

ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE
CITY OF COLLEGE STATION AND VIASAT, INC.

This Grant Agreement (this "Agreement") is entered into by and between the CITY OF COLLEGE STATION, TEXAS, a home-rule municipal corporation organized under the laws of Texas (hereinafter referred to as "CITY"), and VIASAT, INC., a Delaware corporation (hereinafter referred to as "COMPANY").

WHEREAS, CITY is authorized and empowered under applicable Texas laws pertaining to economic development to aid in the development of commercial enterprises and redevelopment projects within the geographic boundaries of CITY and its extraterritorial jurisdiction by offering economic and other incentives to prospective new, developing and expanding businesses pursuant to TEXAS LOCAL GOVERNMENT CODE, Chapter 380; and

WHEREAS, CITY actively seeks economic development prospects in College Station through participation in and establishment of an economic development program; and

WHEREAS, CITY desires to stimulate business and commercial activity in the Research Valley Biocorridor (hereinafter referred to as the "Biocorridor") under the Joint Research Valley Biocorridor Development Project; and

WHEREAS, COMPANY is purchasing property located within the Biocorridor to have developed commercially for its use as a research and manufacturing site; and

WHEREAS, CITY and the City of Bryan entered into an Interlocal Cooperation and Joint Development Agreement on December 15, 2011 (hereinafter referred to as the ("Joint Agreement")), in which the two cities agree to revenue share an amount equal to certain ad valorem tax revenue assessed and collected against real property, improvements and tangible personal property developed in the Biocorridor; and

WHEREAS, CITY considers COMPANY to be a qualified economic development prospect that will add capital investment, create new jobs in the community, promote local economic development and stimulate business and commercial activity, thus furthering the objectives of the City and its economic development program; and

WHEREAS, in consideration of COMPANY's operation of its business within the Biocorridor and in accordance with the performance measures set forth herein, CITY agrees to grant to COMPANY incentives as set out herein; and

WHEREAS, to ensure that the benefits CITY provides under this Agreement are utilized in a manner consistent with TEXAS LOCAL GOVERNMENT CODE, Chapter 380 and other law, COMPANY agrees to comply with certain conditions for receiving those benefits, including conditions relating to property development, job creation and business operations; and

WHEREAS, by letter of April 20, 2016, the chairman of The Research Valley Partnership,

Inc. ("RVP") informed COMPANY he will recommend to the Board of Directors of the RVP, which includes representatives of CITY and the City of Bryan, to approve the incentives proposal being implemented by this Agreement, subject to final approval and adoption by CITY and the City of Bryan; and

WHEREAS, as of December 31, 2015, COMPANY had approximately 130 full-time employees in the State of Texas, and COMPANY's calendar year 2015 payroll reported to the Texas Workforce Commission for all full-time employees (some of whom were hired during 2012) was \$7,600,000.00;

NOW, THEREFORE, for and in consideration of the premises and mutual covenants and promises hereinafter set forth, CITY and COMPANY (each a "Party," collectively, the "Parties") represent and agree as follows:

Article I Definitions

In addition to the definitions set forth in the preamble above, wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

"Affiliate" means any person or entity which directly or indirectly controls, is controlled by or is under common control with COMPANY, during the term of such control. A person or entity will be deemed to be "controlled" by any other person or entity if such other person or entity (a) possesses, directly or indirectly, power to direct or cause the direction of the management of such person or entity whether by contract or otherwise; (b) has direct or indirect ownership of at least fifty percent (50%) of the voting power of all outstanding shares entitled to vote at a general election of directors of the person or entity; or (c) has direct or indirect ownership of at least fifty percent (50%) of the equity interests in the entity.

"Base Year Taxable Value" shall mean the Taxable Value for the Property for the year in which this Agreement is executed.

"Cash Incentive" shall mean that amount of money to be reimbursed annually by CITY to COMPANY as a grant herein expressed as a formula based upon a percentage of city ad valorem taxes assessed and collected for a specified year for the Property, Improvements and Tangible Personal Property minus a portion of Shared Revenue in accordance with the terms of this Agreement.

