September 24, 2009
10.15+**	Master Agreement for Consulting Services between the Registrant and William E. Van Valkenberg, dated June 28, 2009
10.16+**	Employment Agreement between the Registrant and Ashley Chaffin Glover, dated March 3, 2005
10.17+**	Employment Agreement between Multifamily Internet Ventures, LLC and Dirk D. Wakeham, dated April 12, 2007 and amended April 12, 2007
10.18**	Credit Agreement among the Registrant, Wells Fargo Foothill, LLC and Comerica Bank dated, September 3, 2009
10.19**	Security Agreement among the Registrant, OpsTechnology, Inc., Multifamily Internet Ventures, LLC, Starfire Media, Inc., RealPage India Holdings, Inc. and Wells Fargo Foothill, LLC, dated September 3, 2009
10.20**	General Continuing Guaranty among OpsTechnology, Inc., Multifamily Internet Ventures, LLC, Starfire Media, Inc., RealPage India Holdings, Inc. and Wells Fargo Foothill, LLC, dated September 3, 2009
10.21**	Waiver and First Amendment to Credit Agreement among the Registrant, Wells Fargo Foothill, LLC and Comerica Bank, dated September 16, 2009
10.22**	General Continuing Guaranty between A.L. Wizard, Inc. and Wells Fargo Foothill, LLC, dated September 25, 2009
10.23**	Waiver and Second Amendment to Credit Agreement among the Registrant, Wells Fargo Foothill, LLC and Comerica bank, dated October 15, 2009
10.24**	General Continuing Guarantee between Propertyware, Inc. and Wells Fargo Foothill, LLC, dated November 6, 2009
10.25**	Supplement No. 2 to Security Agreement between Propertyware, Inc. and Wells Fargo Foothill, LLC, dated November 6, 2009
10.26**	Consent and Third Amendment to Credit Agreement among the Registrant, Wells Fargo Foothill, LLC, and Comerica Bank dated December 23, 2009
10.27**	Waiver, Consent and Fourth Amendment to Credit Agreement among the Registrant, Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC) and Comerica Bank dated February 10, 2010
10.28**	General Security Agreement between 43642 Yukon, Inc. and Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC), dated February 10, 2010
10.29**	Guarantee between 43642 Yukon, Inc. and Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC), dated February 10, 2010
10.30**	Share Pledge between the Registrant and Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC), dated February 10, 2010
10.31**	Note Purchase Agreement between the Registrant and HV Capital Investors, L.L.C., dated August 1, 2008
10.32**	Security Agreement between the Registrant and HV Capital Investors, L.L.C., dated August 1, 2008
10.33**	Form of Secured Promissory Note issued by the Registrant to HV Capital Investors, L.L.C. on August 1, 2008 and September 19, 2008
10.34**	First Amendment to Note Purchase Agreement between the Registrant and HV Capital Investors, L.L.C., dated January 20, 2009 and effective as of December 31, 2008
10.35**	Form of Unsecured Subordinated Promissory Note (Series A and Series A1)
10.35A**	Schedule of Holders of Unsecured Subordinated Promissory Notes (Series A and Series A1)

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10.36**	Form of Unsecured Subordinated Promissory Note (Series B and Series C)
10.36A**	Schedule of Holders of Unsecured Subordinated Promissory Notes (Series B and Series C)
10.37**	Form of Unsecured Subordinated Promissory Note (April 2010)
10.37A**	Schedule of Holders of Unsecured Subordinated Promissory Notes (April 2010)
10.38**	Amendment No. 1 to Unsecured Subordinated Promissory Notes among the Registrant and certain holders of its Unsecured Subordinated Promissory Notes
10.39**	Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated July 23, 1999

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Exhibit Number	Description
10.40**	First Amendment to Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated November 29, 1999
10.41**	Second Amendment to Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated January 30, 2006
10.42**	Third Amendment to Lease Agreement between the Registrant and CB Parkway Business Center V, Ltd., dated August 28, 2006
10.43**	Fourth Amendment to Lease Agreement between the Registrant and ARI-Commercial Properties, Inc., dated November 2007
10.44**	Fifth Amendment to Lease Agreement between the Registrant and ARI-Commercial Properties, Inc., dated February 4, 2009
10.45**	Sixth Amendment to Lease Agreement between the Registrant and ARI-Commercial Properties, Inc., dated March 30, 2009
10.46**	Lease Agreement between the Registrant and Savoy IBP 8, Ltd., dated August 28, 2006
10.47**	First Amendment to Lease Agreement among the Registrant, ARI-International Business Park, LLC, ARI -IBP 1, LLC, ARI - IBP 2, LLC, ARI - IBP 3, LLC, ARI - IBP 4, LLC, ARI - IBP 5, LLC, ARI - IBP 6, LLC, ARI - IBP 7, LLC, ARI - IBP 8, LLC, ARI - IBP 9, LLC, ARI - IBP 11, LLC and ARI - IBP 12, LLC, dated December 28, 2009
10.48 **	Master Services Agreement between the Registrant and DataBank Holdings Ltd., dated May 31, 2007
10.49+**	Form of Notice of Grant of Restricted Shares (Outside Directors)
10.50+**	Employment Agreement between the Registrant and Jason Lindwall, dated January 8, 2008
10.51+**	Employment Agreement between the Registrant and Margot Leberberg, dated May 12, 2010
10.52+**	Notice of Stock Option Grant under the Amended and Restated 1998 Stock Incentive Plan between the Registrant and Margot Leberberg, dated May 12, 2010
10.53+**	Employment Release Agreement between the Registrant and William Van Valkenberg, dated June 8, 2010
10.54**	Consent and Fifth Amendment to Credit Agreement among the Registrant, Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC) and Comerica Bank, dated June 22, 2010
10.55**	Sixth Amendment to Credit Agreement among the Registrant, Wells Fargo Capital Finance, LLC (f/k/a Wells Fargo Foothill, LLC) and Comerica Bank, dated June 22, 2010
21.1	Subsidiaries of the Registrant
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
23.2	Consent of Wilson Sonsini Goodrich & Rosati, Professional Corporation (contained in Exhibit 5.1)
24.1**	Power of Attorney (contained in the signature page to this registration statement)

+ Indicates management contract or compensatory plan or arrangement.

* To be filed by amendment.

** Previously filed.

Confidential treatment has been requested for portions of this exhibit. These portions have been omitted from the Registration Statement and submitted separately to the Securities and Exchange Commission.