



## Relationship with External Auditor

### Audit, Audit-Related, Tax and Other Non-Audit Services

#### I. General

This Policy provides guidelines dealing with audit, audit-related, tax and other non-audit services that may be provided by ViaSat's independent auditor ("Independent Auditor"). It should be noted that these guidelines also apply to any other accounting firm which expresses an opinion or attestation report on the financial statements of ViaSat or any of its affiliates (the "Company"). These guidelines include the following:

- Brief description of the general guiding principles that form the foundation of the auditor independence rules.
- Description and examples of the types of services that Independent Auditor can provide.
- Description and examples of the types of services that Independent Auditor cannot provide.
- ViaSat's Audit Committee pre-approval requirements for all permitted audit, audit-related, tax and other non-audit services provided by Independent Auditor.
- Reporting requirements for all audit, audit-related, tax and non-audit services.

#### II. Purpose

The purpose of this policy is to ensure that ViaSat, its affiliates and Independent Auditor are in compliance with the auditor independence provisions of the Sarbanes-Oxley Act of 2002 (the "Act") and related rules issued by the Securities and Exchange Commission ("SEC"), NASDAQ, and the Public Company Accounting Oversight Board.

#### III. General Principles

While there are many specific provisions contained in the Act and the related rules issued by the SEC, there are three guiding principles that must be considered. Independent Auditor's independence will deem to be impaired if it provides a service whereby it:

- Functions in the role of management of ViaSat or an affiliate.
- Is in the position of auditing its own work.
- Serves in an advocacy role for ViaSat or an affiliate.

Accordingly, Independent Auditor must not be engaged to perform any service that compromises any of the three guidelines enumerated above.

#### **IV. Services That Can Be Performed by Independent Auditor**

In general, the Act permits any service provided by Independent Auditor that is not specifically prohibited as long as such service has been pre-approved by the Audit Committee.

The Act describes four categories that will be used to characterize the services provided by the Company's independent auditor. These categories are (1) Audit services; (2) Audit Related services; (3) Tax services; and (4) All Other services. A description of these categories and examples of permitted services are below.

##### **□ Audit Services**

This category includes audit services rendered in connection with the audit of the Company's consolidated financial statements. Such services would include assistance with SEC filings and the issuance of comfort letters, statutory audits, accounting consultations and tax services necessary to comply with generally accepted auditing standards, and the attestation engagement required by the Sarbanes-Oxley Act - Section 404.

##### **□ Audit Related Services**

This category is intended to capture the types of services that would normally be provided by an entity's external auditor that are not includable in audit fees. Such services include audits of the Company's benefit plans, due diligence and accounting advice related to mergers and acquisitions, audits of affiliates or product line special purpose financial statements, internal control reviews of systems and/or processes (including pre-implementation reviews), issuance of special audit reports for tax or other purposes, assistance relating to Section 404 other than the attestation engagement, consultations concerning financial accounting and reporting standards and assistance with statutory reporting.

##### **□ Tax Services**

The tax category includes all tax compliance and tax-planning services, except for those services that are provided in connection with the audit as discussed under "Audit Services" above. Examples of permitted tax services include, but are not limited to, transfer pricing, expatriate tax compliance and planning, Extra-Territorial Income analysis, planning for state and local taxes, tax return review, reviews as to the tax treatment of certain transaction types (business meals and entertainment, research and development credits, transaction costs, accounting methods, earnings and profits, tax basis, etc.), due diligence in connection with merger and acquisition transactions, acquisition planning, assistance with tax audits, international tax planning and compliance and appeals and requests for rulings or technical advice from tax authorities (excluding legal services expressly prohibited in "Legal Services" below).

##### **□ All Other Services**

This category includes all other permitted services, such as audits or reviews of third

parties to assess compliance with contracts, risk management diagnostics and assessments, compliance reviews in connection with the various laws and regulations and non-financial systems consultations. Such services, to a limited extent, may also include certain dispute analysis work.

Independent Auditor is also permitted to assist management and the Corporate Internal Audit department with internal investigations and fact-finding into alleged improprieties; however, these services are subject to specific approval by the Audit Committee or its delegate (Chairperson).