"COMPANY" shall mean ViaSat, Inc., a Delaware Corporation qualified to do business in the state of Texas.

"Completion of Construction" shall mean: (i) substantial completion of the Improvements; and (ii) a final certificate of occupancy has been issued for the all of the Improvements.

"Effective Date" shall mean the date upon which this Agreement is fully executed by all Parties, unless the context indicates otherwise.

“Fee Waiver” shall mean the cost of any and all permit fees normally assessed and collected by CITY from a developer when constructing the Improvements but for which CITY shall waive in accordance with the terms herein including water and sewer tap fees but excluding impact fees, as may be applicable.

“FTE” shall mean any person who is an employee of COMPANY or an Affiliate (excluding temporary or seasonal employees) who is on the payroll in a budgeted position and has an officially scheduled work week of thirty-five (35) hours or more, works at the Property for COMPANY, and who according to COMPANY or Affiliate COMPANY policy is entitled to full benefits as a full-time employee.

“First year of Cash Incentive(s)” shall mean the first calendar year immediately following the date of Completion of Construction.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such Party), fires, explosions or floods, strikes, slowdowns or work stoppages.

"Gross Payroll" shall mean the sum of the payroll numbers that COMPANY or an Affiliate reports to the Texas Workforce Commission quarterly for FTEs for the four preceding consecutive calendar quarters ending on or prior to a date of measurement under this Agreement.

"Improvements" shall mean the approximately 85,000 square foot facility to be constructed on the Property and other ancillary facilities such as reasonably required parking and landscaping all together which shall include a new real and personal property investment of twenty million dollars (\$20,000,000) at time of completion and have a minimum Brazos County Central Appraisal District Property Valuation of fifteen million dollars (\$15,000,000) by January 1, 2019 and as depicted in Exhibit “A” attached hereto and made a part hereof.

"Property" means the real property comprised of approximately 8.6 acres more or less and as depicted in Exhibit "A", not including any improvements constructed on such real property.

"Premises" shall mean collectively, the Property and Improvements following construction thereof, but excluding the Tangible Personal Property.

“Shared Revenue” shall mean the amount of taxes assessed and collected by CITY on the Property and which is then shared with the City of Bryan pursuant to and as set out in the Joint Agreement.

"Tangible Personal Property" shall mean tangible personal property, equipment and fixtures, excluding inventory and supplies, owned or leased by COMPANY that is added to the Improvements subsequent to the execution of this Agreement.

"Taxable Value" means the appraised value as certified by the Brazos Central Appraisal District as of January 1st of a given year.

Article II General Provisions

All of the above premises are hereby found to be true and are hereby approved and copied into the body of this Agreement as if copied in their entirety.

COMPANY covenants and agrees that it will construct the Improvements, and operate and maintain its business on the Premises as set forth in this Agreement, and for the time period and manner as set forth herein.

Article III COMPANY Obligations

3.1 Construction of Improvements. Subject to events of Force Majeure, construction of the Improvements on the Property must commence no later than January 31, 2017 (the "Start Date"), and COMPANY shall notify the CITY of such Start Date. There shall be Completion of Construction, and all necessary occupancy permits from the City shall have been issued and COMPANY shall be fully operational as set forth below in Section 3.2 by no later than April 30, 2018 in order for the City to provide Fee Waivers.

3.2 Occupancy. The COMPANY or an Affiliate of COMPANY must continuously occupy and use the Improvements commercially as an administrative and network operations center including customer support (i.e. billing and technical), engineering, warehouse and/or other functions relating to COMPANY's global technology communications business commencing upon Completion of Construction and for each year for which there is a Cash Incentive.

