

Fill in this information to identify the case:

Debtor Plastiq Inc.

United States Bankruptcy Court for the: _____ District of Delaware
(State)

Case number 23-10671

**Official Form 410
Proof of Claim**

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>Cianfru, LLC</u> Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	<u>Cianfru, LLC</u> <u>c/o Jamie P. Dreher</u> <u>621 Capitol Mall, 18th Floor</u> <u>Sacramento, CA 95814</u>	
	Contact phone <u>916 444 1000</u>	Contact phone _____
	Contact email <u>jdreher@downeybrand.com</u>	Contact email _____
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 3239686. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.
Rejected Lease

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature or property:
 Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: _____
Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ 1145527

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

No

Yes. Check all that apply:

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ _____

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim pursuant to 11 U.S.C. § 503(b)(9)?

No

Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ _____

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 07/26/2023
MM / DD / YYYY

/s/Jamie P. Dreher
Signature

Print the name of the person who is completing and signing this claim:

Name Jamie P. Dreher
First name Middle name Last name

Title Attorney

Company Downey Brand LLP
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address _____

Contact phone _____ Email _____



KCC ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (877) 634-7180 | International 001-310-823-9000

Debtor: 23-10671 - PlastiQ Inc.		
District: District of Delaware		
Creditor: Cianfru, LLC c/o Jamie P. Dreher 621 Capitol Mall, 18th Floor Sacramento, CA, 95814 Phone: 916 444 1000 Phone 2: Fax: Email: jdreher@downeybrand.com	Has Supporting Documentation: Yes, supporting documentation successfully uploaded	
	Related Document Statement:	
	Has Related Claim: No	
	Related Claim Filed By:	
		Filing Party: Authorized agent
Other Names Used with Debtor:		Amends Claim: No Acquired Claim: No
Basis of Claim: Rejected Lease	Last 4 Digits: No	Uniform Claim Identifier:
Total Amount of Claim: 3239686	Includes Interest or Charges: No	
Has Priority Claim: No	Priority Under:	
Has Secured Claim: No Amount of 503(b)(9): No Based on Lease: Yes, 1145527 Subject to Right of Setoff: No	Nature of Secured Amount: Value of Property: Annual Interest Rate: Arrearage Amount: Basis for Perfection: Amount Unsecured:	
Submitted By: Jamie P. Dreher on 26-Jul-2023 6:07:00 p.m. Eastern Time Title: Attorney Company: Downey Brand LLP		

Addendum To Proof of Claim

*In re PlastiQ Inc., et al.*¹
23-10671 (BLS)

Creditor Cianfru, LLC ("Cianfru"), as landlord, entered into a lease with the debtor PlastiQ, Inc., dated December 19, 2018, (Exhibit A), as amended by Amendment No. 1 dated as of May 26, 2023, (Exhibit B), for approximately 23,200 square feet of space in the building commonly known as 360 Ninth Street, San Francisco, California (collectively, the "Lease").

On February 10, 2023, Cianfru provided written notice of default to PlastiQ, Inc. as required under the terms of the Lease. PlastiQ, Inc. did not cure the default under the Lease before the Petition Date, and owed Cianfru, as of the Petition Date, \$1,145,527. This figure is based on unpaid rent from February 1, 2023 to the Petition Date, as well as rent relief for COVID owed back to Cianfru as the result of the default. *See*, Ex. B.

On June 19, 2023, the Court entered the *Order Authorizing (I) Rejection Of (A) Certain Unexpired Leases Of Nonresidential Real Property And (B) Certain Executory Contracts, In Each Case, Effective As Of The Petition Date, And (II) Abandonment Of Any Remaining Personal Property Located At The Leased Premises*, which provided for the rejection of the Lease between Cianfru and PlastiQ, Inc. As a result of the rejection, Cianfru has a claim for rejection damages of \$2,094,159, for one year's future rent.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: PlastiQ, Inc. (6125), PLV Inc. d/b/a PLV TX Branch Inc. (5084), and Nearside Business Corp. (N/A). The corporate headquarters and the mailing address for the Debtors is 1475 Folsom Street, Suite 400, San Francisco, CA 94103.

LEASE

**360 NINTH STREET
SAN FRANCISCO, CALIFORNIA**

**CIANFRU LLC,
a California limited liability company
--Landlord--**

**PLASTIQ INC.,
a Delaware corporation
--Tenant--**

360 NINTH STREET LEASE

This 360 Ninth Street Lease ("Lease") is entered into between CIANFRU, LLC, a California limited liability company ("Landlord"), and PLASTIQ INC., a Delaware corporation ("Tenant") as of the Effective Date.

Landlord and Tenant acknowledge and agree to the Basic Lease Information provided below, subject to the terms and conditions of the Lease.

Basic Lease Information

Effective Date: December ___, 2018

Landlord: CIANFRU LLC, a California limited liability company

Tenant: PLASTIQ INC., a Delaware corporation

Premises: The ground (including the garage), second, third and fourth floors, and roof deck of the building commonly known as 360 Ninth Street.

Rentable Area of Premises: Approximately 23,200 rentable square feet

Commencement Date: May 1, 2019

Term: Seven (7) years

Termination Date: April 30, 2026, unless the Lease is earlier terminated.

Delivery Date: May 1, 2019.

Option to Renew: Tenant is provided with one (1) option to renew the term of this Lease for a period of 5 years per option, subject to the terms and conditions described in Section 30.

Base Rent: Months

May 1, 2019 – April 30, 2020	\$154,667.00 per month
May 1, 2020 – April 30, 2021	159,307.00 per month
May 1, 2021 – April 30, 2022	\$164,086.00 per month
May 1, 2022 – April 30, 2023	\$169,008.00 per month
May 1, 2023 – April 30, 2024	\$174,078.00 per month
May 1, 2024 – April 30, 2025	\$179,301.00 per month
May 1, 2025 – April 30, 2026	\$184,680.00 per month

Base Rent for the first forty-five (45) days of the Term, May 1 – June 14, 2019 is abated; upon Lease execution Tenant shall pre-pay Base Rent for the period of June 15 – July 14, 2018, in the amount of \$154,667.00) and thereafter on July 15, 2018, pay the amount of \$77,333.50, for the period of July 15 – 31, 2018.

Security Deposit: \$928,000.00

Total Due upon Execution: \$1,082,667.00

Exhibits: Exhibit A Description of Premises
Exhibit B Landlord's Work

Tenant's Address for Notice after Commencement Date: PLASTIQ, INC.
360 Ninth Street
San Francisco, CA 94103
Attn: Eliot Buchanan

With copy to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attn: David Cappillo, Esq.

Tenant's Address for Notice prior to the Commencement Date: PLASTIQ, INC.
1475 Folsom Street
San Francisco, CA 94103
Attn: Eliot Buchanan

Landlord's Address for Notice: CIANFRU LLC
720 Clementina Street
San Francisco, 94103

Tenant's Broker: Newmark Knight Frank

Landlord's Broker: Hancock Commercial Real Estate

Recitals

A. Landlord is the owner of real property ("Real Property") located at 360 Ninth Street, San Francisco, California, and the building ("Building") located on such Real Property. The Real Property and the Building are collectively referred to in this Lease as the "Property."

B. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord the Premises (as defined below) for the term and subject to the terms, covenants, agreements, and conditions in this Lease.

For good and valuable consideration the receipt and adequacy of which are acknowledged, the parties agree as follows:

Agreement

Section 1. Major Defined Terms.

As used in this Lease, the following terms shall have the meanings specified in this Section 1. Certain terms that are used in particular Sections of this Lease may not be listed in this Section 1.

ADA Requirements means the Federal Americans With Disabilities Act of 1990 and all related amendments and regulations, including applicable State laws, local ordinances and other applicable Legal Requirements relating to accessibility by disabled persons.

Additional Rent is defined in Section 4.2.

Alterations is defined in Section 8.

Base Rent is defined in the Basic Lease Information.

Building means the building constructed on the Real Property known as 360 Ninth Street, San Francisco, California, any property interest in the area of the Real Property and all other improvements on or appurtenances to the Real Property or the streets abutting the Real Property.

Building Systems means the heating, ventilation, air-conditioning, plumbing, electrical, fire protection, life safety, security and all mechanical systems of the Building.

Cable means all electronic, phone, internet and data cabling and related equipment installed by Tenant or by Landlord.

Commencement Date is defined in the Basic Lease Information.

Default is defined in Section 16.1.

Effective Date is defined in the Basic Lease Information.

Force Majeure means delays that are out of Landlord's or Tenant's reasonable control, including, without limitation, casualty, public riot or civil unrest, electrical outages or loss of public utilities or services, delays by government agencies in issuing permits or approvals necessary for the applicable work, or the inability to obtain labor or construction materials on commercially reasonable terms.

Green Building Ordinance means Ordinance No. 080063, passed by the San Francisco Board of Supervisors on July 29, 2008, and signed into law on August 4, 2008, including all amendments thereto.

Hazardous Materials is defined in Section 21.

Interest Rate is defined in Section 4.6.

Landlord Parties means, singularly and collectively, Landlord and Landlord's members, partners, agents, affiliates, independent contractors, and property managers, and their respective officers, directors, shareholders, members, partners, venturers, subsidiaries, and affiliates.

Landlord's Work means the work to the Premises to be performed by Landlord, as described in Exhibit B.

Leasehold Improvements is defined in Section 18.1.

Legal Requirements means (a) all laws, statutes, ordinances and governmental rules and regulations now or later in force, including any applicable judicial decisions; (b) the requirements of any board of fire underwriters or other similar body now or in the future constituted; and (c) any permit or occupancy certificate issued with respect to the Building. Legal Requirements shall include, without limitation, compliance with the Green Building Ordinance.

Option to Renew is defined in Section 30.

Permitted Transfer is defined in Section 14.

Premises means the portion of the Building located on the floors specified in the Basic Lease Information which is cross-hatched on the floor plan or plans attached to this Lease as Exhibit A.

Property Taxes means:

- (a) all real property taxes and general, special or district assessments or other governmental impositions, of whatever kind, imposed on or by reason of the ownership, operation, or use of the Property;
- (b) taxes on rental income at the Property; and
- (c) governmental charges, fees or assessments for police, fire or other governmental services.

Property Taxes shall exclude transfer, estate, inheritance and income taxes.

Rent means Base Rent, Additional Rent, and all other amounts due from Tenant to Landlord in accordance with this Lease.

Rent Commencement Date. The Rent Commence Date shall be on the Commencement Date.

Rentable Area means the agreed upon rentable area of the Premises specified on the Basic Lease Information.

Security Deposit is defined in the Basic Lease Information.

Tenant Parties means, singularly and collectively, Tenant and Tenant's officers, members, partners, shareholders, agents, employees, and independent contractors, and any persons or entities claiming through such parties.

Term is defined in the Basic Lease Information.

Termination Date is defined in the Basic Lease Information.

Section 2. Premises.

2.1 Lease of Premises. Landlord leases to Tenant and Tenant leases from Landlord, the Premises for the Term, subject to the terms, covenants, agreements, and conditions set forth in this Lease.

2.2 Condition of Premises. Landlord has made no representations respecting the condition of the Premises or the Building, except as specifically set forth in this Lease.

Section 3. Term; Early Access; Delay in Possession.

3.1 Term. The term ("Term") of this Lease shall commence on May 1, 2019, ("Commencement Date"), and, unless sooner terminated as provided for in this Lease, shall end on the Termination Date, which shall be the seven (7) years after the Commencement Date.

3.2 Early Access. Subject to and conditioned upon the Premises being vacant Tenant shall have the right to enter the Premises prior to the Commencement Date for the purpose of constructing its Alterations, Tenant Improvement Work and Additional Tenant Improvement Work (as such terms are hereinafter defined), and installing its equipment, furniture, fixtures and Cabling. Such right of early access shall be subject to all of the terms and conditions of the Lease, including Section 12 hereof, except the payment of Rent.

