GRAYSON COUNTY, TEXAS

AND

FINISAR SHERMAN RE HOLDCO LLC

"CHAPTER 381" ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT

This Economic Development Program Agreement ("Agreement") is made and entered into by and between Grayson County, Texas, a county in the State of Texas (the "County"), and Finisar Sherman RE HOLDCO, LLC, a Texas Limited Liability Company, (the "Company"), as of April 3, 2018 (the "Effective Date").

W I T N E S S E T H:

WHEREAS, on April 3, 2018, the County adopted a Resolution, which authorized the County to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code ("Chapter 380");

WHEREAS, the Company currently owns that certain tract of real property located within the County and as more particularly described on Exhibit A attached hereto (the "Project Site");

WHEREAS, Company desires to enter into this Agreement with respect to the Project Site pursuant to Chapter 381;

WHEREAS, the Company has made $20 million of improvements at the facility and invested an additional $120 million in personal property (collectively, the "Premises") on the Project Site;

WHEREAS, the County desires to provide, pursuant to Chapter 380, an incentive to the Company to promote continued local development within the County; and

NOW, THEREFORE, in consideration of the mutual benefits and premises contained herein and for other good and valuable consideration (including the application fee paid by or on behalf of the Company to the County), the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Authorization.

The County has concluded that this Agreement is authorized by Chapter 381, and is authorized by Resolution of the County.

2. Definitions.

The following definitions shall apply to the terms used in this Agreement:
"Agreement" has the meaning set forth in the introductory paragraph of this Agreement.

"Chapter 380" has the meaning set forth in the recitals to this Agreement.

"County" has the meaning set forth in the introductory paragraph of this Agreement.

"Company" has the meaning set forth in the introductory paragraph of this Agreement.

"Company Affiliate" means any Person, directly or indirectly controlling, controlled by, or under common control with the Company. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Effective Date" has the meaning set forth in the introductory paragraph of this Agreement.

"Force Majeure" means, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the County's legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of the Company (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

"Grant Certification" has the meaning set forth in Section 5(a) of this Agreement.

"Person" means an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

"Project Site" has the meaning set forth in the recitals to this Agreement.

"Tax Code" means the Texas Tax Code, as amended from time to time.

"Term" has the meaning set forth in Section 3 of this Agreement.

All references in this Agreement to a "tax year" mean a calendar year.

3. Term.

This Agreement shall be effective as of the Effective Date and shall remain in full force and effect until the end of "Grant Term Year 5."

4. Property Tax Incentives:

(a) Project Site. Subject to Section 4(b), Section 4(c), and Section 4(d), the County shall, for each Grant Term Year, make a grant (in cash) to the Company in an amount measured by a percentage of County ad valorem taxes paid by the Company and Company Affiliates with respect to each Qualified Facility and business personal property located therein or otherwise on the Project Site as follows:

Grant Term Year	Percentage of County Taxes Used to Measure Grant
Grant Term Year 1	45%
Grant Term Year 2	45%
Grant Term Year 3	40%
Grant Term Year 4	40%
Grant Term Year 5	35%

(b) Construction Covenant. Notwithstanding anything to the contrary in Section 4(a), if the Construction Condition is not met (plus extensions due to Force Majeure), then no grant under this Agreement shall be provided.

(c) Operation Covenant. The Company shall operate the Facility in accordance with prudent industry standards and applicable law

(d) Property Tax Covenant. Throughout the term of this Agreement, the Company shall timely pay all property taxes for the Project and real and personal property located therein due and owing by it to all relevant taxing jurisdictions.

(e) Payment of Grant. Each grant for each Grant Term Year shall be paid to the Company not later than February 28 of the immediately following year (unless the Challenge Notice procedure set forth in Section 5 hereof makes such payment date impossible, in which case the grant shall be paid within thirty days following the Auditor's determination); provided however, that no such rebate is due until after the Company or a Company Affiliate has paid the County property taxes upon which the grant is measured. The County hereby agrees that it has available and dedicated funds to make the grants contemplated by this Agreement.

