

ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT

This Economic Development Program Grant Agreement ("Agreement") is made and entered into by and between Maxim Integrated Products, Inc., a Delaware corporation ("Maxim" or "Company"), and the Town of Addison, Texas ("Addison" or the "City"), a Texas home rule municipality, for the purposes and consideration stated below (Maxim and the City are sometimes referred to herein together as the "Parties" and individually as a "Party").

WHEREAS, Maxim is in the business of designing, manufacturing, and selling highly integrated analog, mixed-signal, high-frequency, and digital circuits. Maxim's product portfolio includes categories serving automotive, industrial, medical, communications, mobile consumer, and computing markets (the "Services"); and

WHEREAS, Maxim has been located in Farmers Branch and a tenant of certain office space located within Farmers Branch at 14460 Maxim Dr., Dallas, TX 75240, since 2001; and

WHEREAS, Maxim anticipates signing a new ten (10) year lease (the "Lease") for approximately 80,000 square feet of space within the new Tollway Center located at 14675 Dallas Parkway, Dallas, Texas 75254 upon the completion of its construction (the "Leased Premises"); and

WHEREAS, Maxim intends to spend an estimated \$3,750,000.00 in tenant improvements, including the tenant improvement allowance provided by the landlord of the Leased Premises and amortized in the rental rate, and other office space expenditures within the Leased Premises; and

WHEREAS, during the term of this Agreement and as set forth above, Maxim intends to and will use the Leased Premises as its regional office for sales, research and development, and testing of products ("Regional Office"); and

WHEREAS, Maxim anticipates that, from and after the date of, and at all times relevant to, this Agreement, it will employ at the Leased Premises approximately 300 full time equivalent employment positions; and

WHEREAS, from and after the commencement date of the Lease, Maxim intends to install, locate or retain at the Leased Premises business personal property for use in providing the Services in an initial taxable amount of at least \$5,000,000; and

WHEREAS, in connection with the Lease and occupancy of the Leased Premises, Maxim has asked the City to provide an economic development grant that will help Maxim defray a portion of the costs it will incur in commencing the Lease and occupancy of the Leased Premises; and

WHEREAS, the City is authorized by Section 380.001, Tex. Loc. Gov. Code, to establish and provide for the administration of programs for making loans and grants of public money to

promote state or local economic development and to stimulate business and commercial activity in the City, and this Agreement constitutes such a program for promoting and retaining economic development within the City; and

WHEREAS, the City has determined that making an economic development grant to Maxim in accordance with this Agreement will further the objectives of the City, will benefit the City and the City's inhabitants, and will promote local economic development and stimulate business and commercial activity within the City.

NOW, THEREFORE, for and in consideration of the foregoing, and on the terms and conditions hereinafter set forth, the City and Maxim do hereby agree as follows:

Section 1. Findings. The findings set forth above are incorporated as if fully set forth herein.

Section 2. Term.

This Agreement shall be effective as of the last date of execution hereof (the "Effective Date") and will continue in effect from the Effective Date through the date that represents the tenth anniversary of the date that Maxim occupies the Leased Premises; subject, however, to the earlier termination of this Agreement in accordance with the terms of this Agreement (the "Term").

Section 3. Program Grant.

Subject to Maxim's satisfaction of and compliance with all of the terms and conditions of this Agreement, including without limitation the requirements set forth in Section 4 below, the City agrees, to pay to Maxim a program grant in the (i) aggregate amount of up to Fifty Thousand and NO/100 Dollars (\$50,000.00) in three equal installments as provided in Section 4 (the "Base Grant"). In addition, the program grant shall include (ii) a waiver of local permit fees for construction of the Leased Premises (the "Waiver of Fees") and (iii) an additional grant of an amount equal to 50 percent of annual city business personal property taxes paid by the Company each year for ten years (the "Tax Grant," and together with the Base Grant, and Waiver of Fees, the "Grant Payments").

The Grant Payments made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City. Under no circumstances shall the City's obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Grant Payments unless the City appropriates funds to make such payment during the budget year in which the grant is payable; provided that during the Term of this Agreement the City agrees that it will take such steps as are within its power to appropriate funds each year estimated to equal the amount of the Grant Payments to be paid to the Company for the ensuing fiscal year. Further, the City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Company. None of the City's obligations under this Agreement shall be pledged or otherwise

encumbered in favor of any commercial lender and/or similar financial institution.

Section 4. Conditions to Grant Payments.

