

OFFICE LEASE
TRI-CITY CORPORATE CENTRE

TRI-CITY PROPERTY, LLC,
a Delaware limited liability company,

as Landlord,

and

SAN BERNARDINO COUNTY,

as Tenant

TRI-CITY CORPORATE CENTRE

SUMMARY OF BASIC LEASE INFORMATION

This Summary of Basic Lease Information (the "Summary") is hereby incorporated by reference into and made a part of the attached Office Lease. Each reference in the Office Lease to any term of this Summary shall have the meaning as set forth in this Summary for such term. In the event of a conflict between the terms of this Summary and the Office Lease, the terms of the Office Lease shall prevail. Any initially capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Office Lease.

TERMS OF LEASE
(References are to
the Office Lease)

DESCRIPTION

- | | | |
|----|---|---|
| 1. | Dated as of: | November 15, 2022 |
| 2. | Landlord: | TRI-CITY PROPERTY, LLC,
a Delaware limited liability company |
| 3. | Address of Landlord (<u>Section 25.14</u>): | Tri-City Property, LLC
200 Pine Avenue, Suite 502
Long Beach, CA 90802
Attn: Joon Choi

with a copy to:

Tiarna Real Estate Services, Inc.
685 E. Carnegie Drive, Suite 120
San Bernardino, CA 92408 |
| 4. | Tenant: | SAN BERNARDINO COUNTY |
| 5. | Address of Tenant (<u>Section 25.14</u>): | San Bernardino County
c/o Real Estate Services Department
Attn: Director of Real Estate Services
385 North Arrowhead Avenue, 3 rd Floor
San Bernardino, 92415 |

6. Premises (Article 1):

6.1 Premises: Approximately 23,484 rentable square feet of space located on the fourth (4th) floor of the Building (as defined below), known as Suite 400, and approximately 6,098 rentable square feet of space located on the fourth (4th) floor of the Building, known as Suite 425, for a total of approximately 29,582 rentable square feet of space, as depicted on Exhibit A attached hereto (collectively, the "Premises").

6.2 Building: The Premises are located in the "Building" whose address is 451 Vanderbilt Way, San Bernardino, California 92408.

7. Term (Article 2):

7.1 Lease Term: The approximately one hundred thirty-two (132) month period commencing on the Lease Commencement Date and expiring on the Lease Expiration Date.

7.2 Lease Commencement Date: The date that is the later of (i) the date Landlord tenders possession of the Premises to Tenant (as evidenced by notice from Landlord to Tenant) Ready for Occupancy (as the term is defined in Section 8.4.9 of the Office Lease), and (ii) July 1, 2023. Landlord reasonably estimates that the Lease Commencement Date will occur on July 1, 2023 (the "Estimated Lease Commencement Date").

7.3 Lease Expiration Date: The date that is one hundred thirty-two (132) months following the Lease Commencement Date; provided, however, if the Lease Commencement Date occurs on a date that is other than the first (1st) day of a calendar month, then the Lease Expiration Date shall be the date that is the last day of the one hundred thirty-second (132nd) full calendar month from and after the Lease Commencement Date.

8. Base Rent (Article 3):

<u>Months of Lease Term</u>	<u>Annual Base Rent</u>	<u>Monthly Installment of Base Rent</u>	<u>Monthly Base Rental Rate per Rentable Square Foot</u>
1 – 12	\$887,460.00	\$73,955.00	\$2.50
13 - 24	\$915,858.72	\$76,321.56	\$2.58
25 – 36	\$940,707.60	\$78,392.30	\$2.65
37 – 48	\$969,106.32	\$80,758.86	\$2.73

49 – 60	\$997,505.04	\$83,125.42	\$2.81
61 – 72	\$1,029,453.60	\$85,787.80	\$2.90
73 – 84	\$1,061,402.16	\$88,450.18	\$2.99
85 – 96	\$1,089,800.88	\$90,816.74	\$3.07
97 – 108	\$1,125,299.28	\$93,774.94	\$3.17
109 – 120	\$1,157,247.84	\$96,437.32	\$3.26
121 – 132	\$1,192,746.24	\$99,395.52	\$3.36

9. Intentionally Deleted.

10. Security Deposit (Article 20): \$0.00

11. Number of Parking Spaces (Article 24): One hundred eighteen (118) unreserved parking spaces (i.e., four (4) unreserved parking spaces for each 1,000 rentable square feet of the Premises).

12. Brokers (Section 25.19): CBRE, Inc., representing Landlord.

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 PREMISES, BUILDING AND BUILDING COMPLEX	1
ARTICLE 2 LEASE TERM.....	1
ARTICLE 3 BASE RENT.....	2
ARTICLE 4 OTHER CHARGES	2
ARTICLE 5 USE OF PREMISES.....	6
ARTICLE 6 SERVICES AND UTILITIES	7
ARTICLE 7 REPAIRS.....	8
ARTICLE 8 ADDITIONS AND ALTERATIONS.....	8
ARTICLE 9 COVENANT AGAINST LIENS.....	9
ARTICLE 10 INSURANCE.....	10
ARTICLE 11 DAMAGE AND DESTRUCTION.....	11
ARTICLE 12 CONDEMNATION.....	12
ARTICLE 13 COVENANT OF QUIET ENJOYMENT	12
ARTICLE 14 ASSIGNMENT AND SUBLETTING	13
ARTICLE 15 SURRENDER OF PREMISES; REMOVAL OF TRADE FIXTURES	14
ARTICLE 16 HOLDING OVER	15
ARTICLE 17 ESTOPPEL CERTIFICATES	15
ARTICLE 18 SUBORDINATION.....	16
ARTICLE 19 DEFAULTS; REMEDIES	16
ARTICLE 20 RESERVED.....	18
ARTICLE 21 SIGNS.....	19
ARTICLE 22 COMPLIANCE WITH LAW	18
ARTICLE 23 ENTRY BY LANDLORD.....	19
ARTICLE 24 TENANT PARKING.....	19
ARTICLE 25 MISCELLANEOUS PROVISIONS.....	20

EXHIBITS:

- A** FLOOR PLAN OF PREMISES
- B** RULES AND REGULATIONS
- C** AMENDMENT TO LEASE
- D** ESTOPPEL CERTIFICATE
- E** EXTENSION OPTION RIDER
- F** PREVAILING WAGE REQUIREMENTS
- G** FINAL SPACE PLAN
- H** SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

TRI-CITY CORPORATE CENTRE

OFFICE LEASE

This Office Lease, which includes the preceding Summary attached hereto and incorporated herein by this reference (the Office Lease and Summary to be known sometimes collectively hereafter as the "Lease"), dated as of the date set forth in Section 1 of the Summary, is made by and between TRI-CITY PROPERTY, LLC, a Delaware limited liability company ("Landlord"), and SAN BERNARDINO COUNTY ("Tenant").

ARTICLE 1

PREMISES, BUILDING AND BUILDING COMPLEX

1.1 Premises, Building and Building Complex.

1.1.1 Premises. Upon and subject to the terms set forth in this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises described in Section 6.1 of the Summary (the "Premises"), which Premises are located in the "Building" (as defined in Section 6.2 of the Summary) and located within the Building Complex. The floor plan of the Premises is attached hereto as Exhibit A.

1.1.2 Building and Building Complex. The Building is part of a multi-building commercial office project containing four (4) buildings owned by Landlord and known as "Tri-City Corporate Centre". The term "Building Complex" or "Real Property", as used in this Lease, shall mean collectively: (i) the Building, (ii) the three (3) other buildings within Tri-City Corporate Centre addressed as 621, 625 and 685 East Carnegie Drive (collectively, the "Other Existing Buildings"), (iii) the surface parking areas surrounding and/or servicing the Building and the Other Existing Buildings (the "Building Complex Parking Area"), (iv) any outside plaza areas, walkways, driveways, courtyards, public and private streets, transportation facilitation areas and other improvements and facilities now or hereafter constructed surrounding and/or servicing the Building and/or the Other Existing Buildings, which are designated from time to time by Landlord as common areas appurtenant to or servicing the Building, the Other Existing Buildings and any such other improvements; (v) any additional buildings, improvements, facilities and common areas which Landlord may add thereto from time to time within or as part of the Building Complex; and (vi) the land upon which any of the foregoing are situated. Notwithstanding the foregoing or anything contained in this Lease to the contrary (but subject to Section 8.4 below), (1) Landlord has no obligation to expand or otherwise make any improvements within the Building Complex, including, without limitation, any of the outside plaza areas, walkways, driveways, courtyards, public and private streets, transportation facilitation areas and other improvements and facilities as currently existing or as may be modified by Landlord from time to time, and (2) Landlord shall have the right from time to time to include or exclude any improvements or facilities within the Building Complex, at Landlord's sole election, as more particularly set forth in Section 1.1.3 below.

1.1.3 Tenant's and Landlord's Rights. Tenant is hereby granted the right to the non-exclusive use of those areas located on the Building Complex that are designated by Landlord from time to time as common areas for the Building; provided, however, that (i) Tenant's use thereof shall be subject to (A) the provisions of any covenants, conditions and restrictions regarding the use thereof now or hereafter recorded against the Building Complex, and (B) the rules and regulations attached hereto as Exhibit B (the "Rules and Regulations"), as the same may be reasonably modified by Landlord from time to time (any such modifications to be provided to Tenant in writing not less than thirty (30) days prior to

implementation). Landlord reserves the right to make alterations or and restrictions as Landlord may make from time to time (which shall be provided in writing to Tenant), and (ii) Tenant may not go on the roof of the Building or any of the other buildings in the Building Complex without Landlord's prior consent (which may be withheld in Landlord's sole and absolute discretion) and without otherwise being accompanied by a representative of Landlord. Landlord reserves the right from time to time to use any of the common areas of the Building Complex, and the roof, risers and conduits of the Building and the other buildings in the Building Complex for telecommunications and/or any other purposes, and to do any of the following: (1) make any changes, additions, improvements, repairs and/or replacements in or to the Building Complex or any portion or elements thereof, including, without limitation, (x) changes in the location, size, shape and number of driveways, entrances, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways, public and private streets, plazas, courtyards, transportation facilitation areas and common areas, and (y) expanding or decreasing the size of the Building Complex and any common areas and other elements thereof, including adding, deleting and/or excluding buildings (including any of the Other Existing Buildings) thereon and therefrom; (2) close temporarily any of the common areas while engaged in making repairs, improvements or alterations to the Building Complex; (3) retain and/or form a common area association or associations under covenants, conditions and restrictions to own, manage, operate, maintain, repair and/or replace all or any portion of the landscaping, driveways, walkways, public and private streets, plazas, courtyards, transportation facilitation areas and/or other common areas located outside of the Building and the other buildings in the Building Complex; and (4) perform such other acts and make such other changes with respect to the Building Complex as Landlord may, in the exercise of good faith business judgment, deem to be appropriate.

1.2 Condition of Premises. Except as expressly set forth in this Lease (including, without limit, Section 8.4.2 below), Landlord shall not be obligated to provide or pay for any improvements, work or services related to the improvement, remodeling or refurbishment of the Premises, and Tenant shall accept the Premises in its "AS IS" condition on the Lease Commencement Date. Tenant also acknowledges that Landlord has made no representation or warranty regarding the condition of the Premises, the Building or the Real Property (except as specifically set forth in this Lease) or regarding the suitability of the Premises for the conduct of Tenant's permitted use set forth in Section 5.1 below or for any other purpose. Notwithstanding the foregoing to the contrary, if (i) as of the Lease Commencement Date, (A) the base Building systems and equipment (including subfloors and roof) that serve the Premises are not in good order, condition and repair, and/or (B) the base Building systems and equipment (including subfloors and roof) that serve the Premises are not in compliance with applicable laws, as such non-compliance shall be determined on an unoccupied basis without regard to Tenant's proposed use of the Premises or any alterations or improvements to be completed by or for Tenant in the Premises (including, without limitation, the Tenant Improvements [as defined in Section 8.4 below]) (each, a "Non-Compliance Condition"), and (ii) Tenant becomes aware thereof and delivers to Landlord written notice (the "Non-Compliance Notice") of the Non-Compliance Condition on or before the date that is one hundred and twenty (120) days after the Lease Commencement Date (the "Non-Compliance Outside Date"), then Tenant's sole remedy shall be that Landlord shall, at Landlord's sole cost and expense, do that work which is necessary to correct the Non-Compliance Condition and diligently commence and proceed to rectify and cure said default promptly after Landlord's receipt of the Non-Compliance Notice (subject to delays resulting from Force Majeure [as defined below] and delays caused by Tenant and/or Tenant's agents, contractors, employees, licensees and/or invitees). If Tenant fails to deliver the Non-Compliance Notice to Landlord on or prior to the Non-Compliance Outside Date, then Landlord shall have no obligation to perform any work in connection with the Non-Compliance Condition at Landlord's sole cost and expense (but such release of such obligation shall not relieve Landlord of its other obligations under this Lease, including in Section 7.2 below).

1.3 Rentable Square Feet. The rentable square feet of the Premises is approximately as set forth in Section 6.1 of the Summary. For purposes hereof, the rentable square feet of the Premises and the Building Complex shall be calculated by Landlord pursuant to the Standard Method for Measuring Floor

Area in Office Buildings, ANSI Z65.1-2017 ("BOMA"), as modified by Landlord pursuant to Landlord's standard rentable area measurements for the Building Complex. The rentable square feet of the Premises and the Building are subject to verification from time to time by Landlord's planner/designer and such verification shall be made in accordance with the provisions of this Section 1.3. The determination of Landlord's planner/designer shall be conclusive and binding upon the parties. If Landlord's planner/designer determines that the rentable square footage amounts shall be different from those set forth in this Lease, all amounts, percentages and figures appearing or referred to in this Lease based upon such incorrect rentable square footage (including, without limitation, the amount of the Base Rent) shall be modified in accordance with such determination. If such determination is made, it will be confirmed in a written amendment to the Lease, to be approved by Landlord and Tenant.