3.3 Delay in Possession. Landlord shall use its best commercially reasonable efforts to deliver possession of the Premises to Tenant by the Commencement Date. If, despite such efforts, Landlord is unable to deliver possession by such date, Landlord shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease. Tenant shall not, however, be obligated to pay Rent or perform any other obligation of Tenant under the terms of this Lease until Landlord delivers possession of the Premises to Tenant, any period of rent abatement that Tenant would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Tenant would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Tenant. If possession is not delivered to Tenant within ninety (90) days after the Commencement Date, Tenant may, at its option, by notice in writing to Landlord within ten (10) days after the end of said ninety (90) day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such notice is not received by Landlord within said ten (10) day period, Tenant's right to cancel shall terminate.

Section 4. Base Rent and Tenant's Payment Obligations.

4.1 Base Rent. Tenant shall pay to Landlord the Base Rent specified in the Basic Lease Information throughout the Term, on a monthly basis.

4.2 Additional Rent. Tenant shall pay to Landlord during the Term, and any extension thereof, in addition to Base Rent any increases in Property Taxes over the fiscal tax year during which the Commencement Date occurs, and any insurance cost increase occurring during the Term, or any extension thereof, excluding however, any increases in insurance cost due to earthquake coverage, over the base premium paid by Landlord in 2019.

4.3 Due Dates. Base Rent and any other sums due Landlord by Tenant hereunder ("Additional Rent") shall be paid to Landlord, in advance, on or before the first day of each calendar month during the Term. In the event the Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, the Base Rent for the first and last fractional months of the Term of this Lease shall be appropriately prorated.

4.4 Utilities and Janitorial Services for the Premises. Tenant shall be solely responsible, at its own expense, for the following services and utilities at the Premises: (a) electricity, which shall be separately metered in Tenant's name, (b) telephone service, (c) internet and cable television service, (d) gas, (e) water (f) sewer service, (g) security/alarm system, if any, (h) intentionally omitted, and (i) janitorial services. Tenant shall obtain all such services and utilities in Tenant's own name and provide Landlord with written confirmation of the same. Tenant shall hire Julio Janitorial Services to perform the janitorial services for the Premises, provided Julio Janitorial Services charges commercially reasonable rates and provides reasonably satisfactory services as are performed by similar companies in San Francisco providing comparable janitorial services.

4.5 Definition of Rent. Base Rent, Additional Rent, and all sums of money due to Landlord under this Lease shall constitute "Rent". If a particular sum of money due to Landlord does not have a due date specified in this Lease, then such sum shall be due on the date fifteen (15) days after being invoiced by Landlord.

4.6 Late Fee. Tenant acknowledges that late payment of Rent and other sums due under this Lease will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be difficult to ascertain. These costs include, but are not limited to, processing and accounting charges and late charges which may be imposed on Landlord by the terms of any deed of trust covering the Building. Accordingly, if any installment of Rent or any other sums due from Tenant are not received within five (5) days after the due date, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the overdue amount. The parties agree that the late charge represents a fair and reasonable estimate of the costs Landlord will incur because of late payment. Acceptance of the late charge by Landlord shall not constitute a waiver of Tenant's default for the overdue amount, nor shall it prevent Landlord from exercising the other rights and remedies granted under this Lease. Landlord and Tenant have executed this Section 4.6 to confirm their agreement with respect to late fees.

_____ [Initials of Landlord]

_____ [Initials of Tenant]

4.7 Interest on Past Due Rent. If any installments of Rent are not received within five (5) days after the due date, then such amount will bear interest from the due date until paid at the rate of five percent (5%) per year, subject to any limitations imposed by Legal Requirements (the "Interest Rate"). However, interest shall not be payable on late charges incurred by Tenant nor on any amounts on which late charges are paid by Tenant to the extent this interest would cause the total interest to be in excess of that legally permitted. Payment of interest shall not excuse or cure any default by Tenant.

4.8 Payment Procedures. All payments due shall be paid to Landlord by Automated Clearing House ("ACH") payments as directed in writing by Landlord.

Section 5. Intentionally Omitted

Section 6. Use and Access to Premises.

6.1 Permitted Use The Premises shall be used for meeting space, ground floor retail, and general office use and related permitted uses (collectively, "Tenant's Use") and for no other use without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Tenant shall not use, dispose of, or store in the Premises or the Building any Hazardous Materials, with the sole exception of typical office supplies (printers, computers, etc.) and cleaning products, but only in necessary quantities for normal office operations, provided that their use and storage are in accordance with applicable Legal Requirements. Tenant shall have access to the Premises twenty-four (24) hours a day, 365 days a year, subject however to Force Majeure events. If the Premises are restricted by any Legal Requirements or other governmental or quasi-governmental law, ordinance, rule or regulation which prohibits, limits or restricts the use of the Premises for Tenant's Use, Tenant, in its sole and absolute discretion, may undertake to secure land use authority, rezoning, special use permits or variances (collectively, "Authorizations") so that the Premises may be used for Tenant's Use. The cost of securing the Authorizations shall be at Tenant's expense. Landlord agrees to cooperate fully with Tenant in securing Authorizations and Permits and grants permission to Tenant to make application for Authorizations and Permits in the name of Landlord. Landlord shall execute any necessary documents in connection with Tenant's application for Authorizations and Permits. The determination of the necessity for obtaining Authorizations and Permits and the adequacy of the Authorizations and Permits granted shall be within the sole discretion of Tenant. If Tenant is unable to obtain Authorizations and Permits, or in Tenant's sole and absolute discretion, elects not to undertake obtaining the Authorizations, Tenant may terminate this Lease by providing six (6) month's written notice to Landlord during which time Tenant shall continue to pay Landlord all Rent due hereunder, and the parties shall be released from all further liabilities and obligations hereunder, except for any obligation that expressly survives a termination of this Lease.

6.2 Compliance with Laws. Landlord shall deliver the Premises in good condition with all building systems in good working order and repair, and in compliance with all Legal Requirements. Landlord at Landlord's sole cost shall be responsible with any non-compliance with laws or governmental rules existing as of the Commencement Date. At Tenant's sole cost, Tenant shall, subsequent to the Commencement Date, subject to the provisions of Section 6.1 and Section 6.3 hereof, comply with all laws and governmental rules later in force; with the requirements of any board of fire underwriters or other similar body now or in the future constituted; with any direction

or occupancy certificate issued by public officers, regardless of whether they relate to (a) the use or occupancy of the Premises, or (b) Alterations, Tenant Improvement Work, Additional Tenant Improvement Work (as such terms are hereinafter defined) and any other alterations undertaken by Tenant. Such obligation shall include, without limitation, compliance with the Americans with Disabilities Act (ADA), Green Building Ordinance, or any applicable Legal Requirements relating to "green buildings" or sustainability programs. Notwithstanding the foregoing, Tenant shall not be obligated to cure or correct any non-compliance existing in, on or about the Property as of the Commencement Date at any time during the Term.

Pursuant to California Civil Code Section 1938, Landlord hereby notifies Tenant that as of the date of this Lease, the Premises has not undergone inspection by a "Certified Access Specialist" ("CASp") to determine whether the Premises meet all applicable construction-related accessibility standards under California Civil Code Section 55.53. Landlord hereby discloses pursuant to California Civil Code Section 1938 as follows: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Landlord and Tenant hereby acknowledge and agree that in the event that Tenant elects to perform a CASp inspection of the Premises hereunder, such CASp inspection shall be performed at Tenant's sole cost and expense and Tenant shall be solely responsible for the cost of any repairs, upgrades, alterations and/or modifications to the Premises necessary to correct any such violations of construction-related accessibility standards identified by such CASp inspection as required by Regulation, which repairs, upgrades, alterations and/or modifications may, at Landlord's option, be performed by Landlord at Tenant's expense, payable as Additional Rent within sixty (60) days following Landlord's demand. Landlord shall be solely responsible for the cost of any CASp-related repairs, upgrades, alterations or modifications to the Building.

6.3 Landlord's Responsibility for Compliance with Laws. Except as otherwise provided in Paragraphs 6.2 and 21.2, it is intended by the Parties hereto that, subsequent to the Delivery Date, Landlord shall have no obligation, in any manner whatsoever, to make any repairs, alterations or other improvements so that the Real Property or the Building complies with the Legal Requirements, laws and governmental rules later in force, it being understood that Tenant and Tenant alone is responsible for such obligation, wherever such compliance is required as a result of Tenant's improvements or alterations in, on or about the Premises, as otherwise set forth in this Section 6.3.

6.4 Personal Property Taxes. Tenant shall be solely responsible for any personal property taxes levied against Tenant's personal property at the Premises. Upon Landlord's request, Tenant shall provide Landlord with documentation that such personal property taxes have been paid in a timely manner.

Section 7. Property Taxes.

7.1 Payment. From and after the Commencement Date, Landlord shall pay, prior to delinquency, Property Taxes imposed during the Term on or against the Premises; however Tenant shall pay to Landlord the amount, if any, by which Real Property Taxes applicable to the Premises increase of the Base Year ("Tax Increase"). Such Tax Increase payment shall be made by Tenant to Landlord within thirty (30) days after receipt of Landlord's written statement setting from the amount due and the computation thereof. If any such taxes shall over any period of time prior to or after the expiration or termination of this Lease, Lessee's share of such taxes shall be prorated to cover only that portion of the tax bill applicable to the term of the Lease.

7.2 Additional Improvements. Tenant shall pay to Landlord the entirety of any increase in Property Taxes if assessed solely by reason of Alterations, Tenant Improvement Work, Additional Tenant Improvement Work placed upon the Premises by Tenant or at Tenant's request.

Section 8. Alterations.

8.1 Landlord's Consent Required. Tenant shall not make or allow any alterations, additions, or improvements to the Premises or the Building (together, "Alterations"), without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, Landlord's consent shall not be required if the Alterations cost is less than \$20,000 per project, are non-structural and do not affect the Building Systems; but Tenant shall deliver written notice of such proposed Alterations not less than ten (10) days prior to such work of Alteration. As part of any request for Landlord's consent, Tenant shall provide Landlord and its architect Costa Brown Architecture with plans and specifications describing the proposed Alterations, along with the name of the proposed contractor and any subcontractors. Landlord shall notify Tenant within ten (10) business days of receipt of Tenant's information, whether it approves or denies Tenant's request. Any and all communications with the San Francisco Building Department shall be by and through Albert Costa, not Tenant or its representatives. All Alterations shall, upon expiration or termination of this Lease pursuant to its terms, immediately become Landlord's property and, at the end of the Term, shall remain on the Premises without compensation to Tenant, unless Landlord delivers to Tenant written notice concurrent with Landlord's approval of any Alteration that such Tenant's Alteration shall be removed by the expiration or earlier termination of this Lease. In such circumstances, Tenant shall bear the cost of restoring the Premises to their condition prior to the installment of the Alterations, except as otherwise provided in Section 18.1, below.

8.2 Construction Requirements. All Alterations shall be completed in strict accordance with the plans and specifications approved by Landlord, shall be carried out in a good, workmanlike and prompt manner, shall comply with all Legal Requirements, and shall be subject to reasonable supervision by Landlord or its employees, agents or contractors. Tenant shall also require its contractor to maintain insurance in commercially reasonable amounts and in such form as Landlord may reasonably require. Tenant shall promptly upon completion furnish Landlord with as-built plans and specifications, to the extent provided to Tenant.

8.3 Prohibition of Liens. Tenant shall give Landlord at least twenty (20) days' written notice prior to the commencement of any work in the Premises, and Landlord shall have the right to

post notices of non-responsibility, or other notices permitted or required by law or which Landlord shall deem proper, in or on the Property or the Premises. Landlord's interest in the Property shall not be subjected to liens of any nature by reason of any Alterations or Tenant Improvement Work or by reason of any other act or omission of Tenant (or of any person claiming by, through or under Tenant) including, but not limited to, mechanics' and materialmen's liens. If because of any act or omission of Tenant, any such lien, charge or encumbrance shall be imposed, claimed or filed, Tenant shall, at its sole cost and expense, cause the same to be fully paid and satisfied or otherwise discharged of record (by bonding or otherwise, and as may be required by any title insurer, mortgagee, or prospective purchaser of the Property) within ten (10) business days of imposition, claim or filing.