5. Certification/Verification

(a) On or before the first January 31 following each Grant Term Year, the Company shall certify in writing to the County whether the conditions set forth in Sections 4(b), (c), and (d) (provided that once the condition described in Section 4(b) has been met, then no further certification shall be required with respect to such condition) hereof have been met (each, a "Grant Certification"). On or before the first February 21 following the relevant Grant Term Year, the County may object (by delivering a written notice to the Company) (a "Challenge Notice") to such Grant Certification (it being understood that the County may elect to object to all

or any portion of the conclusions in the Certification). If a Challenge Notice is not timely delivered to the Company for a particular Grant Certification, then such Grant Certification shall be final, binding, nonappealable and conclusive on each of the Company and the County with respect to all matters addressed in such Grant Certification (and the Grant Certification shall also be binding, nonappealable and conclusive on each of the Company and the County with respect to all matters addressed therein that are not challenged by the County in a timely Challenge Notice). If, however, a timely Challenge Notice is delivered, then (i) the Company and the County shall attempt to resolve all issues raised in the Challenge Notice; and (ii) if the process in clause (i) above does not result in an agreement between the Company and the County concerning all such issues within twenty days following the date of delivery of the relevant Challenge Notice, then an independent accounting firm jointly selected by the County and the Company (the "Auditor") shall determine whether each challenged condition set forth in the Grant Certification has been met. The Auditor shall allocate the payment of the Auditor's fees and expenses to the County and/or the Company based upon the percentage of the Company's certifications that are correct; thus, for illustration purposes only, if the County challenges three Company conclusions and the Auditor determines that two such conclusions are correct and one is incorrect, then the Company would pay one-third of the Auditor's fees and expenses and the County would pay two-thirds of the Auditor's fees and expenses

(b) All determinations by the Auditor shall be final, nonappealable and conclusive. (c) The Auditor shall have reasonable access to the Company's books, records and other information as is necessary to make the determination(s) described above, but shall not have any access to any of the Company's books, records or other information that is not required to make such determination(s). In all events, the Auditor shall keep all information obtained by it from the Company confidential (and, for example, shall not disclose such information to the County, with the County receiving only the Auditor's final conclusions described above), and, prior to having access to any of the Company's records, shall execute and deliver to the Company a commercially reasonable form of confidentiality agreement submitted by the Company. Any report prepared by the Auditor shall not include any information deemed confidential or proprietary by the Company. Without limitation, the Auditor's report shall contain only totals and conclusions and shall not include any specific salary, benefit or other business or proprietary information of the Company.

6. Development Incentives.

(a) The County shall use all reasonable efforts to expedite its building review and approval process with respect to all aspects of the Project. The County shall not charge the Company any fees for expediting its review and approval process.

(b) The County shall (i) direct the County Engineer to be the Company's direct contacts and primary liaisons (between the County and the Company) with

respect to the Project; (ii) use all reasonable efforts to cause permits to be issued; (iii) allocate to the Project building plan review sufficient staff to facilitate the accelerated review of submitted construction plans; and (iv) use all reasonable efforts to expedite the review and approval of architectural plans and drawings for the Project.

7. Default.

If the County defaults with respect to any of its obligations hereunder and fails, within thirty (30) days after delivery of written notice of such default from the Company, to cure such default, then the Company, by action or proceeding at law or in equity, may be awarded its damages for such default, including all reasonable attorneys' fees and costs incurred in connection with such default. If the Company defaults with respect to any of its obligations hereunder and fails, within sixty (60) days after delivery of written notice of such default from the County, to cure such default or such longer time as is reasonably necessary to address a default due to Force Majeure or to address a default that cannot be cured within such 60-day period provided that the Company is diligently attempting to cure, then the County may terminate this Agreement.

The Company's failure to meet a condition set forth in Sections 4(b), (c) or (d) hereof (and failure to submit a Grant Certification, it being understood that the sole result of not submitting such certification for a particular year shall be the Company's not receiving rebates hereunder for such year so long as the Company received at least one prior notice from the County that such certification was due) for a particular year shall result only in the loss of rebates for such year. The Company's only liability for failing to meet a condition or breach shall be those set forth in this Section 7 and Section 4.

8. Mutual Assistance.

The County and the Company shall take all reasonable measures that are necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

9. Representations and Warranties.

The County represents and warrants to the Company that this Agreement is within the scope of its authority, and that it is duly authorized and empowered to enter into this Agreement under Chapter 380.

10. INDEMNIFICATION

A. **IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE COUNTY IN THIS AGREEMENT, COMPANY SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE COUNTY, ITS COMMISSIONERS COURT MEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "COUNTY'S INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIENS,**

CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, REASONABLE ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE, OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY RESULTING FROM COMPANY'S CONSTRUCTION AND OPERATION OF THE FACILITY.

