

VIASAT INC  
Form DEF 14A  
July 30, 2010

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**SCHEDULE 14A INFORMATION**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12

**VIASAT, INC.**

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
**September 22, 2010**  
**8:30 a.m. Pacific Time**

Dear Fellow Stockholder:

You are cordially invited to attend our 2010 annual meeting of stockholders, which will be held at the corporate offices of ViaSat, located at 6155 El Camino Real, Carlsbad, California on September 22, 2010 at 8:30 a.m. Pacific Time. We are holding the annual meeting for the following purposes:

1. To elect B. Allen Lay and Jeffrey M. Nash to serve as Class II Directors for a three-year term to expire at the 2013 annual meeting of stockholders.
2. To ratify the appointment of PricewaterhouseCoopers LLP as ViaSat's independent registered public accounting firm for the fiscal year ending April 1, 2011.
3. To approve an amendment to the 1996 Equity Participation Plan.
4. To transact other business that may properly come before the annual meeting or any adjournments or postponements of the meeting.

These items are fully described in the proxy statement, which is part of this notice. We have not received notice of other matters that may be properly presented at the annual meeting.

All stockholders of record as of July 26, 2010, the record date, are entitled to vote at the annual meeting. **Your vote is very important. Whether or not you expect to attend the annual meeting in person, please sign, date and return the enclosed proxy card as soon as possible to ensure that your shares are represented at the annual meeting.** If your shares are held in street name, which means your shares are held of record by a broker, bank or other nominee, you must provide your broker, bank or nominee with instructions on how to vote your shares.

By Order of the Board of Directors

Mark D. Dankberg  
Chairman of the Board and  
Chief Executive Officer

Carlsbad, California  
August 2, 2010

**YOUR VOTE IS IMPORTANT.  
WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON,  
PLEASE SIGN, DATE AND RETURN THE ACCOMPANYING PROXY CARD.**

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**6155 El Camino Real  
Carlsbad, California 92009**

**PROXY STATEMENT**

The Board of Directors of ViaSat, Inc. is soliciting the enclosed proxy for use at the annual meeting of stockholders to be held on September 22, 2010 at 8:30 a.m. Pacific Time at the corporate offices of ViaSat, located at 6155 El Camino Real, Carlsbad, California, and at any adjournments or postponements of the meeting, for the purposes set forth in the Notice of Annual Meeting of Stockholders.

**GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING**

**Why did you send me this proxy statement?**

We sent you this proxy statement and the enclosed proxy card because ViaSat's Board of Directors is soliciting your proxy to vote at the 2010 annual meeting of stockholders. This proxy statement summarizes the information you need to know to vote at the annual meeting. All stockholders who find it convenient to do so are cordially invited to attend the annual meeting in person. However, you do not need to attend the meeting to vote your shares. Instead, you may simply sign, date and return the enclosed proxy card.

We intend to begin mailing this proxy statement, the attached notice of annual meeting and the enclosed proxy card on or about August 2, 2010 to all stockholders of record entitled to vote at the annual meeting. Only stockholders who owned ViaSat common stock on the record date, July 26, 2010, are entitled to vote at the annual meeting. On this record date, there were approximately 40,543,728 shares of ViaSat common stock outstanding. Common stock is our only class of stock entitled to vote. We are also sending along with this proxy statement our 2010 fiscal year annual report, which includes our financial statements.

**What am I voting on?**

The items of business scheduled to be voted on at the annual meeting are:

*Proposal 1:* The election of B. Allen Lay and Jeffrey M. Nash to serve as Class II Directors for a three-year term to expire at the 2013 annual meeting of stockholders.

*Proposal 2:* The ratification of the appointment of PricewaterhouseCoopers as ViaSat's independent registered public accounting firm for the 2011 fiscal year.

*Proposal 3:* The amendment to the 1996 Equity Participation Plan.

We also will consider any other business that properly comes before the annual meeting.

**How does the Board recommend that I vote?**

Our Board of Directors unanimously recommends that you vote **FOR** the election of the director nominees listed in this proxy statement (Proposal 1), **FOR** the ratification of the appointment of PricewaterhouseCoopers as ViaSat's independent registered public accounting firm (Proposal 2), and **FOR** the amendment to the 1996 Equity Participation Plan (Proposal 3).

**How many votes do I have?**

You are entitled to one vote for every share of ViaSat common stock that you own as of July 26, 2010.

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### **How do I vote by proxy?**

Your vote is important. Whether or not you plan to attend the annual meeting in person, we urge you to sign, date and return the enclosed proxy card as soon as possible to ensure that your vote is recorded promptly. Returning the proxy card will not affect your right to attend the annual meeting or vote your shares in person.

If you complete and submit your proxy card, the persons named as proxies will vote your shares in accordance with your instructions. If you submit a proxy card but do not fill out the voting instructions on the proxy card, your shares will be voted as recommended by the Board of Directors.

If any other matters are properly presented for voting at the annual meeting, or any adjournments or postponements of the annual meeting, the proxy card will confer discretionary authority on the individuals named as proxies to vote your shares in accordance with their best judgment. As of the date of this proxy statement, we have not received notice of other matters that may properly be presented for voting at the annual meeting.

### **May I revoke my proxy?**

If you give us your proxy, you may revoke it at any time before your proxy is voted at the annual meeting. You may revoke your proxy in any of the following three ways:

you may send in another signed proxy bearing a later date;

you may deliver a written notice of revocation to ViaSat's Corporate Secretary prior to the annual meeting; or

you may notify ViaSat's Corporate Secretary in writing before the annual meeting and vote in person at the meeting.

If your shares are held in street name, which means your shares are held of record by a broker, bank or other nominee, you must contact your broker, bank or nominee to revoke any prior instructions.

### **How do I vote in person?**

If you plan to attend the annual meeting and wish to vote in person, we will give you a ballot when you arrive. However, if your shares are held in street name and you wish to vote at the annual meeting, you must bring to the annual meeting a legal proxy from the broker, bank or nominee that holds your shares. The legal proxy will give you the right to vote the shares. Even if you plan to attend the annual meeting, we recommend that you also vote by proxy as described above so that your vote will be counted if you later decide not to attend the meeting.

### **Can I vote via the internet or by telephone?**

If your shares are registered in the name of a bank or brokerage firm, you may be eligible to vote your shares electronically over the internet or by telephone. A large number of banks and brokerage firms offer internet and telephone voting. If your bank or brokerage firm does not offer internet or telephone voting information, please complete and return your proxy card or voting instruction card in the self-addressed, postage-paid envelope provided.

### **How can I attend the annual meeting?**

You are entitled to attend the annual meeting only if you were a ViaSat stockholder or joint holder as of the record date, July 26, 2010, or you hold a valid proxy for the annual meeting. You should be prepared to present valid

government issued photo identification for admittance. If you are a stockholder of record, your name will be verified against the list of stockholders of record on the record date prior to your admission to the annual meeting. If you are not a stockholder of record but hold shares in street name, you should provide proof of beneficial ownership by bringing either a copy of the voting instruction card provided by your broker

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or a copy of a brokerage statement showing your share ownership as of July 26, 2010. If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the annual meeting.

**What constitutes a quorum?**

A quorum is present when at least a majority of the outstanding shares entitled to vote are represented at the annual meeting either in person or by proxy. This year, approximately 20,271,865 shares must be represented to constitute a quorum at the meeting and permit us to conduct our business.

**What vote is required to approve each proposal?**

In the election of directors, the two nominees for director who receive the most votes will be elected. All other proposals require the favorable vote of a majority of those shares present, in person or by proxy, and entitled to vote on that proposal. Voting results will be tabulated and certified by our transfer agent, Computershare.

**What is the effect of abstentions and broker non-votes?**

Shares held by persons attending the annual meeting but not voting, and shares represented by proxies that reflect abstentions as to a particular proposal will be counted as present for purposes of determining the presence of a quorum. Because directors are elected by a plurality of votes cast, abstentions will have no effect on the election of directors. With respect to all other proposals, abstentions have the same effect as a vote **AGAINST** the proposal.

Shares represented by proxies that reflect a **broker non-vote** will be counted for purposes of determining whether a quorum exists. A broker non-vote occurs when a nominee holding shares for a beneficial owner has not received instructions from the beneficial owner and does not have discretionary authority to vote the shares for a particular proposal. In tabulating the voting results for any such proposal, shares that constitute broker non-votes are not considered entitled to vote on that proposal. Thus, broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

**What are the costs of soliciting these proxies?**

We will pay the entire cost of soliciting these proxies, including the preparation, assembly, printing and mailing of this proxy statement and any additional solicitation material that we may provide to stockholders. In addition to the mailing of the notices and these proxy materials, the solicitation of proxies or votes may be made in person, by telephone or by electronic communication by our directors, officers and employees, who will not receive any additional compensation for such solicitation activities. We will reimburse brokerage houses and other custodians, nominees and fiduciaries for forwarding proxy and solicitation materials to stockholders.

**I share an address with another stockholder, but we received only one paper copy of the proxy materials. How may I obtain an additional copy of the proxy materials?**

If you share an address with another stockholder, you may receive only one set of proxy materials unless you have provided contrary instructions. The rules promulgated by the Securities and Exchange Commission, or SEC, permit companies, brokers, banks or other intermediaries to deliver a single copy of a proxy statement and annual report to households at which two or more stockholders reside. This practice, known as **householding**, is designed to reduce duplicate mailings, save significant printing and postage costs, and conserve natural resources. Stockholders will receive only one copy of our proxy statement and annual report if they share an address with another stockholder, have been previously notified of householding by their broker, bank or other intermediary, and have consented to householding, either affirmatively or implicitly by not objecting to householding. If you would like to opt out of this

practice for future mailings, and receive separate annual reports and proxy statements for each stockholder sharing the same address, please contact

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your broker, bank or other intermediary. You may also obtain a separate annual report or proxy statement without charge by sending a written request to ViaSat, Inc., Attention: Investor Relations, 6155 El Camino Real, Carlsbad, California 92009, by email at *ir@viasat.com* or by telephone at (760) 476-2633. We will promptly send additional copies of the annual report or proxy statement upon receipt of such request.