Section 9. Repairs to the Premises; Landlord's Reservation of Rights.

9.1 Tenant's Obligations. Tenant shall, at its sole cost and expense, perform all maintenance and repairs to the Premises that are not Landlord's express responsibility under this Lease, and keep the Premises in good condition and repair, reasonable wear and tear and casualty and condemnation excepted. Tenant's repair and maintenance obligations include, without limitation, repairs to: (a) floor coverings; (b) window coverings; (c) interior partitions; (d) interior doors; (e) doors that provide entry into the Premises; (f) the interior side of demising walls; (g) intentionally omitted; (h) Cable; and (i) Alterations, fixtures and equipment installed by Tenant. Tenant shall periodically inspect the Premises to identify any conditions that are dangerous or in need of maintenance or repair. Tenant shall promptly provide Landlord with notice of any such conditions.

9.2 Landlord's Right to Cure. If Tenant fails to make any repairs to the Premises pursuant to Tenant's obligations under Section 9.1 for more than thirty (30) days after notice from Landlord (although notice shall not be required in an emergency), Landlord may, but shall not be required to, make the repairs, and Tenant shall pay, within thirty (30) days after Landlord's demand, the reasonable cost of the repairs, provided Tenant is not exercising commercially reasonable diligence to complete such repair.

9.3 Landlord's Obligations. Landlord's Obligations. Landlord shall provide the following maintenance and repair services to the Premises, at Landlord's expense:

- (a) structural portions of the Premises, including, without limitation the foundation, roof, and exterior walls; and
- (b) all building systems including but not limited to the elevator, fire/life safety systems,
- (c) all window glass;
- (d) any awning; and
- (e) all sidewalks.

If the maintenance and repair to the aforementioned items is necessitated by the negligence or willful misconduct of Tenant, or its invitees, Tenant shall reimburse Landlord for the reasonable cost incurred within thirty (30) days of presentment of an invoice for same.

Section 10. Damage or Destruction.

10.1 Minor Casualty. In the event the Premises or the Building necessary for Tenant's occupancy are damaged by fire, earthquake, act of God, the elements, or other casualty, within thirty (30) days after that event, Landlord shall notify Tenant of the estimated time, in Landlord's reasonable judgment, required for repair or restoration. If the estimated time for substantial repair or restoration of the Premises and the Building, is one hundred and eighty (180) days or less after the casualty event, then Landlord shall proceed promptly and diligently to adjust the loss with applicable insurers, to secure all required governmental permits and approvals, and to repair or restore the Premises or the portion of the Building necessary for Tenant's occupancy. This Lease shall remain in full force, except that for the time unusable, so long as not caused by the gross negligence or willful misconduct of Tenant or its invitees, Tenant shall receive an abatement of Base Rent for that part of the Premises rendered unusable in the conduct of Tenant's business.

10.2 Material Casualty. If the estimated time for substantial repair or restoration is in excess of one hundred and eighty (180) days after the casualty event, then Tenant or Landlord may elect to terminate this Lease as of the date of the casualty event by giving notice to the other party within thirty (30) days following receipt of Landlord's notice of the estimated time for repair or cost to repair.

Section 11. Eminent Domain.

If all or any part of the Premises are taken through eminent domain, this Lease shall automatically terminate for the part taken as of the date of taking or the date of the deed in lieu of condemnation. For a partial taking of the Premises, Tenant shall have the right to terminate this Lease for the balance of the Premises by notice to Landlord within thirty (30) days after the taking. In the event of any taking, Landlord shall be entitled to all compensation, damages, income, rent, awards, or any interest that may be paid in connection with the taking, except for any portion specifically awarded to Tenant for moving expenses, trade fixtures, equipment, value of any unexpired term of this Lease, pre-paid rent, and any leasehold improvements in the Premises paid for by Tenant to the extent of the then unamortized value of these improvements for the remaining term of the Lease as determined in the award. In the event of a partial taking of the Premises that does not result in a termination of this Lease, the subsequent monthly Base Rent shall be equitably reduced. If the entire Building is taken by eminent domain then this Lease shall automatically terminate as of the date of the taking or deed in lieu of condemnation. Tenant waives any rights under California Civil Code Section 1265.130 as this Section is intended to govern the parties' rights in the event of a taking by eminent domain.

Section 12. Insurance.

12.1 Tenant's Insurance Requirements. Tenant, at its own cost and expense, shall keep and maintain in full force and effect during the Term the following insurance coverages, written by an insurance company licensed by and admitted to issue insurance in the State of California, with a

general insurance company rating of "A" or better and a financial size ranking of "Class VIII" or higher, in the most recent edition of Best's Insurance Guide:

(a) commercial general liability insurance, including contractual liability coverage with respect to Tenant's indemnity obligations under this Lease, insuring Tenant's activities with respect to the Premises and/or the Building against loss, damage or liability for personal injury or death of any person or loss or damage to property occurring in, upon or about the Premises, with a minimum coverage of Two Million Dollars (\$2,000,000) per occurrence/Four Million Dollars (\$4,000,000) general aggregate;

(b) fire damage/legal liability insurance and personal/advertising injury insurance (which shall not be subject to any contractual liability exclusion), each in the minimum amount of One Million Dollars (\$1,000,000);

(c) personal property insurance covering all of Tenant's personal property at the Premises; and

(d) worker's compensation insurance in statutory amounts.

12.2 Documentation of Coverage. Tenant shall furnish to Landlord, prior to entry on to the Property but not later than the Commencement Date, whichever occurs first, and thereafter prior to the expiration of each policy, an original certificate of insurance issued by the insurance carrier of each policy of insurance carried by Tenant pursuant to this Section. The certificates shall expressly provide that the policies shall not be cancelable or subject to reduction of coverage or otherwise be subject to modification except after thirty (30) days' prior written notice to the parties named as insureds. Tenant shall also provide copies of the insurance policies to Landlord at Landlord's request. Landlord, its successors and assigns, Landlord's property manager, and the holder of any fee or leasehold mortgage, shall each be specifically named (by name of the applicable entity) as an additional insured under each policy of insurance maintained by Tenant pursuant to this Lease, except for worker's compensation or employer's liability policies. The policies and certificates shall further provide that the coverage shall be primary, and that any coverage carried by Landlord shall be secondary and noncontributory with respect to Tenant's policy.

12.3. Waiver of Subrogation. Landlord and Tenant shall each obtain from their respective insurers under all policies of fire, theft, public liability, worker's compensation, and other insurance maintained during the term of this Lease covering the Building, or any portion of it, or operations in it, a waiver of all rights of subrogation that the insurer of one party might have against the other party. Landlord and Tenant shall each indemnify the other against any claim, liability, loss or expense, including reasonable attorney fees, resulting from the failure to obtain this waiver.

12.4 Landlord's Insurance Requirements. Landlord shall maintain, at its sole cost and expense, the following policies of insurance during the Term, written by an insurance company licensed by and admitted to issue insurance in the State of California, with a general insurance company rating of "A" or better and a financial size ranking of "Class VIII" or higher, in the most recent edition of Best's Insurance Guide:

(i) fire and all-risk property damage insurance insuring Landlord against loss of rents for a period of not less than twelve (12) months and from physical damage to the Building with coverage of not less than the full replacement cost; and

(ii) commercial general liability insurance insuring Landlord against liability for personal injury, bodily injury, death and damage to property occurring or resulting from an occurrence in, on, or about the Building.

Section 13. Indemnification and Waiver of Claims.

13.1 Tenant's Indemnification of Landlord. Tenant shall indemnify, defend and hold Landlord harmless from and against all third-party claims, demands, litigation, liabilities, damages, losses, costs, and expenses arising out of or relating to (a) any injury to or death of any person or damage to or destruction of property occurring at the Premises and/or the Building, to the extent attributable to the negligence or willful misconduct of Tenant or Tenant's Parties, (b) Tenant's use or storage on the property of any Hazardous Materials, and (c) Tenant's breach of this Lease, each except to the extent resulting from the fraud, negligence or willful misconduct of Landlord or its agents, contractors, or employees. These indemnity obligations shall include reasonable attorney fees, investigation costs, and all other reasonable costs incurred by the indemnified party from the first notice that any claim or demand is to be made or may be made. The provisions of this Section shall survive the expiration or termination of this Lease.

13.2 Landlord's Indemnification of Tenant. Landlord shall indemnify, defend and hold Tenant harmless from and against all claims, demands, litigation, liabilities, damages, losses, costs, and expenses arising out of or relating to (a) any injury to or death of any person or damage to or destruction of property occurring at the Premises and/or the Building, to the extent attributable to the gross negligence or willful misconduct of Landlord or Landlord's Parties, and (b) Landlord's breach of this Lease, each except to the extent resulting from the fraud, negligence or willful misconduct of Tenant's or its agents, contractors, or employees. These indemnity obligations shall include reasonable attorney fees, investigation costs, and all other reasonable costs incurred by the indemnified party from the first notice that any claim or demand is to be made or may be made. The provisions of this Section shall survive the expiration or termination of this Lease.

13.3 Exemption of Landlord from Liability. Landlord shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Tenant, Tenant's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers (if any), wires, appliances, plumbing, air conditioning or lighting fixtures, or any other cause, whether said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is accessible or not, except to the extent of Landlord's gross negligence or willful misconduct. Notwithstanding Landlord's negligence or breach of this Lease, Landlord shall under no circumstances be liable for injury to Tenant's business or for any loss of income or profit therefrom.

Section 14. Assignment and Subletting.

14.1 Landlord's Consent Required. Tenant shall not voluntarily or by operation of law assign, transfer, mortgage or otherwise transfer or encumber (collectively, "assign") or sublet all or any part of Tenant's interest in this Lease or in the Premises without Landlord's prior written consent given under and subject to the terms of section 14.5.

(a) *Change in Control*

Unless Tenant is a corporation and its stock is publicly traded on a national stock exchange, a change in control of Tenant shall constitute an assignment requiring Landlord's consent. The transfer, on a cumulative basis, of fifty-one percent (51%) or more of the voting control of Tenant shall constitute a change in control for this purpose.

(b) *Mergers, Acquisitions*

The involvement of Tenant or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, refinancing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Tenant's assets occurs, which results or will result in a reduction of the Net Worth of Tenant, as hereinafter defined, by an amount equal to or greater than twenty-five percent (25%) of such Net Worth of Tenant as it was represented to Landlord at the time of full execution and delivery of this Lease, or at the time of the most recent assignment to which Landlord has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease by Tenant to which Landlord may reasonably withhold its consent. "**Net Worth of Tenant**" for purposes of this Lease shall be the net worth of Tenant (excluding any Guarantors) established under generally accepted accounting principles.

Any Transfer without Landlord's written consent shall be void and shall, at the option of Landlord, constitute a default under this Lease.

Regardless of Landlord's consent, a Transfer shall not be effective without the express written assumption by such Transferee of the obligations under this Lease.

14.2 Procedure for Obtaining Consent. Landlord shall respond to Tenant's request for a Transfer within fifteen (15) days of receiving a written request from Tenant and receipt of documentation describing the proposed Transfer and financial condition of the proposed assignee or sublessee (together a "Transferee") and other necessary information as reasonably required by Landlord.

14.3 Further Assignment or Sublease. No Transferee shall have a right to further assign or sublet without Landlord's prior consent, which may not be unreasonably withheld, conditioned, or delayed, and any such further Transfer shall be subject to Landlord's prior consent in the same manner as if Tenant were entering into a new assignment or sublease.

14.4 No Release of Tenant. Regardless of Landlord's consent, no Transfer shall release or alter Tenant's obligation or primary liability to pay the Rent and perform all other obligations under this Lease. Consent to one Transfer shall not be deemed consent to any subsequent Transfer. In the event of default by any Transferee in the performance of any of the terms of this Lease, after notice of default to Tenant pursuant to Section 16 and the expiration of any applicable cure period,

Landlord may proceed directly against Tenant without the necessity of exhausting remedies against the assignee or successor. Notwithstanding the foregoing, the Transferee shall, as a condition to the Transfer, agree to abide by the provisions of this Lease and attorn to Landlord. Landlord shall not be required to assume any liability to Transferee.