ARTICLE 2

LEASE TERM

2.1 Lease Term. The terms and provisions of this Lease shall be effective as of the date of execution of this Lease. The term of this Lease (the "Lease Term") shall be as set forth in Section 7.1 of the Summary and shall commence on the date (the "Lease Commencement Date") set forth in Section 7.2 of the Summary, and shall terminate on the date (the "Lease Expiration Date") set forth in Section 7.3 of the Summary, unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12) month period during the Lease Term; provided, however, that the first (1st) Lease Year shall commence on the Lease Commencement Date and the last Lease Year shall end on the Lease Expiration Date. Landlord shall not be subject to any liability nor shall the validity of this Lease nor the obligations of Tenant hereunder be affected by any delay in the occurrence of the Lease Commencement Date beyond any particular date (including, without limit, the Estimated Lease Commencement Date as set forth in Section 7.2 of the Summary), irrespective of any representations, warranties, or other assurances respecting the same provided to Tenant by Landlord or any of Landlord's agents or representatives. Following the Lease Commencement Date, Landlord shall deliver to Tenant an amendment to lease in the form attached hereto as Exhibit C, setting forth the Lease Commencement Date and the Lease Expiration Date, and Tenant shall execute and return such amendment to Landlord within five (5) business days after Tenant's receipt thereof. If Tenant fails to timely execute and return such amendment, Tenant shall be deemed to have approved all statements in such amendment.

2.2 Early Entry and Early Partial Occupancy.

2.2.1 Early Entry Prior to Substantial Completion of the Premises. Subject to the terms hereof and provided that Tenant and its agents do not interfere with the Contractor's (as defined below) work in the Building and the Premises, at Landlord's reasonable discretion the Contractor shall allow Tenant access to the Premises prior to the Substantial Completion of the Premises (as defined below) for the purpose of Tenant installing equipment and/or fixtures (including Tenant's data and telephone equipment) in the Premises. Prior to Tenant's entry into the Premises as permitted by the terms of this Section 4.1, Tenant shall submit a schedule to Landlord and the Contractor, for their approval, which schedule shall detail the timing and purpose of Tenant's entry. In connection with any such entry, Tenant acknowledges and agrees that Tenant's employees, agents, contractors, consultants, workmen, mechanics, suppliers and invitees shall fully cooperate, work in harmony and not, in any manner, interfere with Landlord or Landlord's contractors (including the Contractor), agents or representatives in performing work in the Building and the Premises, or interfere with the general operation of the Building and/or the Real Property. If at any time any such person representing Tenant shall not be cooperative or shall otherwise cause or threaten to cause any such disharmony or interference, including, without limitation, labor disharmony, and Tenant fails to immediately institute and maintain corrective actions as directed by Landlord, then Landlord may revoke Tenant's entry rights upon twenty-four (24) hours' prior written notice to Tenant. Tenant

acknowledges and agrees that any such entry into the Premises or any portion thereof by Tenant or any person or entity working for or on behalf of Tenant shall be deemed to be subject to all of the terms, covenants, conditions and provisions of the Lease, excluding only the covenant to pay Base Rent (until the occurrence of the Lease Commencement Date). Tenant further acknowledges and agrees that Landlord shall not be liable for any injury, loss or damage which may occur to any of Tenant's work made in or about the Premises in connection with such entry or to any property placed therein prior to the Lease Commencement Date, the same being at Tenant's sole risk and liability, subject to the terms of Section 2.2.2 below. Tenant shall be liable to Landlord for any damage to any portion of the Premises, including the Tenant Improvement work, caused by Tenant or any of Tenant's employees, agents, contractors, consultants, workmen, mechanics, suppliers and invitees. If the performance of Tenant's work in connection with such entry causes extra costs to be incurred by Landlord or requires the use of any Building services, Tenant shall promptly reimburse Landlord for such extra costs and/or shall pay Landlord for such Building services at Landlord's standard rates then in effect.

2.2.2 Early Occupancy.

2.2.2.1 Occupancy Prior to Substantial Completion of the Premises. If, prior to Substantial Completion of the Premises, Landlord determines, in Landlord's sole and absolute discretion, that the Tenant Improvements have progressed to such a point that Tenant may occupy a portion of the Premises without such occupancy causing material interference with Landlord's performance of the remainder of the Tenant Improvements and, further, without such occupancy violating applicable laws, then Landlord shall notify Tenant thereof in writing (the "Pre-SC Occupancy Notice"). The Pre-SC Occupancy Notice shall set forth (i) the rentable square footage and location within the Premises of the portion of the Premises that will so be available for occupancy prior to Substantial Completion of the Premises (each such portion, a "Pre-SC Occupancy Premises"), (ii) the date upon which Landlord estimates that such Pre-SC Occupancy Premises will so be available for early occupancy, (iii) the Base Rent amount that will be payable by Tenant for such Pre-SC Occupancy Premises prior to the Lease Commencement Date pursuant to the terms of Section 2.2.2.3 below, and (iv) the portion of the Tenant Contribution (as defined below) that will be payable by Tenant with respect to such Pre-SC Occupancy Premises pursuant to the terms of this Section 2.2.2.3 below. Landlord shall use commercially reasonable efforts to deliver the Pre-SC Occupancy Notice to Tenant with respect to each Pre-SC Occupancy Premises not less than thirty (30) days prior the date Landlord estimates that such Pre-SC Occupancy Premises will so be available for early occupancy. Tenant shall notify Landlord in writing (a "Pre-SC Occupancy Acceptance Notice"), within ten (10) days following Tenant's receipt of the Pre-SC Occupancy Notice for a Pre-SC Occupancy Premises, whether Tenant will occupy such Pre-SC Occupancy Premises and the date upon which Tenant desires to so commence such occupancy (which must be on or after the date Landlord estimates such Pre-SC Occupancy Premises will be available for early occupancy); Tenant may not elect to occupy less than the Pre-SC Occupancy Premises so identified in the applicable Pre-SC Occupancy Notice. Tenant's failure to deliver the Pre-SC Occupancy Acceptance Notice to Landlord within such 10-day period with respect to any Pre-SC Occupancy Notice shall be deemed to be Tenant's election not to occupy the Pre-SC Occupancy Premises identified in such Pre-SC Occupancy Notice prior to the Substantial Completion of the Premises. If Tenant elects to so occupy a Pre-SC Occupancy Premises pursuant to the terms of this Section 2.2.2.1, then, subject to the terms set forth in Section 2.2.2.3 below, Tenant shall have the right to enter and occupy such Pre-SC Occupancy Premises during the period from the date Landlord delivers such Pre-SC Occupancy Premises to Tenant for occupancy (the "Pre-SC Occupancy Commencement Date") to immediately prior to the Lease Commencement Date.

2.2.2.2 Early Entry From Substantial Completion of the Premises to Lease Commencement Date. During the period from the date of Substantial Completion of the Premises until immediately prior to the Lease Commencement Date, Tenant shall have the right to enter the entire Premises to install furniture, fixtures and equipment therein, subject to the terms of this Section 2.2.2.2 below. Any

portion of the Premises that Tenant enters into prior to the Lease Commencement Date but that Tenant has not yet commenced occupancy thereof shall be referred to herein as an “Early Entry Premises”. Tenant’s entry into any Early Entry Premises prior to the Lease Commencement Date shall not accelerate the Lease Commencement Date; provided, however, during the period of Tenant’s entry into such Early Entry Premises prior to the Lease Commencement Date, Tenant shall be deemed to be subject to all of the terms, covenants, conditions and provisions of this Lease, except for the obligation to pay Base Rent for such Early Entry Premises unless and until Tenant commences occupancy thereof as further described in and pursuant to Section 2.2.2.3 below.

2.2.2.3 Early Occupancy From Substantial Completion of the Premises to Lease Commencement Date. Prior to or within a commercially reasonable amount of time after the Substantial Completion of the Premises, Landlord shall deliver written notice to Tenant (the “Estimated Substantial Completion Notice”) setting forth (i) the date Landlord reasonably estimates Substantial Completion of the Premises will occur (or, if applicable, the date upon which Substantial Completion of the Premises did occur), (ii) the rentable square footage payable by Tenant for the entire Premises if Tenant elects to occupy the entire Premises prior to the Lease Commencement Date, and (iii) the remaining balance of the Tenant Contribution not yet paid by Tenant. Landlord shall use commercially reasonable efforts to deliver the Estimated Substantial Completion Notice to Tenant not less than thirty (30) days prior to the date Landlord estimates Substantial Completion of the Premises will occur. During the period from the date of Substantial Completion of the Premises until immediately prior to the Lease Commencement Date, Tenant shall have the right to occupy the Premises (or any portion thereof), subject to the terms of this Section 2.2.2.3 below. Any portion of the Premises that Tenant occupies prior to the Lease Commencement Date (whether pursuant to the procedures set forth in this Section 2.2.2.3 or Section 2.2.2.1 above, or otherwise), including, without limit, any Pre-SC Occupancy Premises, shall be referred to herein as the “Early Occupancy Premises”. If Tenant elects to occupy any Early Occupancy Premises prior to the Lease Commencement Date (including, without limit, any Pre-SC Occupancy Premises), then, prior to and as a condition to Tenant occupying such Early Occupancy Premises, Tenant must pay to Landlord a portion of the Tenant Contribution equal to the sum of (A) the Tenant Contribution, multiplied by (B) a fraction, the numerator of which shall be the rentable square footage of such Early Occupancy Premises (including, without limit, any Pre-SC Occupancy Premises) and the denominator of which shall be the rentable square footage of the Premises (i.e., 29,582 rentable square feet). Tenant’s occupancy of any Early Occupancy Premises prior to the Lease Commencement Date shall not accelerate the Lease Commencement Date; provided, however, during the period of Tenant’s occupancy of any Early Occupancy Premises prior to the Lease Commencement Date (each, an “Early Occupancy Period”), Tenant shall be deemed to be subject to all of the terms, covenants, conditions and provisions of this Lease, including, without limit, the obligation to pay Base Rent for such Early Occupancy Premises. Tenant shall be obligated to pay Base Rent for each Early Occupancy Premises during the period (the “Early Occupancy Period”) commencing on the date that Tenant’s occupancy of such Early Occupancy Premises commences through immediately prior to the Lease Commencement Date, irrespective of whether or not, during such period, Tenant thereafter ceases to occupy such Early Occupancy Premises (or portion thereof); provided, however, as to any Pre-SC Occupancy Premises, Tenant’s obligation to pay Base Rent for such Pre-SC Occupancy Premises shall commence on the Pre-SC Occupancy Commencement Date. The monthly Base Rent payable by Tenant for each Early Occupancy Premises during the Early Occupancy Period therefor shall be equal to \$2.50 per each rentable square foot of such Early Occupancy Premises.

2.2.2.4 Occupancy Definition. For purposes hereof, occupancy of the Premises (or applicable portion thereof) shall mean the physical use of the Premises by one or more employees of Tenant for engaging in Tenant’s business operations therein. By way of clarification, the mere moving of furniture and equipment into the Premises shall not be deemed occupancy of the Premises, or the applicable portion thereof, pursuant to the terms of this Section 2.2.2.

2.2.2.5 Inconvenience with Operations. Tenant acknowledges and agrees that, if Tenant enters or occupies any portion of the Premises prior to the Lease Commencement Date pursuant to this Section 2.2.2, then: (A) Tenant shall cooperate with Landlord and Landlord's schedule of performance of the Tenant Improvements during such occupancy so that Landlord may timely perform the Tenant Improvements without interference from Tenant; (B) Landlord shall be permitted to cause the Tenant Improvements to be performed during normal business hours as reasonably necessary to complete the same in a timely manner, without any obligation to pay overtime or other premiums; (C) Tenant shall accept all inconveniences associated with the performance of the Tenant Improvements which may occur during such occupancy, including, without limitation, dust, noise, etc.; (D) Tenant, and not Landlord, shall be responsible for moving Tenant's computers, servers, copiers, furniture, fixtures and other personal property in the Premises as necessary for Landlord to perform the Tenant Improvements; (E) the performance of the Tenant Improvements shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of any rent payable pursuant to this Lease; (F) Landlord shall have no responsibility or for any reason be liable to Tenant for any injury to or interference with Tenant's business arising from the performance of the Tenant Improvements; and (G) Tenant shall not be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements therein resulting from the performance of the Tenant Improvements, or for any inconvenience or annoyance occasioned thereby, except for any injury to persons or damage to property (but not special, indirect or consequential damages) to the extent caused by Landlord's gross negligence or willful misconduct and not insured or required to be insured by Tenant under this Lease.