3.3 Jobs Created. COMPANY currently employs 130 FTEs. By the end of the second year following Completion of Construction of the Improvements, COMPANY agrees that it will have created a minimum of 150 new FTEs with an average annual salary of sixty four thousand five hundred dollars (\$64,500) per job, for a minimum total of 280 FTEs which COMPANY agrees to have and maintain on the Premises for a total of five years from the date of Completion of Construction of the Improvements throughout the term of this Agreement. In addition to the current annual pay roll of seven million six hundred thousand dollars (\$7,600,000), COMPANY agrees that by the end of the second year following Completion of Construction of the Improvements, it will increase the annual pay roll by nine million six hundred thousand dollars (\$9,600,000) for a total annual pay roll of seventeen million two hundred thousand dollars (\$17,200,000) according to the Texas Workforce Commission records for full time employees of COMPANY at the Premises. This payroll increase must be achieved and maintained in conjunction with the creation and maintenance of jobs as recited herein.

3.4 COMPANY Reimbursement and waiver of Cash Incentives.

a. If COMPANY does not have timely Completion of Construction and/or fails to occupy the Premises in accordance with Sections 3.1 and 3.2 of this Agreement, COMPANY agrees to reimburse CITY the cash value of all Fee Waivers the CITY has provided to the COMPANY hereunder excluding any reimbursement payments previously made by the COMPANY. The COMPANY shall also reimburse the CITY for any and all reasonable attorney's fees and costs incurred by the CITY as a result of any action required to obtain reimbursement of funds. Such reimbursement shall be due and payable 120 days after the COMPANY receives written notice of default accompanied by copies of all applicable invoices.

b. COMPANY herein waives payment of any Cash Incentives for any year in which it fails to continuously have, operate and maintain the Improvements in accordance with this Agreement, including maintaining the minimum required appraised value, FTEs, operating in the manner represented herein, and being and staying operational and to reimburse CITY for any Cash Incentives made in contravention of the terms of this Agreement.

3.5 Reporting Requirement.

(1) While this Agreement is in effect, annually within 60 days following the anniversary date of the Effective Date of this Agreement, the COMPANY will certify to the CITY that it has complied with the terms of this Agreement and provide sufficient written information, records, and documents, to support its certification of compliance. Additionally, COMPANY agrees to report whether the required jobs to be created and maintained in accordance with this Article have been met by the end of the second year following Completion of Construction of the Improvements, and every year thereafter that this Agreement is in effect, as certified by a Certified Public Accountant at COMPANY's expense, and signed by a legally authorized executive of the COMPANY.

(2) COMPANY further agrees to provide documentation, including, but not limited to, Texas Workforce Commission quarterly reports, demonstrating that COMPANY met the employment and job creation targets for the preceding year when required.

(3) Upon the City's written request, the COMPANY will promptly provide to the City any additional information reasonably necessary for the City to determine if the COMPANY has complied with this Agreement.

(4) The COMPANY will allow the City reasonable access to the Property during regular business hours to inspect the Property and Improvements to verify that COMPANY is complying with the terms of this Agreement.

3.6 Compliance with applicable law. The Property and the Improvements constructed thereon at all times shall be constructed, operated and used in the manner (i) that is consistent with CITY's Code of Ordinances, as amended, including its Uniform Development Code; (ii) that is in accordance with all applicable state and local laws, codes, and regulations; and (iii) that, during the period Cash Incentives are provided hereunder, is in accordance with the Joint Agreement and consistent with the general purposes of encouraging development or redevelopment within the Biocorridor.

3.7 Ownership. COMPANY agrees to have it or one of its Affiliates continuously occupy and

conduct operations on the Premises for a period of at least seven (7) years from the Effective Date in the manner set forth in this Agreement. COMPANY may sell, assign or otherwise transfer the Property to a third party to develop and/or to act as landlord of COMPANY. In such event CITY consent shall not be required provided COMPANY continues to occupy and operate the Premises within the time and in the manner as set forth in this Agreement.

3.8 Disclosure Requirements. When applicable, COMPANY agrees to comply with all applicable disclosure requirements, including those under Section 2252.908 Texas Government Code when entering into a contract that requires approval of the governing body of the CITY unless falling within certain exceptions, and Chapter 176 Texas Local Government Code for vendor disclosure requirements for certain business relationships with local government officers or their family members.

