

STATE OF TEXAS

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**ECONOMIC DEVELOPMENT
GRANT AGREEMENT OF THE
CITY OF SAN ANTONIO**

COUNTY OF BEXAR

This Economic Development Grant Agreement (hereinafter referred to as "this Agreement") is made and entered into by and between the City of San Antonio, a municipal corporation of the State of Texas (hereinafter referred to as "GRANTOR"), acting by and through its City Manager or her designee, and Oracle America, Inc. (hereinafter referred to as "GRANTEE") and together referred to as the "Parties.

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, GRANTOR is authorized to grant municipal funds to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, in accordance with City Ordinance No. 100684, GRANTOR created an economic development program for the purpose of making such grants available; and

WHEREAS, GRANTEE is engaged in an economic development project that will be located within the city limits of San Antonio and will consist of the relocation of GRANTEE's finance and contracting divisions to offices to be leased by GRANTEE for all or a portion of the term of this agreement in the Spectrum Building located at 613 NW Loop 410, San Antonio, TX 78216 (the "Project Site"); and

WHEREAS, GRANTEE intends to conduct its Business Activities (as defined below) within the city limits of the City of San Antonio for a period of not less than ten (10) years from its offices at the Project Site (or at a subsequent site in the City of San Antonio following the expiration or termination of the Lease (defined below) at the Project Site (a "Subsequent Project Site")) and to create and retain 200 full-time jobs paying a minimum annual salary of \$70,000.00 (the "Project"); and

WHEREAS, GRANTEE is seeking an economic development grant from GRANTOR in order to enhance the economic feasibility of locating the Project at the Project Site; and

WHEREAS, GRANTOR has identified Economic Development Incentive Funds available to provide an economic development program grant to incent GRANTEE to locate the Project at the Project Site; and

WHEREAS, the City Council has authorized the City Manager or her designee to enter into this Agreement with GRANTEE in accordance with City Ordinance No. 2014-05-15-_____, passed and approved on May 15, 2014, to grant funds to support the Project;

NOW THEREFORE:

The Parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described:

SECTION 1. AGREEMENT PURPOSE

The purpose of this Agreement is to attract GRANTEE to the Project Site and assist GRANTEE in defraying costs associated with the Project through the award of public funds in the form of an economic

development grant. Locating the Project at the Project Site is anticipated to promote local economic development and to stimulate business and commercial activity in the City of San Antonio. GRANTOR is supporting the Project through this Agreement to promote state or local economic development and to stimulate business and commercial activity in the municipality.

SECTION 2. PROJECT REQUIREMENTS

A. Lease Agreement. GRANTEE shall enter into a Lease Agreement (the "Lease") prior to _____, 2014 for offices at the Project Site. Upon execution of the Lease, GRANTEE shall provide an Acknowledgement of Lease (Exhibit "A"), executed by GRANTEE and the lessor, to GRANTOR that indicates the term of the Lease, the square footage of GRANTEE's office space at the Project Site and the conditions under which the Lease may be terminated.

B. Business Activities. GRANTEE shall establish finance and contracting divisions of its corporation at its offices at the Project Site in accordance with Section 2(A) above. Upon commencement of the Lease term and the completion of leasehold improvements, GRANTEE shall conduct its "Business Activities," which shall include information technology services and business process support. Except as provided herein, GRANTEE covenants and agrees that it shall not substantially change the Business Activities without the written consent of GRANTOR which will be provided in the course of the Monitoring activities as set out in Section 7(A) and 7(B) below. Such consent will be evaluated annually and not be unreasonably withheld, conditioned or delayed. Such consent shall not be necessary if a Related Organization (being defined as a parent, subsidiary, direct or indirect at any level, or affiliate organization of GRANTEE or any entity which succeeds to or receives an assignment of GRANTEE's interest under the Lease and this Agreement as a result of a merger, acquisition, or other corporate restructure or reorganization of GRANTEE, or any parent, subsidiary or affiliate of such entity) occupies GRANTEE's offices at the Project Site and continues to use the premises demised under the Lease for Business Activities substantially similar in nature to the Business Activities of GRANTEE and consistent with the terms and conditions of this Agreement. To be eligible for the benefits of this Agreement, the Related Organization must agree in writing, to comply with all applicable terms herein from and after the date it succeeds to GRANTEE's interest in this Agreement, and if requested by GRANTOR the Related Organization must enter into an amendment to this Agreement evidencing such agreement. In the event of any such transfer to a Related Organization, GRANTEE must notify CITY in writing of same no later than the 30th day following the effective date of such transfer. GRANTEE acknowledges that any change in the principal use of the Project Site from that contemplated herein without prior written approval of GRANTOR, to the extent same is required under this Agreement, may result in a loss of the economic development grants to be provided to GRANTEE under this Agreement and the recapture of grant funds disbursed under this Agreement in accordance with Section 3.C below.