## **V. Non-Audit Services That Must Not Be Performed By Independent Auditor**

For all practical purposes under the Act, there are no exceptions provided for the insignificance or immateriality of a prohibited non-audit service and related fees. Accordingly, for Independent Auditor to remain independent, it is prohibited to engage Independent Auditor for any of the following non-audit services:

### **□ Bookkeeping or Other Services Related to the Accounting Records or Financial Statements**

Independent Auditor is prohibited from providing bookkeeping-type services since such services could result in Independent Auditor auditing its own work. The following specific services under this category are prohibited:

- (i) Maintaining or preparing any of the Company's accounting records, including providing payroll related services to immaterial affiliates;
- (ii) Preparing ViaSat's or any of its affiliate's financial statements that are filed with the SEC or that form the basis of financial statements filed with the SEC (such as submissions to corporate headquarters), or
- (iii) Preparing or originating source data underlying ViaSat and its affiliate's financial statements.

As previously described and as it has done in the past, Independent Auditor may provide assistance in the preparation of statutory financial statements to be filed with local tax or government jurisdictions as long as those financial statements will not be subject to audit procedures during the audit by Independent Auditor.

### **□ Financial Information Systems Design and Implementation**

Independent Auditor is prohibited from providing any service related to financial information systems design and implementation. The following specific services under this category are also prohibited:

- (i) Directly or indirectly operating, or supervising the operation of ViaSat or its affiliate's information system or managing its local area network; or
- (ii) Designing or implementing a hardware or software system that aggregates source data underlying ViaSat and its affiliate's financial statements or generates information that is significant to ViaSat and its

affiliate's financial statements or other financial information systems taken as a whole.

Independent Auditor is not precluded from providing advice on hardware or software systems that are unrelated to the financial statements and accounting records. Further, Independent Auditor is not precluded from evaluating the internal controls of a financial system as it is being designed, implemented or operated either as part of an audit or non-recurring project and making recommendations for improving the internal controls that are part of the system. Implementation by Independent Auditor of such control recommendations is prohibited since the SEC has deemed such implementation to be a management function (see below--Management Function and Human Resource Services).

□ **Appraisal or Valuation Services, Fairness Opinions, or Contribution-In-Kind Reports**

Appraisal and valuation services include any process of valuing assets, both tangible and intangible, or liabilities. Fairness opinions and contribution-in-kind reports are opinions and reports whereby Independent Auditor provides its opinion on the adequacy of consideration in a transaction. Independent Auditor is prohibited from providing such services to ViaSat and its affiliates, unless such services are for non-financial reporting purposes, such as transfer pricing studies, cost segregation studies and other tax-only valuations.

There are certain circumstances where a contribution-in-kind-report may be required to be issued by Independent Auditor in accordance with local law and such report does not meet the exceptions noted above. The SEC has acknowledged these conflicting regulations; however, has not provided definitive guidance. If such circumstances surface, the Chief Financial Officer should be notified, and after consulting with Independent Auditor an appropriate solution will be developed and will then be approved by the Audit Committee or its chairperson or delegate.

□ **Actuarial Services**

Independent Auditor is prohibited from providing any actuarially-oriented advisory service involving the determination of amounts recorded in the financial statements and related accounts for ViaSat or its affiliates; however, Independent Auditor can assist in understanding the methods, models, assumptions, and inputs used in computing an amount and can provide general advice as to actuarial methods and assumptions.

□ **Internal Audit Outsourcing Services**

Independent Auditor is prohibited from providing any outsourced internal audit service that relates to internal accounting controls, financial systems, or financial statements, unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during the audit of the Company's consolidated financial statements.

Independent Auditor will be permitted to perform non-recurring evaluations of discrete items or other programs that are not the outsourcing of the recurring evaluation performed as part of the Corporate Internal Audit function.

❑ **Management Functions and Human Resource Services**

Independent Auditor is prohibited from acting, temporarily or permanently, as a director, officer, or employee of ViaSat and its affiliates, or performing any decision-making, supervisory, or ongoing monitoring function for an affiliate. This prohibition extends to the Independent Auditor's staff at any level to assist with projects or tasks even if such tasks are non-financial in nature. Also, it is this provision of the rules that would preclude Independent Auditor from designing and implementing risk management or other internal accounting controls, since the Act deemed these tasks to be the responsibility of management.