B. Notice of Indemnified Loss. The County's Indemnified Party shall promptly notify Company of any indemnified Losses or Claim for indemnified Losses in respect of which the County's Indemnified Party may be entitled to indemnification under this Section 9. Such notice shall be given as soon as reasonably practicable after the County's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. Defense of Third Party Claims. In the event any action or proceeding shall be brought against the County's Indemnified Party by reason of any matter for which the County's Indemnified Party is indemnified hereunder, Company shall, upon notice from the County's Indemnified Party or its authorized agents or representatives, at Company's sole cost and expense, resist and defend the same with legal counsel selected by Company; provided, however, that Company shall not admit liability in any such matter on behalf of the County's Indemnified Party without the County's express written consent. Nothing herein shall be deemed to prevent the County's Indemnified Party at its election and at its own expense from cooperating with Company and participating in the defense of any litigation by their own counsel. If Company fails to retain defense counsel within ten (10) business days after receipt of the County's Indemnified Party written notice that the County's Indemnified Party is invoking its right to indemnification under this Agreement, the County's Indemnified Party shall have the right to retain defense counsel on their own behalf, and Company shall be liable for all usual and customary defense costs incurred by the County's Indemnified Party.

D. Limitation on Indemnity. The amount owing to a County Indemnified Party will be the amount of the County Indemnified Party's Losses net of any insurance proceeds received by the County Indemnified Party following a reasonable effort by the County Indemnified Party to obtain such insurance proceeds.

11. Section or Other Headings.

Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

12. Attorneys Fees.

In the event any legal action or proceeding is commenced to enforce or interpret provisions of this Agreement, the prevailing party in any such legal action shall be entitled to recover its reasonable attorneys' fees and expenses incurred by reason of such action.

13. Entire Agreement.

This Agreement contains the entire agreement between the parties with respect to the transactions contemplated herein.

14. Amendment.

This Agreement may only be amended, altered, or revoked by written instrument signed by the Company and the County.

15. Successors and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and all Company Affiliates, and their respective successors and assigns. The Company may assign all or part of its rights and obligations hereunder (irrespective of whether the Company ever owns all or any part of the Project Site) (a) without the prior written approval of the County, to any Company Affiliate, (b) without the prior written approval of the County, to any Person that acquires all or a portion of the Project Site or any improvement thereon and then leases such property to the Company or any Company Affiliate, (c) without the prior written approval of the County, to any assignee that can meet the conditions set forth in Sections 4(b) (if still applicable), (c),and (d) above; and (d) to any Person not described in clause (a), (b) or (c) above, with the prior written approval of the County, which shall not be unreasonably withheld, conditioned or delayed. Any assignment in violation of this Section 15 shall not affect any grants with respect to which the Company or any Company Affiliate is already entitled.

16. Notice.

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, hand delivered or sent by overnight delivery service (by any method of delivery offered by such overnight carrier), addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

Company:	Dr. Jeffrey Brown Finisar Sherman RE HOLDCO, LLC 6800 South Hwy 75 Sherman, Texas 75090
County	Grayson County Judge Grayson County, Texas 100 W. Houston St., Suite 15 Sherman, Texas 75090

17. Interpretation.

Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.

18. Applicable Law.

This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in a court located in Grayson County, Texas.

19. Severability.

In the event any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

20. Counterparts.

This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original, but all of which shall constitute one instrument.

GRAYSON COUNTY, TEXAS

By: _____
WILLIAM L. MAGERS,
GRAYSON COUNTY JUDGE

ATTEST:

_____
Wilma Blackshear Bush
Grayson County Clerk

GRAYSON COUNTY, TEXAS
APPROVED AS TO FORM
AND LEGALITY:

Craig M Price

Craig M. Price
Assistant Criminal District Attorney

Date: 4/3/18

FINISAR SHERMAN RE HOLDCO, LLC

By: _____
Name: Dr. Jeffrey Brown
Title: Sherman Plant Manager
Address: 6800 South Hwy 75
Sherman, TX 75090

(CORPORATE SEAL)

COUNTY'S ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared William L. Magers, County Judge of GRAYSON COUNTY, TEXAS, known to me to be the person acknowledged to me that the same was the act of the said GRAYSON COUNTY, TEXAS, that he was duly authorized to perform the same by appropriate resolution of the Commissioners Court of Grayson County, Texas, and that he executed the same as the act of the said County for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 3rd day of April, 2018.