2.3 Early Termination Option. Tenant shall have the one (1)-time option to terminate this Lease effective as of the last day of the eighty-fourth (84th) full calendar month of the initial Lease Term (the "Termination Date"), subject to the terms of this Section 2.3 below. To exercise such termination option, Tenant must deliver to Landlord on or before September 1, 2028: (i) written notice of Tenant's exercise of such option (the "Termination Notice"); and (ii) concurrently with the Termination Notice, cash in the amount equal to the Termination Consideration. Tenant's Director of Real Estate Services Department shall have the authority on behalf of Tenant to provide Landlord with notice of any termination pursuant to this Section 2.3. As used herein, the "Termination Consideration" shall mean the sum of: (A) the unamortized Landlord Paid Tenant Improvement Costs (as defined below); plus (B) the unamortized portion of the brokerage commissions and legal fees paid or incurred by Landlord in connection with this Lease. As used herein, the "Landlord Paid Tenant Improvement Costs" shall mean the difference between (1) the Tenant Improvement Costs, and (2) the amount of the Tenant Contribution and Change Order Costs (as those terms are defined below) actually paid by Tenant. The items set forth in clauses (B) and (C) hereinabove shall be amortized on a straight-line basis over the scheduled 120 month initial Lease Term, together with interest at the rate of eight percent (8%) per annum, and the unamortized portions thereof shall be determined based upon the unexpired portion of the initial Lease Term as of the Termination Date had this Lease not been so terminated pursuant to this Section 2.3. If Tenant properly and timely exercises the termination option in this Section 2.3, then this Lease shall terminate on the Termination Date, and Tenant shall vacate and surrender exclusive possession of the Premises to Landlord on or prior to the Termination Date in accordance with the applicable provisions of this Lease. Notwithstanding the foregoing provisions of this Section 2.3 to the contrary, at Landlord's option and in addition to any and all remedies available to Landlord, Tenant shall not have the right to exercise such termination option, as provided hereinabove, if as of the date Tenant delivers the Termination Notice to Landlord, Tenant is in material default under this Lease beyond all applicable notice and cure periods. In addition, Tenant's termination option in this Section 2.3 is personal to the Original Tenant (as defined in Exhibit E), and may not be assigned or exercised, voluntarily or involuntarily, by or to, any person or entity other than the Original Tenant.

ARTICLE 3

BASE RENT

Tenant shall pay, without notice or demand, to Landlord or Landlord's agent via automated clearing house to an account designated by Landlord, in currency which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent ("Base Rent") as set forth in Section 8 of the Summary, payable in equal monthly installments as set forth in Section 8 of the Summary in arrears on or before the last day of each and every calendar month during the Lease Term, subject to any deductions, offsets, and adjustments that are permitted under this Lease, and subject further to Section 2.2.2.4 above with respect to any Early Occupancy Premises. If the Lease Commencement Date falls on a day that is other than the first (1st) day of a calendar month, then Tenant shall pay the Base Rent for such partial month to Landlord on or prior to the Lease Commencement Date. If any rental payment date (including the Lease Commencement Date) falls on a day of a calendar month other than the first (1st) day of such calendar month or if any Rent payment is for a period which is shorter than one calendar month (such as during the last month of the Lease Term), the Rent for any fractional calendar month shall be the proportionate amount of a full calendar month's rental based on the proportion that the number of days in such fractional month bears to the number of days in the calendar month during which such fractional month occurs. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis. Landlord shall complete any and all Tenant standard forms and provide all information required by Tenant to process electronic payments. In addition, on or before the date Landlord executes the Lease, Landlord shall register with Tenant's then current electronic procurement system.

ARTICLE 4

RESERVED

ARTICLE 5

USE OF PREMISES

5.1 Use. Tenant shall use the Premises solely as a government office for general office purposes for the operation of County government, all consistent with the character of the Building Complex as a first-class office building project (the "Permitted Use"), and Tenant shall not use or permit the Premises to be used for any other purpose or purposes whatsoever. The Premises shall only be used as administrative and support office for the agencies described hereinabove and by the employees of Tenant; in no event shall the Premises be open to the general public nor shall public visitation be permitted at the Premises. Tenant shall, at its sole cost and expense, obtain all governmental licenses and permits required to allow Tenant to conduct the Permitted Use. The population density within the Premises as a whole shall at no time exceed one person for each 250 rentable square feet in the Premises. Tenant shall not use, or permit any of Tenant's employees, agents, representatives, contractors, invitees or licensees to use, the Premises or any part thereof for any use or purpose: (i) contrary to the Rules and Regulations; or (ii) in violation of any applicable laws, including, without limitation, those with respect to Hazardous Materials; or (iii) which would adversely affect or render more expensive (unless Tenant directly pays to Landlord the additional premium therefor) any fire or other insurance maintained by Landlord for the Real Property or any of its contents; or (iv) which would impair or interfere with any of the Building systems and equipment or the janitorial, security and building maintenance services; or (v) which would impair or materially and adversely interfere with the structural portions of the Building including, without limitation, the foundation, floor/ceiling slabs, roof, curtain wall, exterior glass and mullions, columns, beams, shafts (including elevator shafts), stairs, Building Complex Parking Area, stairwells, elevator cabs, plazas, washrooms, mechanical, electrical and telephone

closets. Tenant shall comply with all recorded covenants, conditions, and restrictions, and the provisions of all ground leases, to the extent such documents have been provided to Tenant, now or hereafter affecting the Real Property and shall not at any time use or occupy or allow any person to use or occupy the Premises or the Real Property or do or permit anything to be done or kept in the Premises or the Real Property in any manner which: (A) violates any certificate of occupancy in force for the Premises, the Building or the Real Property; (B) causes or is likely to cause damage to the Premises or the Real Property or any equipment, facilities or other systems therein; (C) results in repeated demonstrations, bomb threats or other events which require evacuation of the Building or Real Property or otherwise disrupt the use, occupancy or quiet enjoyment of the Building or Real Property by other tenants and occupants; or (D) interferes with the transmission or reception of microwave, television, radio or other communications signals by antennae located on the roof of the Building or elsewhere in the Building or Real Property. Landlord shall not be responsible to Tenant for the nonperformance of any of Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Building.

5.2 Hazardous Materials.

5.2.1 Tenant's Covenants. Tenant shall not use or allow another person or entity to use any part of the Premises and Tenant shall not use any part of the Building or Building Complex for the storage, use, treatment, manufacture or sale of Hazardous Materials. Landlord acknowledges, however, that Tenant will maintain ordinary office products in the Premises which are incidental to the operation of its offices, such as photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Materials. Landlord agrees that the use of such products in the Premises in compliance with all applicable laws and in the manner in which such products are designed to be used shall not be a violation by Tenant of this Section 5.2.1. Tenant shall immediately notify Landlord of any inquiry, test, investigation or enforcement proceeding by or against Tenant or the Premises concerning the presence of any Hazardous Material. Tenant shall promptly take all actions, at its sole cost and expense, as are necessary to return the Premises, the Building and the Real Property to the condition existing prior to the introduction of any Hazardous Materials by Tenant or the contractors, agents, employees, licensees or invitees of Tenant, provided Landlord's approval of such actions shall first be obtained. If Tenant shall fail to comply with the provisions of this Section 5.2 within five (5) days after written notice by Landlord, or such shorter period of time as shall be required by applicable laws in order to minimize any hazard to persons or property, Landlord may (but shall not be obligated to) arrange for such compliance directly or as Tenant's agent through contractors or other parties selected by Landlord, at Tenant's expense (without limiting Landlord's other remedies under this Lease or applicable laws). In addition, Tenant shall indemnify, defend, protect and hold harmless the Landlord Parties (as defined below) from and against any and all Claims (as defined below) incurred in connection with and directly related to a violation of this Section 5.2 by Tenant, or any person claiming by, through or under Tenant, or of the contractors, agents, employees, licensees or invitees of Tenant. The provisions of this Section 5.2.1 shall survive the expiration or sooner termination of this Lease with respect to any Claims in violation of this Section 5.2.1 occurring prior to such expiration or termination.

5.2.2 Landlord's Representations and Covenants. Landlord hereby represents and warrants to Tenant that, to Landlord's actual knowledge without duty of investigation or inquiry, as of the date of execution of this Lease, the Building and the Real Property do not currently contain any Hazardous Materials in violation of existing applicable Environmental Laws, except as described in any environmental documents made available to Tenant. As used in this Lease, the phrase "actual knowledge" shall mean the actual present knowledge of Joon Choi ("Landlord's Representative"), without investigation or inquiry or duty of investigation or inquiry. Such reference to Landlord's Representative shall not, however, create or result in any liability of Landlord's Representative for any breach of Landlord's representations and warranties in this Section 5.2.2 and Landlord (and not such individuals) shall be solely liable in the event of any such breach. If it is discovered that, through no fault of Tenant or the Tenant Parties (as defined in

Section 10.1 below), any Hazardous Materials (i) exist in, on, under or at the Building or the Real Property (excluding the Premises and premises of other tenants), or (ii) exist in the Premises as of the Lease Commencement Date in violation of applicable Environmental Laws in effect as of such date, Landlord shall take all necessary steps to remediate the Hazardous Materials as required by and in compliance with applicable Environmental Laws, all at Landlord's cost; and (B) Tenant shall, at its cost, be responsible for such remediation to the extent (1) Tenant or any of the Tenant Parties introduced the Hazardous Materials or exacerbated an existing Hazardous Materials problem known to Tenant, and/or (2) such remediation pertains to Hazardous Materials located within the Premises due to the action of Tenant or the Tenant Parties and is required to comply with Environmental Laws enacted or amended after the Lease Commencement Date.

5.2.3 Definition of Hazardous Materials. As used herein, the term "Hazardous Materials" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government, including, without limitation, any material or substance which is (i) defined or listed as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance" or "hazardous material" under any applicable federal, state or local law or administrative code promulgated thereunder, (ii) petroleum, or (iii) asbestos.

ARTICLE 6

SERVICES AND UTILITIES

6.1 Standard Tenant Services. Landlord shall provide the following services on all days during the Lease Term, unless otherwise stated below.

6.1.1 Subject to all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating, ventilation and air conditioning ("HVAC") when necessary for normal comfort for normal office use in the Premises, from Monday through Friday during the period from 7:00 a.m. to 5:30 p.m. (collectively, the "Building Hours"), except for the date of observation of nationally and/or locally recognized holidays as designated by Landlord and communicated to Tenant (collectively, the "Holidays"). Notwithstanding the foregoing, if during the Lease Term Landlord permits Tenant to install one (1) or more independent heating, HVAC units (collectively, the "Supplemental HVAC Units") in the Premises pursuant to Article 8 below for Tenant's exclusive use within the Premises, then the electrical usage for the Supplemental HVAC Units shall be separately metered or submetered, at Tenant's sole cost and expense, and Tenant shall, within thirty (30) days after Tenant's receipt of invoice therefor from Landlord, pay to Landlord or reimburse Landlord for the actual electrical costs charged by the entity providing electricity to the Supplemental HVAC Units. Tenant shall be responsible for repair and maintenance of the Supplemental HVAC Units at Tenant's expense and, accordingly, Tenant shall, throughout the Lease Term, maintain a service and/or maintenance contract for the Supplemental HVAC Units, with a service provider reasonably approved by Landlord, which service provider shall perform all maintenance and repair on the Supplemental HVAC Units. Tenant shall provide to Landlord a copy of periodic service reports for the Supplemental HVAC Units, as such reports are received by Tenant.

6.1.2 Landlord shall provide adequate electrical wiring and facilities and power for normal general office use as determined by Landlord. Landlord shall replace lamps, starters and ballasts for Building standard lighting fixtures within the Premises. Tenant shall bear the cost of replacement of lamps, starters and ballasts for non-Building standard lighting fixtures within the Premises.

6.1.3 Landlord shall provide city water from the regular Building outlets for drinking, lavatory and toilet purposes.

6.1.4 Landlord shall provide janitorial services five (5) days per week, except the date of observation of the Holidays, in and about the Premises

6.1.5 Landlord shall provide nonexclusive automatic passenger elevator service at all times.

6.2 Over Standard Tenant Use. Tenant shall not, without Landlord's prior written consent, use heat-generating machines, machines other than normal fractional horsepower office machines, or equipment or lighting other than building standard lights in the Premises, which may affect the temperature otherwise maintained by the air conditioning system or increase the need for water normally furnished for the Premises by Landlord pursuant to the terms of Section 6.1 above. If Tenant uses water or HVAC in excess of that supplied by Landlord pursuant to Section 6.1 above, or if Tenant's consumption of electricity shall exceed standard usage for office tenants located in comparable office buildings in San Bernardino, California, then Tenant shall pay to Landlord, within ten (10) days after billing, the cost of such excess consumption, the cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord may install devices to separately meter any increased use and in such event Tenant shall pay the increased cost directly to Landlord, within ten (10) days after demand, including the cost of such additional metering devices. If Tenant desires to use HVAC from other than the Supplemental HVAC Units (if applicable) during hours other than the Building Hours, (i) Tenant shall give Landlord such prior notice, as Landlord shall from time to time establish as appropriate, of Tenant's desired use, (ii) Landlord shall supply such after-hours HVAC to Tenant at such hourly cost to Tenant as Landlord shall from time to time establish (which is currently \$65.00 per hour), and (iii) Tenant shall pay such cost to Landlord within ten (10) days after billing.

6.3 Interruption of Use. Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Real Property after reasonable effort to do so, by any accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause beyond Landlord's reasonable control; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6. Further, in the event any governmental authority or public utility promulgates or revises any law, ordinance, rule or regulation, or issues mandatory controls or voluntary controls relating to the use or conservation of energy, water, gas, light or electricity, the reduction of automobile or other emissions, or the provision of any other utility or service, Landlord may take any reasonably appropriate action to comply with such law, ordinance, rule, regulation, mandatory control or voluntary guideline and Tenant's obligations hereunder shall not be affected by any such action of Landlord. The parties acknowledge that safety and security devices, services and programs provided by Landlord, if any, while intended to deter crime and ensure safety, may not in given instances prevent theft or other criminal acts, or ensure safety of persons or property. The risk that any safety or security device, service or program may not be effective, or may malfunction, or be circumvented by a criminal, is assumed by Tenant with respect to Tenant's property and interests, and Tenant shall obtain insurance coverage to the extent Tenant desires protection against such criminal acts and other losses, as further described in this Lease. Tenant agrees to cooperate in any reasonable safety or security program developed by Landlord or required by law.