Independent Auditor is also prohibited from seeking out prospective candidates for managerial, executive or director positions; acting as a negotiator on behalf of ViaSat and its affiliates, undertaking reference checks of prospective employment candidates, engaging in psychological testing or other formal testing or evaluation programs or recommending the hiring of specific candidates.

❑ **Broker-Dealer, Investment Adviser, or Investment Banking Services**

Independent Auditor is prohibited from having custody or discretionary authority over any of the Company's assets or investments, acting as a broker-dealer (registered or unregistered), promoter, or underwriter on behalf of ViaSat and its affiliates, and making investment decisions on behalf of a ViaSat and its affiliates.

❑ **Legal Services**

Independent Auditor is prohibited from providing any service to a ViaSat and its affiliates that, under circumstances in which the service is provided, could be provided only by someone licensed, admitted, or otherwise qualified to practice law in the jurisdiction in which the service is provided ("Qualified Attorney"). In many jurisdictions, interpretation of this rule can be difficult due to complex rules relating to exactly what services can only be provided by a Qualified Attorney. As a result and in order to prevent confusion, as a general rule, Independent Auditor and its legal affiliates should not be engaged for any legal services with one exception relating to tax services. In some jurisdictions, it is mandatory that someone licensed to practice law perform tax work. In these circumstances, Independent Auditor's legal affiliates can be engaged to provide tax advice as long as Independent Auditor is not acting as an advocate of ViaSat and the services rendered would otherwise be permitted services (See IV. and VII--Tax Services).

❑ **Expert Services Unrelated to the Audit**

Independent Auditor is prohibited from providing an expert opinion or other expert service for ViaSat and its affiliates, or its legal representatives, for the purpose of advocating ViaSat's and its affiliate's interests in litigation, regulatory or administrative proceedings or investigations. In any litigation or regulatory or administrative proceeding or investigation, Independent Auditor's independence shall not be deemed

to be impaired if Independent Auditor provides factual accounts, including in testimony, of work performed or explains the positions taken or conclusions reached during the performance of any service provided to ViaSat and its affiliates.

## **VI. Contingent Fee Arrangements**

Independent Auditor may not be engaged for any service that involves a contingent fee other than contingent fees fixed by courts or other public authorities. Such contingent fees usually relate to tax projects performed on tax returns already filed where the results of the tax service are reviewed and approved by the taxing authority prior to the issuance of the refund.

## **VII. Tax Services**

As discussed in Section IV – Services That Can Be Performed by Independent Auditor – Tax Services – Independent Auditor is permitted to provide tax services, such as tax compliance, tax planning and tax advice to ViaSat and its affiliates.

There are, however, some circumstances in which providing certain tax services to a ViaSat and its affiliates would impair Independent Auditor’s independence, such as representing ViaSat and its affiliates before a tax court, district court, or federal court of claims or possessing similar attributes in other jurisdictions, or other situations involving public advocacy.

## **VIII. Audit Committee Pre-Approval**

At the beginning of each year, the Chief Financial Officer and Independent Auditor shall jointly submit to the Audit Committee a schedule of the types of audit, audit-related, tax and other non-audit services for ViaSat and its affiliates that are expected to be performed by Independent Auditor. See Exhibit 1 to separate Audit and Non-Audit Services Pre-Approval Policy (“Exhibit 1”).

Exhibit 1 provides a description of each type of service and, where possible, will provide projected fees (or a range of projected fees) for each service that might be performed by Independent Auditor. The Audit Committee will review and approve the types of services and review the projected fees for the next fiscal year at its regularly scheduled fiscal fourth quarter meeting. This approval acknowledges that the Audit Committee is in agreement with the specific types of services that Independent Auditor will be permitted to perform. The fee amounts listed on Exhibit 1 will be updated to the extent necessary at each of the other three regularly scheduled meetings of the Audit Committee.

In order for tax services to be included on the list for pre-approval, the type of tax services expected to be rendered and an estimate of fees should be discussed and agreed to with the local Independent Auditor tax partner. The results of this discussion should be summarized, including detail on the service, on Exhibit 1 and submitted to the Chief Financial Officer along with the other non-audit services, as described below, by February 15 of each year for the subsequent fiscal year’s services.