14.5 Permitted Transfer. Landlord's consent shall not be required if the Transfer relates to a corporate reorganization of Tenant where Tenant's interest is assigned to an affiliated entity, provided that the conditions described below are satisfied (a "Permitted Transfer"). For purposes of this Section, an "affiliated entity" is an entity that controls, is controlled by, or is under common control with Tenant. "Control" means the direct or indirect ownership of more than fifty percent (50%) of the voting securities of an entity or possession of the right to vote more than fifty percent (50%) of the voting interest in the ordinary direction of an entity's affairs. The conditions that must be satisfied by Tenant for the Permitted Transfer provided for in this Section to be applicable are as follows:

(a) Tenant provides Landlord with at least fifteen (15) days prior written notice of the transaction;

(b) The Transfer is not a subterfuge to avoid Tenant's obligations under the Lease;

and

(c) The transferee shall assume in writing all of Tenant's obligations under the Lease, if the Transfer is an assignment. If the Transfer is a sublease, the transferee shall assume all of Tenant's obligations under the Lease that relate to the subleased premises.

Tenant shall not be released from any liability under the Lease in the event of a Permitted Transfer.

14.6 Other Terms Applicable to Transfer. The following terms and conditions shall apply to any subletting by Tenant of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Tenant hereby assigns and transfers to Landlord all of Tenant's interest in all rentals and income arising from any sublease of all or a portion of the Premises heretofore or hereafter made by Tenant, and Landlord may collect such rent and income and apply same toward Tenant's obligations under this Lease. Tenant may, except as otherwise provided in this Lease, receive, collect and enjoy the rents accruing under such sublease, provided Tenant is not in default. Landlord shall not, by reason of the foregoing provision or any other assignment of such sublease to Landlord, nor by reason of the collection of the rents from a subtenant, be deemed liable to the subtenant for any failure of Tenant to perform and comply with any of Tenant's obligations to such subtenant under such sublease. Tenant hereby irrevocably authorizes and directs any such subtenant, upon receipt of a written notice from Landlord stating that a breach exists in the performance of Tenant's obligations under this Lease, to pay to Landlord the rents and other charges due and to become due under the sublease. Subtenant shall rely upon any such statement and request from Landlord and shall pay such rents and other charges to Landlord without any obligation or right to

inquire as to whether such breach exists and notwithstanding any notice or claim from Tenant to the contrary. Tenant shall have no right or claim against such subtenant, or, until the breach has been cured, against Landlord, for any such rents and other charges so paid by said subtenant to Landlord.

(b) Any matter or thing requiring the consent of the sublandlord under a sublease shall also require the consent of Landlord herein.

14.7. Bonus Rent. The parties acknowledge that Landlord's economic stake in the Real Property is significantly greater than Tenant's economic stake in this Lease. Accordingly, the parties have expressly bargained for the following allocation of any consideration to be derived by Tenant from any Transfer of this Lease. Tenant shall be required to pay Landlord fifty percent (50%) of any rent, key money, transfer consideration, or other premiums of any kind or nature in connection with the Transfer in excess of the Base Rent payable by Tenant under this Lease on a per rentable square foot basis net of Tenant's reasonable out of pocket costs incurred to facilitate the transfer (the "Transfer Premium"), such costs consisting of (i) the cost of leasehold improvements installed for the benefit of the subtenant or assignee and paid for by Tenant, (ii) actual reasonable attorney's fees incurred in negotiation and documentation of the assignment or sublease, and (iii) the cost of any real estate commissions incurred in connection with such assignment, and (iv) the cost of any rental concessions. Such payments shall be paid within five (5) business after Tenant receives such Transfer Premium, whether such Transfer Premium is in the form of an increased rental, a lump sum payment or any other form of consideration. If such Transfer pertains to a portion of the Premises only, any Transfer Premium shall be computed on the assumption that Tenant's Rent and other sums due hereunder are allocable on a pro rata per square foot basis.

14.8. Landlord's Right to Recapture. In addition to Landlord's right of approval of any proposed assignment or subletting for substantially the remaining portion of the Term, and without limiting the other provisions of this Section 14, Landlord shall have the option, in the event of any proposed assignment or subletting (except assignments or subleases associated with a Permitted Transfer as defined above) of the entire Premises, to terminate the Lease as of the proposed effective date of the proposed assignment or subletting set forth in Tenant's notice. Such option to terminate shall be exercised, if at all, by Landlord giving Tenant written notice thereof within ten (10) business days following Landlord's receipt of Tenant's written request. In the event of such termination by Landlord, from and after the effective date of such termination, Landlord and Tenant shall have no further obligations or liabilities to each other with respect to the Premises, except with respect to obligations or liabilities which have accrued as of, or survive, such termination (in the same manner as if such termination date were the date originally fixed for the expiration of the Lease Term). Without in any manner limiting the rights of Landlord, following any such termination by Landlord, Landlord may lease the Premises to the prospective assignee or subtenant proposed by Tenant, without liability to the Tenant. Landlord's failure to exercise such termination right as herein provided shall not be construed as Landlord's consent to the proposed assignment or subletting.

14.9. Tenant's Remedies

Tenant's remedy for any breach of this Section 14 by Landlord shall be limited to compensatory damages and/or injunctive relief.

Section 15. Reasonable Entry by Landlord.

Subject to Tenant's reasonable security measures, Landlord may enter the Premises at reasonable times with reasonable notice of not less than twenty four (24) hours to Tenant to (a) inspect the Premises; (b) exhibit the Premises to prospective purchasers, lenders, or tenants (during the last six (6) months of the Term); (c) determine whether Tenant is complying with all obligations under this Lease; (d) provide any services to be provided by Landlord under this Lease; (e) post notices of nonresponsibility; and (f) make repairs or perform maintenance required of Landlord by this Lease or that is reasonably required. Notwithstanding the foregoing, Landlord shall use reasonable efforts to provide Tenant with twenty four (24) hours' notice prior to entering the Premises, except in the event of an emergency, Landlord may enter the Premises without providing such notice, and Landlord shall use commercially reasonable efforts to minimize interference to Tenant.

Section 16. Default.

16.1 Events of Default by Tenant. The following events shall constitute events of default under this Lease (each, a "Default" or "Event of Default"):

(a) failure by Tenant to pay Base Rent, Additional Rent or other sum payable under this Lease, within five (5) days after written notice from Landlord that such payment is past due;

(b) a default by Tenant in the performance of any of the terms, covenants, agreements, or conditions in this Lease, other than a default by Tenant in the payment when due of any Rent or other sum payable under this Lease, and the continuation of the default beyond thirty (30) days after written notice from Landlord, provided however that if the default is curable and requires more than thirty (30) days to remedy, Tenant shall not be in default if it commences to cure within such thirty (30) day period and diligently proceeds to complete the cure;

(c) the bankruptcy or insolvency of Tenant, a transfer by Tenant in fraud of creditors, an assignment by Tenant for the benefit of creditors, or the commencement of proceedings of any kind by or against Tenant under the Federal Bankruptcy Act or under any other insolvency, bankruptcy, or reorganization act, unless Tenant is discharged from voluntary proceedings within ninety (90) days;

(d) the appointment of a receiver for a substantial part of Tenant's assets; and

(e) the levy upon this Lease or any estate of Tenant under this Lease by attachment or execution and the failure to have the attachment or execution vacated within sixty (60) days.

16.2 Landlord's Remedies upon Default. On occurrence of any Event of Default by Tenant, Landlord may, in addition to any other rights and remedies given here or by law, terminate this Lease and exercise the following remedies:

(a) Right to Continue Lease and Recover Rent. Landlord may continue this Lease in full force and effect, and this Lease shall continue in full force and effect as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect rent when due as set forth in California Civil Code Section 1951.4. During the period Tenant is in Default, Landlord may enter the Premises and relet them, or any part of them, to third parties for Tenant's account, provided that any rent in excess of the monthly Rent due hereunder shall be payable to Landlord as provided for below. No act by Landlord allowed by this paragraph shall terminate this Lease unless Landlord notifies Tenant in writing that Landlord elects to terminate this Lease.

(b) Right to Terminate. Landlord may terminate Tenant's right to possession of the Premises at any time by giving written notice to that effect, subject to Legal Requirements. No act by Landlord other than giving written notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant as damages, the aggregate of:

i. The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

ii. The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

iii. The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

iv. Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the reasonable cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any commercially reasonable leasing commission paid by Landlord in connection with this Lease applicable to the unexpired Term of this Lease.

For purposes of this Section 16.2(b), "rent" shall mean Base Rent, Additional Rent, and all other sums due to Landlord from Tenant under this Lease. As used in subparagraphs (i) and (ii) above, the "worth at the time of award" is computed by allowing interest at the Interest Rate, but in no event greater interest than allowed by Legal Requirements. As used in subparagraph (iii) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%) per year.

(c) Re-Leasing of the Premises. If Landlord elects to reenter or takes possession of the Premises pursuant to any legal proceeding or pursuant to any notice provided by Legal Requirements, and until Landlord elects to terminate this Lease, Landlord may, from time to time,

without terminating this Lease, recover all Rent as it becomes due pursuant to subparagraph (a) above and/or relet the Premises or any part thereof for the account of and on behalf of Tenant, on any terms, for any term (whether or not longer than the Term), and at any rental as Landlord in its reasonable discretion may deem advisable, and Landlord may make reasonably necessary improvements to the Premises in connection therewith. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the Premises, including, without limitation, reasonable attorneys' fees, broker's commissions, and expenses of cleaning and improving the Premises (the "Re-Leasing Costs"). Reletting may be for a period shorter or longer than the remaining Term of this Lease. Tenant shall pay to Landlord the rent and other sums due under this Lease on the dates the rent is due, less the rent and other sums Landlord receives from any reletting. If Landlord elects to so relet the Premises on behalf of Tenant, then rentals received by Landlord from such reletting shall be applied as follows:

- i First, to reimburse Landlord for the costs and expenses of such reletting (including costs and expenses of retaking or repossessing the Premises, removing persons and property therefrom, securing new tenants, and, if Landlord maintains and operates the Premises, the costs thereof) and necessary, reasonable improvements;
- ii Second, to the payment of any indebtedness of Tenant to Landlord other than Rent due and unpaid hereunder.
- iii Third, to the payment of Rent due and unpaid hereunder, and the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable.

Should the rentals received from such reletting, when applied in the manner and order indicated above, at any time be less than the total amount owing from Tenant pursuant to this Lease, then Tenant shall pay such deficiency to Landlord, and if Tenant does not pay such deficiency within five (5) days of delivery of notice thereof to Tenant, Landlord may bring an action against Tenant for recovery of such deficiency.

16.3 Landlord's Default. Landlord shall not be in default under this Lease unless Tenant shall have provided Landlord with written notice specifically describing the default, and Landlord has failed to cure such default within thirty (30) days after delivery of this notice to Landlord; provided however, that if the nature of Landlord's obligation is such that more than 30 days are reasonably required for its performance, than Landlord shall not be in Default if performance is commended within such 30 day period and thereafter diligently pursued to completion. If Landlord fails to make any repairs to the Premises for more than thirty (30) days after notice from Tenant (although notice shall not be required in an emergency), Tenant may, but shall not be required to, make the repairs, and offset such reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount greater than one month's Base Rent, reserving Tenant's right to reimbursement from Landlord for any such expense in excess of such offset.