6.4 Additional Services. Landlord shall also have the exclusive right, but not the obligation, to provide any additional services which may be required by Tenant, including, without limitation, locksmithing, additional janitorial service, and additional repairs and maintenance, provided that Tenant shall pay to Landlord, within ten (10) days after billing, and as additional rent hereunder, the sum of all costs to Landlord of such additional services plus a five percent (5%) administration fee.

6.5 Access to Building and Building Complex Parking Area. Subject to the other provisions of this Lease (including, without limitation, the Rules and Regulations and any modifications thereof adopted by Landlord from time to time), Tenant shall be granted access to the Building and the Premises twenty-four (24) hours per day, seven (7) days per week, every day of the year.

ARTICLE 7

REPAIRS

7.1 Tenant's Repairs. Subject to Landlord's repair obligations in Sections 7.2 and 11.1 below, Tenant shall, at Tenant's own expense, keep the Premises, including all improvements, fixtures and furnishings therein and all electrical, plumbing, HVAC, mechanical, fire/life-safety, and other utility systems (and portions thereof) (including, without limit, supplemental HVAC units, garbage disposals, refrigerator water lines, insta-hot units and insta-hot water lines) located in and/or exclusively serving the Premises, in good order, repair and condition at all times during the Lease Term, which repair obligations shall include, without limitation, the obligation to promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances; provided however, that, at Landlord's option, or if Tenant fails to make such repairs, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including a percentage of the cost thereof (to be uniformly established for the Building) sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from Landlord's involvement with such repairs and replacements forthwith upon being billed for same.

7.2 Landlord's Repairs. Anything contained in Section 7.1 above to the contrary notwithstanding, and subject to Articles 11 and 12 below, Landlord shall repair and maintain the structural portions of the Building and the basic plumbing, HVAC, electrical, and other utility systems serving the Building (other than those portions of such systems located in and/or exclusively serving the Premises); provided, however, to the extent such maintenance and repairs are caused by the act, neglect, fault of or omission of any duty by Tenant, its agents, contractors, employees, licensees or invitees, Tenant shall pay to Landlord, as additional rent, the reasonable cost of such maintenance and repairs. There shall be no abatement of Rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of or failure to make any repairs, alterations or improvements in or to any portion of the Premises, Building or Real Property or in or to fixtures, appurtenances and equipment therein. Tenant hereby waives and releases its right to make repairs at Landlord's expense under Sections 1941 and 1942 of the California Civil Code, or under any similar law, statute, or ordinance now or hereafter in effect.

ARTICLE 8

ADDITIONS AND ALTERATIONS

8.1 Landlord's Consent to Alterations. Tenant may not make any improvements, alterations, additions or changes to the Premises (collectively, the "Alterations") without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) days prior to the commencement thereof, and which consent shall not be unreasonably withheld by Landlord but may be subject to reasonable requirements as Landlord may impose in its sole discretion;

provided, however, Landlord may withhold its consent in its sole and absolute discretion with respect to any Alterations which (i) may adversely affect the structural components of the Building, and/or the Building's mechanical, electrical, plumbing, HVAC, or fire/life safety systems, or (ii) are visible from or affect any area located outside the Premises (collectively, the "Restricted Alterations"). Notwithstanding the foregoing to the contrary, Tenant may make non-structural Alterations to the interior of the Premises (collectively, the "Acceptable Changes") without Landlord's consent, provided that (A) Tenant delivers to Landlord written notice of such Acceptable Changes (together with plans and specifications therefor) at least ten (10) business days prior to the commencement thereof, (B) the cost of all Acceptable Changes does not in the aggregate exceed \$50,000.00 in any consecutive six (6) month period (but there shall be no cap on the cost of any purely cosmetic or decorative interior non-structural changes made to the Premises [such as, for example, painting and carpeting work]), (C) such Acceptable Changes shall be performed by or on behalf of Tenant in compliance with the other provisions of this Article 8, (D) such Acceptable Changes do not require the issuance of a building permit or other governmental approval, (E) such Acceptable Changes are not Restricted Alterations, and (F) such Acceptable Changes shall be performed by qualified contractors and subcontractors who normally and regularly perform similar work in the Comparable Buildings. Tenant shall pay for all overhead, general conditions, fees and other costs of the Alterations, and shall pay to Landlord a Landlord supervision fee of five percent (5%) of the cost of the Alterations; provided, however, no such administrative fee shall be charged with respect to any Acceptable Changes.

8.2 Manner of Construction. Tenant shall construct such Alterations and perform such repairs in compliance with all applicable laws and pursuant to a valid building permit, issued by the City of San Bernardino, California, and in conformance with Landlord's construction rules and regulations. All work with respect to any Alterations must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall always be a complete unit except during the period of work. Tenant shall cause all Alterations to be performed in such manner as not to obstruct access by any person to the Building or Building Complex or the common areas, and as not to obstruct the business of Landlord or other tenants in the Building Complex, or interfere with the labor force working at the Building Complex or Real Property. If Tenant makes any Alterations, Tenant agrees to carry "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may reasonably require, it being understood and agreed that all of such Alterations shall be insured by Tenant pursuant to Article 10 below immediately upon completion thereof. With respect to Alterations costing in excess of \$75,000.00, Landlord may, in its discretion, require Tenant to obtain a lien and completion bond or some alternate form of security reasonably satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations and naming Landlord as a co-obligee. Upon completion of any Alterations, Tenant shall (i) cause a timely Notice of Completion to be recorded in the office of the Recorder of the County in which the Building Complex is located in accordance with the terms of Section 8182 of the Civil Code of the State of California or any successor statute, (ii) deliver to the Building Complex management office a reproducible copy of the "as built" drawings of the Alterations, and (iii) deliver to Landlord evidence of payment, contractors' affidavits and full and final waivers of all liens for labor, services or materials.

8.3 Landlord's Property. All Alterations and improvements which may be installed or placed in or about the Premises shall be at the sole cost of Tenant and shall be and become the property of Landlord. Notwithstanding the foregoing, Landlord may, by written notice to Tenant prior to the end of the Lease Term, require Tenant at Tenant's expense to remove any improvements or Alterations from the Premises and repair any damage to the Premises and Building caused by such removal. If Tenant fails to complete such removal and/or repair by the end of the Lease Term, Landlord may do so and may charge the cost thereof to Tenant.

8.4 Tenant Improvements.

8.4.1 Tenant Improvements. Landlord and Tenant acknowledge that the Premises have previously been constructed including interior tenant improvements therein, and is satisfactory and shall be accepted by Tenant in its "AS IS" condition as of the date of execution of this Lease and on the Lease Commencement Date; provided, however, (i) Tenant has requested that Landlord cause to be performed certain substantial improvements to the interior of the Premises after the mutual execution and delivery of this Lease necessary to put the same into a move-in ready condition for Tenant, and (ii) Landlord has agreed to the design, permitting and construction of such improvements and directly retain the architects, engineers, contractors and consultants (collectively, "Landlord's Vendors") necessary to so design, permit and construct such improvements, subject and pursuant to the terms of this Section 8.4.

8.4.2 Construction Drawings for the Premises. Prior to the execution of the Lease, Landlord and Tenant have approved the detailed space plan and/or pricing plan (as the case may be) for the construction of certain improvements in the Premises, which space plan and/or pricing plan (as the case may be) has been prepared by Pacific Interior Design, last revised October 17, 2022 (the "Final Space Plan"); a copy of the Final Space Plan is attached as Exhibit G to this Lease. Based upon and in conformity with the Final Space Plan, Landlord shall cause its architect and engineers to prepare and deliver to Tenant, for Tenant's approval, detailed specifications and engineered working drawings for the tenant improvements shown on the Final Space Plan (the "Working Drawings"). The Working Drawings shall incorporate modifications to the Final Space Plan as necessary to comply with the floor load and other structural and system requirements of the Building. To the extent that the finishes and specifications are not completely set forth in the Final Space Plan for any portion of the tenant improvements depicted thereon, the actual specifications and finish work shall be in accordance with the Building-standard specifications, as determined by Landlord. Within three (3) business days after Tenant's receipt of the Working Drawings, Tenant shall approve or disapprove the same, which approval shall not be unreasonably withheld; provided, however, that Tenant may only disapprove the Working Drawings to the extent such Working Drawings are inconsistent with the Final Space Plan and only if Tenant delivers to Landlord, within such three (3) business day period, specific changes proposed by Tenant that are consistent with the Final Space Plan and do not constitute changes which would result in or constitute a Design Problem (as defined below). If any such revisions are timely and properly proposed by Tenant, Landlord shall cause its architect and engineers to revise the Working Drawings to incorporate such revisions and submit the same for Tenant's approval in accordance with the foregoing provisions, and the parties shall follow the foregoing procedures for approving the Working Drawings until the same are finally approved by Landlord and Tenant. Upon Landlord's and Tenant's approval of the Working Drawings, the same shall be known as the "Approved Working Drawings". The Final Space Plan, Working Drawings and Approved Working Drawings (as the same may be modified) shall be collectively referred to herein as, the "Construction Drawings". The tenant improvements shown on the Approved Working Drawings shall be referred to herein as the "Tenant Improvements".

8.4.3 Construction of Tenant Improvements. Subject to the terms contained below, Landlord shall cause a general contractor designated by Landlord (the "Contractor") to (i) obtain all applicable building permits for construction of the Tenant Improvements, and (ii) construct the Tenant Improvements as depicted on the Approved Working Drawings, in compliance with such building permits and all applicable laws in effect at the time of construction, and in good workmanlike manner.

8.4.4 Tenant Improvement Costs. As used herein, the "Tenant Improvement Costs" shall mean all of those costs incurred by Landlord for or in connection with the design, permitting and construction of the Tenant Improvements, including, without limit, costs payable by Landlord to third parties to prepare the Construction Drawings and other plans and specifications for the Tenant Improvements, to expedite the receipt of permits for the Tenant Improvements, to manage or supervise the Contractor and other Landlord's Vendors on Landlord's behalf, and to provide the labor, materials and equipment necessary to perform the Tenant Improvements (including all overhead, profit, general

conditions and any other markups charged by such third parties thereon). Tenant shall be responsible for the following Tenant Improvement Costs: (A) a fixed contribution of One Million Four Hundred Eight Thousand Eight Hundred Seventy-Nine and 00/100 Dollars (\$1,408,879.00) (the "Tenant Contribution"); and (B) all costs incurred by Landlord to design, permit and construct any Change Orders (as defined below). Tenant shall pay the remaining balance of the Tenant Contribution to Landlord not yet paid by Tenant pursuant to Section 2.2.2.3 above (or otherwise) on or prior to the date that is ninety (90) days after the Lease Commencement Date. Tenant shall pay for all costs incurred by Landlord to design, permit and construct any Change Orders pursuant to and in accordance with the terms of Section 8.4.5 below.

8.4.5 Change Orders. If Tenant's authorized representative requests any new work not identified in the Final Space Plan (or, after the parties' approval thereof, the Approved Working Drawings), then this proposed new work will be classified as a "Proposed Change Order" and Tenant shall provide Landlord with proposed specifications for the Proposed Change Order for Landlord's review and approval. Except as otherwise provided hereinbelow, Landlord may not unreasonably withhold, condition or delay Landlord's consent to a Proposed Change Order; notwithstanding the foregoing, Landlord's consent may be withheld in Landlord's sole discretion if such change or modification would: (i) delay the Substantial Completion of the Premises; (ii) increase the costs of the design, permitting and construction of the Tenant Improvements above the costs of the design, permitting and construction of those tenant improvements depicted in the Final Space Plan; (iii) be of a quality lower than the quality of the standard improvement package items for the Building; (iv) adversely affect the structural components of the Building and/or the Building's mechanical, electrical, plumbing, HVAC, or fire/life safety systems; and/or (v) be visible from or affect any area located outside of the Premises (each of (i) through (v) hereinabove, a "Design Problem"). Landlord shall notify Tenant within ten (10) days after Landlord's receipt of such Proposed Change Order and the proposed specifications therefor if Landlord approves or disapproves of the same; Landlord's failure to so notify Tenant of Landlord's approval or disapproval of the Proposed Change Order and the proposed specifications therefor within such 10-day period shall be deemed Landlord's disapproval of the same. If Landlord does not approve of such Proposed Change Order or the proposed specifications therefor, then Landlord shall have no obligation to perform the Proposed Change Order work as part of the Tenant Improvements. If Landlord approves of such Proposed Change Order and the proposed specifications therefor, then Landlord will work with Landlord's Vendors to provide pricing for such Proposed Change Order prior to commencing any such Proposed Change Order work. Upon Tenant's approving the estimated costs for the Proposed Change Order work (the "Estimated Change Order Costs"), the parties will execute a written Change Order memorializing such Proposed Change Order Work in a writing executed by Landlord and Tenant (a "Change Order") and adding such Change Order work to the Tenant Improvements; concurrently with Tenant's execution of such Change Order and as a condition to Landlord's obligation to commence performing such Change Order work, Tenant shall supply Landlord with cash in an amount equal to the Estimated Change Order Costs. Landlord will thereafter contract direct with Landlord's Vendors to commence and complete the agreed Change Order work. All costs incurred by Landlord to design, permit and construct such Change Order work shall be referred to herein as "Change Order Costs". If, after the mutual execution of a Change Order and Tenant's payment of the Estimated Change Order Costs therefor, Landlord reasonably estimates that the actual Change Order Costs will exceed the Estimated Change Order Costs previously paid by Tenant, then Tenant shall pay Landlord the difference within ten (10) days following Landlord's demand therefor. Within a commercially reasonable time following Landlord's final completion of the Tenant Improvements, Landlord shall perform a reconciliation of the actual Change Order Costs for all Change Orders incurred by Landlord with those paid by Tenant; if, based on such reconciliation, (1) Landlord determines that Tenant has overpaid the actual Change Order Costs, then Landlord shall apply the excess against the Rent next due and payable by Tenant under this Lease or (2) Landlord determines that Tenant has underpaid the actual Change Order Costs, then Tenant shall pay the deficiency to Landlord within thirty (30) days following Tenant's receipt of such reconciliation. Tenant's authorized representative may process one or more Change Orders in accordance with this paragraph, provided that any proposed Change Order(s) that cause the cumulative total of all approved

Change Orders to exceed Fifty Thousand and 00/100 Dollars (\$50,000.00) shall only be approved by a formal amendment to the Lease that is mutually executed by the parties.