The City's obligation to make the Grant Payments shall be conditioned upon Maxim's compliance with and satisfaction of all of the terms and conditions of this Agreement, including without limitation, each of the conditions set forth below:

(a) First Base Grant Payment: The First Base Grant Payment of Sixteen Thousand, Six Hundred, Sixty Six and 67/100s Dollars (\$16,666.67) shall be due upon the submission of a request for payment and the completion of all of the following to the satisfaction of the City:

1. An executed copy of a lease by Maxim and property owner for the lease of a minimum of eighty thousand (80,000) square feet of space of the Leased Premises for a minimum term of ten (10) years; and
2. A copy of a certificate of occupancy issued by the Town of Addison for the Leased Premises; and
3. An executed affidavit in a form approved by the City attesting that the Company is occupying the Leased Premises and has made a capital investment of a minimum of Three Million, Seven Hundred Fifty Thousand and No/100s Dollars (\$3,750,000.00) on and/or within the Leased Premises; and
4. A copy of an official employee report submitted to the Texas Workforce Commission demonstrating that the Company currently employs not less than 290 employees with a median annual wage of \$100,000.

(b) Second Base Grant Payment: The Second Base Grant Payment of Sixteen Thousand, Six Hundred, Sixty Six and 67/100s Dollars (\$16,666.67) shall be due upon the submission of a request for payment and the completion of all of the following to the satisfaction of the City:

1. An executive affidavit in a form approved by the City attesting that the Company has occupied the Leased Premises for twelve (12) consecutive months; and
2. A copy of an official employee report submitted to the Texas Workforce Commission demonstrating that the Company currently employs not less than 290 employees with a median annual wage of \$100,000.

(c) Third Base Grant Payment: The Third Base Grant Payment of Sixteen Thousand, Six Hundred, Sixty Six and 66/100s Dollars (\$16,666.66) shall be due upon the submission of a request for payment and the completion of all of the following to the satisfaction of the City:

1. An executive affidavit in a form approved by the City attesting that the Company has occupied the Leased Premises for twenty-four (24) consecutive months; and
2. A copy of an official employee report submitted to the Texas Workforce Commission demonstrating that the Company currently employs not less than 290 employees with a median annual wage of \$100,000.

(d) Tax Grant: The City will pay to the Company an amount equal to (50) percent of City's portion of the business personal property taxes generated from the Leased Premises each year for ten (10) years. The Tax Grant payment shall be due upon the submission of a request for payment and the completion of all of the following to the satisfaction of the City:

1. An executive affidavit in a form approved by the City attesting that the Company has occupied the Leased Premises for the twelve (12) previous consecutive months; and
2. A copy of an official employee report submitted to the Texas Workforce Commission demonstrating that the Company currently employs not less than 290 employees with a median annual wage of \$100,000, and
3. A copy of an official Dallas County Appraisal District business personal property tax bill is provided with demonstrated proof to the City's satisfaction that the taxes have been paid.

Notwithstanding anything contained herein to the contrary or any other provision of this Agreement, the Grant Payments (and/or any portion thereof) shall not be due and payable, and this Agreement may be terminated by the City (that is, without any opportunity for cure by Maxim), if Maxim fails to timely comply with and satisfy to the City's satisfaction any of the conditions to the Grant Payments (and/or any portion thereof) as set forth in this Section 4, above. Further, notwithstanding any other provision of this Agreement, in connection with the Grant Payments (or any portion thereof) to Maxim, if the City fails to make such payment, Maxim shall submit a request for the same within six (6) weeks after the right to receive the same accrues to Maxim. If Maxim fails to submit such a request by September 1st of the same year, the City shall have no obligation to make such payment to Maxim and Maxim will have forfeited the right to ever receive such payment.

Section 5. Default.

(a) **Event of Default by the Company.** If, during the Term of this Agreement, the Company breaches any of the terms or conditions of this Agreement or fails to maintain any conditions of the Grant Payments, then the Company shall be in default ("Event of Default"). In the event the Company defaults in its performance, then the City shall give the Company written notice of such default, and if the Company has not cured any default within thirty (30) days of said written notice, this Agreement may be terminated by the City. In the event of default by the Company and the continuation of such default for thirty

(30) days after the written notice set forth above, the City shall have, at its option, the right to nullify Section 3 of this Agreement and immediately seek reimbursement of the Grant Payments received by the Company (which payments shall be made by the Company to the City, not later than 30 days after the City's demand) as follows: if the default is declared in years one, two, three or four of this Agreement, the Company shall return all of the Grant Payments previously received; if the default is declared in year five of this Agreement, the Company shall return the Second and Third Base Grant payments and the Tax Grant payments received in the previous twenty-four months; if the default is declared in year six of this Agreement, the Company shall return the Third Base Grant payment and the Tax Grant payments received in the previous twenty-four months; if the default is declared in year seven of this Agreement or after, the Company shall return the Tax Grant payment received in the previous twenty-four months from the year of default.