16.4 Waiver of Jury Trial Right. IN GRAFTON PARTNERS L.P. v. SUPERIOR COURT, 36 CAL.4TH 944 (2005), THE CALIFORNIA SUPREME COURT RULED THAT CONTRACTUAL, PRE-DISPUTE JURY TRIAL WAIVERS ARE UNENFORCEABLE. THE

PARTIES, HOWEVER, ANTICIPATE THAT THE CALIFORNIA LEGISLATURE WILL ENACT LEGISLATION TO PERMIT SUCH WAIVERS IN CERTAIN CASES. IN ANTICIPATION OF SUCH LEGISLATION, THE PARTIES EACH WAIVE, AS OF THE EFFECTIVE DATE OF SUCH LEGISLATION AND TO THE EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS LEASE AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

Section 17. Estoppel Certificate.

Not more than twice in any twelve-month period, at any time within ten (10) days after written notice from the other, Tenant or Landlord as the case may be, shall execute, acknowledge, and deliver to the other a certificate in a form reasonably satisfactory to the other certifying at a minimum: (a) that this Lease is unmodified and in full force or, if there have been modifications, that this Lease is in full force, as modified, together with the date and nature of each modification, (b) the amount of the Base Rent, most recent Additional Rent, if any, and the date to which the rent has been paid, (c) that no notice has been received of any default that has not been cured, except defaults specified in the certificate, (d) that no default of the other is claimed, except defaults specified in the certificate, and (e) other matters as may be reasonably requested.

Section 18. Surrender of Premises.

18.1 Condition of Premises Upon Surrender. Upon the Termination Date, Tenant shall surrender and vacate the Premises immediately and deliver possession thereof to Landlord in as clean, good and tenantable condition as it was received on the Commencement Date, ordinary wear and tear and casualty excepted. In addition, Tenant shall deliver to Landlord all keys to the Premises and any Building security devices. Except as provided in Section 8, above, all improvements in and to the Premises, including any Tenant Improvement Work, and Alterations (collectively, "Leasehold Improvements") shall remain upon the Premises at the end of the Term without compensation to Tenant. Tenant shall repair any damage to the Building caused by the installation or removal of any such improvements.

Tenant shall surrender the Premises on the Expiration Date or any earlier termination date, with all improvements, parts and surfaces thereof clean and free of debris and in as good operating order, condition and state of repair as received on the Commencement Date, ordinary wear and tear and casualty excepted. "Ordinary wear and tear" shall not include any damage or deterioration occurring during the Term that would have been prevented by good maintenance practices or by Tenant performing all of its obligations under this Lease. Tenant shall repair any damage occasioned by the installation, maintenance or removal of Tenant's Property or Alterations. Tenant shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Tenant or any third party (except Hazardous Substances coming onto the Premises through underground migration from areas outside the Project) even if such removal would require Tenant to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Tenant and shall be removed by Tenant. The failure of Tenant to vacate the Premises in a timely manner upon expiration or earlier termination of the Term without the express written consent of Landlord shall constitute a holdover subject to the provisions of Section 19.

Section 19. Holdover by Tenant.

Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease. In the event that Tenant holds over in violation of this Section 19 then Tenant shall pay Landlord the greater of (i) one hundred fifty percent (150%) of the monthly Base Rent payable for the month immediately preceding the holding over (including increases for Rent Adjustments which Landlord may reasonably estimate) or, (ii) the fair market rental value of the Premises as reasonably determined by Landlord for each month or portion thereof that Tenant retains possession of the Premises, or any portion thereof, after the Termination Date (without reduction for any partial month that Tenant retains possession). Tenant shall also indemnify, defend, protect and hold Landlord harmless from any loss, liability or cost, including consequential and incidental damages and reasonable attorneys' fees, incurred by Landlord resulting from delay by Tenant in surrendering the Premises, including, without limitation, any claims made by the succeeding tenant founded on such delay. Nothing contained herein shall be construed as consent by Landlord to any holding over by Tenant.

Section 20. Security Deposit.

Tenant has deposited with Landlord or deliver to Landlord the sum specified in the Basic Lease Information (the "Security Deposit"). The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all provisions of this Lease. If Tenant fails to pay Rent or other sums due under this Lease or defaults with respect to any provision of this Lease, beyond notice and expiration of any applicable grace period, Landlord may use, apply, or retain all or any portion of the Security Deposit for the payment of Rent or other sums in default, for the payment of any other sums to which Landlord may become obligated because of Tenant's default, or to compensate Landlord for any loss or damage that Landlord may suffer because of the Tenant's actions. If Landlord uses or applies the Security Deposit, Tenant shall, within ten (10) days after demand, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to the full amount, and Tenant's failure to do so shall be a material breach of this Lease.

Notwithstanding the foregoing, and provided that Tenant is not then and has not been in default at any time during the preceding three (3) lease years, beyond notice and expiration of any applicable grace period then on the 3rd anniversary of the Commencement Date, a portion of the Security Deposit in the amount of One Hundred Fifty-Four Thousand Six Hundred Sixty-Seven no/100 Dollars (\$154,667.00) shall be applied to Base Rent next coming due under the lease, and the Security Deposit shall be reduced in an equal amount. Thereafter, provided that Tenant is not then and has not been in default at any time during the preceding lease years, beyond the applicable grace period, then on the 4th anniversary of the Commencement Date a portion of the Security Deposit in the amount of One Hundred Fifty-Four Thousand Six Hundred Sixty-Seven and no/100 Dollars (\$154,667.00) shall be applied to Base Rent next coming due under the lease, and the Security Deposit shall be reduced in an equal amount. If at any time an Event of Default occurs which is not cured within the applicable grace period, then all rights to reduction of the Security Deposit as provided in this paragraph shall become null and void and Tenant shall within twenty (20) days following written demand from Landlord restore the Security Deposit to the full amount as set forth in the Basic Lease Information, provided Tenant is not in good faith contesting the Event of Default.

Landlord shall not be required to keep the Security Deposit separate from Landlord's general accounts. Unless otherwise expressly agreed in writing by Landlord, no part of the Security Deposit shall be considered to be held in trust, to bear interest or other increment for its use, or to be prepayment for any monies to be paid by Tenant under this Lease. If Tenant performs all of Tenant's obligations under this Lease, the Security Deposit or the amount not applied by Landlord shall be returned, without interest, to Tenant or at Landlord's option, to the last assignee, if any, of Tenant's interest under this Lease within forty-five (45) days after the expiration of the Term and after Tenant has vacated the Premises. No trust relationship is created between Landlord and Tenant with respect to the Security Deposit. To the fullest extent permitted by law, Tenant waives any and all rights of Tenant under the provisions of Section 1950.7 of the California Civil Code or other Legal Requirements regarding security deposits.

Section 21. Representations and Warranties of Landlord.

21.1 Hazardous Materials. Landlord represents and warrants to the best of its actual knowledge, without obligation of investigation, that as of the date hereof and the Commencement Date, the following:

i The Premises are free and have always been free from all petroleum, asbestos, polychlorinated biphenyls, radioactive materials, radon gas or any chemical, material or substance now or hereafter defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", or "toxic substances" or words of similar import under any Environmental Laws (as hereinafter defined) (collectively, "Hazardous Materials"), and are not and have never been in violation of any law, statute, ordinance, requirement, restriction, rule, regulation, consent decree or administrative order of any federal, state or local governmental or quasi-governmental agencies relating to the use, generation, manufacture, installation, release, discharge, storage or disposal of Hazardous Materials, or relating to public health and safety and the protection of the environment (collectively, "Environmental Laws").

ii There are no buried or partially buried storage tanks located on the Premises.

iii Landlord has received no notice, warning or complaint, relating to Hazardous Materials, on, in or near the Premises, or informing Landlord that the Premises are subject to investigation or inquiry regarding Hazardous Materials on, in or near the Premises, and Landlord has no knowledge of any fact or circumstance that could reasonably form the basis of any such investigation or inquiry.

iv There is no monitoring program required by the Environmental Protection Agency or any similar state or local agency concerning the Premises.

v No Hazardous Materials of any kind have ever been released, spilled, manufactured, transported, disposed of or stored on, under or at the Premises.

vi Landlord has disclosed to Tenant all information, records, and studies maintained by Landlord in connection with the Premises concerning Hazardous Materials.

(a) Landlord agrees to indemnify, defend (with counsel reasonably acceptable to Tenant) and hold Tenant harmless from and against any and all liability, damages, claims, judgments, losses, actions, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) with respect to:

i any breach of the representations, warranties and covenants in this Section 21.

ii the presence or suspected presence of Hazardous Materials on, in or under the Premises, unless such presence is due solely to the acts of Tenant.

iii the migration of Hazardous Materials from the Premises to any other property (unless caused by the acts of Tenant).

iv the migration of Hazardous Materials to the Premises from any other property.

Without limiting the generality of the foregoing, this indemnification shall specifically include fines, penalties, sums paid in settlement of claims or litigation, fees for attorneys, consultants and experts (to be selected by Tenant), lost profits and costs for investigation, clean-up, removal, remediation and restoration. Unless such presence is due solely to the acts of Tenant Tenant shall not bear the costs of any such investigation, clean-up, removal, remediation and restoration.

(b) Tenant agrees to indemnify, defend (with counsel reasonably acceptable to Landlord) and hold Landlord harmless from and against any and all liability, damages, claims, judgments, losses, actions, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) with respect to:

i the presence or suspected presence of Hazardous Materials on, in or under the Premises during the Term, to the extent such presence is due to the acts of Tenant.

ii the migration of Hazardous Materials from the Premises during the Term to any other property (to the extent caused by the acts of Tenant).

Without limiting the generality of the foregoing, this indemnification shall specifically include fines, penalties, sums paid in settlement of claims or litigation, reasonable fees for attorneys, consultants and experts (to be reasonably selected by Landlord), lost profits and costs for investigation, clean-up, removal, remediation and restoration.

(c) Notwithstanding anything to the contrary contained in this Lease, the representations, warranties and indemnity in this Section 21 shall survive the expiration or earlier termination of this Lease.

21.2 Use Condition. Landlord represents and warrants as of the date hereof and the Delivery Date, that the existing electrical, plumbing, lighting, heating, ventilating and air conditioning systems (HVAC) and all other such elements in the Premises are in good operating condition and the roof of the Building, improvements and structures at the Premises are watertight and free of leaks and there are no structural defects, latent or patent, at the Premises.

Landlord shall, except as otherwise provided in this Lease, promptly after receipt of written notice from Tenant given within six (6) months following the Delivery Date and setting forth with specificity the nature and extent of such non-compliance, take such action, at Landlord's expense, as may be reasonable and appropriate to rectify the non-compliance.

Tenant hereby acknowledges that neither Landlord, nor any of Landlord's agents, has made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease.

21.3 Title. Landlord represents and warrants that Landlord has fee simple, good, marketable and insurable title to the Premises. Landlord covenants that so long as Tenant substantially fulfills the conditions and covenants required of it to be performed hereunder, Tenant shall have peaceful, quiet and undisturbed possession of the Premises. Landlord further represents and warrants that it has good right, full power and lawful authority to enter into this Lease for the Term.

Section 22. Brokers.

Tenant and Landlord represent and warrant to each other that neither Tenant nor Landlord has dealt with any real estate broker, agent or finder who might be entitled to a fee or commission for this Lease other than the Brokers identified in the Basic Lease Information. Any commission to be paid by Landlord shall be set forth in a separate agreement signed by Landlord with the Brokers. Tenant and Landlord agree to indemnify and hold the other harmless from any claim or claims, including costs, expenses and reasonable attorney's fees incurred, asserted by any other broker or finder for a commission based upon any breach of the foregoing.

Section 23. Landlord's Disclosures to Tenant.

California law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous Materials. Accordingly, Tenant is hereby advised that occupation of the Premises may lead to exposure to Hazardous Materials such as, but not limited to, gasoline, diesel and other vehicle fluids, vehicle exhaust, office maintenance fluids, tobacco smoke, and building materials containing chemicals, such as formaldehyde. In addition, California's Proposition 65, Health and Safety Code Section 25249.6 et seq., requires notice that some of these Hazardous Materials are known by the State of California to cause cancer or reproductive harm. By execution of this Lease, Tenant acknowledges that the notices and warnings set forth above satisfy the requirements of California Health and Safety Code Sections 25249.6 et seq., 25359.7 and 25915.5 et seq., and any related and/or successor statutes.