**Important notice regarding the availability of proxy materials for the ViaSat annual meeting of stockholders to be held on September 22, 2010**

Under rules adopted by the SEC, we are also furnishing proxy materials to our stockholders via the internet. This new process is designed to expedite stockholders' receipt of proxy materials, lower the cost of the annual meeting and help conserve natural resources. **This proxy statement and our annual report to stockholders are available on the Investor Relations section of our website at *investors.viasat.com*.** If you are a stockholder of record, you can elect to access future proxy statements and annual reports electronically by marking the appropriate box on your proxy card. Choosing to receive your future proxy materials electronically will help us conserve natural resources and reduce the costs of printing and distributing our proxy materials. If you choose this option, your choice will remain in effect until you notify our transfer agent, Computershare, by mail that you wish to resume mail delivery of these documents. If you hold your shares in street name, please refer to the information provided by your broker, bank or nominee for instructions on how to elect this option.

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**CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS**

We are dedicated to maintaining the highest standards of business integrity. It is our belief that adherence to sound principles of corporate governance, through a system of checks, balances and personal accountability is vital to protecting ViaSat's reputation, assets, investor confidence and customer loyalty. Above all, the foundation of ViaSat's integrity is our commitment to sound corporate governance. Our corporate governance guidelines and Guide to Business Conduct can be found on the Investor Relations section of our website at [investors.viasat.com](http://investors.viasat.com).

**Board Responsibilities**

*Primary Responsibilities.* The Board is the company's governing body, responsible for overseeing ViaSat's Chief Executive Officer and other senior management in the competent and ethical operation of the company on a day-to-day basis and assuring that the long-term interests of the stockholders are being served. To satisfy its duties, directors are expected to take a proactive, focused approach to their position, and set standards to ensure that the company is committed to business success through the maintenance of high standards of responsibility and ethics.

*Risk Oversight.* We take a comprehensive approach to risk management which is reflected in the reporting processes by which our management provides timely and comprehensive information to the Board to support the Board's role in oversight, approval and decision-making. Our senior management is responsible for assessing and managing the company's various exposures to risk on a day-to-day basis, including the creation of appropriate risk management programs and policies. The Board is responsible for overseeing management in the execution of its responsibilities and for assessing the company's approach to risk management. The Board exercises these responsibilities periodically as part of its meetings and also through the Board's committees, each of which examines various components of enterprise risk as it pertains to the committee's area of oversight. In addition, an overall review of risk is inherent in the Board's consideration of the company's long-term strategies and in the transactions and other matters presented to the Board, including capital expenditures, acquisitions and divestitures, and financial matters.

**Board Leadership and Independence**

Mark Dankberg, our Chief Executive Officer, serves as the Chairman of the Board. Currently, the Board believes this leadership structure provides the most efficient and effective leadership model for ViaSat by enhancing the Chairman and Chief Executive Officer's ability to provide clear insight and direction of business strategies and plans to both the Board and management. The Board regularly evaluates its leadership structure and currently believes ViaSat can most effectively execute its business strategies and plans if the Chairman is also a member of the management team. A single person, acting in the capacities of Chairman and Chief Executive Officer, promotes unity of vision and leadership, which allows for a single, clear focus for management to execute the company's business strategies and plans. While we have not currently designated a lead independent director, we believe that ViaSat's unitary leadership structure is appropriately balanced by sound corporate governance principles, the effective oversight of management by non-employee directors and the strength of ViaSat's independent directors.

The criteria established by The Nasdaq Stock Market, or Nasdaq, for director independence include various objective standards and a subjective test. A member of the Board of Directors is not considered independent under the objective standards if, for example, he or she is (1) an employee of ViaSat, or (2) a partner in, or an executive officer of, an entity to which ViaSat made, or from which ViaSat received, payments in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year. The subjective test requires that each independent director not have a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

None of the directors was disqualified from independent status under the objective standards, other than Mr. Dankberg, who does not qualify as independent because he is a ViaSat employee, and Mr. Targoff, who currently serves as the Chief Executive Officer, President and Vice Chairman of Loral Space &

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Communications Inc. (Loral), a company to which we have made payments related to the construction of our high-capacity ViaSat-1 satellite in an amount that exceeds 5% of Loral's consolidated gross revenues during the relevant period. The subjective evaluation of director independence by the Board of Directors was made in the context of the objective standards by taking into account the standards in the objective tests, and reviewing and discussing additional information provided by the directors and the company with regard to each director's business and personal activities as they may relate to ViaSat and ViaSat's management. In conducting this evaluation, the Board considered the following relationship that did not exceed Nasdaq objective standards but was identified by the Nomination and Evaluation Committee for further consideration by the Board under the subjective standard: Mr. Stenbit is a non-employee director of Loral, a company with which we do business, as described above. The nature of these relationships and transactions are described in greater detail in Certain Relationships and Related Transactions. Based on all of the foregoing, the Board made a subjective determination that Mr. Stenbit maintains the ability to exercise independent judgment in carrying out the responsibilities of a director.

As a result, the Board of Directors affirmatively determined that each member of the Board other than Mr. Dankberg and Mr. Targoff is independent under the criteria established by Nasdaq for director independence. In addition to the Board level standards for director independence, all members of the Audit Committee, Compensation and Human Resources Committee, and Nomination and Evaluation Committee are independent directors.

**Board Structure and Committee Composition**

As of the date of this proxy statement, our Board of Directors has seven directors and the following five standing committees: (1) Audit Committee, (2) Compensation and Human Resources Committee, (3) Nomination and Evaluation Committee, (4) Corporate Governance Committee, and (5) Banking/Finance Committee. The membership during the last year and the function of each of the committees are described below. Each of the committees operates under a written charter which can be found on the Investor Relations section of our website at [investors.viasat.com](http://investors.viasat.com). During our fiscal year ended April 2, 2010, the Board held nine meetings, including telephonic meetings. During this period, all of the directors attended or participated in at least 75% of the aggregate of the total number of meetings of the Board and the total number of meetings held by all committees of the Board on which each such director served. Although we do not have a formal policy regarding attendance by members of our Board at our annual meeting of stockholders, we encourage the attendance of our directors and director nominees at our annual meeting, and historically more than a majority have done so. Four of our directors attended last year's annual meeting of stockholders.

| <b>Director</b>                          | <b>Audit Committee</b> | <b>Compensation and Human Resources Committee</b> | <b>Nomination and Evaluation Committee</b> | <b>Corporate Governance Committee</b> | <b>Banking/Finance Committee</b> |
|--|------------------------|---|--|---------------------------------------|----------------------------------|
| Mark D. Dankberg                         |                        |   |  |                                       | Member                           |
| Robert W. Johnson                        | Member                 |   | Chair                                      | Member                                |                                  |
| B. Allen Lay                             | Chair                  |   |  |                                       | Member                           |
| Jeffrey M. Nash                          | Member                 | Chair   |  |                                       |                                  |
| John P. Stenbit                          |                        | Member  | Member                                     |                                       |                                  |
| Michael B. Targoff                       |                        |   |  | Chair                                 | Chair                            |
| Harvey P. White                          | Member                 | Member  |  |                                       |                                  |
| <b>Number of Meetings in Fiscal 2010</b> | 4                      | 6   | 3  | 1                                     | 0                                |



*Audit Committee.* The Audit Committee reviews the professional services provided by our independent registered public accounting firm, the independence of such independent registered public accounting firm from our management, and our annual and quarterly financial statements. The Audit Committee also reviews such other matters with respect to our accounting, auditing and financial reporting practices and procedures as it may find appropriate or may be brought to its attention. The Board of Directors has determined that each of

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the four members of our Audit Committee is an audit committee financial expert as defined by the rules of the SEC. The responsibilities and activities of the Audit Committee are described in greater detail in the Audit Committee Report.

*Compensation and Human Resources Committee.* The Compensation and Human Resources Committee is responsible for establishing and monitoring policies governing the compensation of executive officers. In carrying out these responsibilities, the Compensation and Human Resources Committee is responsible for advising and consulting with the officers regarding managerial personnel and development, and for reviewing and, as appropriate, recommending to the Board of Directors, policies, practices and procedures relating to the compensation of directors, officers and other managerial employees and the establishment and administration of our employee benefit plans. The objectives of the Compensation and Human Resources Committee are to encourage high performance, promote accountability and assure that employee interests are aligned with the interests of our stockholders. For additional information concerning the Compensation and Human Resources Committee, see Executive Compensation Compensation Discussion and Analysis.

*Nomination and Evaluation Committee.* The Nomination and Evaluation Committee reviews and recommends nominees for election as directors and committee members, conducts the evaluation of our Chief Executive Officer, and advises the Board with respect to Board and committee composition.

*Corporate Governance Committee.* The Corporate Governance Committee is responsible for the development and recommendation to the Board of a set of corporate governance guidelines and principles, and provides oversight of the process for the self-assessment by the Board and each of its committees.

*Banking/Finance Committee.* The Banking/Finance Committee oversees certain aspects of corporate finance for the company, and reviews and makes recommendations to the Board about the company's financial affairs and policies, including short and long-term financing plans, objectives and principles, borrowings or the issuance of debt and equity securities.

## **Director Nomination Process**

The Nomination and Evaluation Committee is responsible for reviewing and assessing the appropriate skills and characteristics required of Board members in the context of the current size and membership of the Board. This assessment includes a consideration of personal and professional integrity, experience in corporate management, experience in our industry, experience as a board member of other publicly-held companies, diversity of expertise and experience, practical and mature business judgment, and with respect to current directors, performance on the ViaSat Board. These factors, and any other qualifications considered useful by the Nomination and Evaluation Committee, are reviewed in the context of an assessment of the perceived needs of the Board at a particular point in time. As a result, the priorities and emphasis of the Nomination and Evaluation Committee with regard to these factors may change from time to time to take into account changes in our business and other trends, as well as the portfolio of skills and experience of current and prospective Board members.