(b) **Event of Default by the City.** Upon the occurrence of default by the City, the Company shall give written notice of such default, and if City has not cured the default within thirty (30) days within said written notice, this Agreement may be terminated by the Company. The Company shall have the right to seek specific performance of this Agreement as its sole and exclusive remedy.

Section 6. Termination; Reimbursement.

This Agreement shall terminate without notice or demand upon the occurrence of any one of the following:

- (a) the execution by both Parties of a written agreement terminating this Agreement; or
- (b) as otherwise provided for in this Agreement, including as set forth in Section 3, above; or
- (c) the expiration of the Term; or
- (d) at the option of either Party (the "non-breaching Party") in the event the other Party (the "breaching Party") breaches or fails to comply with any term, condition, or provision of this Agreement and such breach or failure is not cured or remedied to the satisfaction of the non-breaching Party within thirty (30) days after written notice thereof from the non-breaching Party to the breaching Party;
- (e) if Maxim suffers an Event of Bankruptcy or Insolvency (as defined below); or
- (f) at the City's option, if any taxes or fees, owed by Maxim to the City or the State of Texas shall become delinquent (provided, however, that Maxim retains the right to timely and properly protest and contest any such taxes or fees, and the City's right to terminate this Agreement shall be suspended during such protest and contest period).

If this Agreement is terminated pursuant to subsection (d) with Maxim as the breaching

Party, subsection (e), or subsection (f) of this Section, Maxim shall promptly (but in any event within thirty (30) days of the date of termination) reimburse and repay to the City the Grant Payments received by the Company as follows: if the default is declared in years one, two, three or four of this Agreement, the Company shall return all of the Grant Payments previously received; if the default is declared in year five of this Agreement, the Company shall return the Second and Third Base Grant payments and the Tax Grant payments received in the previous twenty-four months; if the default is declared in year six of this Agreement, the Company shall return the Third Base Grant payment and the Tax Grant payments received in the previous twenty-four months; if the default is declared in year seven of this Agreement or after, the Company shall return the Tax Grant payment received in the previous twenty-four months from the year of default. All repayment and/or reimbursement amounts under this Agreement shall bear and include interest at the rate of 4% per year, compounded, from the date that the payment was initially made to Maxim.

For purposes of this Section, "Event of Bankruptcy or Insolvency" means (i) the liquidation, dissolution, or termination of Maxim as a going business, (ii) insolvency or a declaration of insolvency of Maxim under any law, (iii) appointment of a receiver for Maxim, (iv) any assignment or conveyance of all or a substantial portion of assets for the benefit of creditors, (v) a transfer in fraud of creditors according to any applicable law, or (vi) the filing of a petition by Maxim for relief, or the filing of a petition against Maxim for involuntary bankruptcy, under the United States Bankruptcy Code or any other present or future federal or state insolvency, bankruptcy, or similar laws.

Section 7. Representations by the City.

The City represents that the City is a home rule Texas municipal corporation and to the best of its actual knowledge has the power to enter into this Agreement and to carry out its obligations hereunder. However, notwithstanding any other provision of this Agreement, it is understood and expressly agreed by Maxim that the City does not warrant or guarantee that the Grant Payments (and any part thereof) as described herein will be upheld as valid, lawful, enforceable or constitutional in the event the statutory or other authority for the same or the City's use thereof is challenged by court action or other action or proceeding (including any action or proceeding involving the Texas Attorney General). In the event such court or other action or proceeding related to the legality of this Agreement and the providing of the program grant (or any part thereof) is instituted, the Parties shall defend or respond to such action or proceeding at their respective expense. Should such litigation, action or other proceeding result in a determination that this Agreement or the Grant Payments (or any part thereof) were or is prohibited under federal, state or local law (including any constitutional or charter provision), rule or regulation, and so result in the loss of the Grant Payments as provided herein, Maxim shall have no recourse against the City or any of its officials, officers, employees, agents, or volunteers, past or present, and Maxim shall promptly repay to the City the Grant Payments previously made to Maxim by the City.

Section 8. Representations and Warranties by Maxim.