Section 24. Signage.

So long as Tenant complies with the applicable Legal Requirements, Tenant shall have the right, at its sole cost and expense, to install signage on the exterior or in the windows of the Building with Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed.

Section 25. Subordination/Non-Disturbance.

Section 25.1 Subordination. This Lease shall be subject and subordinate at all times to (a) all ground and underlying leases which now exist or may hereafter be executed affecting the Property, (b) the lien of any mortgages or deeds of trust in any amount or amounts whatsoever now or hereafter placed on or against the Property, or on Landlord's interest or estate therein, or portion thereof, or on or against any ground or underlying lease and (c) any declaration of covenants, conditions and restrictions or similar instrument now or hereafter recorded affecting the Property, all without the necessity of the execution and delivery of any further instruments on the part of Tenant to implement such subordination; provided, however, that any such future encumbrance shall provide that so long as Tenant is not in default, the terms of this Lease shall not be affected by termination proceedings in respect to such ground or underlying lease or foreclosure or other proceedings under such mortgages or deeds of trust with Tenant hereby agreeing at the written request of the landlord under such ground or underlying lease or the purchaser of the Building in such foreclosure or other proceedings, to attorn to such landlord or to such purchaser or, at such landlord's or such purchaser's option, to enter into a new lease for the balance of the Term upon the same terms and provisions as are contained in this Lease. Notwithstanding the foregoing, Tenant will execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages or deeds of trust as may be reasonably required by Landlord, and in a commercially reasonable form required by the applicable lender, provided that the non-disturbance provisions stated above are included therein.

Section 25.2 Non-Disturbance Agreement. If on the Commencement Date the Property is subject to a mortgage and deed of trust Landlord, upon execution of this Lease (the "NDA Termination Date"), shall obtain from the holder (each, a "Fee Encumbrancer") of every senior lease, mortgage and deed of trust upon the Premises (each, a "Fee Encumbrance"), an agreement in recordable form reasonably acceptable to Tenant wherein the Fee Encumbrancer agrees not to disturb Tenant's possession, deprive Tenant of any right, name Tenant in any foreclosure proceeding as a party defendant thereto, or increase Tenant's obligations under this Lease ("Non-Disturbance and Attornment Agreement"), provided Tenant shall not be in default beyond notice and any applicable grace period. Upon the failure of Landlord to timely provide Tenant with an acceptable Non-Disturbance and Attornment Agreement pertaining to every Fee Encumbrance on or before the NDA Termination Date, Tenant may terminate this Lease and the parties shall be released from all further liabilities and obligations hereunder, except for any obligation that expressly survives a termination of this Lease. Tenant's failure to terminate this Lease on or before the NDA Termination Date is not intended, nor shall it be deemed or construed to be a waiver of Tenant's right to exercise such termination right at any time after the NDA Termination Date.

With respect to a mortgage and deed of trust entered into by Landlord after the execution of this Lease, Tenant's subordination of this Lease shall be subject to receiving a commercially

reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Fee Encumbrancer which Non-Disturbance Agreement provides that Tenant's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Tenant is not in Breach hereof and attorns to the record owner of the Premises.

Section 26. Attorneys' Fees.

If any party brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to recover from the other its costs and reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. Costs recoverable hereunder shall not be limited to statutory costs, but shall include the fees and expenses of experts and consultants retained in the action. The term "**Prevailing Party**" shall include, without limitation, a party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorneys' fee award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. Landlord shall be entitled to reasonable attorneys' fees, costs and expenses incurred in preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default, provided any such notices were sent by Landlord in good faith.

Section 27. Use of Furniture, Fixtures and Equipment

So long as Landlord has ownership rights to that certain furniture and equipment (the "F&E") identified on Exhibit C, presently located in the Property, and such F&E remains on the Property, during the Term of this Lease, Tenant shall have the right to use, at no additional cost to Tenant the F&E. Tenant shall accept the FF&E in its "as is", "where is" condition without representation or warranty by Landlord as to its condition or fitness for any particular purpose. Tenant agrees to maintain the FF&E in the conditioned delivered, subject to ordinary wear and tear, and further agrees to indemnify, defend and hold Landlord harmless from any and all claims arising from Tenant's use of the FF&E. Landlord represents to Tenant that it has obtained contractual rights to the ownership of the F&E from the current Tenant and Subtenant of the Property.

Section 28. Notices.

All notices, demands or requests provided for or permitted to be given pursuant to this Lease must be in writing and shall be (a) personally delivered, (b) sent by Federal Express or other reputable overnight courier service, or (c) mailed by registered or certified United States mail, return receipt requested, postage prepaid. Notices may be sent by electronic mail provided that a copy is also provided by one of the foregoing means within one business day after the email. All notices, demands or requests to be sent pursuant to this Lease shall be deemed to have been properly given or served by delivering or sending the same in accordance with this Section, addressed to the parties hereto at their respective addresses listed in the Basic Lease Information. Notices, demands or requests sent by mail or overnight courier service as described above shall be effective upon delivery or the date the addressee refuses delivery. Notices sent by email shall be effective on the date

emailed (during regular business hours), provided that the notice is also delivered by one of the other means referred to above. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given, as indicated by advice from the overnight courier service or by mail return receipt, shall be deemed to be receipt of notice, demand or request sent. Notices may also be served by personal service upon any officer, director or partner of Tenant, and shall be effective upon such service. Either party shall have the right from time to time during the term of this Lease to change their respective addresses for notices, statements, demands and requests, provided such new address shall be within the United States of America, by giving to the other party at least thirty (30) days written notice thereof.

Section 29. General Provisions.

29.1 Entire Agreement. There are no oral agreements between Landlord and Tenant affecting this Lease, and this Lease supersedes and cancels all previous negotiations, arrangements, brochures, agreements, and oral or written understandings between Landlord and Tenant or displayed by Landlord to Tenant with respect to the subject matter of this Lease. This Lease shall not be amended or modified except pursuant to a writing executed by Landlord and Tenant.

29.2 Severability. If any provision of this Lease is determined to be illegal or unenforceable, this determination shall not affect any other provision of this Lease, and all other provisions shall remain in full force and effect.

29.3 Interpretation. This Lease has been drafted through a mutual effort of the parties and shall be interpreted without regard to which party is the drafting party, and the parties waive any Legal Requirements providing otherwise. This Lease shall be governed by and construed pursuant to law of the State of California. Time is of the essence of this Lease. Headings and captions shall not be used to interpret this Lease. In addition, unless the context clearly provides otherwise the following shall apply when interpreting this Lease:

- (a) The plural and singular numbers shall each be considered to include the other;
- (b) The masculine, feminine, and neuter genders shall each be considered to include the others;
- (c) "Shall," "will," "must," "agrees," and "covenants" are each mandatory;
- (d) "May" is permissive;
- (e) "Or" is not exclusive; and
- (f) "Includes" and "including" are not limiting.

29.4 Signature. This Lease may be signed by facsimile or "pdf" signatures and in multiple counterparts, which multiple counterparts together shall constitute one document.

29.5 Tenant Authority. Tenant represents and warrants to Landlord that it has full authority and power to enter into and perform its obligations under this Lease, that the person executing this Lease is fully empowered to do so, and that no consent or authorization is necessary from any third party. The person(s) executing this Lease on behalf of Tenant represent that they have the authority to do so.

Tenant represents and warrants that neither Tenant nor any Tenant Parties are restricted from doing business in the United States under any Legal Requirements concerning the prevention of terrorism, including, without limitation, the Patriot Act of 2001 and the United States Department of Treasury's Blocked Persons List.

29.6 Exhibits. The exhibits specified in the Basic Lease Information are attached to this Lease and by this reference made a part of it.

29.7 Transfer. If Landlord transfers the Building, Landlord shall be relieved of all liability hereunder after the date of transfer, provided that any prepaid Rent or Security Deposit or other sum held by Landlord at the time of transfer shall be delivered to the transferee.

29.8 Independent Covenants. This Lease shall be construed as though the covenants between Landlord and Tenant are independent and not dependent.

29.9 Submission of Lease. The submission of this Lease to Tenant or its representatives for review or signature shall not be deemed an offer by Landlord to lease the Premises to Tenant. Only a signed Lease shall constitute Landlord's agreement to enter into a lease for the Premises.

29.10 Third Party Beneficiaries. There are no third party beneficiaries to this Lease.

29.11 Intentionally Omitted.

29.12. Consents.

a) Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed.

b) Landlord's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Tenant for any Landlord consent pertaining to this Lease or the Premises, including but not limited to consents to an assignment a subletting, shall be paid by Tenant to Landlord within thirty (30) days of receipt of an invoice and supporting documentation therefor.

Section 30. Option to Renew.

30.1 Tenant's Option Rights and Conditions. Tenant shall have one (1) five (5) year option to renew the Term of this Lease (the "Option to Renew"). Tenant shall exercise the Option to Renew, if at all, by providing Landlord with written notice of Tenant's unconditional and irrevocable election to exercise the Option to Renew at least nine (9) months, and not more than

twelve (12), prior to the expiration of the Term. Tenant's notice shall be given in accordance with the notice provision of this Lease.

30.2 Option Term Base Rent. If Tenant validly exercises the Option to Renew in accordance with Section 30, then the Base Rent shall be the fair market rental value of the Premises, as determined under Section 30.3 below.

30.3 Procedure for Determination of Option Term Base Rent. Within thirty (30) days after receiving notification from Tenant of its intention to exercise the Option to Renew, provided that Tenant has validly exercised the Option to Renew, Landlord shall provide Tenant with Landlord's written statement of its good faith estimate of the new proposed Base Rent for each year of the term of the Option to Renew (the "Option Term"). If Tenant, in good faith, disagrees or otherwise disputes Landlord's determination of the new Base Rent for each year of the Option Term, then it must do so within thirty (30) days after receiving Landlord's notification of the same, otherwise, Landlord's determination shall be final and binding on Tenant. If Tenant timely disputes Landlord's determination, then the parties shall seek to determine the new Base Rent for each year of the Option Term by way of good faith negotiations concluded within thirty (30) days after the date of Tenant's notice of dispute (the "Negotiation Deadline"). If, after such good faith negotiations, the parties are still not able to agree upon the Base Rent for each year of the Option Term, then the determination of Base Rent shall be determined by arbitration in accordance with the following procedures (the "Arbitration Procedures"):

(a) Each party shall, at their own expense, designate a real estate broker with at least ten (10) years experience in leasing comparable commercial properties in the San Francisco market;

(b) The two (2) real estate brokers shall each select a similarly qualified, independent real estate broker, which broker shall be "neutral" and not represent either party (the "Neutral Broker"), whose expenses shall be shared equally by Landlord and Tenant;

(c) The two (2) real estate brokers designated by the parties shall, after soliciting, accepting and reviewing such information and documentation as they may deem necessary and appropriate, including that submitted by either party, within thirty (30) days after appointment, prepare a statement of what they consider the fair market value of the Base Rent should be, taking into account (i) the prevailing market rental for similar space in other buildings in the City of San Francisco and immediately surrounding areas that are of comparable quality, and (ii) all pertinent factors typically considered by qualified brokers, including but not limited to the length of term, use, quality of services provided, location and/or floor level within the applicable building, definition of net rentable areas, leasehold improvements provided, quality, age and location of the applicable building, tenant clientele of the Building, and the time the particular rate under consideration became effective;

(d) Once the two (2) real estate brokers reach their conclusions, then the Neutral Broker shall analyze each of the opinions of Base Rent submitted by the parties' real estate brokers, using the standards referred to in this Section 30.3. The Neutral Broker shall then select one of the opinions of Base Rent exactly as submitted, without any modification or "averaging" of the opinions

of Base Rent and the amount so calculated being the Base Rent amount which shall be binding on the parties for the term specified by the Option to Renew; and

(e) If either party fails to designate their real estate broker as set forth in this Section within twenty-one (21) days after the Negotiation Deadline, then the real estate broker selected by the other party shall act alone and his/her determination shall be binding.