C. Full-Time Jobs. Following the Commencement Date of the Lease (or any earlier date upon which GRANTEE is able to commence Business Activities at the Project Site), GRANTEE shall relocate, create and retain two-hundred (200) Full-Time Jobs at its offices at the Project Site on or before December 31, 2016, as follows.

- At least ONE HUNDRED AND FIFTY (150) Full-Time Jobs shall be created at GRANTEE's leased office space at the Project Site prior to December 31, 2015.
- At least TWO HUNDRED (200) cumulative Full-Time Jobs shall be created at GRANTEE's leased office space at the Project Site prior to December 31, 2016.

Once Grant Funds, as defined in Section 3(A) below, are disbursed by GRANTOR to GRANTEE pursuant to Section 3(B) below for the TWO HUNDRED Full-Time Jobs created at GRANTEE's leased

office space at the Project Site, such Full-Time Job positions must be retained at the Project Site or at a Subsequent Project Site for the Term of this Agreement or GRANTEE shall be subject to the recapture provisions as set out in Section 3(C) below.

1. For the purposes of this Agreement, a Full-Time Job shall be equivalent to two thousand and eighty (2,080) straight-time paid hours in a fiscal year. It is agreed by the Parties that for purposes of meeting the required job numbers for all purposes under this Agreement, "Full-Time Jobs" shall be calculated using both filled and open positions, so long as GRANTEE is actively recruiting to fill such open positions (so long as GRANTEE in its annual reporting demonstrates its recruitment activity with respect to such open positions and that such open positions will meet the other requirements of this Section 2(C) once such positions are filled).

2. GRANTEE agrees that in addition to the requirements of Section 2(C)(1) above, to qualify as a Full Time Job under this Agreement, the annual salary of each such Full-Time Job, as calculated for purposes of this Agreement, shall be no less than SEVENTY THOUSAND DOLLARS AND 0 CENTS (\$70,000.00) excluding benefits.

3. Additionally, to qualify as a "Full-Time Job employee" for purposes of this Agreement, each such employee, exclusive of their salary, will be offered an opportunity to participate in GRANTEE's employee benefits program which shall be substantially similar to employee benefits offered to similarly situated employees of GRANTEE in other locations. In addition, in order to qualify as a "Full-Time Job employee", said employee shall be offered a health plan which provides coverage for their eligible dependents on terms substantially similar to the coverage provided to the eligible dependents generally of GRANTEE's non-temporary full-time employees at other locations.

4. GRANTEE is also encouraged to make a good faith effort to interview and hire employees who currently reside in Bexar County and to use the services of Workforce Solutions Alamo in screening and referring eligible applicants to fill GRANTEE's Full-Time Jobs, so long as Workforce Solutions Alamo does not charge a placement fee or commission for its services. In addition, GRANTEE agrees to work with University of Texas at San Antonio and other local universities to participate in university job fairs.

D. GRANTEE shall conduct its Business Activities at the Project Site (and, if applicable, at any Subsequent Project Site) in material compliance with applicable federal, state and local laws and regulations and in accordance with the applicable terms and conditions of this Agreement.

SECTION 3. ECONOMIC DEVELOPMENT PROGRAM GRANT.

A. **Economic Development Program Grant.** CITY is providing GRANTEE with an Economic Development Program Grant in the cumulative amount of ONE MILLION DOLLARS AND 0 CENTS (\$1,000,000.00) ("Grant Funds"). The purpose of the Grant Funds is: 1) to attract GRANTEE to the Project Site; 2) to enhance GRANTEE's economic feasibility of locating the Project at the Project Site; and 3) to incentivize GRANTEE to conduct its Business Activities at the Project Site.