Maxim represents and warrants that:

- (a) Maxim is a corporation organized and validly existing under the laws of the State of Delaware and is qualified to do business in the State of Texas, has the legal capacity and the authority to enter into and perform its obligations under this Agreement, and the same shall be true and accurate at all times in connection with this Agreement;
- (b) The execution and delivery of this Agreement and the performance and observance of its terms, conditions and obligations have been duly and validly authorized by all necessary action on its part to make this Agreement, and this Agreement is not in contravention of Maxim's articles of formation or regulations, or any agreement or instrument to which Maxim is a party or by which it may be bound as of the date hereof;
- (c) Maxim has the necessary legal ability to perform its obligations under this Agreement;
- (d) No material litigation or governmental proceeding is pending, or, to the knowledge of any of Maxim's officers, threatened against or affecting Maxim, which may result in a material adverse change in Maxim's business, properties or operations sufficient to jeopardize Maxim as a going concern; and
- (e) This Agreement constitutes a valid and binding obligation of Maxim, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

Section 9. Entire Agreement; Changes and Amendments.

This Agreement represents the entire and integrated agreement between the City and Maxim with regard to the matters set forth herein and supersedes all prior negotiations, representations and/or agreements, either written or oral. This Agreement may be amended only by written instrument signed by authorized representatives of each of the City and Maxim.

Section 10. Successors and Assigns; No Third Party Beneficiaries.

Maxim shall not, and has no authority to, assign, sell, pledge, transfer, encumber, or otherwise convey (any of the foregoing, and the occurrence of any of the foregoing, a "Conveyance") in any manner or form whatsoever (including by operation of law, by merger, or otherwise) all or part of its rights and obligations hereunder without the prior written approval of the City, which may be withheld in the City's reasonable discretion. Any Conveyance of any kind or by any method without the City's prior written consent shall be null and void.

Any Conveyance approved by the City shall be expressly subject to all of the terms, conditions and provisions of this Agreement. In the event of any such Conveyance approved by

the City, Maxim shall obtain a written agreement (the "Assumption Agreement") from each such assignee, transferee, buyer, pledgee, or other person or entity to whom this Agreement is otherwise conveyed whereby each such assignee, transferee, buyer, pledgee, or other person or entity to whom this Agreement is otherwise conveyed agrees to be bound by the terms and provisions of this Agreement.

This Agreement shall be binding on and inure to the benefit of the Parties, their respective permitted successors and permitted assigns. This Agreement and all of its provisions are solely for the benefit of the Parties hereto and do not and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

Section 11. Notice.

Any notice, statement and/or report required or permitted to be given or delivered shall be in writing and shall be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the third business day following the date of mailing. Addresses for any such notice, statement and/or report hereunder are as follows:

To the City:

Town of Addison, Texas
5300 Belt Line Road
Dallas, Texas 75254
Attention: City Manager

To Maxim Integrated Products, Inc.:

Maxim Integrated Products, Inc.
160 Rio Robles
San Jose, CA 95134
Attention: Mark Casper, V.P. Legal
Email: mark.casper@maximintegrated.com

Section 12. Applicable Law; Venue.

This Agreement is subject to the provisions of the Charter and ordinances of the City, as amended or modified. This Agreement shall be construed under, governed by and is subject to the laws (including the constitution) of the State of Texas, without regard to choice of law rules, and all obligations of Maxim and the City created by this Agreement are performable in Dallas County, Texas. Venue for any suit, action or proceeding under this Agreement shall lie exclusively in Dallas County, Texas. Each Party hereby submits to the exclusive jurisdiction of the courts in Dallas County, Texas for purposes of any such suit, action, or proceeding hereunder. Each Party waives any claim that any such suit, action, or legal proceeding has been brought in an inconvenient forum or that the venue of that proceeding is improper.

Section 13. Legal Construction/Partial Invalidity of Agreement.

The terms, conditions and provisions of this Agreement are severable, and in case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

Section 14. Miscellaneous.

(a) The Recitals to this Agreement are incorporated into this Agreement and made a part hereof for all purposes.

(b) Pursuant to Texas Government Code, Chapter 2264 (entitled "Restrictions on Use of Certain Public Subsidies"), Maxim certifies that neither Maxim, nor any branch, division, or department of Maxim, knowingly employs, or will employ, an undocumented worker (as the term "undocumented worker" is defined in Section 2264.001 of the said Chapter 2264, Tex. Gov. Code) in connection with the Leased Premises, the Services provided by Maxim at the Leased Premises, or this Agreement. Maxim agrees that if, during the term of this agreement and after it receives any payment or funds from the City pursuant to this Agreement, Maxim, or a branch, division, or department of Maxim, is convicted of a violation under 8 U.S.C. Section 1324a(f), Maxim shall repay the amount of all Base Grant payments and all Tax Grant payment paid by the City to Maxim with interest, at the rate of 4% per year, compounded, from the date that the payment was initially made to Maxim, not later than the 120th day after the date the City notifies Maxim of the violation.