8.4.6 Transfer during Construction. Landlord understands and agrees that from the time that this Lease is executed through the completion of the Tenant Improvements, Landlord shall not assign or transfer a controlling interest in the Premises to a third party, without first notifying Tenant of such transfer in writing.

8.4.7 No Unauthorized Modifications. Except for approved Change Orders, Landlord understands and agrees not to make any material modifications to the Approved Working Drawings for the Tenant Improvements as set forth in this Lease without first obtaining approval of Tenant in writing. Any material modifications to the Approved Working Drawings, without first acquiring said approval, will be at the expense of the Landlord and not Tenant.

8.4.8 Prevailing Wage. In performing the Tenant Improvements, Landlord shall comply with the provisions of the California Public Contract Code 22000 through 22045 regarding bidding procedures and Labor Code Section 1720.2 and 1770 et seq. regarding general prevailing wages, including, but not limited to, those requirements set forth on Exhibit F, attached hereto and incorporated herein by reference. Landlord shall indemnify, defend (with counsel reasonably approved by Tenant) and hold harmless Tenant Parties from any and all claims, actions, losses, damages and/or liability arising out of or related to the obligations set forth in this Section 8.4.8. Landlord's indemnity obligations shall survive the expiration or earlier termination of this Lease and such obligations shall not be limited by the existence or availability of insurance.

8.4.9 Ready for Occupancy; Substantial Completion. For purposes of this Lease: (i) the Premises shall be "Ready for Occupancy" upon Substantial Completion of the Premises; and (ii) "Substantial Completion of the Premises" shall occur upon the completion of construction of the Tenant Improvements in the Premises pursuant to the Approved Working Drawings, with the exception of any punch list items and any tenant fixtures, work-stations, built-in furniture, or equipment to be installed by a Tenant or under the supervision of the Contractor.

8.4.10 Delay of the Substantial Completion of the Premises. If there shall be a delay or there are delays in the Substantial Completion of the Premises as a result of any of the following (collectively, "Tenant Delays"):

- (i) Tenant's failure to timely approve the Working Drawings or any other matter requiring Tenant's approval;
- (ii) a breach by Tenant of the terms of this Lease;
- (iii) Tenant's request for changes in any of the Construction Drawings or any Proposed Change Orders or actual Change Orders;
- (iv) Tenant's requirement for materials, components, finishes or improvements which are not available in a commercially reasonable time given the estimated date of Substantial Completion of the Premises, as set forth in the Lease, or which are different from, or not included in, Landlord's standard improvement package items for the Building;
- (v) changes to the base, shell and core work, structural components or structural components or systems of the Building required by the Approved Working Drawings; or

(vi) any changes in the Construction Drawings and/or the Tenant Improvements required by applicable laws if such changes are directly attributable to Tenant's use of the Premises or Tenant's specialized tenant improvement(s) (as determined by Landlord); or

(vii) any other acts or omissions of Tenant, or its agents, or employees;

then, notwithstanding anything to the contrary set forth in this Lease and regardless of the actual date of Substantial Completion of the Premises, the Lease Commencement Date (as set forth in Section 7.2 of the Summary) shall be deemed to be the date the Lease Commencement Date would have occurred if no Tenant Delay or Delays, as set forth above, had occurred.

8.4.11 Tenant's Representative. Tenant has designated Terry W. Thompson, Director of the Real Estate Services Department (RESD) or any RESD agent that is designated during the term of the Lease, as its sole representative with respect to the matters set forth in this Section 8.4, who shall have the Tenant's authority and responsibility to act on behalf of the Tenant as required in this Section 8.4.

8.4.12 Landlord's Representative. Landlord has designated Desiree Lavin-Glover of Tiarna Real Estate Services, Inc., as its sole representative with respect to the matters set forth in this Section 8.4, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Section 8.4.

8.4.13 Tenant's Lease Default. Notwithstanding any provision to the contrary contained in this Lease, if an event of default by Tenant of this Lease has occurred at any time on or before Substantial Completion of the Premises, then (i) in addition to all other rights and remedies granted to Landlord pursuant to this Lease, at law and/or in equity, Landlord shall have the right to cause the Contractor to cease the construction of the Premises (in which case, Tenant shall be responsible for any delay in the Substantial Completion of the Premises caused by such work stoppage as a Tenant Delay as set forth in Section 8.4.9 above), and (ii) all other obligations of Landlord under the terms of this Section 8.4 shall be forgiven until such time as such default is cured pursuant to the terms of this Lease (in which case, Tenant shall be responsible for any delay in the Substantial Completion of the Premises caused by such inaction by Landlord as a Tenant Delay). In addition, if the Lease is terminated prior to the Lease Commencement Date, for any reason due to a default by Tenant as described in Section 19.1 below, in addition to any other remedies available to Landlord under this Lease, at law and/or in equity, Tenant shall pay to Landlord, as Additional Rent under the Lease, within five (5) business days after Tenant's receipt of a statement therefor, any and all costs incurred by Landlord (including any portion of the Allowance disbursed by Landlord) and not reimbursed or otherwise paid by Tenant through the date of such termination in connection with the Tenant Improvements to the extent planned, installed and/or constructed as of such date of termination, including, but not limited to, any costs related to the removal of all or any portion of the Tenant Improvements and restoration costs related thereto.

ARTICLE 9

COVENANT AGAINST LIENS

Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon the Real Property or any portion thereof, and any and all liens and encumbrances created by Tenant shall attach to Tenant's interest only, and no work performed by, through, under or for Tenant pursuant to this Lease shall be deemed to be for the immediate use or benefit of Landlord to the end that no mechanic's or other liens shall be allowed against the estate of Landlord by reason of any consent given by Landlord to Tenant to improve the Premises. Landlord shall have the right at all times to post and keep posted on the

Premises any notice which it deems necessary for protection from such liens. Tenant shall not cause or permit any lien of mechanics or materialmen or others to be placed against the Real Property or any portion thereof, with respect to work or services claimed to have been performed for or materials claimed to have been furnished to Tenant or the Premises, and, in case of any such lien attaching or notice of any lien, Tenant shall cause it to be immediately released and removed of record. If such lien is not released and removed within five (5) business days after notice of such lien is delivered by Landlord to Tenant, then Landlord may, at its option take all action necessary to release and remove such lien, without any duty to investigate the validity thereof, and all sums, costs and expenses, including reasonable attorneys' fees, incurred by Landlord in connection with such lien shall be deemed additional rent under this Lease and shall immediately be due and payable by Tenant.

ARTICLE 10

INSURANCE

10.1 **Indemnification and Waiver.** Subject to the provisions set forth below in this Section 10.1, Tenant hereby assumes all risk of damage to property and injury to persons in, on or about the Premises from any cause whatsoever, and agrees that Landlord, Landlord's property manager, mortgagees of Landlord and its affiliates, the successors and assigns, and members, partners, sub-members and sub-partners, direct and indirect affiliates, of each of the foregoing, and, with respect to each of the foregoing, its managers, officers, directors, employees, and agents (collectively, the "Landlord Parties") shall not be liable for, and are hereby released from any responsibility for, any damage or injury either to person or property or resulting from the loss of use thereof, which damage or injury is sustained by Tenant or by other persons claiming through Tenant. To the extent permitted by law, Tenant shall indemnify, defend, protect and hold harmless the Landlord Parties from and against any and all loss, cost, damage, expense, claims and liability, including without limitation court costs and reasonable attorneys' fees (collectively "Claims") incurred in connection with or arising from any cause in, on or about the Premises, and/or any acts, omissions or negligence of Tenant or of any person claiming by, through or under Tenant, or of the contractors, agents, employees, licensees or invitees of Tenant. Notwithstanding the foregoing provisions of this Section 10.1 to the contrary: (i) except for lost profits, loss of business or other consequential damages (collectively, "Consequential Damages") incurred or suffered by Tenant or Tenant's contractors, agents, employees, licensees or invitees, the assumption of risk and release by Tenant set forth hereinabove shall not apply to any Claims to the extent resulting from the gross negligence or willful misconduct of Landlord or the Landlord Parties and not insured or required to be insured by Tenant under this Lease (collectively, the "Excluded Claims"); and (ii) Tenant's indemnity of Landlord hereinabove shall not apply to (A) any Excluded Claims, or (B) any loss of or damage to Landlord's property to the extent Landlord has waived such loss or damage pursuant to Section 10.4 below. In addition, Landlord shall indemnify, defend, protect and hold Tenant and Tenant's officers, directors, shareholders, agents, employees and independent contractors (collectively, the "Tenant Parties") harmless from and against all such Excluded Claims, except for (1) any loss or damage to Tenant's property to the extent Tenant has waived such loss or damage pursuant to Section 10.4 below, and (2) any Consequential Damages. Each party's agreement to indemnify the other pursuant to this Section 10.1 is not intended to and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant and/or Landlord, as applicable, pursuant to the provisions of this Lease. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease with respect to any Claims occurring prior to such expiration or termination.

10.2 **Landlord's Insurance; Tenant's Compliance with Landlord's Insurance.** Landlord shall carry Commercial General Liability Insurance during the Lease Term in the same minimum amounts required by Tenant under this Lease, and Physical Damage Insurance ("special form" policy) insuring the Building and the Building Complex (except, at Landlord's option, with respect to the items required to be insured by Tenant pursuant to Section 10.3.2 below) during all of the Lease Term (for the full replacement

value) against loss or damage due to fire and other casualties covered within the classification of fire and extended coverage, vandalism coverage and malicious mischief, sprinkler leakage, water damage and special extended coverage. Such coverage shall be in such amounts, from such companies, and on such other terms and conditions, as Landlord may from time to time reasonably determine; provided, however, that Landlord's commercial general liability insurance shall, at all times during the Lease Term, be in amounts at least equal to those amounts required to be carried by Tenant under Section 10.3.1 below. Additionally, at the option of Landlord, such insurance coverage may include the risks of earthquakes and/or flood damage and additional hazards, a rental loss endorsement and one or more loss payee endorsements in favor of the holders of any mortgages or deeds of trust encumbering the interest of Landlord in the Real Property or any ground or underlying lessors of the Building, or any portion thereof. Tenant shall, at Tenant's expense, comply as to the Premises with all insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for any insurance policies carried by Landlord, then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body.

10.3 Tenant's Insurance.

10.3.1 Required Coverages. Tenant shall obtain and maintain in full force and effect the following coverages in the following amounts at all times following the date (the "Insurance Start Date") which is the earlier of (i) Tenant's entry into the Premises to perform any work therein, or (ii) the Lease Commencement Date, and continuing thereafter throughout the Lease Term and including any period during which Tenant holds over after the expiration of the Lease Term.

(i) Commercial general liability insurance written on the current ISO CG 00 01 occurrence form or an equivalent reasonably acceptable to Landlord (the "CGL"), (a) covering liability arising from bodily injury (including mental anguish and death), property damage liability (including coverage for explosion, collapse and underground property), personal injury liability, premises (including the use or occupancy of the Premises, any parking areas in the Building Complex that Tenant is authorized to use, and any other areas of the Building Complex outside the Premises that Tenant is authorized to use temporarily), operations, independent contractors, personal and advertising injury, and liability assumed under an insured contract (with this Lease included as an insured contract), (b) with limits of not less than the greater of (1) \$1,000,000 each occurrence, \$1,000,000 personal and advertising injury, \$2,000,000 general aggregate, and \$2,000,000 products-completed operations aggregate and (2) the limits Tenant actually carries, (c) with defense provided in addition to policy limits, (d) with a standard ISO separation of insureds provision or a substantially similar provision, and (e) including the Additional Insureds (as defined below) as additional insureds for the full policy limits, using ISO additional insured endorsement ISO CG 20 11 or an equivalent acceptable to Landlord, providing the Additional Insureds with coverage as broad as that granted to the named insureds, and not contain any limitation or exclusion due to the requirement of contractual privity between any such person or organization required to be included as an additional insured and the named insured. If the additional insured endorsement restricts the Additional Insureds' coverage under the CGL to liability arising out of the ownership, maintenance or use of premises described in the endorsement, then the description of these premises in the endorsement must include the Premises, any parking areas in the Building Complex that Tenant is authorized to use, and any other areas of the Building Complex outside the Premises that Tenant is authorized to use temporarily. The CGL must not include a "designated premises" endorsement that limits Tenant's coverage under the CGL to matters related to the Premises. The CGL must apply as primary and non-contributing insurance with respect to any other insurance afforded to the Additional Insureds. The CGL's general aggregate limit must apply separately to the Premises on a "per location" basis. Such policy shall be maintained for the greater of the period under which a claim may be properly asserted under the applicable statute of limitation or

repose and shall be endorsed to provide a full waiver of subrogation in favor of Additional Insureds by means of the ISO CG 24 04 endorsement (or its equivalent). The "Additional Insureds" are as follows: Landlord; Landlord's property manager; mortgagees of Landlord and its affiliates; other entities or individuals Landlord may designate from time to time to be included as additional insureds (*e.g.*, by requiring that they be listed as additional insureds on Tenant's certificate of insurance); the successors and assigns, and direct and indirect affiliates, of each of the foregoing; and, with respect to each of the foregoing, its respective members, partners, sub-members, sub-partners, shareholders, managers, officers, directors, employees, and agents.