B. **Grant Disbursement.** Following: i) approval of this Agreement by a duly authorized City Ordinance and execution of the Agreement by the Parties; and ii) execution of the Lease and delivery of the Lease Acknowledgement to GRANTOR, the CITY will make available to GRANTEE the Grant Funds as follows:

1. **Initial Disbursement.** An initial disbursement of Grant Funds shall be disbursed to GRANTEE after January 1, 2015 and within forty-five (45) days of GRANTEE submitting to GRANTOR written certification from an officer of GRANTEE confirming that GRANTEE has commenced Business Activities at the Project Site and certifying to the number of Full-Time Jobs created at the Project Site between the Effective Date of this Agreement and December 31, 2014. The amount of the disbursement shall be equal to the number of Full-Time Jobs verified through the certification multiplied by FIVE THOUSAND DOLLARS AND 0 CENTS (\$5,000.00), up to a maximum initial disbursement of THREE HUNDRED AND THIRTY THOUSAND DOLLARS AND 0 CENTS (\$330,000.00).
2. **Second Disbursement:** Provided that GRANTEE has created no less than a total of ONE HUNDRED AND FIFTY (150) Full-Time Jobs at GRANTEE's offices at the Project Site between the Effective Date of this Agreement and December 31, 2015, GRANTOR shall provide for a second disbursement of Grant Funds after January 1, 2016 and within forty-five (45) days of GRANTEE submitting to GRANTOR written certification from an officer of GRANTEE certifying to the number of Full-Time Jobs created at the Project Site. Such disbursement of Grant Funds shall be in an amount equal to FIVE THOUSAND DOLLARS AND 0 CENTS (\$5,000.00) per newly created Full-Time Job in excess of the number of Full-Time Jobs for which GRANTOR verified and disbursed Grant Funds in accordance with Section 3(B)(1), up to maximum amount of SIX HUNDRED TWENTY FIVE THOUSAND DOLLARS AND 0 CENTS (\$625,000.00) for such second disbursement.
3. **Third Disbursement:** Provided that GRANTEE has created no less than TWO HUNDRED (200) Full-Time Jobs at GRANTEE's offices at the Project Site between the Effective Date of this Agreement and December 31, 2016, GRANTOR shall provide for a third disbursement of Grant Funds after January 1, 2017 and within forty-five (45) days of GRANTEE submitting to GRANTOR written certification from an officer of GRANTEE certifying to the number of Full-Time Jobs created at the Project Site. Such disbursement of Grant Funds shall be in an amount equal to a) FIVE THOUSAND DOLLARS AND 0 CENTS (\$5,000.00) per newly created Full-Time Job in excess of the number of Full-Time Jobs for which GRANTOR verified and disbursed Grant Funds in accordance with Sections 3(B)(1) and (2) above, up to maximum amount of TWO HUNDRED FIFTY THOUSAND DOLLARS AND 0 CENTS (\$250,000.00) for such third disbursement (i.e., GRANTOR shall provide Grant Funds pursuant to Sections 3(B)(1), (2) and (3) for a maximum of 200 Full Time Jobs regardless of any greater number of Full Time Jobs that may actually be created at the Project Site).

PROVIDED, HOWEVER, THAT if GRANTEE fails to achieve the Full Time Jobs threshold set forth in Section 3(B)(2) or 3(B)(3) by the date specified in such Section, then following notice from GRANTOR of such failure, GRANTEE shall have the ability to cure such failure within the period specified in Section 15 below or such additional cure period as may be granted by GRANTOR, if any.

4. **Grant Funds Extinguished.** Following the payment by GRANTOR of the third disbursement, any and all undisbursed Grant Funds shall be extinguished and Grantor shall have no obligation to pay Grantee for additional Full-Time Jobs created.
5. **Job Number Maintenance.** Following the third disbursement, GRANTEE shall be required to maintain the number of Full-Time Jobs for which GRANTOR has disbursed Grant Funds or shall be subject to the recapture of funds in accordance with Section 3(C) below.