In recommending candidates for election to the Board of Directors, the Nomination and Evaluation Committee considers nominees recommended by directors, management and stockholders using the same criteria to evaluate all candidates. The Nomination and Evaluation Committee reviews each candidate's qualifications, including whether a candidate possesses any of the specific qualities and skills desirable in certain members of the Board. Evaluations of candidates generally involve a review of background materials, internal discussions and interviews with selected candidates as appropriate. Upon selection of a qualified candidate, the Nomination and Evaluation Committee would recommend the candidate for consideration by the full Board of Directors. The Nomination and Evaluation Committee may engage consultants or third party search firms to assist in identifying and evaluating potential nominees.

The Nomination and Evaluation Committee will consider candidates recommended by any stockholder who has held our common stock for at least one year and who holds a minimum of 1% of our outstanding shares. When submitting candidates for nomination, stockholders must follow the notice procedures and provide the information specified in the section titled Other Matters. In addition, the recommendation must

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include the following: (1) the name and address of the stockholder and the beneficial owner (if any) on whose behalf the nomination is proposed, (2) a detailed resumé of the nominee, and the signed consent of the nominee to serve if elected, (3) the stockholder's reason for making the nomination, including an explanation of why the stockholder believes the nominee is qualified for service on our Board, (4) proof of the number of shares of our common stock owned by the record owner and the beneficial owner (if any) on whose behalf the record owner is proposing the nominee, (5) a description of any arrangements or understandings between the stockholder, the nominee and any other person regarding the nomination, (6) a description of any material interest of the stockholder and the beneficial owner (if any) on whose behalf the nomination is proposed, and (7) information regarding the nominee that would be required to be included in our proxy statement by the rules of the SEC, including the nominee's age, business experience, directorships, and involvement in legal proceedings during the past ten years.

**Communications with the Board**

Any stockholder wishing to communicate with any of our directors regarding corporate matters may write to the director, c/o General Counsel, ViaSat, Inc., 6155 El Camino Real, Carlsbad, California 92009. The General Counsel will forward such communications to each member of our Board of Directors; provided that, if in the opinion of the General Counsel it would be inappropriate to send a particular stockholder communication to a specific director, such communication will only be sent to the remaining directors (subject to the remaining directors concurring with such opinion). Certain correspondence such as spam, junk mail, mass mailings, product complaints or inquiries, job inquiries, surveys, business solicitations or advertisements, or patently offensive or otherwise inappropriate material may be forwarded elsewhere within the company for review and possible response.

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ELECTION OF DIRECTORS****Overview**

The authorized number of directors is presently seven. In accordance with our certificate of incorporation, we divide our Board of Directors into three classes, with Class I and Class II consisting of two members, and Class III consisting of three members. We elect one class of directors to serve a three-year term at each annual meeting of stockholders. At this year's annual meeting of stockholders, we will elect two Class II Directors to hold office until the 2013 annual meeting. At next year's annual meeting of stockholders, we will elect Class III directors to hold office until the 2014 annual meeting, and the following year, we will elect Class I directors to hold office until the 2015 annual meeting. Thereafter, elections will continue in a similar manner at subsequent annual meetings. Each elected director will continue to serve until his successor is duly elected or appointed.

The Board of Directors unanimously nominated B. Allen Lay and Jeffrey M. Nash as Class II nominees for election to the Board. Unless proxy cards are otherwise marked, the persons named as proxies will vote all proxies received **FOR** the election of Mr. Lay and Dr. Nash. If any director nominee is unable or unwilling to serve as a nominee at the time of the annual meeting, the persons named as proxies may vote either (1) for a substitute nominee designated by the present Board to fill the vacancy or (2) for the balance of the nominees, leaving a vacancy. Alternatively, the Board may reduce the size of the Board. The Board has no reason to believe that any of the nominees will be unable or unwilling to serve if elected as a director.

The following table sets forth for each nominee to be elected at the annual meeting and for each director whose term of office will extend beyond the annual meeting, the age of each nominee or director, the positions currently held by each nominee or director with ViaSat, the year in which each nominee's or director's current term will expire, and the class of director of each nominee or director.

| <b>Name</b>        | <b>Age</b> | <b>Position with ViaSat</b>          | <b>Term Expires</b> | <b>Class</b> |
|--------------------|------------|--------------------------------------|---------------------|--------------|
| Mark D. Dankberg   | 55         | Chairman and Chief Executive Officer | 2011                | III          |
| Robert W. Johnson  | 60         | Director                             | 2012                | I            |
| B. Allen Lay       | 75         | Director                             | 2010                | II           |
| Jeffrey M. Nash    | 62         | Director                             | 2010                | II           |
| John P. Stenbit    | 70         | Director                             | 2012                | I            |
| Michael B. Targoff | 66         | Director                             | 2011                | III          |
| Harvey P. White    | 76         | Director                             | 2011                | III          |

**Class II Directors with Terms Expiring at this Annual Meeting**

*B. Allen Lay* has been a director of ViaSat since 1996. Mr. Lay brings significant business and financial expertise to our Board due to his background as an investor in companies in various fields. From 1983 to 2001, he was a General Partner of Southern California Ventures, a venture capital company. From 2001 to the present he has acted as a consultant to the venture capital industry. Mr. Lay also has significant expertise and perspective as a member of the boards of directors of companies in various industries, including software and hardware. Mr. Lay is currently a director of NPI, LLC, a privately-held developer and supplier of proprietary and patentable ingredients for dietary supplements, and Carley Lamps, LLC, a privately-held manufacturer of specialty light bulbs. In addition, Mr. Lay

formerly served on the board of directors of CADO Systems Inc., Meridian Data Inc. and Westbrae Natural, Inc.

*Dr. Jeffrey M. Nash* has been a director of ViaSat since 1987. Dr. Nash provides our Board with significant operational and financial expertise due to his background as an executive of and investor in companies in various fields, including communications, media and defense. From 1994 until 2003, he served as President of Digital Perceptions Inc., a privately-held consulting and software development firm serving the defense, remote sensing, communications, aviation and commercial computer industries. From 2003 to 2009, Dr. Nash was President and Chairman of Inclined Plane Inc., a privately-held consulting and intellectual

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property development company serving the defense, communications and media industries. Dr. Nash also brings significant expertise and perspective through his service as a member of the boards of directors of private and public companies in various industries, including defense. Dr. Nash is a member of the board of REMEC, Inc., which is now in dissolution, and he previously served as a director of Pepperball Technologies, Inc., a manufacturer of non-lethal personal defense equipment for law enforcement, security and personal defense applications.

**Class III Directors with Terms Expiring in 2011**

*Mark D. Dankberg* is a founder of ViaSat and has served as Chairman of the Board and Chief Executive Officer of ViaSat since its inception in May 1986. Mr. Dankberg provides our Board with significant operational, business and technological expertise in the satellite and communications industry, and intimate knowledge of the issues facing our management, having been a member of ViaSat's founding group in May 1986. Mr. Dankberg also has significant expertise and perspective as a member of the boards of directors of companies in various industries, including communications. Mr. Dankberg serves as a director of TrellisWare Technologies, Inc., a majority-owned subsidiary of ViaSat that develops advanced signal processing technologies for communication applications, and REMEC, Inc., which is now in dissolution. In addition, Mr. Dankberg serves on the advisory board of Minnetronix, Inc., a privately-held medical device and design company. Prior to founding ViaSat, he was Assistant Vice President of M/A-COM Linkabit, a manufacturer of satellite telecommunications equipment, from 1979 to 1986, and Communications Engineer for Rockwell International Corporation from 1977 to 1979. Mr. Dankberg holds B.S.E.E. and M.E.E. degrees from Rice University.

*Michael B. Targoff* has been a director of ViaSat since February 2003. Mr. Targoff has broad-based business knowledge and substantial expertise in corporate finance as an investor in and executive of satellite companies. Mr. Targoff has been Chief Executive Officer of Loral Space & Communications Inc. (Loral) (Nasdaq: LORL) since March 2006, President since January 2008 and Vice Chairman since November 2005. Mr. Targoff originally joined Loral Space & Communications Limited in 1981 and served as Senior Vice President and General Counsel until January 1996, when he was elected President and Chief Operating Officer of the newly formed Loral. In 1998, he founded Michael B. Targoff & Co., which invests in telecommunications and related industry early stage companies. Mr. Targoff also has significant expertise and perspective as a member of the boards of directors of private and public companies in various industries, including satellite and telecommunications. Mr. Targoff is chairman of the board of CPI International, Inc. (Nasdaq: CPII) and a director of Leap Wireless International, Inc. (Nasdaq: LEAP). Leap Wireless filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code in April 2003, and completed its financial restructuring and emerged from bankruptcy in August 2004. In addition, Mr. Targoff previously served as a director of Infocrossing, Inc. Prior to joining Loral Space & Communications Limited in 1981, Mr. Targoff was a partner in the New York City law firm, Willkie Farr & Gallagher. Mr. Targoff holds a B.A. degree from Brown University and a J.D. degree from the Columbia University School of Law, where he was a Hamilton Fisk Scholar and editor of the Columbia Journal of Law and Social Problems.

*Harvey P. White* has been a director of ViaSat since May 2005. Mr. White provides our Board with significant operational, management and leadership expertise as an executive of large complex organizations in various industries, including wireless communications. Since June 2004, Mr. White has served as Chairman of (SHW)2 Enterprises, a business development and consulting firm. From September 1998 through June 2004, Mr. White served as Chairman and Chief Executive Officer of Leap Wireless International, Inc. (Nasdaq: LEAP). Leap Wireless filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code in April 2003, and completed its financial restructuring and emerged from bankruptcy in August 2004. Prior to Leap Wireless, Mr. White was a co-founder of QUALCOMM Incorporated (Nasdaq: QCOM) where he held various positions including director, President and Chief Operating Officer. Mr. White also has significant expertise and perspective as a member of the boards of directors of private and public companies in various industries. Mr. White serves on the board of directors of the San Diego Padres, and previously served as a director of Applied Micro Circuits Corporation (Nasdaq: AMCC) and Motive, Inc.