In order for the other non-audit services to be included on the list for pre-approval, the affiliate should discuss the services with the appropriate Independent Auditor representative and agree on a scope and fee and submit their request for services, with a

description of the services to be provided by Independent Auditor to the Chief Financial Officer by February 15 of each year for the subsequent year's services. The Chief Financial Officer has the responsibility of ensuring that such services are appropriate under the independence rules. The amounts and description of services should also be included on the Exhibit 1 that is submitted to the Chief Financial Officer.

If subsequent to the approval of Exhibit 1 by the Audit Committee, ViaSat or one of its affiliates determines that it would like to engage Independent Auditor to perform a service not included on the Exhibit 1 list, the affiliate should submit their request to the Chief Financial Officer, and if the service fits within the independence guidelines, the Chief Financial Officer will arrange for the service to be included on the agenda for the next regularly scheduled Audit Committee meeting. If the timing of the project is critical and the project needs to commence before the regularly scheduled meeting, the pre-approval by the Chair of the Audit Committee must be obtained before any services are provided. This will be arranged by the Chief Financial Officer. Independent Auditor must not commence any such project until approval has been given. In addition, at the next regularly scheduled meeting of the Audit Committee, the additional service pre-approved by the Chair will be approved by the entire Audit Committee.

#### **IX. Scope Changes or Cost Overruns**

Approval from the Chief Financial Officer must be obtained for any scope change or cost overrun that will increase the cost of a type of service by more than 25% of the original amount. Scope changes should be initially agreed in advance by the same level of management that requested the original project.

#### **X. Periodic Reporting of Authorized Projects**

To ensure on-going compliance with this Policy, the Chief Financial Officer must submit, on an interim basis and at year-end (April 15), a listing (Exhibit 2) of the services which have been authorized to be performed and have been performed by Independent Auditor.

It is important that Exhibit 2 be prepared by a member of ViaSat's finance group. To assist with capturing the information in this format, Independent Auditor has been requested to break down each invoice into the classifications on Exhibit 2.

Annually, ViaSat is required to present in its Proxy Statement a summary of fees earned by Independent Auditor for all services, in the preceding year. Accordingly, fees for authorized projects as well as amounts billed by Independent Auditor must be included in Exhibit 2 based on amounts authorized for a particular period.

The Chief Financial Officer will consolidate all Exhibit 2 submissions from ViaSat and its affiliates and will prepare the interim and year-end reports detailing authorized Independent Auditor fees for services, which will be communicated to the Audit Committee.

## **EXHIBIT 1**

See Exhibit 1 to Audit and Non-Audit Services Pre-Approval Policy.

**EXHIBIT 2**

**ViaSat, Inc.  
Report of Independent Auditor  
Audit-Related and Non-Audit Services**

Date \_\_\_\_\_

Prepared by \_\_\_\_\_

Provide year to date fees for the following services which Independent Auditor has been authorized to perform during the quarter and fees paid to Independent Auditor during the quarter:

	<b>Authorized Fees</b>	<b>Amounts Paid to Independent Auditor</b>
<b>Audit Services:</b>	\$	\$
<b>Audit-Related Services:</b>		
Pension and benefit plan audits		
Consultations concerning accounting and financial reporting standards		
Assistance with statutory financial reporting		
Internal control reviews – Information Technology (“IT”)		
General internal control reviews (includes Section 404 Assistance)		
Due diligence (non-tax)		
Affiliate and product line special purpose audits		
Other auditing procedures and issuance of special purpose reports		
<b>Tax Services:</b>		
Transfer pricing (U.S. and International)		
Expatriate tax services (U.S. and International)		
Extra Territorial Income (ETI) Analysis (U.S. only)		
State and local tax planning (U.S. only)		
Due diligence (U.S. and International)		
Review of U.S. Federal and State income tax return		
Consultations on various U.S. Federal tax matters		
Assistance with tax examinations (U.S. and International)		
International tax compliance		
International tax planning		
<b>Other Non-Audit Services:</b>		
Audits or reviews of third parties to assess compliance with contracts		
Risk management reviews and assessments		
Internal investigations		
Expatriate administrative services		
Review of actuarial reports and calculations		
Dispute analysis		
Non-financial systems		