C. **Recapture of Program Grant Funds.**

1. Should GRANTEE comply with the requirements of Section 2(A), (B), (C) and (D) of this Agreement, and subsequent to meeting those requirements:

- a. Relocates its Business Activities outside of the Project Site (or any Subsequent Project Site) and the city limits of the City of San Antonio, during the Term of this Agreement; or
- b. Ceases to conduct its Business Activities at the Project Site (or any Subsequent Project Site) for a period of ninety (90) consecutive days unless such cessation arises as a consequence of the relocation of such Business Activities to another location within the City of San Antonio, or
- c. Except as otherwise provided for in Section 20, sells all or a substantial portion of its assets during the Term of this Agreement without GRANTOR's consent, or
- d. During the Term of this Agreement, fails to keep adequate records necessary for the GRANTOR to determine if GRANTEE is in compliance with this Agreement; then

GRANTOR shall have the right to recapture one-hundred percent (100%) of Grant Funds disbursed under this Agreement from GRANTEE no later than sixty (60) days following a written request delivered to GRANTEE, which written request will afford GRANTEE a 60-day opportunity to either correct the failure resulting in the recapture right or to pay back any Grant Funds previously advanced.

2. Should GRANTEE comply with the requirements of Section 2(A), (B), (C), and (D) of this Agreement, and subsequent to meeting those requirements, fails to maintain throughout the balance of the Term of this Agreement TWO HUNDRED Full Time Jobs at the Project Site or a Subsequent Project Site for which GRANTEE received the disbursement of Grant Funds hereunder, but continues to maintain no less than ONE HUNDRED AND SEVENTY-FIVE (175) Full-Time Jobs, then GRANTEE shall be entitled to recapture a portion of the Grant Funds allocable to the number of Full Time Jobs that were not maintained by GRANTEE (the "Jobs Shortfall") in the following percentages:

Year in which Jobs Shortfall occurs:	GRANTOR's recapture percentage:
Years 1 through 6	100% of Grant Funds allocable to the Jobs Shortfall
Year 7 (i.e., starting 7/1/2020)	80% of Grant Funds allocable to the Jobs Shortfall
Year 8	60% of Grant Funds allocable to the Jobs Shortfall
Year 9	40% of Grant Funds allocable to the Jobs Shortfall
Year 10	20% of Grant Funds allocable to the Jobs Shortfall

3. Should GRANTEE fail to maintain ONE HUNDRED AND SEVENTY-FIVE (175) Full-Time Jobs during the Term of this Agreement, then GRANTOR shall be entitled to recapture ONE HUNDRED PERCENT (100%) of all of the Grant Funds disbursed to GRANTEE.

SECTION 4. AGREEMENT PERIOD

This Agreement shall commence upon the Effective Date listed in this Agreement and terminate on December 31, 2024 (the "Term").

SECTION 5. DEPARTMENT OBLIGATIONS

- A. GRANTOR shall make the Grant Funds available to GRANTEE as described in this Agreement.
- B. GRANTOR shall not be liable to GRANTEE or other entity for any costs incurred by GRANTEE other than for the disbursement of Grant Funds pursuant to the terms of this Agreement.

SECTION 6. RETENTION AND ACCESSIBILITY OF RECORDS

A. GRANTEE shall maintain personnel and wage records and supporting documentation for Grant Funds disbursed by GRANTOR pursuant to the terms of this Agreement. GRANTEE shall retain such records, and any supporting documentation, for the period required for record retention or by any other applicable laws and regulations.

B. GRANTEE shall, following reasonable advance written notice from the GRANTOR, give the GRANTOR, or its duly authorized representatives, access during normal business hours to and the right to examine all books, accounts, records, audit reports, reports, files, documents, written or photographic material, videotape and other papers, things, or property belonging to or in use by GRANTEE pertaining only to the Grant Funds disbursed under this Agreement (the "Records"). The GRANTOR's access to GRANTEE's books and records will be limited to information needed to verify that GRANTEE is and has been complying with the terms of this Agreement. Any information that is not required by law to be made public shall be kept confidential by GRANTOR. GRANTEE shall not be required to disclose to the GRANTOR any information that by law GRANTEE is required to keep confidential. Should any good faith dispute or question arise as to the accuracy of the data provided, the GRANTOR reserves the right to require GRANTEE to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of GRANTEE unless the independent firm confirms that the information as provided by GRANTEE is accurate, in which case the GRANTOR will bear the cost of the independent firm. The rights to access the Records shall continue throughout the Term of this Agreement as long as the Records are retained by GRANTEE. Failure to provide reasonable access to the Records to authorized GRANTOR representatives shall give the GRANTOR the right to suspend or terminate this Agreement as provided for in Section 14 and 15 below, or any portion thereof, for reason of default. All Records shall be retained by GRANTEE for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries and open record requests are completed. GRANTEE agrees to maintain the Records in an accessible location and to provide citizens reasonable access to the Records if required by the Texas Public Information Act on the same terms as the Records are made available to the GRANTOR as set forth above. All of the above notwithstanding, the GRANTOR and the citizens shall have no right to access any confidential or proprietary records of GRANTEE, including but not limited to the ownership and capital structure of GRANTEE and personnel records pertaining to employees of GRANTEE.