Mr. White attended West Virginia Wesleyan College and Marshall University where he received a B.A. degree in Economics.



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**Class I Directors with Terms Expiring in 2012**

*Robert W. Johnson* has been a director of ViaSat since 1986. Dr. Johnson brings significant business and corporate finance expertise to our Board through his role as an investor in companies in diverse and various industries, including network and storage security. Dr. Johnson has worked in the venture capital industry since 1980, and has acted as an independent investor and served on the board of directors of a number of entrepreneurial companies since 1983. Dr. Johnson formerly served as a director of hi/fn, inc. Dr. Johnson holds B.S. and M.S. degrees in Electrical Engineering from Stanford University and M.B.A. and D.B.A. degrees from the Harvard Business School.

*John P. Stenbit* has been a director of ViaSat since August 2004, and is a consultant for various government and commercial clients. Mr. Stenbit provides our Board with significant technological, defense and national security expertise as a result of his distinguished career of government service focused on the communications, aerospace and satellite fields. From 2001 to his retirement in March 2004, Mr. Stenbit served as the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (C3I) and later as Assistant Secretary of Defense of Networks and Information Integration / Department of Defense Chief Information Officer, the C3I successor organization. From 1977 to 2001, Mr. Stenbit worked for TRW, retiring as Executive Vice President. Mr. Stenbit was a Fulbright Fellow and Aerospace Corporation Fellow at the Technische Hogeschool, Eindhoven, Netherlands. Mr. Stenbit has chaired the Science Advisory Panel to the Director for the Administrator of the Federal Aviation Administration. Mr. Stenbit also has significant expertise and perspective as a member of the boards of directors of private and public companies in various industries. Mr. Stenbit currently serves on the board of directors of Cogent, Inc. (Nasdaq: COGT) and Loral Space & Communications Inc. (Nasdaq: LORL). He also serves on the board of trustees of The Mitre Corp. a private, not-for-profit corporation, and as a member of the Defense Science Board, the Advisory Board of the National Security Agency, the Science Advisory Group of the U.S. Strategic Command and the Naval Studies Board. Mr. Stenbit previously served as a director of SM&A Corporation and SI International, Inc.

**Recommendation of the Board**

The Board of Directors unanimously recommends that you vote **FOR** the election of Mr. Lay and Dr. Nash.

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**PROPOSAL 2:  
RATIFICATION OF APPOINTMENT OF  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**Overview**

The Audit Committee has selected PricewaterhouseCoopers LLP as ViaSat's independent registered public accounting firm for our fiscal year ending April 1, 2011. PricewaterhouseCoopers has served as our independent registered public accounting firm since the fiscal year ended March 31, 1992. Representatives of PricewaterhouseCoopers are expected to be present at the annual meeting, will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Stockholder ratification of the selection of PricewaterhouseCoopers as our independent registered public accounting firm is not required by our bylaws or otherwise. However, we are submitting the selection of PricewaterhouseCoopers to the stockholders for ratification as a matter of good corporate practice. If the selection is not ratified, the Audit Committee will reconsider whether or not to retain PricewaterhouseCoopers, and may retain that firm or another without re-submitting the matter to the stockholders. Even if the selection is ratified, the Audit Committee may, in its discretion, direct the appointment of a different firm at any time during the year if it determines that such a change would be in the best interests of the company and its stockholders.

**Principal Accountant Fees and Services**

The following is a summary of the fees billed by PricewaterhouseCoopers for professional services rendered for the fiscal years ended April 2, 2010 and April 3, 2009:

| <b>Fee Category</b> | <b>Fiscal 2010<br/>Fees (\$)</b> | <b>Fiscal 2009<br/>Fees (\$)</b> |
|---------------------|----------------------------------|----------------------------------|
| Audit Fees          | 1,724,812                        | 1,638,602                        |
| Audit-Related Fees  | 165,510                          | 145,826                          |
| Tax Fees            | 20,467                           | 48,119                           |
| All Other Fees      | 12,000                           | 6,000                            |
| <b>Total Fees</b>   | <b>1,922,789</b>                 | <b>1,838,547</b>                 |

*Audit Fees.* This category includes the audit of our annual consolidated financial statements and the audit of our internal control over financial reporting, review of financial statements included in our Form 10-Q quarterly reports, and services that are normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings or engagements.

*Audit-Related Fees.* This category consists of assurance and related services provided by PricewaterhouseCoopers that are reasonably related to the performance of the audit or review of our consolidated financial statements, and are not reported above as Audit Fees. These services include accounting consultations in connection with acquisitions, and consultations concerning financial accounting and reporting standards.

*Tax Fees.* This category consists of professional services rendered by PricewaterhouseCoopers, primarily in connection with tax compliance, tax planning and tax advice activities. These services include assistance with the preparation of tax returns, claims for refunds, value added tax compliance, and consultations on state, local and international tax matters.

*All Other Fees.* This category consists of fees for products and services other than the services reported above, including fees for subscription to PricewaterhouseCoopers on-line research tool.

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**Pre-Approval Policy of the Audit Committee**

The Audit Committee has established a policy that all audit and permissible non-audit services provided by our independent registered public accounting firm will be pre-approved by the Audit Committee. These services may include audit services, audit-related services, tax services and other services. The Audit Committee considers whether the provision of each non-audit service is compatible with maintaining the independence of the independent registered public accounting firm. Pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. The independent registered public accounting firm and management are required to periodically report to the Audit Committee regarding the extent of services provided by the independent registered public accounting firm in accordance with this pre-approval policy, and the fees for the services performed to date. During fiscal 2010, the fees paid to PricewaterhouseCoopers shown in the table above were pre-approved in accordance with this policy.

**Recommendation of the Board**

The Board of Directors unanimously recommends that you vote **FOR** the ratification of the appointment of PricewaterhouseCoopers as ViaSat's independent registered public accounting firm.

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**PROPOSAL 3:  
AMENDMENT TO THE  
1996 EQUITY PARTICIPATION PLAN**

**Overview**

We are requesting that our stockholders vote in favor of an amendment to our 1996 Equity Participation Plan. In this proxy statement, we sometimes refer to this plan as the Equity Plan. On June 21, 2010, our Board of Directors approved the amendment to the Equity Plan, subject to stockholder approval at the annual meeting.

If approved by the stockholders, the amendment will increase the number of shares of common stock available for issuance under the Equity Plan. As of July 1, 2010, approximately 302,021 shares remained available for issuance under the Equity Plan, which is insufficient to meet our forecasted needs during the next year. We are asking for approval of 4.8 million shares over the number of shares we already have available for grant. After carefully forecasting our anticipated growth rate for the next few years, we believe that this increase will be sufficient for at least two years worth of equity-based grants under our current compensation program.

The amendment to the Equity Plan will also implement the following changes:

An increase in the fungible share ratio used for purposes of counting full-value awards, such as restricted stock units, granted under the Equity Plan against the shares remaining available under such plan from 2:1 to 2.65:1.

An extension of the period during which incentive stock options may be granted under the Equity Plan from its current expiration date in 2018 until 2020.

**THE BOARD RECOMMENDS THAT  
YOU VOTE FOR THE AMENDMENT TO THE EQUITY PLAN**

**Why You Should Vote for the Amendment to the Equity Plan**

***Equity Incentive Awards Are an Important Part of Our Compensation Philosophy***

The Equity Plan is critical to our ongoing effort to build stockholder value. As discussed in the Compensation Discussion and Analysis section of this proxy statement, equity incentive awards are central to our compensation program. Our Board of Directors and its Compensation and Human Resources Committee believe that our ability to grant equity incentive awards, including stock options and restricted stock units, to new and existing employees, directors and eligible consultants has helped us attract, retain and motivate world-class talent. Historically, we have primarily issued stock options and restricted stock units because these forms of equity compensation provide a strong retention value and incentive for employees to work to grow the business and build stockholder value, and are attractive to employees who share the entrepreneurial spirit that has made ViaSat a success.

We believe our strategy is working. During the last two years, our employee turnover rate, inclusive of both voluntary and involuntary turnover, has averaged below 7%, which is much lower than the annual 18% employee turnover rate for similar industries as reported in the 2010 Radford Trends Report. The stock incentive programs ViaSat has in place have worked to build stockholder value by attracting and retaining extraordinarily talented employees. We believe we must continue to offer a competitive equity compensation plan in order to attract, retain and motivate the world-class talent necessary for our continued growth and success.

***The Equity Plan Will No Longer Have Shares Available for Grant***

Under our current forecasts, the Equity Plan will run out of shares available for grant in the fall of 2010, and we will not be able to issue equity to our employees, directors and consultants unless our stockholders

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approve the amendment to the Equity Plan. While we could increase cash compensation if we are unable to grant equity incentives, we anticipate that we will have difficulty attracting, retaining and motivating our employees if we are unable to make equity grants to them. Equity-based grants are a more effective compensation vehicle than cash at a growth-oriented, entrepreneurial company because they align employee and stockholder interests with a smaller impact on current income and cash flow.

