



**Proposed Terms Sheet Draft  
TASKUS Inc.**

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This term sheet sets forth the principal terms for the proposed agreement between TaskUs ("the Company") and the City of New Braunfels ("City") and the New Braunfels Industrial Development Corporation ("NBIDC"). No legally binding obligations will be created by this Term Sheet until written definitive agreements are executed and delivered by all parties. This Term Sheet is not inclusive of all possible provisions, conditions, and requirements of any party to the agreement, and does not represent binding final commitments of any party. This is not a commitment to invest any public funds and is conditioned on the final approvals of New Braunfels Industrial Development Corporation ("NBIDC") and the City Council of the City of New Braunfels ("City").

**Overview**

**Proposed Project:**

TASKUS ("the Company") is considering a technical operations and customer experience center in New Braunfels. The company will spend \$5.4 million for leasehold improvements and \$5.0 million for computer and telecommunications equipment. The facility expects to create 450 jobs with an average wage of \$31,000 calculated with benefits.

**Required Investment:**

TASKUS will make expenditures for its project in certain phases and at certain points in time as set forth below. These capital investments in its facility, furniture, fixtures and equipment are completed for the purposes of beginning operations as part of the proposed project. It is proposed that for the purpose of qualifying for tax rebates, the Company shall meet or exceed these established minimums for Total Taxable Assessed Value. Company will receive a rebate for the difference between the value of the property acquired in the year prior to purchase by Company (2017 or 2018) and the tax year following Company's investment. (2018 or 2019)

Total Taxable Assessed Value shall mean the Comal Appraisal District's assessed value on any ad valorem improvements or business personal property. Business Personal Property shall mean to include machinery, furniture, fixtures and equipment. For the purposes of commencing a new Rebate Phase, the Total Taxable Assessed Value shall not include the capital investment necessary for the replacement of machinery and equipment on already established real property. Nor shall the



replacement of machinery and equipment restart the rebate period for that particular Rebate Phase.

TASKUS intends to commence operation in New Braunfels according to the following schedule:

First Year Taxable	Total Taxable Assessed Value (2018 dollars)	Rebate Year	Rebate Percentage	Taxes Owed	Rebate Amount
2018	\$6,321,000	2019	70%	\$ 30,859.12	\$ 21,601.39
2019	\$6,738,000	2020	70%	\$ 32,894.92	\$ 23,026.44
2020	\$7,004,160	2021	70%	\$ 34,194.31	\$ 23,936.02
2021	\$8,037,523	2022	55%	\$ 39,239.19	\$ 21,581.55
2022	\$8,461,134	2023	55%	\$ 41,307.26	\$ 22,718.99
2023	\$8,734,036	2024	55%	\$ 42,639.56	\$ 23,451.76
2024	\$9,774,277	2025	30%	\$ 47,718.02	\$ 14,315.41
2025	\$10,204,903	2026	30%	\$ 49,820.34	\$ 14,946.10
2026	\$10,484,961	2027	0%	\$ 51,187.58	\$ -
2027	\$11,532,500	2028	0%	\$ 56,301.67	\$ -
Total:				<b>\$ 426,161.96</b>	<b>\$ 165,577.65</b>

TASKUS shall submit to the City a written certification along with supporting documentation by an authorized officer of TASKUS confirming that the investment required to satisfy the Total Taxable Assessed Value has occurred.

TASKUS's Total Taxable Assessed Value shall meet the amounts detailed above.



## Proposed Incentives

### Summary of Incentives:

Entity	Form of Incentive	Value of Incentive
New Braunfels Industrial Development Cash Grant	Capital Investment Grant	\$183,000
City of New Braunfels	Annual Performance Based Real Property Tax Rebate	\$175,928
	<b>Total:</b>	<b>\$358,928</b>

### Property Tax Rebates from City:

The City agrees to rebate a percentage of the City's share of property taxes collected on year to the project according to the following schedule through a Chapter 380 Agreement:

Property Tax Rebate Schedule and Percentages	
Year 1	70%
Year 2	70%
Year 3	70%
Year 4	55%
Year 5	55%
Year 6	55%
Year 7	30%
Year 8	30%
Year 9	0%
Year 10	0%



**Per Job Grant From NBIDC:**

NBIDC, through its own separate agreement, will consider delivering up to an additional \$183,000 in per job grants for the leasehold improvements on the Taskus New Braunfels facility. The grant will be performance based, meaning Company will have to show the minimum Total Taxable Assessed Value outlined above at an agreed upon time in order to receive the grant. The numbers will need to be maintained throughout the lifetime of the agreement.

**Security:**

The purpose of the NBIDC incentive is to facilitate the opening of Company's New Braunfels location that will ultimately create up to 450 full-time primary jobs of which 225 have an average wage of \$15.30. The breakdown of per job grants will be in the amount of \$666 per job for the 225 higher pay jobs and \$146 per job for the remaining 450 jobs at the lower salary. The NBIDC will deliver up to \$183,000 to Company to reduce Company's leasehold improvement and equipment acquisition costs. Company can receive these funds upon a showing of having met its Total Taxable Assessed Value and Employment Numbers. The numbers must be maintained for the life of the agreement. To insure compliance an appropriate security instrument will be provided to the NBIDC in the form of a letter of credit equal to the value of the grant (\$183,000). The lien will be released upon fulfillment of the performance condition detailed above (Total Taxable Assessed Value).

**Indemnification:**

TASKUS will indemnify the City and NBIDC.

**Undocumented Workers:**

Chapter 2264 of the Texas Government Code requires TASKUS to certify that TASKUS will agree not to knowingly employ any undocumented workers during the term of the Agreement. If TASKUS is convicted of a violation under 8 U.S.C. Section 1324a(f), the business shall repay the amount of the property tax rebate with six percent (6%) interest, at the rate and according to the other terms provided by an agreement under Section [2264.053](#), not later than the 120th day after the date the public agency, state or local taxing jurisdiction, or economic development corporation notifies the business of the violation. If convicted, TASKUS shall repay the amount of all property tax rebates for the year(s) in which the violation occurred.



**Reporting:**

The Company will be required to annually certify that the conditions above are being fulfilled. TASKUS shall provide a certified copy of property taxes paid to the Comal Appraisal District

**Assignment:**

This Terms Sheet and any subsequent written agreements are non-assignable without the written consent of all parties.

**Place of Contract:**

New Braunfels, Comal County, Texas

**Governing Law:**

This Terms Sheet and any subsequent written agreements shall be governed by and subject to the laws of the State of Texas.

**No Third Party Rights:**

No Third Party Rights are created or arise under this Terms Sheet or any subsequent written agreements.

**Authorizing Statute**

The City is authorized to undertake this project under Chapter 380 of Texas Local Government Code. The NBIDC is permitted to undertake this project under Texas Local Government Code Chapter 501.101.

Agreed and Accepted:

By: **TASKUS**

By: \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_

Date: February \_\_\_\_, 2018