Article IV CITY's Obligations

4.1 Fee Waiver. As an incentive for COMPANY to cause the construction of and occupy the Premises as set forth in this Agreement, CITY shall provide Fee Waivers for CITY permit fees that would otherwise be charged COMPANY and/or its representatives relating to the Improvements on the Property; provided COMPANY has met its most recent reporting requirement, is timely operational, and provided COMPANY is not otherwise in default of this Agreement.

4.2 Fast Tracking. CITY agrees to expedite by fast tracking the process for COMPANY to obtain any and all necessary CITY permits related to the Improvements.

4.3 Cash Incentive.

a. Subject to the terms and conditions of this Agreement, and provided that the combined Taxable Value for the Improvements, Property and Tangible Personal Property is at least Fifteen Million Dollars (\$15,000,000.00) additional value above Base Year Taxable Value beginning January 1st of the First Year of Cash Incentives and as of January 1st of each year thereafter this Agreement is in effect, CITY hereby grants an annual Cash Incentive to COMPANY in the following amounts expressed as a percentage of city ad valorem taxes it assessed, were paid and which are not contested minus a percentage of Shared Revenue:

Year	Annual Cash Incentive
First Year of Cash Incentives	\$ 80% - 80% Shared Revenue
Year 2	\$ 60%- 60% Shared Revenue
Year 3	\$ 40%-40% Shared Revenue
Year 4	\$ 30%- 30% Shared Revenue
Year 5	\$ 20%-20% Shared Revenue

Year 6

\$ 10%- 10% Shared Revenue

b. The total amount of Cash Incentive will in no event exceed a total of four hundred fifty thousand dollars (\$450,000.00), at which time CITY's obligation to grant Cash Incentives to COMPANY ends.

c. CITY will remit the annual Cash Incentive to COMPANY no later than October 31st beginning with the First Year of Cash Incentive COMPANY meets all the requirements entitling it to such payment.

d. During the period of the Cash Incentives herein authorized, COMPANY shall be subject to all taxation, including but not limited to, sales tax and ad valorem taxation; provided this Agreement does not prohibit COMPANY from claiming any exemptions from tax provided by applicable law.

4.4 Right to offset. CITY may, at its option, offset any amounts due and payable under this Agreement, including Cash Incentive payments, against any debt (including taxes) lawfully due to CITY from COMPANY, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise, and regardless of whether or not the debt due CITY has been reduced to judgment by a court; provided, however (i) CITY shall provide COMPANY notice within thirty (30) days of determining that any debt is believed lawfully due to CITY from COMPANY; (ii) COMPANY shall have an opportunity to resolve or pay such debt to CITY within thirty (30) days after receipt of notice before any offset to amounts payable under this Agreement may occur; and (iii) COMPANY retains all rights to timely and properly contest whether or in what amount any debt is owed to CITY, and CITY may not offset any asserted amount of debt owed by COMPANY against amounts due and owing under this Agreement during any period during which COMPANY is timely and properly contesting whether such amount of debt is due and owing.

Article V Conditions Precedent

5.1 CITY's obligations under this Agreement are contingent upon the purchase of the Property by the COMPANY or its assignee who will act as COMPANY's landlord for the Property, by December 31, 2016 in accordance with that one certain Purchase and Sale Agreement a copy of which is attached hereto and made a part hereof marked as Exhibit "B." Likewise, COMPANY's obligations under this Agreement are contingent upon its purchase of the Property.

5.2 This Agreement is conditioned upon the City of Bryan approving this Agreement as required under the Joint Agreement.

Article VI. Term

6.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue until December 31, 2024 unless terminated sooner pursuant to the terms of this Agreement.

6.2 This paragraph is required by Chapter 2264, Tex. Gov. Code and governs over any conflicting provisions of this Agreement. The COMPANY will not knowingly employ undocumented workers as that term is defined in Section 2264.001, Tex. Gov. Code. If the COMPANY is convicted of a violation under 8 U.S.C. Section 1324a (f), the conviction is a breach of this Agreement and the City Manager of the CITY will send COMPANY written notice that the COMPANY has violated this paragraph and that the Agreement terminates 30 days from the date of the notice.