***We Manage Our Equity Incentive Award Use Carefully***

We manage our long-term stockholder dilution by limiting the number of equity awards granted annually. The Compensation and Human Resources Committee carefully monitors our total dilution and equity expense to ensure that we maximize stockholder value by granting only the appropriate number of equity awards necessary to attract, reward and retain employees. As of July 1, 2010, we had the following awards outstanding and shares available for grant under our existing equity compensation plans:

**Equity Compensation Plans as of July 1, 2010(1)**

|  |            |
|--|------------|
| Options outstanding                                    | 4,517,813  |
| Restricted stock units outstanding                     | 1,236,544  |
| Shares available for grant                             | 330,801    |
| Weighted average exercise price of outstanding options | \$ 20.846  |
| Weighted average remaining term of outstanding options | 3.06 years |

(1) This table excludes (a) the 4.8 million additional shares we are requesting, and (b) the ViaSat, Inc. Employee Stock Purchase Plan.

To continue to manage and control the amount of our common stock used for equity compensation, our Board of Directors adopted a burn rate policy for fiscal years 2011 through 2013 to be effective if our stockholders approve this proposal. During this three year period, beginning with our 2011 fiscal year and ending with our 2013 fiscal year, our burn rate policy will require us to limit the number of shares that we grant subject to stock awards over the three year period to no more than an annual average of 5.16% of our outstanding common stock (which is equal to the median burn rate plus one standard deviation for the average of the 2009 and 2010 calendar years for Russell 3000 companies in our Global Industry Classification Standards Peer Group (Technology Hardware and Equipment), as published by RiskMetrics Group in 2009). Our annual burn rate will be calculated as the number of shares subject to stock awards (including stock options, stock appreciation rights, restricted stock, restricted stock units and other stock awards) granted during our fiscal year (although for purposes of this analysis the number of shares subject to performance units and performance shares will be counted in the fiscal year that they are paid out instead of the fiscal year in which they are granted) divided by our outstanding common stock, measured as of the last day of each fiscal year, both as reported in our periodic filings with the SEC. Awards that are settled in cash, awards that are granted pursuant to stockholder approved exchange programs, awards sold under our employee stock purchase plan and awards issued, assumed or substituted in acquisitions will be excluded from our burn rate calculation. For purposes of our calculation, each share subject to a full value award (i.e., restricted stock, restricted stock units, performance shares and any other award that does not have an exercise price per share equal to the per share fair market value of our common stock on the grant date) will be counted as more than one share on the following schedule: (a) 1.5 shares if our annual common stock price volatility is 54.6% or higher; (b) 2.0 shares if our annual common stock price volatility is between 36.1% and 54.6%; (c) 2.5 shares if our annual common stock price volatility is between 24.9% and 36.1%; (d) 3.0 shares if our annual common stock price volatility is between 16.5% and 24.9%; (e) 3.5 shares if our annual common stock price volatility is between 7.9% and 16.5%; and (f) 4.0 shares if our annual common stock price volatility is less than

7.9%.

In requesting approval of the amendment to the Equity Plan, we are asking stockholders for a projected two to three year pool of shares to comply with our burn rate policy and provide a predictable amount of equity for attracting, retaining and motivating employees, directors and consultants as we continue to grow.



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***The Equity Plan Combines Compensation and Governance Best Practices***

The Equity Plan includes provisions that are designed to protect our stockholders' interests and to reflect corporate governance best practices including:

*Continued broad-based eligibility for equity awards.* We grant equity awards to a significant number of our employees. By doing so, we link employee interests with stockholder interests throughout the organization and motivate our employees to act as owners of the business.

*Stockholder approval is required for additional shares.* The Equity Plan does not contain an annual evergreen provision. The Equity Plan authorizes a fixed number of shares, so that stockholder approval is required to increase the maximum number of securities which may be issued under the Equity Plan.

*No discount stock options or stock appreciation rights.* All stock options and stock appreciation rights will have an exercise price equal to or greater than the fair market value of our common stock on the date the stock option or stock appreciation right is granted. To date we have not granted any stock appreciation rights under the Equity Plan.

*Repricing is not allowed.* The Equity Plan prohibits the repricing or other exchange of underwater stock options and stock appreciation rights without prior stockholder approval.

*Reasonable share counting provisions.* In general, when awards granted under the Equity Plan expire or are canceled without having been fully exercised, or are settled in cash, the shares reserved for those awards will be returned to the share reserve and be available for future awards. However, shares of common stock that are delivered by the grantee or withheld by ViaSat as payment of the exercise price in connection with the exercise of an option or payment of the tax withholding obligation in connection with any award will not be returned to the share reserve.

*Reasonable limit on full value awards.* For purposes of calculating the shares that remain available for issuance under the Equity Plan, grants of options and stock appreciation rights are counted as the grant of one share for each one share actually granted, as described above. In addition, with respect to a stock appreciation right award settled in shares of common stock, the share reserve will be reduced by the aggregate number of shares subject to the stock appreciation right and not just by the number of shares actually delivered upon exercise of the stock appreciation right. However, to protect our stockholders from potentially greater dilutive effect of full value awards, all grants of restricted stock, performance awards, dividend equivalents, restricted stock units and stock payments with a share purchase price less than fair market value on the date of grant are deducted from the Equity Plan's share pool as 2.65 shares for every one share actually granted. The proposed increase of our fungible share ratio from 2:1 to 2.65:1 is intended to more closely reflect the current relative fair value of our stock option and full value awards. We believe that, based on an external valuation methodology, the proposed amendment is necessary to reflect an equivalent fair value comparison of our stock option and full value awards.

**Summary of the Equity Plan**

The following is a summary of the Equity Plan, as amended pursuant to this proposal. This summary does not purport to be complete and is qualified in its entirety by reference to the full text of the 1996 Equity Participation Plan, as amended and restated to reflect the amendments pursuant to this proposal, a copy of which is attached as Appendix A to this proxy statement.

*General Nature and Purpose.* The Equity Plan was adopted (1) to further our growth, development and financial success by providing additional incentives to some of our key employees who have been or will be given responsibility for the management or administration of our business affairs, by assisting them to become owners of our capital stock and thus to benefit directly from our growth, development and financial success, and (2) to enable us to retain the services of the type of professional, technical and managerial employees considered essential to our long-range success, by providing and offering them the opportunity to become

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owners of our capital stock. The Equity Plan provides for the grant to our executive officers, other key employees, consultants and non-employee directors of a broad variety of stock-based compensation alternatives such as nonqualified stock options, incentive stock options, restricted stock, restricted stock units, dividend equivalents, stock payments, stock appreciation rights and performance awards.

*Administration.* The Compensation and Human Resources Committee of the Board of Directors administers the Equity Plan. In addition to administering the Equity Plan, the Compensation and Human Resources Committee is also authorized to adopt, amend and rescind rules relating to the administration of the Equity Plan.

*Shares Subject to Equity Plan.* The Equity Plan currently provides for the issuance of up to 12,600,000 shares of our common stock and, if this proposal is approved, will provide for the issuance of up to 17,400,000 shares of our common stock. Awards of restricted stock, performance awards, dividend equivalents, restricted stock units, and stock payments with a share purchase price less than fair market value are currently counted as two shares for every one share actually granted for purposes of calculating the number of shares available for issuance under the Equity Plan and, if this proposal is approved, will count as 2.65 shares for every one share actually granted for this purpose. Grants of stock options and stock appreciation rights will continue to be counted as the grant of one share for each one share actually granted for purposes of calculating the total number of remaining shares available for issuance under the Equity Plan. In addition, with respect to a stock appreciation right award settled in shares of common stock, the share reserve will be reduced by the aggregate number of shares subject to the stock appreciation right and not just by the number of shares actually delivered upon exercise of the stock appreciation right.

To the extent that an option, or any other right to acquire shares under the Equity Plan, expires or is cancelled without having been fully exercised, or is settled in cash, then such shares as to which such award was not exercised prior to its expiration or cancellation are added back to the Equity Plan and may be re-granted under the Equity Plan. In addition, any shares of restricted stock forfeited or repurchased by ViaSat may be re-granted under the Equity Plan. However, shares of common stock that are delivered by the grantee or withheld by ViaSat as payment of the exercise price in connection with the exercise of an option or payment of the tax withholding obligation in connection with any award will not be returned to the share reserve.

The number of shares subject to the Equity Plan, and the limitations on the number of shares subject to grants and awards under the Equity Plan, may in the discretion of the Compensation and Human Resources Committee (or the Board of Directors, in the case of awards to non-employee directors) be adjusted to reflect changes in our capitalization or certain corporate events which are described more fully in the Equity Plan, but include stock splits, recapitalizations, reorganizations and reclassifications. In the event of an equity restructuring, (1) the number and type of securities subject to each outstanding award and the grant or exercise price per share for each outstanding award, if applicable, will be proportionately adjusted, and (2) the Compensation and Human Resources Committee (or the Board of Directors, in the case of awards to non-employee directors) will make proportionate adjustments to reflect such equity restructuring with respect to the aggregate number and type of shares that may be issued under the Equity Plan (including, but not limited to, adjustments of the number of shares available under the plan and the maximum number of shares which may be subject to awards to a participant during any calendar year).

Not more than 500,000 shares may be subject to options or stock appreciation rights for any one individual per fiscal year. The Equity Plan also has an individual award limit of 150,000 shares per fiscal year for grants of restricted stock, performance awards, dividend equivalents, restricted stock units and stock payments (except for grants made upon initial service of an employee, which has an award limit of 300,000 shares). Individual awards designated to be paid in cash may not exceed \$1,000,000.

*Eligibility.* Any employee, consultant or non-employee director selected by the Compensation and Human Resources Committee (or the Board of Directors, in the case of awards to non-employee directors) is eligible to receive equity

awards under the Equity Plan. The Compensation and Human Resources Committee (or the Board of Directors, in the case of awards to non-employee directors), in its absolute discretion, will

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determine (1) among the eligible participants the individuals to whom awards are to be granted, (2) the number of shares to be granted, and (3) the terms and conditions of the grants.

*Grant of Options.* The Compensation and Human Resources Committee (or the Board of Directors, in the case of an option granted to a non-employee director) will from time to time, in its absolute discretion, determine (1) the number of shares to be subject to options granted to selected employees, consultants and non-employee directors, (2) whether the options are to be incentive stock options or non-qualified stock options, and (3) the terms and conditions of the options, in a manner consistent with the Equity Plan.