Julia W Lollar
Notary Public in and for
the State of Texas

Julia W Lollar
Notary's Printed Name

My Commission Expires:

8-14-2021

JULIA W LOLLAR
Notary Public, State of Texas
Comm. Expires 08-14-2021
Notary ID 102204-8

COMPANY ACKNOWLEDMENT

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Dr. Jeffrey Brown, Finisar Sherman RE HOLDCO, LLC, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said entities.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 3rd day of May, ~~2018.~~ 2022

Julia Park
Notary Public in and for
the State of Texas

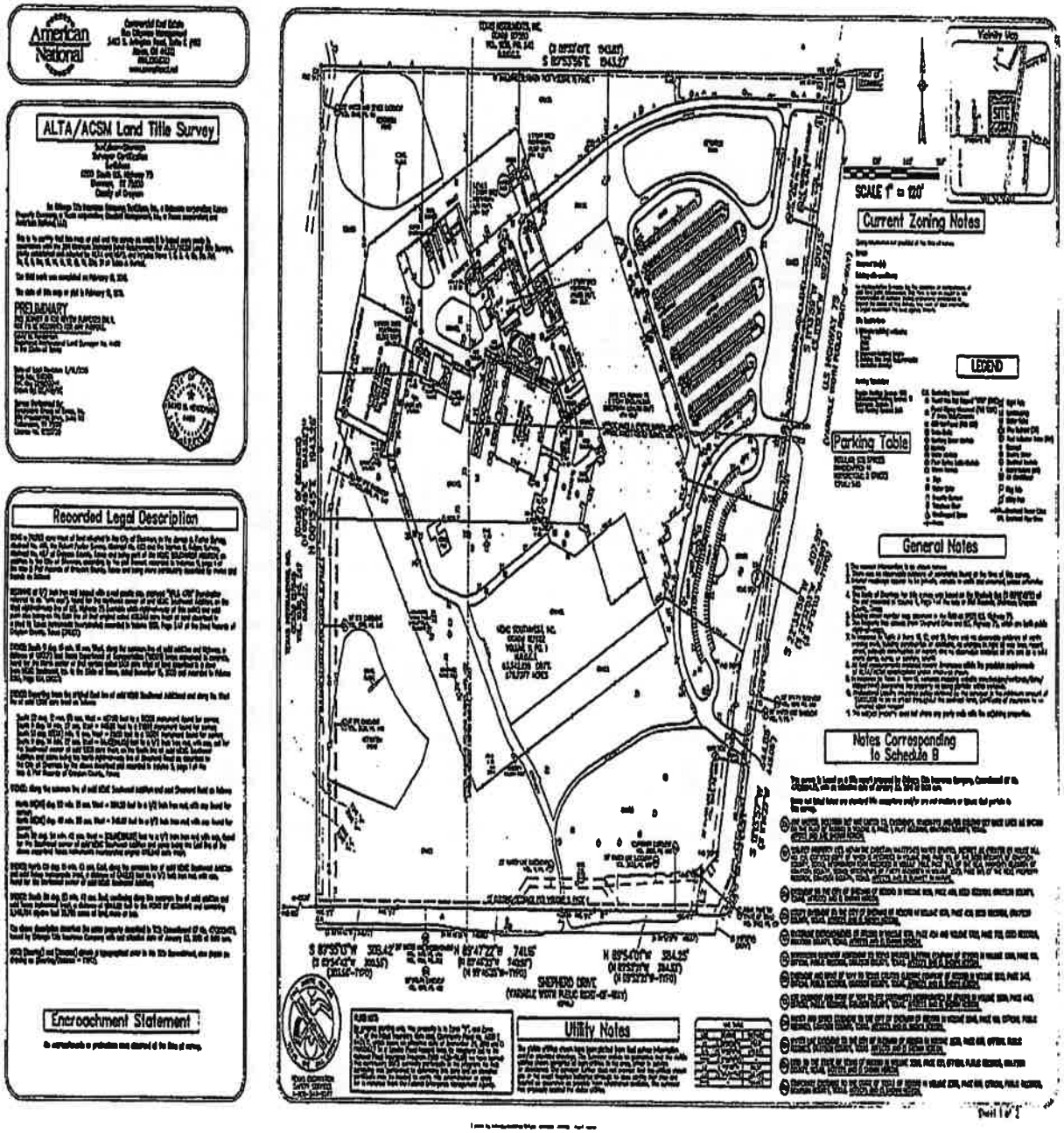
Julia Park
Notary's Printed Name

My Commission Expires:

4·13·2024

JULIA PARK
Notary Public, State of Texas
Comm. Expires 04-13-2024
Notary ID 128955059

EXHIBIT A


American National
ALTA/ACSM Land Title Survey
PRELIMINARY
Recorded Legal Description
Encroachment Statement
SCALE 1" = 120'
Current Zoning Notes
LEGEND
Parking Table
General Notes
Notes Corresponding to Schedule B
Utility Notes
SHEPARD DRIVE

As–Surveyed Legal Description

Being the Lot created by the final plat of MEMC southwest addition, an addition to the City of Sherman, Grayson County, Texas, according to the plat of record in Volume 11, Page 1, plat records, Grayson County, Texas, and being more fully described in exhibit "A" attached.

BEING a 78.783 acre tract of land situated in the City of Sherman, in the James A. Foster Survey, Abstract No. 418, the Robert Foster Survey, Abstract No. 420 and the Marion G. Fellers Survey, Abstract No. 427 of Grayson County, Texas and being part of the MEMC SOUTHWEST ADDITION, an addition to the City of Sherman, according to the plat thereof, recorded in Volumes 11, page 1 of the Map & Plat Records of Grayson County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at 1/2 inch iron rod topped with a red plastic cap, stamped "RPLS 4701" (hereinafter referred to as "with cap"), found for the Northeast corner of and MEMC Southwest Addition, on the West right–of–way line of U.S. Highway 75 (variable width right–of–way at this point) and said point also being on the East line of that original called 470.340 acre tract of land described in a deed to Texas Instruments Incorporated; recorded in Volume 1036, Page 247 of the Deed Records of Grayson County, Texas (DRGCT);

THENCE: South 11 deg. 13 min. 59 sec. West, along the common line of said addition and highway, a distance of 1,017.15 feet Texas Department of Transportation (TXDOT) brass monument in concrete, found for the North corner of that certain called 1.506 acre tract of land described in a deed from MEMC Southwest, Inc. to the State of Texas, dated December 15, 2003 and recorded in Volume 3562, Page 651, DRGCT;

THENCE: Departing from the original East line of said MEMC Southwest Additional and along the West line of said 1.506 acre tract as follows:

South 22 deg. 32 min. 59 sec. West – 407.99 feet to a TXDOT monument found for corner;
South 11 deg. 13 min. 57 sec. West – 444.88 feet to a TXDOT monument found for corner;
South 50 deg. 56 min. 32 sec. West – 78.08 feet to a TXDOT monument found for corner;
South 11 deg. 13 min. 08 sec. West – 84.36 feet to a 1/2 inch iron rod, with cap, set for the Southwest corner of said 1.506 acre tract, on the South line of said MEMC Southwest Addition and same being the North right–of–way line of Shepherd Road as described to the City of Sherman by the above described plat recorded in Volume 11, page 1 of the Map & Plat Records of Grayson County, Texas;

THENCE: Along the common line of said MEMC Southwest Addition and said Shepherd Road as follows:

North 89 deg. 54 min. 01 sec. West – 384.25 feet to a 1/2 inch iron rod, with cap found for corner;
North 89 deg. 47 min. 22 sec. West – 741.18 feet to a 1/2 inch iron rod, with cap found for corner;
South 89 deg. 55 min. 13 sec. West – 308.42 feet to a 1/2 inch iron rod, with cap, found for the Southwest corner of said MEMC Southwest Addition and same being the East line of the above described Texas Instruments Incorporated original 470.340 acre tract;

THENCE: North 00 deg. 13 min. 45 sec. East, along the common line of said MEMC Southwest Addition and said Texas Instruments tract, a distance of 1,943.28 feet to a 1/2 inch iron rod, with cap, found for the Northwest corner of said MEMC Southwest Addition;

THENCE: South 89 deg. 53 min. 58 sec. East, continuing along the common line of said addition and said Texas Instrument tract, a distance of 1,943.27 feet to the POINT OF BEGINNING and containing 3,343,764 square feet 76.783 acres of land, more or less.

The above description describes the same property described in Title Commitment GF No. 4712009475, issued by Chicago Title Insurance Company with and effective date of January 25, 2016 at 8:00 a.m.

Sheet 2 of 2

INDUSTRIAL REINVESTMENT ZONE, NUMBER 022018-01, CITY OF SHERMAN, TEXAS

VICINITY MAP