Article VII Default

7.1 If COMPANY defaults in any term or condition of this Agreement, then CITY shall not be obligated to provide Fee Waivers or Cash Incentives for that year in which the default occurred.

7.2 CITY shall give to COMPANY notice of any default. To the extent a default may be cured, COMPANY shall have the right, but not the obligation, to cure the default within thirty (30) days of receiving written notice from CITY. If the default cannot reasonably be cured within a thirty (30) day period, and COMPANY has diligently pursued such remedies as shall be reasonably necessary to cure such default, then CITY shall extend for a reasonable additional length of time the period in which the default must be cured. If COMPANY fails to cure the default within the time provided as specified above or, as such time period may be extended, then CITY at its sole option shall have the right to terminate this Agreement with respect to COMPANY, by written notice to COMPANY.

7.3 It is further understood and agreed by the parties that if COMPANY is convicted of a violation under 8 U.S.C. Section 1324a(f), COMPANY will reimburse CITY the full amount paid to the COMPANY pursuant to this Agreement, with interest at the rate equal to the 90 day Treasury Bill plus ½% (.005) per annum, within 120 days after the CITY notifies the COMPANY of the violation.

7.4 The COMPANY's obligation to reimburse the CITY payments made to COMPANY if the COMPANY breaches this Agreement survives termination of this Agreement.

7.5 It is understood and agreed by the parties that, in the event of a default by the CITY on any of its obligations under this Agreement, the COMPANY's sole and exclusive remedy shall be limited to either i) the termination of this Agreement, or ii) a suit for specific performance.

Article VIII Miscellaneous

8.1 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received as sent by courier or otherwise hand delivered:

If intended for CITY, to:

Attn: City Manager
City of College Station, Texas
P.O. Box 9960
College Station, Texas 77842

With a copy to:

Attn: City Attorney
City of College Station, Texas
P.O. Box 9960
College Station, Texas 77842

If intended for COMPANY, to:

Attn: Director of Real Estate
ViaSat, Inc.
6155 El Camino Real
Carlsbad, CA 92009

8.2 Severability. In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

8.3 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the State District Court of Brazos County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

8.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an Original and constitute one and the same instrument.

8.5 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

8.6 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

8.7 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by COMPANY (except to an Affiliate of the COMPANY which shall not require prior consent of CITY) without the prior written consent of the City Manager which consent shall not be unreasonably withheld, conditioned or delayed.

8.8 Amendment. No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of CITY and COMPANY.

8.9 Venue and Jurisdiction. Performance and all matters related thereto shall be in Brazos County, Texas, United States of America, and this Agreement shall be construed in accordance with Texas law.

8.10 Authority to Contract. Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective corporations.

8.11 No Debt. Under no circumstances shall the obligations of CITY hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision; provided, however, CITY agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay amounts under this Agreement for the then ensuing fiscal year.

8.12 Waiver. Failure of any Party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of the Agreement, any part hereof, or the right of the Party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the Party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

8.13 Construction. The Parties acknowledge that each Party and its counsel have reviewed and revised this Contract and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

Exhibits:

Exhibit "A" Legal description of the Property

Exhibit "B" Purchase and Sale Agreement for the Property

SIGNATURES ON THE FOLLOWING PAGE

VIASAT, INC.

CITY OF COLLEGE STATION

By: _____
Printed Name: _____
Title: _____
Date: _____

By: _____
Mayor
Date: _____

ATTEST:

City Secretary
Date: _____

APPROVED:

City Manager
Date: _____

City Attorney
Date: _____

Assistant City Manager/CFO
Date: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____, personally appeared _____, _____ of ViaSat, Inc., a Delaware corporation, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

EXHIBIT "B"
REAL ESTATE CONTRACT - EXECUTED