*Purchase Price of Optioned Shares.* The price per share of the shares subject to each option is set by the Compensation and Human Resources Committee (or the Board of Directors, in the case of an option granted to a non-employee director). However, the price per share cannot be less than fair market value on the date the option is granted. In the case of incentive stock options granted to an individual then owning more than 10% of the total combined voting power of all classes of stock of ViaSat or any subsidiary or parent corporation of ViaSat, the price cannot be less than 110% of the fair market value of a share of common stock on the date the option is granted.

*Terms of Options.* The term of an option is set by the Compensation and Human Resources Committee (or the Board of Directors, in the case of an option granted to a non-employee director) in its discretion. However, the term of an option cannot exceed six years under the Equity Plan. In the case of incentive stock options granted to an individual then owning more than 10% of the total combined voting power of all classes of stock of ViaSat, the term may not exceed five years.

*Exercise of Options.* Upon the exercise of an option under the Equity Plan, the optionee must make full cash payment to the Corporate Secretary of ViaSat for the shares with respect to which the option, or portion of the option, is exercised. However, the Compensation and Human Resources Committee (or the Board of Directors, in the case of an option granted to a non-employee director) may in its discretion allow various forms of payment, which are described in the Equity Plan.

*Other Stock Awards.* The Equity Plan allows for various other awards including restricted stock, performance awards, dividend equivalents, restricted stock units, stock payments and stock appreciation rights. Except as expressly permitted by the Equity Plan, awards of restricted stock will have a minimum vesting schedule of three years (except for restricted stock performance awards, which will have a minimum vesting schedule of one year). The term of a stock appreciation right cannot exceed six years under the Equity Plan and the exercise price per share of a stock appreciation right cannot be less than fair market value on the date the stock appreciation right is granted.

*Automatic Director Grants.* During the term of the Equity Plan, a person who is initially elected to the Board of Directors and who is a non-employee director at that time is automatically granted 3,000 restricted stock units and an option to purchase 9,000 shares of common stock. At each subsequent annual meeting of stockholders, each non-employee director will automatically be granted 1,600 restricted stock units and an option to purchase 5,000 shares of common stock. The initial equity grants to non-employee directors vest in three equal annual installments on the first three anniversaries of the date of grant. The annual equity grants to non-employee directors vest in full on the first anniversary of the date of grant.

*Performance Criteria.* The Compensation and Human Resources Committee may designate employees as covered employees whose compensation for a given fiscal year may be subject to the limit on deductible compensation imposed by Section 162(m) of the Internal Revenue Code (the Code). The Compensation and Human Resources Committee may grant to such covered employees restricted stock, restricted stock units, stock appreciation rights, dividend equivalents, performance awards, cash bonuses and stock payments that are paid, vest or become exercisable upon the attainment of company performance criteria which are related to one or more of the following performance

criteria as applicable to our performance or the performance of a division, business unit or an individual:

net earnings (either before or after one or more of the following: interest, taxes, depreciation and amortization),

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gross or net sales or revenue,  
net income (either before or after taxes),  
operating earnings or profit,  
cash flow (including, but not limited to, operating cash flow and free cash flow),  
return on assets,  
return on capital,  
return on stockholders' equity,  
return on sales,  
gross or net profit or operating margin,  
costs,  
funds from operations,  
expenses,  
working capital,  
earnings per share, or  
price per share of our common stock.

*No Repricing.* The Equity Plan prohibits the repricing or other exchange of underwater stock options or stock appreciation rights without prior stockholder approval.

*Amendment and Termination of the Plan.* The Equity Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Board of Directors or the Compensation and Human Resources Committee. However, without approval of the stockholders of ViaSat, the Equity Plan may not be amended to (1) increase the maximum number of shares issuable upon exercise of equity awards granted under the Equity Plan and (2) no action of the Board or the Compensation and Human Resources Committee may be taken that would otherwise require stockholder approval as a matter of applicable law, regulation or rule. The Equity Plan will continue until terminated by the Board of Directors or the Compensation and Human Resources Committee. No incentive stock options may be granted under the Equity Plan after June 21, 2020.

**Table of Contents****New Plan Benefits**

The number of awards that an employee may receive under the Equity Plan is in the discretion of the Board of Directors or the Compensation and Human Resources Committee and therefore cannot be determined in advance. As noted above, the Equity Plan provides for automatic grants of restricted stock units and options to non-employee directors. Other than these formula grants, neither the Compensation and Human Resources Committee nor the Board of Directors has made any determination to grant any awards to any persons under the Equity Plan as of the date of this proxy statement. For illustrative purposes only, the following table sets forth the aggregate number of shares subject to restricted stock units and options granted under the Equity Plan during last fiscal year.

| <b>Name or Group</b>                                      | <b>Number of Shares<br/>Subject to<br/>Restricted Stock<br/>Units Granted (#)</b> | <b>Number of Shares<br/>Underlying Options<br/>Granted (#)</b> |
|---|---|--|
| Mark D. Dankberg  | 50,000  | 150,000  |
| Richard A. Baldrige                                       | 25,000  | 75,000   |
| Ronald G. Wangerin  | 9,200   | 27,600   |
| Keven K. Lippert  | 9,200   | 27,600   |
| Thomas E. Moore   | 14,000  | 15,000   |
| All Current Executive Officers as a Group (9 persons)     | 156,400   | 326,200  |
| All Current Non-Employee Directors as a Group (6 persons) | 9,600   | 30,000   |
| All Current Non-Executive Officer Employees as a Group    | 665,250   | 27,700   |

**U.S. Federal Income Tax Consequences**

The following is a general discussion of the principal tax considerations for both ViaSat and the recipients of the various awards under the Equity Plan, and is based upon the tax laws and regulations of the United States existing as of the date hereof, all of which are subject to modification at any time. The following discussion is intended for general information only. The tax consequences described below are subject to the limitations of Section 162(m) of the Code, as discussed in further detail below. Alternative minimum tax and other federal taxes and foreign, state and local income taxes are not discussed, and may vary depending on individual circumstances and from locality to locality.

***Options***

*Consequences to Employees: Incentive Stock Options.* No income is recognized for federal income tax purposes by an optionee at the time an incentive stock option is granted, and, except as discussed below, no income is recognized by an optionee upon his or her exercise of an incentive stock option. If the optionee makes no disposition of the common stock received upon exercise within two years from the date such option was granted or one year from the date the option is exercised, the optionee will recognize capital gain or loss when he or she disposes of the common stock. This gain or loss generally will be measured by the difference between the exercise price of the option and the amount received for the common stock at the time of disposition. The exercise of an incentive stock option will give rise to an item of adjustment that may result in alternative minimum tax liability for the optionee. If the optionee disposes of the common stock acquired upon exercise of an incentive stock option within two years after being granted the option or within one year after acquiring the common stock, any amount realized from such disqualifying disposition will be



taxable as ordinary income in the year of disposition to the extent that (1) the lesser of (a) the fair market value of the shares on the date the incentive stock option was exercised or (b) the fair market value at the time of such disposition exceeds (2) the incentive stock option exercise price. Any amount realized upon disposition in excess of the fair market value of the shares on the date of exercise will be treated as long or short-term capital gain, depending upon the length of time the shares have been held.

*Consequences to Employees: Non-Qualified Stock Options.* No income is recognized by a holder of a non-qualified stock option at the time a non-qualified stock option is granted. In general, at the time shares of common stock are issued to a holder pursuant to exercise of a non-qualified stock option, the holder will

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recognize ordinary income equal to the excess of the fair market value of the shares on the date of exercise over the exercise price. A holder will recognize gain or loss on the subsequent sale of common stock acquired upon exercise of a non-qualified stock option in an amount equal to the difference between the selling price and the tax basis of the common stock, which will include the price paid plus the amount included in the holder's income by reason of the exercise of the non-qualified stock option. Provided the shares of common stock are held as a capital asset, any gain or loss resulting from a subsequent sale will be short-term or long-term capital gain or loss depending upon the length of time the shares have been held.

*Consequences to ViaSat: Incentive Stock Options.* We will not be allowed a deduction for federal income tax purposes at the time of the grant or exercise of an incentive stock option. There are also no federal income tax consequences to us as a result of the disposition of common stock acquired upon exercise of an incentive stock option if the disposition is not a disqualifying disposition. At the time of a disqualifying disposition by an optionee, we will be entitled to a deduction for the amount received by the optionee to the extent that such amount is taxable to the optionee as ordinary income.

*Consequences to ViaSat: Non-Qualified Stock Options.* Generally, we will be entitled to a deduction for federal income tax purposes in the year and in the same amount as the optionee is considered to have realized ordinary income in connection with the exercise of a non-qualified stock option.

***Restricted Stock.*** Generally, a participant in the Equity Plan will not be taxed upon the grant or purchase of restricted stock that is subject to a substantial risk of forfeiture, within the meaning of Section 83 of the Code, until such time as the restricted stock is no longer subject to the substantial risk of forfeiture. At that time, the participant will be taxed on the difference between the fair market value of the common stock and the amount the participant paid, if any, for such restricted stock. However, the recipient of restricted stock under the Equity Plan may make an election under Section 83(b) of the Code to be taxed with respect to the restricted stock as of the date of transfer of the restricted stock rather than the date or dates upon which the restricted stock is no longer subject to a substantial risk of forfeiture and the participant would otherwise be taxable under Code Section 83. ViaSat will be eligible for a tax deduction as a compensation expense at the time the participant recognizes ordinary income equal to the amount of income recognized.

***Stock Appreciation Rights.*** A participant will not be taxed upon the grant of a stock appreciation right. Upon the exercise of the stock appreciation right, the participant will recognize ordinary income equal to the amount of cash or the fair market value of the stock received upon exercise. At the time of exercise, ViaSat will be eligible for a tax deduction as a compensation expense equal to the amount that the participant recognizes as ordinary income.