SECTION 7. MONITORING

A. GRANTOR reserves the right to confirm GRANTEE's compliance with the terms and conditions of this Agreement by monitoring, subject to the requirements of SECTION 6 above. GRANTOR will

provide GRANTEE with a written report of the monitor's findings. If the monitoring report notes deficiencies in GRANTEE's performances under the terms of this Agreement, the monitoring report shall include a listing of requirements for the correction of such deficiencies by GRANTEE and a reasonable amount of time in which to attain compliance. Failure by GRANTEE to take action specified in the monitoring report may be cause for suspension or termination of this Agreement, in accordance with Sections 14 and 15 herein.

B. During the Term of this Agreement, the GRANTEE shall submit an annual report to the GRANTOR detailing relevant economic development activity generated pursuant to this Agreement (i.e., Full Time Jobs at the Project Site or any Subsequent Project Site) within thirty (30) days of the end of each calendar year during the Term of this Agreement, and GRANTEE will provide the GRANTOR with an annual certification from an officer of GRANTEE attesting to the number of Full-Time Jobs created and maintained at the Project Site or any Subsequent Project Site during the preceding year, as well as wages paid, position title, hire date, employee id and the annualized salary for all such employees.

SECTION 8. CONFLICT OF INTEREST

To the extent applicable, GRANTEE shall comply with Chapter 171, Texas Local Government Code; and GRANTEE shall comply with the GRANTOR's Code of Ethics so long as such compliance is not in conflict with similar policies of GRANTEE regarding its business practices.

SECTION 9. NONDISCRIMINATION AND SECTARIAN ACTIVITY

A. GRANTEE shall comply with all applicable laws pertaining to nondiscrimination in the workplace and hiring with respect to the Full Time Jobs created at the Project Site and any Subsequent Project Site.

B. None of the performances rendered by GRANTEE under this Agreement shall involve, and no portion of the funds received by GRANTEE under this Agreement shall be used in support of, any sectarian or religious activity, nor shall any facility used in the performance of this Agreement be used for sectarian instruction or as a place of religious worship.

SECTION 10. LEGAL AUTHORITY

A. Each party assures and guarantees to the other that they possess the legal authority to enter into this Agreement, to receive/deliver the funds authorized by this Agreement, and to perform their obligations hereunder.

B. The person or persons signing and executing this Agreement on behalf of each party or representing themselves as signing and executing this Agreement on behalf of a party, do hereby guarantee that he, she or they have been duly authorized to execute this Agreement on behalf of that party and to validly and legally bind that party to all terms, performances and provisions herein set forth.

C. GRANTOR shall have the right to suspend or terminate this Agreement in accordance with Sections 16 and 17 herein if there is a dispute as to the legal authority of either GRANTEE, or the person signing this Agreement, to enter into this Agreement, any amendments hereto or failure to render performances hereunder.

SECTION 11. LITIGATION AND CLAIMS

A. GRANTEE shall notify the GRANTOR immediately of any legal action filed against the GRANTEE under the federal bankruptcy code. GRANTEE shall submit a copy of such notice to GRANTOR within 30 calendar days after receipt.

B. GRANTOR and GRANTEE acknowledge that GRANTOR is a political subdivision of the State of Texas and is subject to, and complies with, the applicable provisions of the Texas Tort Claims Act, as set out in the Civil Practice and Remedies Code, Section 101.001 et. seq., and the remedies authorized therein regarding claims and causes of action that may be asserted by third parties for accident, injury or death.

C. This Agreement shall be interpreted according to the Constitution and the laws of the State of Texas. Venue of any court action brought directly or indirectly by reason of this Agreement shall be in Bexar County, Texas.

SECTION 12. ATTORNEY'S FEES

A. In the event either party defaults under any of the provisions of this Agreement, and should the non-defaulting party employ attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees to pay to the non-defaulting party reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party.