30.4. Options Personal to Original Tenant or Permitted Transferee.

Each Option granted to Tenant in this Lease is personal to the original Tenant named in the Basic Lease Provisions hereof (and any Permitted Transferees), and cannot be voluntarily or involuntarily assigned or exercised by any person or entity other than said original Tenant (or Permitted Transferees) while the original Tenant (or Permitted Transferee) is in full and actual possession of the Premises and without the intention of thereafter assigning or subletting. The Options, if any, herein granted to Tenant are not assignable, either as a part of an assignment of this Lease or separately or apart therefrom, and no Option may be separated from this Lease in any manner, by reservation or otherwise.

30.5. Effect of Default on Options.

(a) Tenant shall have no right to exercise an Option, notwithstanding any provision in the grant of Option to the contrary: (i) during the period commencing with the giving of any notice of monetary Default under section 16.1 and continuing until the noticed Default is cured, or (ii) during the period of time any monetary obligation due Landlord from Tenant is unpaid, unless Tenant is in good faith contesting such Default.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Tenant's inability to exercise an Option because of the provisions of section 30.6(a).

Section 31. Velocipede.

Bicycles are allowed in the Building at Tenant's option. Only Tenant and its employees may bring bicycles into the Building. Tenant is responsible for it and/or its employees or vendors bringing bicycles into the Building, and will ensure that it and its employees or vendors strictly observe the following rules as may be amended by Landlord from time to time. Landlord is not responsible for stolen, missing or abandoned bicycles. A bicycle shall be deemed abandoned if it is left outside of the Building for more than 72 consecutive hours. Abandoned bicycles may be disposed of by Landlord without further notice at Tenant's expense. Tenant is responsible for any damage caused to any part of the property, or injury to any occupant, visitor, vendor, etc. of the Building by Tenant's bicyclist employees, staff, or vendors. Prior to entering the Building, bicyclists will remove cleated bicycle shoes or any other clothing that might damage the floors, walls or any other part of the Building. Bicyclists must dismount and walk bicycles into and out of the Building. Bicycles are not permitted to be parked in a manner that violates building or fire codes or any other applicable law, rule, or code, or which otherwise impedes ingress or egress to the Building. Bicyclists will not conflict with any building systems, services, or equipment. Blocking or impeding the flow of pedestrian traffic in the Building's exits and walkways is prohibited. Bicyclists will use caution

and courtesy at all times to prevent injury and to ensure safety of the Building and its tenants, invitees, contractors and employees. During an emergency as determined by Landlord it its sole discretion, bicycles are prohibited in all Building hallways and stairwells and are not permitted to be moved or transported from their location in the Building from the time the emergency commences until Landlord provides notification that the emergency has ended. Motorized bicycles are not permitted to enter the Building or any tenant premises at any time. Performing maintenance work and/or repairs on bicycles in the Building or in any tenant premises is strictly prohibited. Noncompliance with these rules and regulations shall constitute a default under this Lease and Tenant, its employees, and/or vendors may be banned from bringing further bicycles into the Building.

Section 32. Cerberus.

Tenant shall not keep or allow in the Building any pets, animals, birds, fish or reptiles. Notwithstanding the foregoing, Tenant shall be permitted to bring fully domesticated, properly licensed, vaccinated, and groomed, well behaved dogs, kept by the Tenant's employees as pets, into the Premises, provided and upon condition that: there shall not be more than five (5) dogs in the Premises at any one time and no dog shall weigh more than 50 pounds; all dogs shall be strictly controlled at all times and shall not be permitted to foul, damage or otherwise mar any part of the Building or cause any loud noise whether through barking, growling or otherwise; all dogs shall not be left unattended; while entering and exiting the Premises, all dogs shall be kept on leashes. Tenant shall be responsible for any damage and additional cleaning costs and all other costs which may arise from the dogs' presence in the Building; Tenant shall be liable for, and hereby agrees to indemnify, defend and hold Landlord harmless from any and all claims arising from any and all acts (including but not limited to biting and causing bodily injury to, or damage to the property of, another tenant, subtenant, occupant, licensee, invitee, Landlord or an employee of Landlord) of, or the presence of, any dog in or about the Building; Tenant shall immediately remove any dog waste and excrement from the Building; no dog food set out for consumption shall be left unattended, all areas in which dogs are fed shall be kept neat, clean and sanitary by Tenant. Tenant shall comply with all applicable Laws and additional rules and regulations established by Landlord associated with or governing the presence of a dog within the Building; Landlord shall have the right, for reasonable cause as determined by Landlord, to ban one or more dogs from the Building. Reasonable cause shall include, but is not limited to biting, attempted biting, aggressive behavior, barking inappropriate for an office setting, complaints from other tenants, Building vendors, mail carriers, and /or building management and engineering staff, and violation of governmental laws, rules and regulations; Tenant's violation of any of the rules set forth in this provision, after being given one warning by Landlord (but no warning need be given if the violation is having more than five (5) dogs in the Premises at any one time) shall result in the permanent loss of the right to bring dogs into the Building.

The foregoing right to bring dogs into the Premises is personal to, and is limited to, the principals and full time employees of Tenant, and, except for Permitted Transfers, no assignee, subtenant, visitor, contractor, subcontractor or other party entering the Premises or the Building for purposes related to Tenant shall have such right.

The parties have executed this Lease as of the date first set forth below.

Landlord:

CIANFRU LLC,
a California limited liability company

By: _____
Name: _____
Title: _____

Dated: December __, 2018

Tenant:

PLASTIQ INC.,
a Delaware corporation

By: Eliot Buchanan
Name Printed: Eliot Buchanan
Title: _____

Dated: December __, 2018 12/19/2018







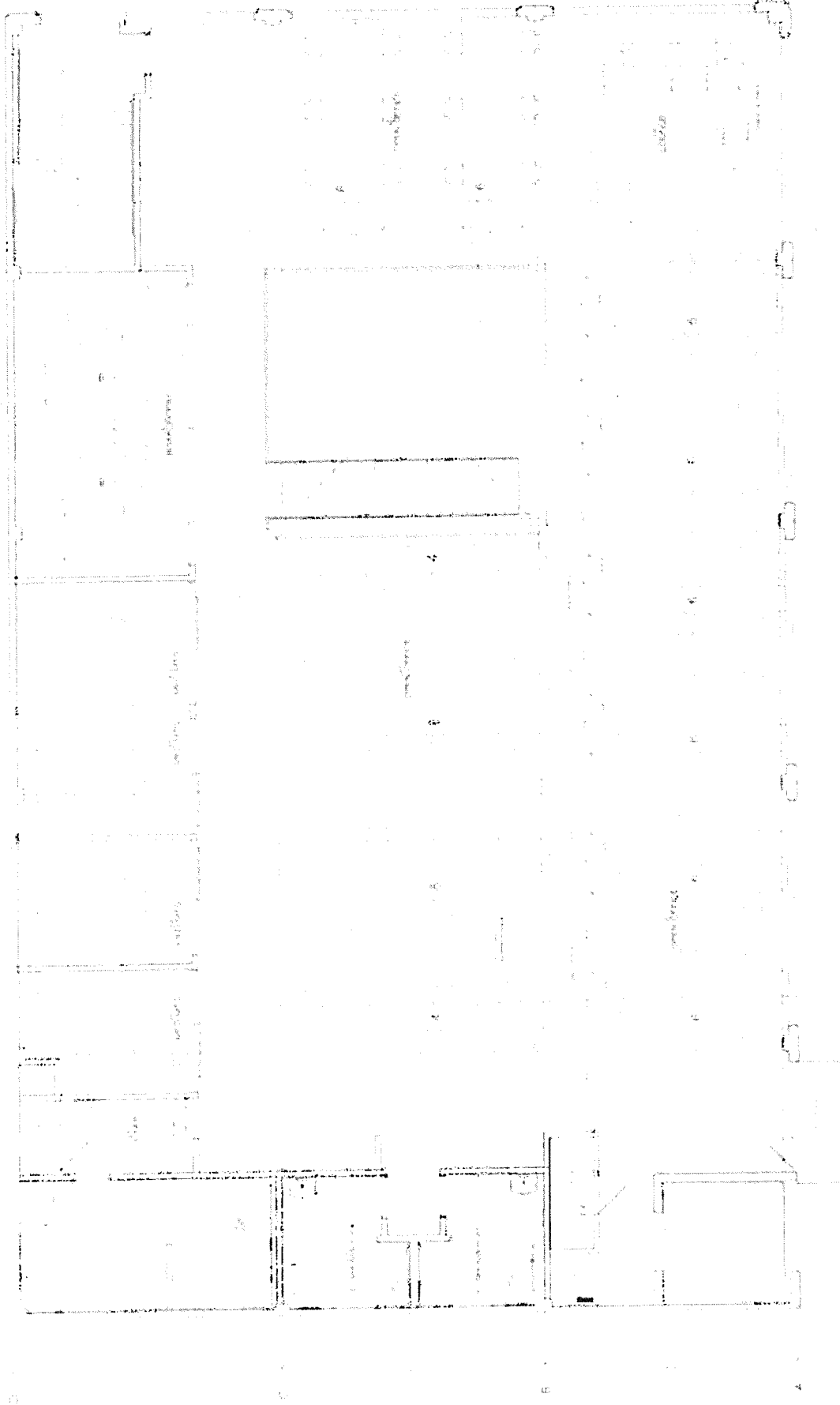


EXHIBIT B

LANDLORD'S WORK

None.

Exhibit C
Furniture and Equipment

Manuf	Item	Serial	Count	Notes
Allsteel Stride	Fixed Height Workstations		154	
Ohio Design	Tractor Stool		22	
Fermob	Bistro Table 77cm round		6	
West Elm	Paidge Sectional with Chaise		2	
Mash Studio	Sturdy Table 96" x 48" x 42" H		1	
West Elm	Faded Ikat Wool Rug		0	Not present at move-in
Mash Studio	Custom Boardroom Table 14' x 4'		1	
Crate & Barrel	60" x 36" x 29.5" H Parsons table		1	
Room & Board	102" x 18" x 42" H Parsons table		1	
Urban Outfitters	Blue coat rack		1	
Mash Studio	42" x 65" Hex Meeting table		2	
Mash Studio	48" x 74" Hex Meeting table		7	
Poppin	Work Happy West File Cabinet		175	
Y-Living	Innit Acapulco Chair		0	Not present at move-in
West Elm	Tillary Outdoor Modular Sofa		0	Disposed of due to weather damage
West Elm	Tillary Outdoor Cushion Covers		0	Disposed of due to weather damage
West Elm	West Elm Martini Side Table		2	
West Elm	Mosaic Tiled Coffee Table		0	Not present at move-in
Mixed	Workstation chairs		254	
Jordan Sheet Metal	Sheet Metal Desk on Sheetrock 102" x 28"		0	Not present at move-in
n/a	Oak and Blue Fabric Lounge Chair		1	
n/a	17" x 52" Credenza		1	
Tru	STM1F-1S Freezer	8025867	1	
Tru	STM2R-2S Refrigerator	8666826	1	
Tru	STM2R-2S Refrigerator	7604735	1	
Tru	STM2R-2S Refrigerator	7585275	1	
Tru	T-49	8620779	1	
Tru	TWT-48 Refrigerator	8449233	1	
Tru	TWT-48 Refrigerator	8515392	1	
Tru	TUC-60G Refrigerator	8657598	1	
Tru	T-72G Refrigerator	8039979	1	
Tru	TUC-27G-LP	8072233	0	Not present at move-in
Yoshizaki	KM260BAH	C06690K	1	
Jade	JBR-8-36 Range	2840956	1	
Vectaire	D-67895A Oven		1	
Farberware	FMO11AHTBKB Microwave	FMO17034534	1	
GE	GLDA696F00SS Dishwasher	SA800085C	1	
Auto-Chlor	AC A4 Commercial Dishwasher	90738	1	

Conference Room Name	TV Model	Chromebox	Camera	Notes
Acadia (4)	Samsung	Asus Chromebox	Logitech	
Aveo (2)	None	None	None	
Camaro (4)	Samsung	Acer Chromebox	Logitech	
Cascada (Phone Booth)	None	None	None	
Cruze (10)	2 Samsung	Asus Chromebox	Logitech	
Encore (4)	Samsung	Asus Chromebox	Logitech	
Escalade (4)	Samsung	Acer Chromebox	Logitech	
Impala (4)	None	None	None	
LaCrosse (4)	Samsung	Acer Chromebox	Logitech	
Malibu (4)	Samsung	Acer Chromebox	Logitech	
Mothers Room	None	None	None	
Regal (4)	Samsung	Asus Chromebox	Logitech	
Sierra (Phone Booth)	None	None	None	
Sonic (3)	None	None	None	
Stingray (4)	Samsung	Asus Chromebox	Logitech	
Tahoe (2)	None	None	None	
Terrain (Phone Booth)	None	None	None	
Verano (Phone Booth) (3)	None	None	None	
Volt (4)	Samsung	Asus	Logitech	
Yukon (Phone Booth)	None	None	None	

All Hands	Main Projector: NEC P452H
	Secondary Projector: Optoma (model number unknown)
	2 Sonos devices
	1 Rolls MA1705 Amp
	1 Crown Amp
	1 Avior 8x1 HD Audio/Video Switch

AMENDMENT NO. 1 TO LEASE

THIS AMENDMENT NO. 1 TO LEASE ("Amendment") is entered into as of May 26, 2020 (the "Effective Date"), by and between CIANFRU LLC, a California limited liability company ("Landlord"), as landlord, and PLASTIQ INC., a Delaware corporation ("Tenant"), as tenant.