***Performance Awards, Dividend Equivalents, Restricted Stock Units and Stock Payments.*** The participant will have ordinary income upon receipt of stock or cash payable under a performance award, dividend equivalents, restricted stock units and stock payments. ViaSat will be eligible for a tax deduction as a compensation expense equal to the amount of ordinary income recognized by the participant.

***Section 162(m).*** Under Section 162(m) of the Code, in general, income tax deductions of publicly-traded companies may be limited to the extent total compensation (including base salary, annual bonus, stock option exercises and nonqualified benefits paid in 1994 and thereafter) for certain executive officers exceeds \$1 million in any one taxable year. However, under Section 162(m) of the Code, the deduction limit does not apply to certain performance-based compensation established by an independent compensation committee which conforms to certain restrictive conditions stated under the Code and related regulations. The Equity Plan has been structured with the intent that awards granted under the Equity Plan may meet the requirements for performance-based compensation under Section 162(m) of the Code. To the extent granted at a fair market value exercise price, options and stock appreciation rights granted under the Equity Plan are intended to qualify as performance-based compensation under Section 162(m) of the Code.

**Recommendation of the Board**

The Board of Directors unanimously recommends that you vote **FOR** the amendment to the 1996 Equity Participation Plan.

**Table of Contents****OWNERSHIP OF SECURITIES****Beneficial Ownership Table**

The following table sets forth information known to us regarding the ownership of ViaSat common stock as of July 1, 2010 by: (1) each director, (2) each of the Named Executive Officers identified in the Summary Compensation Table, (3) all directors and executive officers of ViaSat as a group, and (4) all other stockholders known by us to be beneficial owners of more than 5% of ViaSat common stock.

| Name of Beneficial Owner(1)                                  | Amount and Nature of<br>Beneficial Ownership(2) | Percent<br>Beneficial<br>Ownership<br>(%)(3) |
|--|---|--|
| <b>Directors and Officers:</b>                               |   |  |
| Mark D. Dankberg   | 1,912,068 (4)                                   | 4.7  |
| Robert W. Johnson  | 652,496 (5)                                     | 1.6  |
| B. Allen Lay   | 386,678 (6)                                     | 1.0  |
| Jeffrey M. Nash  | 367,765 (7)                                     | *  |
| Richard A. Baldrige  | 298,530 (8)                                     | *  |
| Michael B. Targoff   | 142,750 (9)                                     | *  |
| Ronald G. Wangerin   | 92,926 (10)                                     | *  |
| John P. Stenbit  | 65,000 (11)                                     | *  |
| Harvey P. White  | 55,000 (12)                                     | *  |
| Thomas E. Moore  | 42,652 (13)                                     | *  |
| Keven K. Lippert   | 16,955 (14)                                     | *  |
| All directors and executive officers as a group (15 persons) | 5,303,343                                       | 12.7   |
| <b>Other 5% Stockholders:</b>                                |   |  |
| The Baupost Group, L.L.C.                                    | 8,706,700 (15)                                  | 21.6   |
| FMR LLC  | 4,480,649 (16)                                  | 11.1   |
| BlackRock, Inc.  | 2,128,391 (17)                                  | 5.3  |

\* Less than 1%.

- (1) Under the rules of the SEC, a person is the beneficial owner of securities if that person has sole or shared voting or investment power. Except as indicated in the footnotes to this table and subject to applicable community property laws, to our knowledge, the persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned.
- (2) In computing the number of shares beneficially owned by a person named in the table and the percentage ownership of that person, shares of common stock that such person had the right to acquire within 60 days after July 1, 2010 are deemed outstanding, including without limitation, upon the exercise of options or the vesting of restricted stock units. These shares are not, however, deemed outstanding for the purpose of computing the percentage ownership of any other person. References to options in the footnotes of the table include only options to purchase shares that were exercisable within 60 days after July 1, 2010 and references to restricted stock units

in the footnotes of the table include only restricted stock units that are scheduled to vest within 60 days after July 1, 2010. This column includes the following numbers of shares over which the identified director or Named Executive Officer has shared voting and investment power through family trusts or other accounts: Mr. Dankberg (1,499,319); Dr. Johnson (568,496); Mr. Lay (302,678); Dr. Nash (292,965); and Mr. Baldrige (19,036).

- (3) For each person included in the table, percentage ownership is calculated by dividing the number of shares beneficially owned by such person by the sum of (a) 40,308,316 shares of common stock outstanding on July 1, 2010 plus (b) the number of shares of common stock that such person had the right to acquire within 60 days after July 1, 2010.

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- (4) Includes 412,188 shares subject to options exercisable by Mr. Dankberg within 60 days after July 1, 2010.
- (5) Includes 84,000 shares subject to options exercisable by Dr. Johnson within 60 days after July 1, 2010.
- (6) Includes 84,000 shares subject to options exercisable by Lay Ventures L.P. within 60 days after July 1, 2010.
- (7) Includes 74,800 shares subject to options exercisable by Dr. Nash within 60 days after July 1, 2010.
- (8) Includes 278,750 shares subject to options exercisable by Mr. Baldrige within 60 days after July 1, 2010.
- (9) Includes 75,000 shares subject to options exercisable by Mr. Targoff within 60 days after July 1, 2010.
- (10) Includes 87,125 shares subject to options exercisable by Mr. Wangerin within 60 days after July 1, 2010.
- (11) Includes 65,000 shares subject to options exercisable by Mr. Stenbit within 60 days after July 1, 2010.
- (12) Includes 55,000 shares subject to options exercisable by Mr. White within 60 days after July 1, 2010.
- (13) Includes 37,500 shares subject to options exercisable by Mr. Moore within 60 days after July 1, 2010.
- (14) Includes 14,700 shares subject to options exercisable by Mr. Lippert within 60 days after July 1, 2010.
- (15) Based solely on information contained in a Schedule 13G jointly filed with the SEC on April 12, 2010 by The Baupost Group, L.L.C. (Baupost), Baupost Value Partners, L.P.-IV, SAK Corporation and Seth A. Klarman. The Schedule 13G reports that each of Baupost, SAK Corporation and Mr. Klarman has shared voting power and shared dispositive power with respect to 8,706,700 shares. Baupost Value Partners, L.P.-IV has shared voting power and shared dispositive power with respect to 3,094,214 shares. Baupost is a registered investment adviser and acts as an investment adviser and general partner to certain investment limited partnerships, including Baupost Value Partners, L.P.-IV. SAK Corporation is the Manager of Baupost. Mr. Klarman is the sole director and sole officer of SAK Corporation and a controlling person of Baupost. The address of Baupost, Baupost Value Partners, L.P.-IV, SAK Corporation and Mr. Klarman is 10 St. James Avenue, Suite 1700, Boston, Massachusetts 02116.
- (16) Based solely on information contained in a Schedule 13G filed with the SEC on February 16, 2010 by FMR LLC. The address of FMR LLC is 82 Devonshire Street, Boston, Massachusetts 02109.
- (17) Based solely on information contained in a Schedule 13G filed with the SEC on January 29, 2010 by BlackRock, Inc. The address of BlackRock, Inc. is 40 East 52nd Street, New York, New York 10022.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934 requires our directors, executive officers and holders of more than 10% of ViaSat common stock to file reports of ownership and changes in ownership with the SEC. These persons are required to furnish us with copies of all forms that they file. Based solely on our review of copies of these forms in our possession, or in reliance upon written representations from our directors and executive officers, we believe that all of our directors, executive officers and 10% stockholders complied with the Section 16(a) filing requirements during the fiscal year ended April 2, 2010, with the exceptions noted herein. A late report was filed on behalf of each of Dr. Johnson and Dr. Nash with respect to the exercise of stock options. A late report was filed on behalf of

Mr. Dankberg to report the acquisition of ViaSat common stock by Mr. Dankberg's spouse by will or the laws of descent, as well as to report bona fide gifts of ViaSat common stock made by Mr. Dankberg on two separate occasions.

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**EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**

The following Compensation Discussion and Analysis provides information regarding the compensation program in place for our executive officers, including the Named Executive Officers identified in the Summary Compensation Table, during our 2010 fiscal year. In particular, this Compensation Discussion and Analysis provides information related to each of the following aspects of our executive compensation program:

- overview and objectives of our executive compensation program;
- explanation of our executive compensation processes and criteria;
- description of the components of our compensation program; and
- discussion of how each component fits into our overall compensation objectives.

***Overview and Objectives of Executive Compensation Program***

The principal components of our executive compensation program include:

- base salary;
- short-term or annual awards in the form of cash bonuses;
- long-term equity awards; and
- other benefits generally available to all of our employees.

Our executive compensation program incorporates these components because our Compensation and Human Resources Committee considers a blend of these components to be necessary and effective in order to provide a competitive total compensation package to our executive officers while meeting the principal objectives of our executive compensation program. In addition, the Compensation and Human Resources Committee believes that our use of base salary, annual cash bonuses and long-term equity awards as the primary components of our executive compensation program is consistent with the executive compensation programs employed by technology companies of similar size and stage of growth.

Our overall compensation objectives are premised on the following three fundamental principles, each of which is discussed below: (1) a significant portion of executive compensation should be performance-based, linking the achievement of company financial objectives and individual objectives; (2) the financial interests of our executive management and our stockholders should be aligned; and (3) the executive compensation program should be structured so that we can compete in the marketplace in hiring and retaining top level executives in our industry with compensation that is competitive and fair. Because this compensation program is designed to reward prudent business judgment and promote disciplined progress towards longer-term company goals, we believe that our balanced compensation policies and practices do not encourage unnecessary and excessive risk-taking by employees that could reasonably be expected to have a material adverse effect on us.