(ii) Automobile liability insurance, covering vehicles owned by Tenant, non-owned vehicles used by Tenant, and vehicles hired by Tenant, with policy limits of not less than \$1,000,000 per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance, and use of those motor vehicles. Tenant shall cause the Additional Insureds to be included as additional insureds under this policy.

(iii) Workers' compensation and employers' liability insurance for all persons Tenant employs or uses for labor. The workers compensation insurance must comply with all applicable statutory requirements. The employers' liability insurance must have limits of not less than \$1,000,000 each employee per accident, \$1,000,000 each employee by disease, and \$1,000,000 policy limit by disease or such other limits that are required to trigger the commercial excess or umbrella liability insurance. If Tenant uses borrowed employees (including employees from a temporary employment agency) at the Premises, it shall require the primary employer to provide an alternate employer endorsement showing Tenant in the schedule as the alternate employer.

(iv) Commercial excess or umbrella liability insurance with respect to Tenant's CGL, automobile, liquor liability (if applicable) and employers' liability insurance, with a limit of not less than \$5,000,000 each occurrence and \$5,000,000 in the annual aggregate. This insurance must be at least as broad as the underlying coverages, and must (with respect to Tenant's CGL, liquor liability (if applicable), and automobile insurance) include the Additional Insureds as additional insureds on a primary and non-contributory basis, and must be endorsed to provide that the coverage provided by such insurance is primary to, and non-contributory with, any other insurance of Additional Insureds, whether such other insurance is primary, excess, or on any other basis. Said endorsement must cause the umbrella/excess liability coverage to be vertically exhausted, whereby such coverage is not subject to any "Other Insurance" provision under Tenant's CGL, automobile liability, employers' liability, or umbrella/excess liability policies. Notwithstanding the specified minimum limits in this Section 10.3.1 for primary CGL, automobile, and employers' liability insurance and the separate specified minimum limit for commercial excess or umbrella liability insurance, in each case this Section 10.3.1 is to be construed as requiring only the combined primary and excess/umbrella minimum limit and that combined minimum limit may be achieved with any combination of primary and excess or umbrella insurance.

(v) Liquor liability insurance, if (a) Tenant conducts any activities at the Premises or Building Complex at which alcoholic beverages are given, sold or served, and (b) Tenant's CGL policy includes a "liquor liability" exclusion that applies even if the insured is not in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. This insurance must have a limit of not less than \$2,000,000 and must include Landlord and the other Additional Insureds as additional insureds.

(vi) Commercial property insurance on an "all risks" form covering (a) all office furniture, trade fixtures, office equipment (including electronic data processing equipment), electronic data and media, inventory, merchandise, business records, and all other items of Tenant's

property on the Premises installed by, for, or at the expense of Tenant, and (b) all tenant improvements, Alterations and other improvements and additions in and to the Premises, including any improvements, alterations or additions installed above the ceiling of the Premises or below the floor of the Premises against, at a minimum, the perils insured under the ISO special causes of loss form (CP 10 30) or its equivalent. The policy must also include coverage for vandalism and malicious mischief, sprinkler leakage, earthquake damage, leakage from any window or sill, and all other types of water damage, including bursting, leaking, or stoppage of pipes. This insurance must cover the full replacement cost of the property insured, and any coinsurance requirement in the policy must be eliminated through the attachment of an agreed amount endorsement, the activation of an agreed value option, or as is otherwise appropriate under the particular policy form. The policy must include coverage for the loss of business income and extra expenses for not less than 12 months following an insured casualty and include a 365-day extended period of indemnity, on ISO coverage form CP 00 30 or an equivalent reasonably acceptable to Landlord, in an amount not less than the annual Rent payable by Tenant for the then current Lease Year.

10.3.2 General Requirements for Tenant's Insurance. Insurance required under this Section 10.3 ("Required Insurance") must, unless otherwise agreed in writing by Landlord, be issued by reputable insurance carriers authorized to transact that class of insurance in the State(s) in which the Premises is located, having an A.M. Best rating of at least A- VIII. The cost of the Required Insurance (including deductibles and self-insured retentions related to claims thereunder), as well as the cost of any other insurance carried by Tenant, will be borne solely by Tenant, and Tenant shall reimburse Landlord for amounts paid by Landlord or other Additional Insureds due to deductibles or self-insured retentions with respect to Required Insurance. Tenant shall comply with all conditions in and other requirements of Required Insurance policies. Tenant may satisfy the Required Insurance with policies that cover both the Premises and other properties, on condition that any general aggregate limits under these "blanket" policies apply separately to the Premises, the requirements in this Section 10.3 and Section 10.4 are otherwise satisfied, and these policies do not otherwise impair the rights of Landlord or violate any requirements of this Lease. Such Required Insurance must not include defense costs within the limit of liability where applicable. Tenant shall not use a "fronting" arrangement, captive insurer arrangement, or arrangement to indemnify insurance carriers for losses, in connection with the Required Insurance except to the extent Landlord in its sole and absolute discretion expressly and in advance approves this arrangement in writing after full disclosure. By requiring the Required Insurance, Landlord does not represent that the required coverage and limits will be adequate to protect Tenant, and the required coverage and limits will not limit any obligations of Tenant under this Lease. Landlord shall not be responsible for any inadequately insured or uninsured property of Tenant. If Tenant fails to maintain any of the Required Insurance, Landlord will have the right, but not the obligation, to purchase this insurance on Tenant's behalf and the cost thereof shall be paid by Tenant to Landlord as additional rent within ten (10) days after delivery of bills therefor.

10.3.3 Vendors' Insurance. In addition to the insurance Tenant is required to maintain under this Lease, if Tenant hires or brings a vendor onto the Premises or building to perform or provide any services or products, Tenant shall have a written agreement with vendor whereby vendor will be required to carry the same insurance coverages required of Tenant herein for Commercial General Liability, Auto and Worker's Compensation and Employer's Liability insurance, and Tenant shall cause written agreement to require each vendor to provide true and complete copies of all insurance policies and endorsements to Tenant promptly after Tenant's request, and Tenant shall deliver the same to Landlord prior to entry onto the Premises by such vendors. Tenant shall also require that such vendors' insurance will meet same additional terms as required of Tenant herein with regards to adding Additional Insureds as additional

insureds, maintaining primary and non-contributory coverage, and waiving all rights of recovery and subrogation.

10.3.4 Evidence of Insurance. Tenant shall provide to Landlord certificates of insurance evidencing the Required Insurance and supporting endorsements at the following times: (a) prior to the Insurance Start Date; (b) prior to renewal or replacement of each policy of Required Insurance; and (c) upon Landlord's written request. Tenant shall require policies of Required Insurance to provide that they will not be canceled or allowed to expire until at least 30 days' prior written notice (or 10 days' prior written notice for cancellation due to non-payment) has been given to Landlord, and in any event shall ensure that Landlord is notified before the cancellation or non-renewal of any Required Insurance. Tenant shall disclose to Landlord any deductible or self-insured retention applicable to any of its Required Insurance policies, and shall provide certified copies of Required Insurance policies (including endorsements) within 15 days after Landlord's request. Landlord's failure to require Tenant to provide evidence of Required Insurance, or Landlord's acceptance of evidence that indicates insurance that fails to satisfy the requirements of this Section 10.3 or Section 10.4, will not constitute a waiver of these requirements.

10.3.5 Waiver re: Liability Insurance. Tenant shall require the issuers of insurance required under Section 10.3.1(i)-(v) above to waive subrogation rights with respect to the Additional Insureds, and Tenant hereby waives all rights against the Additional Insureds for damage or claims which are (a) covered by such Required Insurance or any other liability insurance maintained by Tenant (or would have been covered by such Required Insurance had Tenant carried the same as required under this Lease), (b) attributable to any deductible or self-insured retention relating to such insurance maintained by Tenant, or (c) should be covered by such Required Insurance. Such waiver(s) must not contain any limitation or exclusion due to the requirement of contractual privity.

10.4 Subrogation. Landlord and Tenant waive all rights against each other and the agents and employees of the other for damages caused by fire or other causes of loss occurring on and after the date on which this Lease is executed to the extent those damages are covered or should be covered by any property insurance (including business income and loss of rent insurance) related to the Premises or the Building, regardless of whether this insurance is specifically required under this Lease (or would have been covered by property insurance had the Landlord or Tenant, as the case may be, carried the property insurance required of such party under this Lease). Tenant's waiver in this Section 10.4 also extends to all the Additional Insureds and to any deductible or self-insured retention paid by Tenant with respect to its property insurance. Each party shall require its property insurers to waive their subrogation rights against the parties specified in this Section 10.4. The waivers in this Section 10.4 will be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, did not pay the insurance premium directly or indirectly, or did not have an insurable interest in the property damaged.

10.5 Additional Insurance Obligations. Tenant shall carry and maintain during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10, and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord, but in no event shall such increased amounts of insurance or such other reasonable types of insurance be in excess of that required by landlords of buildings comparable to the Building and located in the vicinity of the Building Complex.

10.6 Tenant's Self-Insurance. So long as Tenant maintains a Government Bond Rating (as defined below) equal to or greater than a rating of AA ("Rating Threshold"), Tenant may provide self-insurance in lieu of the insurance required in Sections 10.3(i) and 10.3(iii) above, whether by the establishment of an insurance fund or reserve to be held and applied to make good losses from casualties, or otherwise, which conforms to the practice of large corporations maintaining systems of self-insurance.

As used herein, "Government Bond Rating" means a bond rating which is a grade given to a bond by a bond-rating agency that indicates its credit quality, such as Moody's, Standard and Poor's, Fitch Ratings, and DBRS. The rating takes into consideration a bond issuer's financial strength or its ability to pay a bond's principal and interest in a timely fashion. If at any time Tenant's Government Bond Rating is below the Rating Threshold, then Tenant shall be required to immediately obtain and maintain the insurance provided for in Sections 10.3(i) and 10.3(iii) above. If Tenant self-insures any of the risks to which coverage is required under Sections 10.3(i) and 10.3(iii) above, Tenant's self-insurance protection shall be deemed to include (and Tenant's self-insurance shall be deemed to include) the waivers of subrogation and the additional insured status mentioned above in favor of Landlord, its lenders and any other parties Landlord so specifies as provided in Sections 10.3(i) and 10.3(iii) above. Furthermore, (i) the self-insurance protection shall be equivalent to the coverage required under Sections 10.3(i) and 10.3(iii) above, and Tenant shall not be relieved from the indemnification obligations of this Lease, (ii) Tenant shall be responsible for, assume all liability for, and release and waive all right of recovery against Landlord and the Landlord Parties for, the costs of any loss or claim to the extent that such loss or claim would have been covered by the insurance Tenant would have otherwise been required to maintain hereunder, and (iii) Tenant shall pay all amounts on behalf of Landlord and the Landlord Parties (and waive, release, protect, indemnify, defend, protect and hold harmless Landlord and the Landlord Parties from and against) any and all Claims incurred by Landlord (and the Landlord Parties) which would have been payable or insured against by a hypothetical third-party insurer for the benefit of Tenant and/or Landlord (and the Landlord Parties) had Tenant maintained the insurance required under Sections 10.3(i) and 10.3(iii) above with deemed full waiver of subrogation in favor of Landlord (and the Landlord Parties), and with reasonable deductible amounts applicable to such policies. If Tenant fails to comply with the requirements relating to self-insurance and insurance, Landlord may, in accordance with the provisions of Section 10.3.5 above, obtain such insurance and Tenant shall pay to Landlord immediately on demand the premium cost thereof. It is expressly understood that the self-insurance permitted above does not relieve Tenant of its statutory obligations under Workers' Compensation laws.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.1 Repair of Damage to Premises by Landlord. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty or any condition existing in the Premises as a result of a fire or other casualty that would give rise to the terms of this Article 11. If the Premises or any common areas of the Building serving or providing access to the Premises shall be damaged by fire or other casualty or be subject to a condition existing as a result of a fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 11, restore the base, shell, and core of the Premises and such common areas to substantially the same condition as existed immediately prior to the casualty, except for modifications required by applicable laws and/or by the holder of a mortgage on the Real Property (or any portion thereof), or any other modifications to the common areas deemed desirable by Landlord provided that access to the Premises and any common restrooms serving the Premises shall not be materially impaired. Upon the occurrence of any damage to the Premises, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3.1(vi) above, and Landlord shall repair any damage to the tenant improvements and Alterations installed in the Premises and shall return such tenant improvements and Alterations to their original condition; provided that if the cost of such repair of such tenant improvements and Alterations by Landlord exceeds the amount of insurance proceeds received by Landlord therefor from Tenant's insurance carrier, as assigned by Tenant, the excess costs of such repairs shall be paid by Tenant to Landlord prior to Landlord's repair of the damage. In connection with such repairs and replacements of any such tenant improvements and Alterations, Tenant shall, prior to Landlord's

commencement of such improvement work, submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or common areas necessary to Tenant's occupancy, and if such damage is not the result of the negligence or willful misconduct of Tenant or Tenant's agents, employees, contractors, licensees or invitees, Landlord shall allow Tenant a proportionate abatement of Base Rent during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied by Tenant as a result thereof. Notwithstanding any contrary provision of this Article 11, the parties hereby agree as follows: (i) the closure of the Building Complex, the Building, the common areas, or any part thereof to protect public health shall not constitute a casualty for purposes of this Lease; (ii) casualty covered by this Article 11 shall require that the physical or structural integrity of the Premises, the Building, the Building Complex, or the common areas is degraded as a direct result of such occurrence; and (iii) a casualty under this Article 11 shall not be deemed to occur merely because Tenant is unable to productively use the Premises in the event that the physical and structural integrity of the Premises is undamaged.