SECTION 13. CHANGES AND AMENDMENTS

A. Except as provided below, any alterations, additions, or deletions to the terms of this Agreement shall be by amendment hereto in writing and executed by both parties to this Agreement upon GRANTOR approval and authorization of GRANTEE.

B. It is understood and agreed by the parties hereto that performances under this Agreement shall be rendered in accordance with the laws and rules governing the Economic Development Program as set forth in Texas Local Government Code Chapter 380, and the terms and conditions of this Agreement.

C. Any alterations, additions, or deletions to the terms of this Agreement required by changes in state law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation.

SECTION 14. SUSPENSION

A. Notwithstanding the provisions of Chapter 2251 of the Texas Government Code, in the event GRANTEE commits a Default Event, GRANTOR shall provide GRANTEE with written notification as to the nature of the Default Event. GRANTOR shall grant GRANTEE a sixty (60) day period from the date of the GRANTOR's written notification to cure any Default Event. Should GRANTEE fail to cure any Default Event within this period of time, the GRANTOR may, upon written Notice of Suspension to GRANTEE, suspend this Agreement in whole or in part by withholding further payments to GRANTEE. Such Notice of Suspension shall include: (1) the reasons for such suspension; (2) the effective date of such suspension; and, (3) in the case of partial suspension, the portion of the Agreement to be suspended.

B. In the case of a Default Event that occurs for causes beyond GRANTEE's reasonable control, which cannot with due diligence be cured within such sixty (60) day period, the GRANTOR may, in its reasonable discretion, extend the cure period provided that GRANTEE shall: (1) immediately upon receipt of Notice of Suspension advise GRANTOR of GRANTEE's intention to institute all steps necessary to cure such default and the associated time frame; and (2) institute and thereafter prosecute to completion with reasonable dispatch all steps necessary to cure same.

C. A suspension under this Section 14 may be lifted at the reasonable discretion of the GRANTOR upon a showing of compliance with or written waiver by GRANTOR of the term(s) in question.

SECTION 15. TERMINATION

A. GRANTOR shall have the right to terminate this Agreement in the event GRANTEE commits a Default Event that remains uncured past any applicable cure period at any time during the Term specified in Section 5 of this Agreement. GRANTOR will provide GRANTEE with written notification as to the nature of the Default Event and grant GRANTEE a sixty (60) day period from the date of the GRANTOR's written notification to cure any Default Event. Should GRANTEE fail to cure any Default Event within this period of time, the GRANTOR may, as its sole and exclusive remedies, upon issuance to GRANTEE of a written Notice of Termination, either suspend this Agreement pursuant to the provisions of SECTION 14 above, or terminate this Agreement in whole or in part, in which case the GRANTOR may: (1) withhold all further payments to GRANTEE; and/or (2) recapture the disbursed funds under the Agreement to the extent provided for in Section 3(C). Such notification shall include: (1) the reasons for such termination; (2) the effective date of such termination; and, (3) in the case of partial termination, the portion of the Agreement to be terminated. Upon termination, Grantee shall repay Grantor the disbursed Grant Funds to the extent provided for in Section 3(C) within sixty (60) days following the date of the Notice of Termination.

B. In the case of a Default Event that occurs for causes beyond GRANTEE's reasonable control, which cannot with due diligence be cured within such sixty (60) day period, the GRANTOR may, in its reasonable discretion, extend the cure period provided that GRANTEE shall: (1) immediately upon receipt of Notice of Termination advise GRANTOR of GRANTEE's intention to institute all steps necessary to cure such default and the associated time frame; and (2) institute and thereafter prosecute to completion with reasonable dispatch all steps necessary to cure same.

C. Except as provided in Section 15(A), the Economic Development Program Grant may be terminated in whole or in part only as follows:

1. By the GRANTOR (with the written consent of the GRANTEE), in which case the two parties shall agree upon the termination conditions, including the repayment of funds, the effective date, and, in the case of partial termination, the portion to be terminated; or
2. By GRANTEE upon written notification to the GRANTOR, setting forth the reasons of such termination, a proposed pay-back plan of any funds granted, the effective date, and, in the case of partial termination, the portion to be terminated. However, if, in the case of partial termination, the GRANTOR determines in its sole discretion that the remaining portion of the award will not accomplish the purpose for which the award was made, the GRANTOR may terminate the award in its entirety under SECTION 15.