*Performance-Based Compensation.* We strongly believe that a significant amount of executive compensation should be performance-based. In other words, our compensation program is designed to reward superior performance, and we believe that our executive officers should feel accountable for the overall performance of our business and their individual performance. In order to achieve this objective, we have structured our compensation program so that executive compensation is tied, in large part, directly to both company-wide and individual performance. For example, and as discussed specifically below, annual cash bonuses are based on, among other things, pre-determined corporate financial performance metrics and operational targets.

*Alignment with Stockholder Interests.* We believe that executive compensation and stockholder interests should be linked, and our compensation program is designed so that the financial interests of our executive officers are aligned with the interests of our stockholders. We accomplish this objective in a couple of ways.

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First, as noted above, payments of annual cash bonuses are based on, among other things, pre-determined financial performance metrics and operational targets that, if achieved, we believe enhance the value of our common stock.

Second, a significant portion of the total compensation paid to our executive officers is paid in the form of equity to further align the interests of our executive officers and our stockholders. In this regard, our executive officers are subject to the downside risk of a decrease in the value of their compensation in the event that the price of our common stock declines. We believe that a combination of restricted stock units and stock option awards, which each vest with the passage of time, provide meaningful long-term awards that are directly related to the enhancement of stockholder value. Equity awards are intended to reward our executive officers upon achieving operational and financial goals that we believe ultimately will be reflected in the value of our common stock. In addition, the time-vesting schedule of restricted stock units and stock option awards furthers the goal of executive retention.

*Structure Allows Competitive and Fair Compensation Packages.* We develop and manufacture innovative satellite and other wireless communications and networking systems for commercial, military and civil government customers. We believe that our industry is highly specialized and competitive. Stockholders are best served when we can attract and retain talented executives with compensation packages that are competitive and fair. Therefore, we strive to create a compensation package for executive officers that delivers compensation that is comparable to the total compensation delivered by the companies with which we compete for executive talent.

### ***Compensation Processes and Criteria***

The Compensation and Human Resources Committee is responsible for determining our overall executive compensation philosophy, and for evaluating and recommending all components of executive officer compensation (including base salary, annual cash bonuses and long-term equity awards) to our Board of Directors for approval. The Compensation and Human Resources Committee acts under a written charter adopted and approved by our Board and may, in its discretion, obtain the assistance of outside advisors, including compensation consultants, legal counsel and accounting and other advisors. Three outside directors currently serve on the Compensation and Human Resources Committee. Each member qualifies as an outside director within the meaning of Section 162(m) of the Internal Revenue Code, a non-employee director within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934 and as independent within the meaning of the corporate governance standards of Nasdaq. A copy of the Compensation and Human Resources Committee charter can be found on the Investor Relations section of our website at [investors.viasat.com](http://investors.viasat.com).

Because our executive compensation program relies on the use of three relatively straightforward components (base salary, annual cash bonuses and long-term equity awards), the process for determining each component of executive compensation remains fairly consistent across each component. The Compensation and Human Resources Committee determines compensation in a manner consistent with our primary objectives for executive compensation discussed above. In determining each component of executive compensation, the Compensation and Human Resources Committee generally considers each of the following factors:

industry compensation data;

individual performance and contributions;

company financial performance;

total executive compensation;

affordability of cash compensation based on ViaSat's financial results; and

availability and affordability of shares for equity awards.

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*Industry Compensation Data.* The Compensation and Human Resources Committee reviews the executive compensation data of comparable technology companies and other companies which are otherwise relevant as part of the process of determining executive compensation. In fiscal 2010, the Compensation and Human Resources Committee engaged Compensia, independent compensation consultant to the Compensation and Human Resources Committee, to provide insight and advice on matters regarding trends in executive officer compensation and benefits practices. With the assistance of Compensia, the Compensation and Human Resources Committee reviewed the compensation practices of a peer group of companies consisting of a broad range of companies in the high technology industry. In 2010, our peer group consisted of the following companies: ADC Telecommunications, Adtran, Arris Group, Avid Technology, Brocade, CommScope, Comtech Telecommunications, Cubic, FLIR Systems, Loral Space & Communications, Orbital Sciences, Polycom, RF Micro Devices, Skyworks Solutions, Tekelec, Tellabs, Trimble Navigation and 3Com. The peer group was selected based on industry, net income, revenues, earnings per share and market capitalization. The Compensation and Human Resources Committee believes that this group of companies provides an appropriate peer group because they consist of similar organizations against whom we compete to obtain and retain top quality talent. In addition to peer group data, the Compensation and Human Resources Committee also analyzed and incorporated market information from the Radford Executive Compensation Survey, a nationally recognized compensation survey containing market information of companies in the high technology industry. This survey was not compiled specifically for ViaSat but rather represents a database containing comparative compensation data and information for hundreds of other high technology companies, thereby permitting the Compensation and Human Resources Committee to review pooled compensation data for positions similar to those held by each executive officer. Unlike peer group compensation data, which is limited to publicly available information and does not provide precise comparisons by position, the more comprehensive survey data can be used to provide pooled compensation data for positions closely akin to those held by each executive officer. In addition, the pool of senior executive talent from which we draw and against which we compare ourselves extends beyond the limited community of ViaSat's immediate peer group and includes a wide range of other organizations in the technology sector outside ViaSat's traditional competitors, which range is represented by such surveys. As a result, the primary role of peer group compensation data historically has been to serve as verification that the industry survey data is consistent with ViaSat's direct publicly-traded peers in the United States, and the Compensation and Human Resources Committee continues to primarily rely on industry survey data in determining actual executive compensation.

*Individual Performance.* The Compensation and Human Resources Committee makes an assessment of individual executive performance and contributions. The individual performance assessments made by the Compensation and Human Resources Committee are based in part on input from executive management. As part of our executive compensation process, our Chief Executive Officer and President provide input to the Compensation and Human Resources Committee on individual executive performance and contributions. With respect to assessing the individual performance of our Chief Executive Officer, the Compensation and Human Resources Committee relies on an annual assessment completed by our Nomination and Evaluation Committee. The Compensation and Human Resources Committee believes input from management and outside advisors is valuable; however, the Compensation and Human Resources Committee makes its recommendations and decisions based on its independent analysis and assessment.

*Company Financial Performance.* As previously discussed, a major component of our executive compensation program is the belief that a significant amount of executive compensation should be based on performance, including company financial performance. Although the Compensation and Human Resources Committee uses financial performance metrics as a basis for determining annual cash bonus compensation, company financial performance is also an important factor considered by the Compensation and Human Resources Committee in determining both base salary and equity awards.

*Total Executive Compensation.* As part of reviewing each component of executive officer compensation, the Compensation and Human Resources Committee also considers the total compensation of the executive. This review of total compensation is completed to assure that each executive's total compensation remains appropriately competitive and continues to meet the compensation objectives described above.

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*Affordability.* Prior to completing the executive cash compensation (base salary and annual cash bonuses) process, the Compensation and Human Resources Committee confirms that the proposed cash compensation is affordable under and consistent with ViaSat's financial results. With respect to equity compensation, the Compensation and Human Resources Committee confirms the availability and affordability of shares prior to granting the equity awards to executives. To the extent the Compensation and Human Resources Committee determines that a component of executive compensation is not affordable, appropriate adjustments to that compensation component are made prior to final approval by the Compensation and Human Resources Committee and any subsequent recommendation to the Board of Directors.

*Determination of Compensation.* The Compensation and Human Resources Committee and the Board hold several meetings each year for the review, discussion and determination of executive compensation. After reviewing, analyzing and discussing each of the factors for executive compensation described above, the Compensation and Human Resources Committee determines (or makes a recommendation to the Board of Directors) regarding the appropriate compensation for each individual executive officer. However, the Compensation and Human Resources Committee does not believe that it is appropriate to establish compensation levels based solely on benchmarking. The Compensation and Human Resources Committee relies upon the judgment of its members in making compensation decisions, after reviewing the company's recent performance and carefully evaluating an executive officer's performance during the year against established goals, leadership qualities, operational results, business responsibilities, experience, career with the company, current compensation arrangements and long-term potential to enhance stockholder value. While competitive market compensation paid by other companies is one of the many factors that the Compensation and Human Resources Committee considers in assessing suitable levels of compensation, it does not attempt to maintain a certain target percentile within a peer group or otherwise rely entirely on that data to determine executive officer compensation. Instead, the Compensation and Human Resources Committee incorporates flexibility into our compensation programs and in the assessment process to respond to and adjust for the evolving business environment.

We strive to achieve an appropriate mix between equity incentive awards and cash payments in order to meet our objectives. Any apportionment goal is not applied rigidly and does not control our compensation decisions. Our mix of compensation elements is designed to reward recent results, align compensation with stockholder interests and fairly compensate executives through a combination of cash and equity incentive awards.

### ***Components of Our Compensation Program***

As discussed above, the components of our compensation program are the following: base salary, annual cash bonuses, long-term equity-based compensation and certain other benefits that are generally available to all of our employees.

*Base Salary.* In determining base salary, the Compensation and Human Resources Committee primarily considers (1) executive compensation survey results from Radford, which generally reports a compensation range for each position, (2) compensation data of our peer group companies prepared and analyzed by our independent compensation consultants, and (3) individual performance and contributions. In evaluating individual executive performance and contributions, the Compensation and Human Resources Committee also considers to what extent the executive:

sustains a high level of performance;

demonstrates leadership and success in contributing toward ViaSat's achievement of key business and financial objectives;

contributes significantly to the development and execution of ViaSat's long term strategy;

has a proven ability to help create stockholder value; and

possesses highly developed skills and abilities critical to ViaSat's success.

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In assessing individual executive performance and contributions during fiscal 2010, the Compensation and Human Resources Committee considered the individual contributions to the attainment by the company of key strategic objectives, such as the substantial improvements in the company's capital structure and strategic positioning through various financing transactions and the acquisition of WildBlue. In determining fiscal 2011 base salaries for executive officers, the Compensation and Human Resources Committee also took into account other factors, including total executive compensation, ViaSat's recent financial performance and confirmation of affordability under ViaSat's