11.2 Termination Rights. Within sixty (60) days after Landlord becomes aware of such damage, Landlord shall notify Tenant in writing ("Landlord's Damage Notice") of the estimated time, in Landlord's reasonable judgment, required to substantially complete the work Landlord is required to perform pursuant to Section 11.1 above (the "Landlord's Restoration Work"). Notwithstanding Section 11.1 above to the contrary, Landlord may elect not to rebuild and/or restore the Premises, the Building and/or any other portion of the Building Complex and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after the date Landlord becomes aware of such damage, such notice to include a termination date giving Tenant sixty (60) days to vacate the Premises, but Landlord may so elect only if the Building Complex shall be damaged by fire or other casualty or cause or be subject to a condition existing as a result of such a fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) Landlord's Restoration Work cannot, in the reasonable opinion of Landlord as set forth in Landlord's Damage Notice, be substantially completed within two hundred ten (210) days after the date of such damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Real Property or ground lessor with respect to the Real Property shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be; or (iii) the damage or condition arising as a result of such damage is not fully covered, except for commercially reasonable deductible amounts, by Landlord's insurance policies required to be maintained under this Lease. If (A) Landlord does not elect to terminate this Lease pursuant to Landlord's termination right as provided above, (B) the damage constitutes a Tenant Damage Event (as defined below), and (C) Landlord's Restoration Work cannot, in the reasonable opinion of Landlord as set forth in Landlord's Damage Notice, be substantially completed within two hundred ten (210) days after the date of the damage, then Tenant may elect to terminate this Lease by delivering written notice thereof to Landlord within fifteen (15) days after Tenant's receipt of Landlord's Damage Notice, which termination shall be effective as of the date of such termination notice thereof to Landlord. As used herein, a "Tenant Damage Event" shall mean damage to all or any part of the Premises or any common areas of the Building providing access to the Premises by fire or other casualty, which damage (1) is not the result of the negligence or willful misconduct of Tenant or any of Tenant's employees, agents, contractors, licensees or invitees, (2) substantially interferes with Tenant's use of or access to the Premises and (3) would entitle Tenant to an abatement of Rent pursuant to Section 11.1 above. In addition, if (x) the Premises, the Building or any portion of the Building Complex is destroyed or damaged to any substantial extent during the last twelve (12) months of the Lease Term, (y) Tenant has not exercised any Extension Option that is still in effect, and does not exercise any such Extension Option within thirty (30) days after the date of Landlord's Damage Notice, and (z) Landlord's Restoration Work is reasonably estimated by Landlord in Landlord's Damage Notice to require more than sixty (60) days or the remainder

of the Lease Term (whichever is less) to complete, then notwithstanding anything contained in this Article 11, Landlord shall have the option to terminate this Lease, and to the extent that such destruction or damage also constitutes a Tenant Damage Event, Tenant shall have the option to terminate this Lease, by giving written termination notice to the other party of the exercise of such option within thirty (30) days after such damage or destruction, in which event this Lease shall cease and terminate as of the date of such notice. Upon such termination of this Lease pursuant to this Section 11.2, Tenant shall pay the Base Rent and additional rent, properly apportioned up to such date of damage (subject to any abatement as provided in Section 11.1 above), and both parties hereto shall thereafter be discharged of all further obligations under this Lease, except for those obligations which expressly survive the expiration or earlier termination of this Lease.

11.3 Waiver of Statutory Provisions. The provisions of this Lease, including this Article 11, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Real Property, and any statute or regulation of the State of California, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Real Property.

ARTICLE 12

CONDEMNATION

In the event the Premises, the Building, the Building Complex, the Real Property or any portion thereof is taken under the power of eminent domain by a condemning authority or voluntarily transferred to such authority under the threat of the exercise of said power ("Condemnation"), within five (5) days of its receipt of a notice of Condemnation from a condemning authority, Landlord shall provide Tenant with a copy of said notice. If ten percent (10%) or more of the Premises, Building or Building Complex shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease upon ninety (90) days' notice to Tenant, provided such notice is given no later than one hundred eighty (180) days after the date of such taking, condemnation, deed or other instrument. If more than ten percent (10%) of the rentable square feet of the Premises is taken, or if access to the Premises is substantially impaired as a result of any taking of all or any portion of the Building Complex, Tenant shall have the option to terminate this Lease upon ninety (90) days' notice to Landlord, provided such notice is given no later than one hundred eighty (180) days after the date of such taking. Landlord shall be entitled to receive the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claim does not diminish the award available to Landlord, or its ground lessor or mortgagee with respect to the Real Property, and such claim is payable separately to Tenant. All Rent shall be apportioned as of the date of such termination, or the date of such taking, whichever shall first occur. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the Base Rent shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure. Notwithstanding any contrary provision of this Lease, the following governmental actions shall not constitute a taking or condemnation, either permanent or temporary: (i) an action that requires Tenant's business or the Building or Building Complex to close during the Lease Term; and (ii) an action taken for the purpose of protecting public safety (e.g., to protect against acts of war, the spread of communicable diseases, or an infestation), and no such

governmental actions shall entitle Tenant to any compensation from Landlord or any authority, or Rent abatement or any other remedy under this Lease.

ARTICLE 13

COVENANT OF QUIET ENJOYMENT

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied.

ARTICLE 14

ASSIGNMENT AND SUBLETTING

14.1 **Transfers.** Subject to Sections 14.7 and 14.8 below, Tenant shall not, without the prior written consent of Landlord, which consent shall not be unreasonably delayed, conditioned or withheld as provided in Section 14.2 below, assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or permit the use of the Premises by any persons other than Tenant and its employees (all of the foregoing are hereinafter sometimes referred to collectively as "Transfers" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "Transferee"). If Tenant shall desire Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "Transfer Notice") shall include (i) the proposed effective date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "Subject Space"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including a calculation of the Transfer Premium (as defined below), in connection with such Transfer, the name and address of the proposed Transferee, and a copy of all existing and/or proposed documentation pertaining to the proposed Transfer, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, and (v) such other information as Landlord may reasonably require. Except as provided in Sections 14.7 and 14.8, any Transfer made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under Section 19.1.2 below. Whether or not Landlord consents to any proposed Transfer, within thirty (30) days after written request by Landlord, as additional rent hereunder, Tenant shall pay to Landlord (A) One Thousand Dollars (\$1,000.00) for Landlord's review and processing fees, and (B) any reasonable legal fees incurred by Landlord in connection with Tenant's proposed Transfer.

14.2 **Landlord's Consent.** Subject to Landlord's rights in Section 14.4 below, and subject to the provisions in Sections 14.7 and 14.8 below, Landlord shall not unreasonably delay, condition or withhold its consent to any proposed Transfer on the terms specified in the Transfer Notice, and shall notify Tenant whether the proposed Transferee is approved or reasonably disapproved within thirty (30) days after Landlord's receipt of Tenant's Transfer Notice therefor. The parties hereby agree that it shall be deemed to be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply, without limitation as to other reasonable grounds for withholding consent:

(i) the Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Building Complex;

(ii) the Transferee's intended use of the Subject Space is not permitted under this Lease;

(iii) intentionally deleted;

(iv) the Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities involved under the Lease on the date consent is requested. Tenant acknowledges that Landlord shall have the right to disapprove a proposed assignment of this Lease or sublessee of all or significantly all of the Premises to a person or entity with a net worth and/or liquidity that is less than Tenant's at the time of the proposed assignment or sublessee (as the case may be) or as of the date of the mutual execution and delivery of this Lease, whichever is greater;

(v) the proposed Transfer would cause Landlord to be in violation of another lease or agreement to which Landlord is a party, or would give an occupant of the Building Complex a right to cancel its lease; or

(vi) either the proposed Transferee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the proposed Transferee, (A) occupies space in the Building Complex at the time of the request for consent, (B) is negotiating with Landlord to lease space in the Building Complex at such time, or (C) has negotiated with Landlord during the six (6)-month period immediately preceding the Transfer Notice.

If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (and does not exercise any recapture rights Landlord may have under Section 14.4 below), Tenant may within six (6) months after Landlord's consent, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 14.1 above, provided that if there are any changes in the terms and conditions from those specified in the Transfer Notice (1) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, or (2) which would cause the proposed Transfer to be more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14.

14.3 Transfer Premium. If Landlord consents to a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord the Transfer Premium received by Tenant from such Transferee. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by such Transferee in connection with the Transfer which is in excess of the Rent payable by Tenant under this Lease during the term of the Transfer, on a per rentable square foot basis if less than all of the Premises is transferred, after deducting the reasonable expenses incurred by Tenant for (i) any reasonable changes, alterations and improvements to the Premises in connection with the Transfer (but only to the extent approved by Landlord), and (ii) any brokerage commissions in connection with the Transfer. Transfer Premium shall also include, but not be limited to, key money and bonus money paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer.

14.4 Landlord's Option as to Subject Space. Notwithstanding anything to the contrary contained in this Article 14, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice, to recapture the Subject Space. Such recapture notice shall terminate

this Lease with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the Transfer Notice. If this Lease is terminated with respect to less than the entire Premises, the Rent reserved herein shall be prorated on the basis of the rentable square feet retained by Tenant in proportion to the rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture the Subject Space under this Section 14.4, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of the last paragraph of Section 14.2 above.

14.5 Effect of Transfer. If Landlord consents to a Transfer: (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified; (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee; (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord; (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, and (v) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of the Lease from liability under this Lease. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium with respect to any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency and Landlord's costs of such audit.

14.6 Additional Transfers. Except as otherwise provided in Sections 14.7 or 14.8 below, for purposes of this Lease, the term "Transfer" shall also include, without limit: (i) if Tenant is a partnership or limited liability company, the withdrawal or change, voluntary, involuntary or by operation of law, of more than fifty percent (50%) of the partners or members, or transfer of more than fifty percent (50%) of the partnership or membership interests, within a twelve (12)-month period, or the dissolution of the partnership without immediate reconstitution thereof; and (ii) if Tenant is a closely held corporation (*i.e.*, whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant, or (B) the sale or other transfer of more than an aggregate of fifty percent (50%) of the voting shares of Tenant, within a twelve (12)-month period, or (C) the sale, mortgage, hypothecation or pledge of more than an aggregate of fifty percent (50%) of the value of the unencumbered assets of Tenant within a twelve (12) month period.

14.7 Permitted Transfers to Affiliates. Notwithstanding the foregoing provisions of this Article 14 to the contrary, the assignment or subletting by Tenant of all or any portion of this Lease or the Premises to (i) any entity which is under common control with Tenant, (ii) special districts of Tenant, and (iii) joint powers associations of which Tenant is a member (all such entities described in (i), (ii) and (iii) being sometimes hereinafter referred to as "Affiliates") shall not be deemed a Transfer under this Article 14, and thus shall not be subject to the requirement of obtaining Landlord's consent thereto in Section 14.2 above (provided, however, any name change may not be a change to an Objectionable Name), or Landlord's right to receive any Transfer Premium pursuant to Section 14.3 above, provided that:

14.7.1 any such Affiliate was not formed, and such transaction was not entered into, as a subterfuge to (i) avoid the obligations of this Article 14, or (ii) adversely affect the ability of Tenant to satisfy its obligations under this Lease;

14.7.2 Tenant gives Landlord at least five (5) business days' prior notice of any such assignment or sublease to an Affiliate (unless such notice is prohibited by applicable laws or commercially reasonable confidentiality agreement, in which case Tenant shall provide such notice immediately following the effective date of such assignment or sublease);

14.7.3 the successor of Tenant and Tenant have as of the effective date of any such assignment or sublease a tangible net worth and liquidity, in the aggregate, computed in accordance with generally accepted accounting principles (but excluding goodwill as an asset), which is sufficient to satisfy the obligations of Tenant under this Lease;

14.7.4 any such assignment or sublease shall be subject and subordinate to all of the terms and provisions of this Lease, and such assignee or sublessee shall assume, in a written document reasonably satisfactory to Landlord and delivered to Landlord upon or prior to the effective date of such assignment or sublease, all the obligations of Tenant under this Lease with respect to the Subject Space which is the subject of such Transfer (other than the amount of Base Rent payable by Tenant with respect to a sublease); and

14.7.5 Tenant shall remain fully liable for all obligations to be performed by Tenant under this Lease.

"Control", as used in this Section 14.7, shall mean the possession, direct or indirect, of the power to cause the direction of the management and policies of an entity, or ownership of any sort, whether through the ownership of voting securities, by contract or otherwise. "Objectionable Name" shall mean any name or that relates to an entity which is of a character, or is associated with a political orientation or faction, which is inconsistent with the quality of the Building Complex as a first-class multi-tenant office project, or which would otherwise generally and reasonably be considered offensive by landlords of the Comparable Buildings.