RECITALS

A. Landlord and Tenant have entered into that certain Lease dated as of December __, 2018 [blank in original] (the "Lease"), for certain space consisting of approximately 23,200 rentable square feet, in that building commonly known 360 Ninth Street, San Francisco, California (the "Premises"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to them in the Lease.

B. On March 11, 2020, the World Health Organization Director-General characterized the spread of the COVID-19 virus as a pandemic (the "Health Crisis"). On March 13, 2020, the President of the United States of America declared a federal emergency in response to the Health Crisis. The City and County of San Francisco Department of Public Health enacted a "Shelter in Place" order on March 16, 2020 (Order of the Health Officer C19-07a), and the Governor of the State of California State enacted a similar order on March 19, 2020 (Executive Order N-33-20).

C. Because of the Health Crisis, Tenant has failed to make or reasonably foresees its inability to make the required monthly payments of rent under the Lease. Tenant's obligation to make these monthly payments under the Lease has not been waived by Landlord but continue to be due and payable, subject to the terms and conditions described herein.

D. As an accommodation to Tenant to allow Tenant the opportunity to stabilize its business operations, Landlord has agreed to modify the Lease, as more fully set forth below.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Application of Security Deposit to Base Rent; Reduction of Security Deposit. As of the Effective Date, Landlord shall apply the amount of \$318,614.00 to payment of Base Rent for the months of May and June 2020. On July 1, 2020, Landlord shall apply the amount of \$159,307.00 of the Security Deposit to payment of Base Rent for the month of July 2020. As of the Effective Date and the first such application, the term "Security Deposit" shall be amended to be "\$609,386.00," and as of July 1, 2020, and the second such application, the term "Security Deposit" shall be amended to be "\$450,079.00."

2. Reimbursement of Legal Fees. Concurrently with the execution of this Amendment and as a condition to the effectiveness thereof, Tenant shall reimburse Landlord the amount of \$5,000 to reimburse Landlord for attorneys' fees and costs incurred in connection with the negotiation and documentation of this Amendment.

3. Abatement of Base Rent.

(a) Landlord hereby agrees to abate the collection of fifty percent (50%) of the monthly installments of Base Rent, but not any other amounts, otherwise due under the Lease for the six

(6) month period from August 1, 2020, through January 31, 2021 (the "Abatement Period") in the aggregate amount of \$477,921.00. The base rental amounts so abated for the Abatement Period shall be referred to as the "Abated Rent." For the avoidance of doubt, (i) Tenant shall be required to pay all other sums under the Lease during the Abatement Period, including, without limitation, monthly installments of Base Rent in the amount of \$79,653.50, and (ii) from and after February 1, 2021, there shall be no further abatement of rent, and Base Rent shall be payable in accordance with the schedule of Base Rent set forth in the Basic Lease Information of the Lease.

(b) Tenant acknowledges that Landlord would not have granted the Abated Rent but for Tenant's agreement to perform all of the terms, covenants, conditions and agreements to be performed by it under the Lease for the entire balance of the Term, and that Landlord's agreement to grant such concession is, and shall remain, conditioned upon Tenant's faithful performance of all of the terms, covenants, conditions and agreements to be performed by Tenant under the Lease.

(c) Notwithstanding anything in this Section 2 to the contrary, if at any time prior to expiration of the Term of the Lease, Tenant defaults under this Lease or the Lease is terminated for any reason, then the Abated Rent together with all other amounts of rent previously abated under the Lease shall immediately become due and payable; provided, however, Tenant acknowledges and agrees that nothing in this paragraph is intended to limit any other remedies available to Landlord at law or in equity under applicable law in the event Tenant defaults under the Lease. Tenant's obligation to pay the Abated Rent and such other abated amounts shall survive any expiration or earlier termination of the Lease.

4. Estoppel. Tenant hereby certifies to Landlord that, as of the Effective Date: (i) to Tenant's actual knowledge, Landlord is not in default in any respect under the Lease, (ii) to Tenant's actual knowledge, there are no existing claims, defenses or offsets that Tenant has against Landlord nor, to Tenant's actual knowledge, have any events occurred that with the passage of time would constitute a default on the part of Landlord under the Lease, and (iii) Landlord has completed all work required to be completed by Landlord in accordance with the terms of the Lease. Tenant acknowledges and agrees that the certifications and representations contained in this Amendment constitute a material consideration to Landlord in entering into this Amendment; that such certifications and representations are being made by Tenant for purposes of inducing Landlord to enter into this Amendment; and that Landlord is relying on such certifications and representations in entering into this Amendment.

5. Intentionally Deleted.

6. Waiver of Default. Landlord acknowledges that the application of the Security Deposit to payment of Base Rent for May 2020 shall cure any default relating to non-payment of Base Rent for such month and that for all purposes under the Lease, such non-payment of Base Rent for May 2020 shall not be deemed a "default" under the Lease. Landlord shall not assess any late fees, interest or other charges as a result of such non-payment of Base Rent and the subsequent application of the Security Deposit.

7. Miscellaneous.

(a) No Brokers. Landlord and Tenant each warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Amendment, and each agrees to indemnify, defend and hold the other harmless from and against any claims by any broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with such party with regard to this leasing transaction.

(b) No Other Amendments. This Amendment contains the entire understanding between the parties with respect to the matters contained herein. In the event there is a conflict between

the Lease and this Amendment, the terms of this Amendment shall govern and control. No representations, warranties, covenants or agreements have been made concerning or affecting the subject matter of this Amendment, except as are contained herein and in the Lease. Except as modified herein, the Lease and all of its terms, conditions, covenants, agreements and provisions remain unchanged and in full force and effect with no defenses or offsets thereto.

(c) Authority. Tenant hereby represents and warrants to Landlord that (i) it is in good standing under the laws of the States of Delaware and California, (ii) it has full corporate power and authority to enter into this Amendment and to perform all of its obligations under the Lease, as amended hereby, and (iii) each person (and all of the persons if more than one signs) signing this Amendment on its behalf is duly and validly authorized to do so.

(d) Attorney's Fees. If either party commences an action against the other party arising out of or in connection with this Amendment, the prevailing party shall be entitled to recover from the nonprevailing party reasonable attorney's fees and costs of suit.

(e) No Offer. Submission of this Amendment by Landlord is not an offer to enter into this Amendment but rather is a solicitation for such an offer by Tenant. Landlord shall not be bound by this Amendment until Landlord has executed and delivered it to Tenant. Unless and until this letter Amendment is fully executed and delivered, Landlord expressly reserves all of its rights and remedies under the Lease, at law and in equity, and neither this Amendment nor subsequent discussions will constitute a waiver of any such rights.

(f) OFAC. Tenant represents and warrants to Landlord that Tenant is currently in compliance with the regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

(g) CASp. The Premises have not been issued a disability access inspection certificate or undergone inspection by a Certified Access Specialist ("CASp"). The following notice is given pursuant to California Civil Code Section 1938: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Landlord and Tenant hereby agree that if Tenant elects to perform a CASp inspection of the Premises, Tenant will provide written notice to Landlord, and Landlord may elect, in Landlord's sole discretion, to retain a CASp to perform the inspection. If Landlord does not so elect, the time and manner of the CASp inspection is subject to the prior written approval of Landlord. In either event, the payment of the fee for the CASp inspection shall be borne by Tenant. Tenant shall be solely responsible for the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

(h) Successors. This Amendment shall be binding on and inure to the benefit of the parties and their successors.

(i) Counterparts; Electronic Signatures. This Amendment may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment had been delivered and had been signed using a handwritten signature. The parties (i) agrees that an electronic signature, whether digital or encrypted, of a party to this Amendment is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intends to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) is aware that each party will rely on such signatures, and (iv) hereby waives any defenses to the enforcement of the terms of this Amendment based on the foregoing forms of signature. If this Amendment has been executed by electronic signature, all parties executing this document are expressly consenting under the Electronic Signatures in Global and National Commerce Act ("E-SIGN"), and Uniform Electronic Transactions Act ("UETA"), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction. By accepting this Amendment, the parties hereby agree to electronic documents as legally binding.

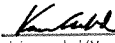
(j) Landlord hereby represents and warrants to Tenant that as of the Effective Date there is no deed of trust or mortgage encumbering Landlord's fee interest in the Property or any portion thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment No. 1 to Lease as of the day and year first written above.


LANDLORD:

CIANFRU LLC,
a California limited liability company

By: 
vivian acebal (May 26, 2020 16:52 PDT)
Vivian Acebal
Manager

TENANT:

PLASTIQ INC.,
a Delaware corporation

By: 
Eliot Buchanan (May 26, 2020 16:07 PDT)
Eliot Buchanan
Chief Executive Officer









Lease Amendment No 1 - Baldo - Plastiq v7F [GREL]

Final Audit Report

2020-05-26

Created:	2020-05-26
By:	Mark Goldberg (mark@goldberg-relaw.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA6UEsVeGIEawlyvjKsLqxjMnzQouqgCCz

"Lease Amendment No 1 - Baldo - Plastiq v7F [GREL]" History

-  Document created by Mark Goldberg (mark@goldberg-relaw.com)
2020-05-26 - 9:25:19 PM GMT - IP address: 73.223.153.47
-  Document emailed to Eliot Buchanan (eliot@plastiq.com) for signature
2020-05-26 - 9:25:42 PM GMT
-  Email viewed by Eliot Buchanan (eliot@plastiq.com)
2020-05-26 - 11:06:23 PM GMT - IP address: 107.77.212.173
-  Document e-signed by Eliot Buchanan (eliot@plastiq.com)
Signature Date: 2020-05-26 - 11:07:18 PM GMT - Time Source: server- IP address: 107.77.212.173
-  Document emailed to vivian acebal (vivianacebal@me.com) for signature
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-  Email viewed by vivian acebal (vivianacebal@me.com)
2020-05-26 - 11:46:33 PM GMT - IP address: 206.176.246.166
-  Document e-signed by vivian acebal (vivianacebal@me.com)
Signature Date: 2020-05-26 - 11:52:00 PM GMT - Time Source: server- IP address: 206.176.246.166
-  Signed document emailed to andrea baldo (andrea@msi-stones.com), Eliot Buchanan (eliot@plastiq.com), steveberkman@paulhastings.com, Angela Loeffler (angela@plastiq.com), and 2 more
2020-05-26 - 11:52:00 PM GMT



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