SECTION 16. SPECIAL CONDITIONS AND TERMS (RESERVED)

GRANTEE, in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any undocumented workers at the Project during the Term of this Agreement. If GRANTEE is convicted of a violation under 8 U.S.C. Section 1324a (f), then GRANTEE shall repay GRANTOR the amounts granted by this Agreement for the tax year(s) covered under this Agreement during which such violation occurred. Such payment shall be made within 120 business days after the date GRANTEE is notified by GRANTOR of such violation. GRANTOR, in its sole discretion, may extend the period for repayment herein. Additionally, GRANTEE shall pay interest on the amounts due to GRANTOR at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate, from the date of such violation notice until paid.

SECTION 17. SUBCONTRACTS

The Full Time Jobs created by GRANTEE shall be filled by employees of GRANTEE and not by subcontractors. Accordingly, the following terms shall apply:

- A. Reserved.
- B. Reserved.
- C. Consistent with GRANTEE’s business practices, to the extent applicable in the event that GRANTEE utilizes any Grant Funds for work at the Project Site, GRANTEE shall obtain assurances from all of its subcontractors and suppliers at the Project Site or any Subsequent Project Site that such entities shall comply with all applicable laws pertaining to nondiscrimination in the workplace and hiring.
- D. Reserved.

SECTION 18. DEBARMENT

GRANTOR and GRANTEE acknowledge that the Grant Funds are being provided as an incentive for the creation of Full Time Jobs as provided for herein and that such Grant Funds will be disbursed after GRANTEE’s occupancy at the Project Site and not for the construction of tenant improvements at the Project Site. Accordingly, to the extent applicable, if at all, GRANTEE will not knowingly pay any funds provided under this Agreement to any party which is debarred, suspended or otherwise excluded from or ineligible for participation in assistance programs by the GRANTOR.

SECTION 19. RIGHTS UPON DEFAULT

It is expressly understood and agreed by the Parties hereto that any right or remedy provided for in this Agreement shall not preclude the exercise of any other right or remedy under any other agreements between GRANTEE and the GRANTOR or under any provision of law, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. Failure to exercise any right or remedy hereunder shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

SECTION 20. NON-ASSIGNMENT

This Agreement is not assignable without the written consent of GRANTOR and the passage of a City Ordinance approving such assignment. Any other attempt to assign the Agreement shall not relieve GRANTEE from liability under this Agreement and shall not release GRANTEE from performing any of the terms, covenants and conditions herein. GRANTEE shall be held responsible for all funds received under this Agreement. Notwithstanding the foregoing, GRANTEE may assign the Agreement in conjunction with a sale, merger or reorganization affecting GRANTEE or to a Related Organization that takes over responsibility for the conduct of Business Activities at the offices located at the Project Site, so long as the entity that will succeed to GRANTEE's rights under this Agreement assumes in writing all of GRANTEE's obligations hereunder.

SECTION 21. ORAL AND WRITTEN AGREEMENTS

All oral and written agreements between the Parties to this Agreement relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement.

SECTION 22. AUTHORIZED RELIEF FROM PERFORMANCE (*Force Majeure*)

GRANTOR may grant temporary relief from performance of this Agreement if GRANTEE is prevented from compliance and performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributed to the fault or negligence of the GRANTEE. The burden of proof for the need for such relief shall rest upon the GRANTEE. To obtain release based upon *force majeure*, GRANTEE must file a written request with the GRANTOR. Should GRANTOR grant temporary relief to GRANTEE, it shall in no case relieve GRANTEE from any repayment obligations as specified in this Agreement.

Signatures appear on next page.

WITNESS OUR HANDS, EFFECTIVE as of _____, 2014 (the “Effective Date”):

Accepted and executed in triplicate originals on behalf of the City of San Antonio pursuant to Ordinance Number 2014-__-__-_____, dated _____, 2014, and GRANTEE pursuant to the authority of its Chief Executive Officer.

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

ORACLE AMERICA, INC.
a _____

Sheryl L. Sculley
CITY MANAGER

By: _____
Name:
Title:

ATTEST:

ATTEST (if required):

Leticia Vacek
CITY CLERK

Name:
Title:

APPROVED AS TO FORM:

Robert F. Greenblum
CITY ATTORNEY

EXHIBITS: EXHIBIT A: Acknowledgment of Lease