(c) Notwithstanding any other provision of this Agreement, nothing in this Agreement shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which the City, its officials, officers, employees, representatives, and agents are or may be entitled, including, without limitation, any waiver of immunity to suit.

(d) Except as set forth in or otherwise limited by this Agreement, the remedies and rights set forth in this Agreement: (a) are and shall be in addition to any and all other remedies and rights either Party may have at law, in equity, or otherwise, (b) shall be cumulative, and (c) may be pursued successively or concurrently as either Party may elect. The exercise of any remedy or right by either Party shall not be deemed an election of remedies or rights or preclude that Party from exercising any other remedies or rights in the future. All waivers must be in writing and signed by the waiving Party, and the City's waiver of any right, or of Maxim's breach, on one or more occasions will not be deemed a waiver on any other occasion. The City's failure to enforce or pursue any of its rights under or any provision of this Agreement shall not be or constitute a waiver of its rights or provision and shall not prevent the City from enforcing or pursuing that right or provision or any other right under or provision of this Agreement in the future. No custom or practice arising during the administration of this Agreement will waive, or diminish, the City's

rights hereunder or to diminish the City's right to insist upon strict compliance by Maxim with this Agreement.

(e) This Agreement is not confidential information and may be disclosed to the public.

(f) Any of the representations, covenants, and obligations of the Parties hereto, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination or expiration of this Agreement shall survive termination or expiration.

(g) It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership, joint venture, joint enterprise, or other relationship between or among the Parties.

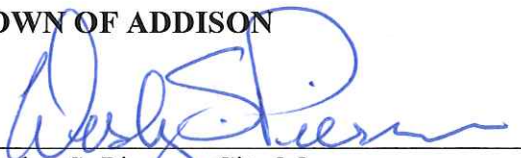
(h) The undersigned officers and/or agents of the Parties hereto are the properly authorized persons and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

(i) The City agrees that with respect to this Agreement, no liability shall arise in favor of the City against any officer, director, member, agent or employee of Maxim, but the City shall look solely to the assets of Maxim for satisfaction of Maxim's duties, obligations and liabilities arising under or in connection with the Agreement.

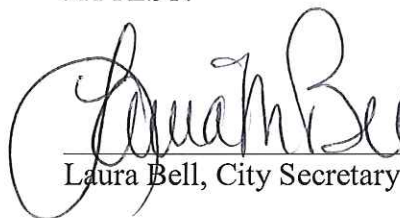
(SIGNATURES ON NEXT PAGES)

EXECUTED this 4th day of MARCH, 2016.

TOWN OF ADDISON


Wesley S. Pierson, City Manager

ATTEST:


Laura Bell, City Secretary

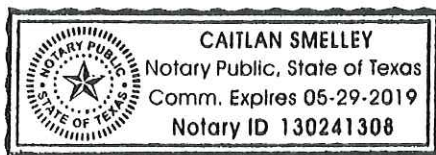


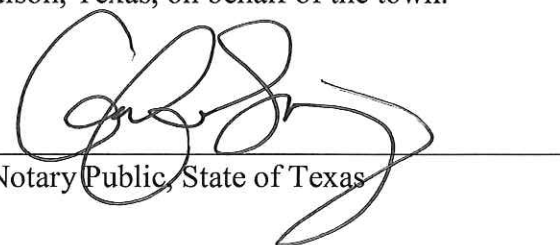
APPROVED AS TO FORM:


Brenda N. McDonald, City Attorney

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 3rd day of March 2016, by Wesley S. Pierson, City Manager of the Town of Addison, Texas, on behalf of the town.




Notary Public, State of Texas

[SEAL]

EXECUTED this 29 day of February, 2016.

MAXIM INTEGRATED PRODUCTS, INC.

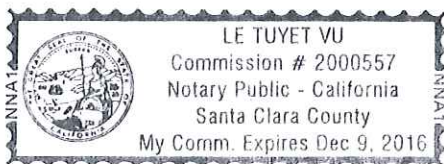
By: Mark Casper

Name Printed: Mark Casper

Title: V.P., Legal

STATE OF CALIFORNIA §
 §
COUNTY OF SANTA CLARA §

This instrument was acknowledged before me on the 29th day of 2016, by Mark Casper, Vice President of Maxim Integrated Products, Inc., on behalf of the corporation.



Le Tuyet Vu
Notary Public, State of California

[SEAL]