ARTICLE 15

SURRENDER OF PREMISES; REMOVAL OF PERSONAL PROPERTY

15.1 Surrender of Premises. No act or thing done by Landlord or any agent or employee of Landlord during the Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless such intent is specifically acknowledged in a writing signed by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises.

15.2 Removal of Tenant Property by Tenant. All articles of personal property and all business and trade fixtures, machinery and equipment, furniture and movable partitions owned by Tenant or installed by Tenant at its expense in the Premises, which items are not a part of the tenant improvements or Alterations installed in the Premises, shall remain the property of Tenant, and may be removed by Tenant at any time during the Lease Term as long as (i) Tenant is not in default under this Lease with any applicable cure period having expired, and (ii) Tenant repairs, at its expense, all damage resulting from such removal. Upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject

to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear and repairs which are specifically made the responsibility of Landlord hereunder excepted. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all telephone, data and other cabling and wiring installed or caused to be installed by Tenant (including any cabling and wiring, installed above the ceiling of the Premises or below the floor of the Premises), all debris and rubbish, and such items of furniture, equipment, free-standing cabinet work, and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Lease Term, with or without the express or implied consent of Landlord, such tenancy shall be a tenancy at sufferance only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Base Rent shall be payable at a monthly rate equal to the fair market rental rate for the Premises as of the commencement of such holdover period. Such tenancy shall be subject to every other applicable term, covenant and agreement contained herein. Nothing contained in this Article 16 shall be construed as consent by Landlord to any holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. Acceptance by Landlord of Rent after such expiration or earlier termination shall not constitute consent to a hold over hereunder or result in an extension of this Lease. If Tenant holds over without Landlord's consent, such holding over may compromise or otherwise affect Landlord's ability to enter into new leases with prospective tenants regarding the Premises. Therefore, if Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord and the Landlord Parties harmless from and against all Claims resulting from such failure, including, without limiting the generality of the foregoing, (i) any claims made by any succeeding tenant of which Landlord gave Tenant written notice founded upon such failure to surrender by the later of (A) the date is ten (10) days following the date of such notice to Tenant, and (B) the date such holdover commences, and (ii) any losses suffered by Landlord, including lost profits, resulting from such failure to surrender.

ARTICLE 17

ESTOPPEL CERTIFICATES

Within ten (10) days following a request in writing by Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate which, as submitted by Landlord, shall be substantially in the form of Exhibit D, attached hereto (or such other form as may be required by any prospective mortgagee or purchaser of the Real Property or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or Landlord's prospective mortgagees or purchasers. Tenant shall execute and deliver whatever other instruments may be reasonably required for such purposes. At any time during the Lease Term, Landlord may require Tenant to provide Landlord with a current financial statement and financial statements of the two (2) years prior to the current financial statement year, which statements shall include, without limit, balance sheets, income statements, and a current year's budget; Tenant shall deliver the same

to Landlord within ten (10) days following such request. Such statements shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. Failure of Tenant to timely execute and deliver such estoppel certificate or other instruments shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception. Tenant's Real Estate Services Director shall have the authority on behalf of COUNTY to execute an estoppel certificate substantially in the form of Exhibit D.

ARTICLE 18

SUBORDINATION

This Lease is and shall be subject and subordinate to each ground leases of the Real Property and to the lien of each mortgages or deed of trust, now or hereafter in force against the Real Property (herein, a "Mortgage"), and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of each such Mortgage, unless the holders of any such Mortgage (each, a "Mortgagee"), or the lessors under any such ground lease, requires in writing that this Lease be superior thereto. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed in lieu thereof, or if any ground or underlying lease is terminated, to attorn, without any deductions or set-offs whatsoever, to the purchaser upon any such foreclosure sale or deed in lieu thereof, or to the lesser of such ground or underlying lease, as the case may be, if so requested to do so by such purchaser or lessor, and to recognize such purchaser as the lessor under this Lease. Tenant shall, within forty-five (45) business days of request by Landlord, execute such further commercially reasonable instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases. Notwithstanding any contrary provision in this Article 18, a condition precedent to the subordination of this Lease to any future ground or underlying lease or to the lien of any future Mortgage is that Landlord shall obtain for the benefit of Tenant a commercially reasonable subordination, non-disturbance and attornment agreement ("Future SNDA") from the Mortgagee under such future Mortgage or the lessor under such future lease, to the effect that no steps or proceedings taken by reason of Landlord's default under such future Mortgage or lease shall terminate this Lease, nor shall Tenant be named a defendant in any proceedings for foreclosure of such Mortgage or termination of any such lease, nor be disturbed by virtue of such step or proceedings, as long as there shall be no uncured default by Tenant under this Lease. Landlord shall use commercially reasonable efforts to cause the beneficiary of the existing deed of trust encumbering the Real Property (the "Existing Lender") to execute and deliver to the parties, within sixty (60) days after execution of this Lease, a commercially reasonable subordination, non-disturbance and attornment agreement (the "Existing Lender SNDA"), substantially in the form attached hereto as Exhibit H and incorporated herein by this reference, and Tenant shall execute such Existing Lender SNDA promptly after request therefor by Landlord. Landlord's failure to cause the Existing Lender to execute and deliver to the parties a fully executed Existing Lender SNDA within such 60-day period or by any other date shall not constitute a default by Landlord under this Lease, and Tenant shall not be entitled to any remedy under this Lease, nor shall Landlord be liable to Tenant for any damages or otherwise due to any such failure by Landlord. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale. Tenant's Real Estate Services Director shall have the authority on behalf of COUNTY to execute a SNDA substantially in the form of Exhibit H.

ARTICLE 19
DEFAULTS; REMEDIES

19.1 Defaults. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent. The occurrence of any of the following shall constitute a default of this Lease by Tenant:

19.1.1 Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, when due; or

19.1.2 Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for twenty (20) days after written notice thereof from Landlord to Tenant; provided however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar or successor law; and provided further that if the nature of such default is such that the same cannot reasonably be cured within a twenty (20) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure said default, as soon as possible.

19.2 Remedies Upon Default. Upon the occurrence of such default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity, the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:

(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 Lease 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, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; plus

(v) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the Interest Rate set forth in Section 4.2.3 above, but in no case greater than the maximum amount of such interest permitted by law. As used in Section 19.2.1(iii) above, the "worth at the time of award" shall be 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%).

19.2.2 Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.3 Landlord may, but shall not be obligated to, make any such payment or perform or otherwise cure any such obligation, provision, covenant or condition on Tenant's part to be observed or performed (and may enter the Premises for such purposes). In the event of Tenant's failure to perform any of its obligations or covenants under this Lease, and such failure to perform poses a material risk of injury or harm to persons or damage to or loss of property, then Landlord shall have the right to cure or otherwise perform such covenant or obligation at any time after such failure to perform by Tenant, whether or not any such notice or cure period set forth in Section 19.1 above has expired. Any such actions undertaken by Landlord pursuant to the foregoing provisions of this Section 19.2.3 shall not be deemed a waiver of Landlord's rights and remedies as a result of Tenant's failure to perform and shall not release Tenant from any of its obligations under this Lease.

19.3 Payment by Tenant. Tenant shall pay to Landlord, within thirty (30) days after delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with Landlord's performance or cure of any of Tenant's obligations pursuant to the provisions of Section 19.2.3 above; and (ii) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so expended. Tenant's obligations under this Section 19.3 shall survive the expiration or sooner termination of the Lease Term.

19.4 Subleases of Tenant. Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19, following any such default by Tenant, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. If Landlord elects to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.5 Waiver of Default. No waiver by Landlord of any violation or breach by Tenant of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other or later violation or breach by Tenant of the same or any other of the terms, provisions, and covenants herein contained. Forbearance by Landlord in enforcement of one or more of the remedies herein provided upon a default by Tenant shall not be deemed or construed to constitute a waiver of such default. The acceptance of any Rent hereunder by Landlord following the occurrence of any default, whether or not

known to Landlord, shall not be deemed a waiver of any such default, except only a default in the payment of the Rent so accepted.

19.6 Efforts to Relet. For the purposes of this Article 19, Tenant's right to possession shall not be deemed to have been terminated by efforts of Landlord to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, or by appointment of a receiver to protect Landlord's interests hereunder. The foregoing enumeration is not exhaustive, but merely illustrative of acts which may be performed by Landlord without terminating Tenant's right to possession.

19.7 Landlord's Default. If Landlord shall fail to perform any term or provision under this Lease required to be performed by Landlord, Landlord shall not be deemed to be in default hereunder nor subject to any claims for damages of any kind, unless such failure shall have continued for a period of thirty (30) days after written notice thereof by Tenant (a "Default Notice"); provided, if the nature of Landlord's failure is such that more than thirty (30) days are reasonably required in order to cure, Landlord shall not be in default if Landlord commences to cure such failure within such thirty (30) day period, and thereafter diligently and continuously seeks to cure such failure to completion. Upon any such default by Landlord under this Lease, Tenant may, except as otherwise specifically provided in this Lease to the contrary, exercise any of its rights provided at law or in equity (but Tenant shall not be entitled to recover any Consequential Damages and in any event, Landlord's liability or obligations with respect to any such remedy shall be limited as provided in Section 24.10); provided, however, Tenant may not terminate this Lease for a default by Landlord under this Lease unless (i) such default continues for an additional thirty (30) days after Tenant delivers Landlord a second Default Notice with respect to such default (which Tenant may not deliver to Landlord unless and until Tenant has delivered a first Default Notice and the notice and cure period set forth in the first sentence hereinabove has elapsed), and (ii) such default causes material interference with Tenant's ability to operate in the Premises for the Permitted Use as set forth in Section 5.1 above. Notwithstanding the foregoing, in recognition that Landlord must receive timely payments of Rent and operate the Project, except as otherwise expressly provided in this Lease, Tenant shall have no right of self-help to perform repairs or any other obligation of Landlord, and shall have no right to withhold, set-off, or abate Rent (except as otherwise expressly provided in this Lease).

ARTICLE 20

RESERVED

ARTICLE 21

SIGNS

21.1 Multi-Tenant Floor Tenants. If Tenant occupies less than the entire floor on which the Premises is located, Tenant's identifying signage shall be provided by Landlord, at Tenant's sole cost and expense, and such signage shall be comparable to that used by Landlord for other similar floors in the Building and shall comply with Landlord's Building standard signage program. Any additions, deletions or modifications to such Building standard signage shall be at Tenant's sole expense and subject to the prior written approval of Landlord, in Landlord's sole discretion.

21.2 Prohibited Signage and Other Items. Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been separately approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant. Tenant may not install any signs on the exterior or roof of the Building or the common areas of the Building or the Real Property. Any signs, window coverings, or blinds (even if the same are located behind the Landlord approved window coverings for the

Building), or other items visible from the exterior of the Premises or Building are subject to the prior written approval of Landlord, in its sole discretion.

21.3 Building Directory. Tenant shall, at Tenant's expense, be entitled to one (1) line on the Building lobby directory to display Tenant's name and suite number.

ARTICLE 22

COMPLIANCE WITH LAW

Tenant shall not do anything or suffer anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated. At its sole cost and expense, Tenant shall promptly comply with all such governmental measures (including, without limit, those pertaining to Hazardous Materials and those requiring upgrades or modifications to the Premises), other than the making of structural changes to the Building (collectively, the "Excluded Changes"); provided, however, to the extent such Excluded Changes are required due to or triggered by Tenant's improvements or alterations to and/or manner of use of the Premises, Landlord shall perform such work, at Tenant's cost (which shall be paid by Tenant to Landlord within ten (10) days after Tenant's receipt of invoice therefor from Landlord). In addition, Tenant shall fully comply with all present or future programs intended to manage parking, transportation or traffic in and around the Building Complex, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities. The judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any of said governmental measures, shall be conclusive of that fact as between Landlord and Tenant.

Landlord advises Tenant that neither the Building Complex, the Building nor the Premises have undergone inspection by a Certified Access Specialist (CASp) (as defined in California Civil Code § 55.52(a)(3)). The parties hereby include the following language in this Lease as required under California Civil Code § 1938(e):

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises complies 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."

In furtherance of and in connection with such notice: (a) Tenant, having read such notice and understanding Tenant's right to request and obtain a CASp inspection and with advice of counsel, hereby elects not to obtain such CASp inspection and waives its rights to obtain a CASp inspection with respect to the Premises to the extent permitted by applicable laws now or hereafter in effect; and (b) if the waiver set forth in clause (a) hereinabove is not enforceable pursuant to applicable laws now or hereafter in effect, then Landlord and Tenant hereby agree as follows (which constitute the mutual agreement of the parties as to the matters described in the last sentence of the foregoing notice): (i) Tenant shall have the one-time right to request for and obtain a CASp inspection of the Premises, which request must be made, if at all, in

a written notice delivered by Tenant to Landlord on or before the Lease Commencement Date; (ii) any CASp inspection timely requested by Tenant shall be conducted (1) between the hours of 9:00 a.m. and 5:00 p.m. on any business day, (2) only after ten (10) days' prior written notice to Landlord of the date of such CASp inspection, (3) in a professional manner by a CASp designated by Landlord and without any testing that would damage the Premises in any way, and (4) at Tenant's sole cost and expense, including, without limitation, Tenant's payment of the fee for such CASp inspection, the fee for any reports prepared by the CASp in connection with such CASp inspection (collectively, the "CASp Reports") and all other costs and expenses in connection therewith; (iii) Tenant shall deliver a copy of any CASp Reports to Landlord within three (3) business days after Tenant's receipt thereof; (iv) Tenant, at its sole cost and expense, shall be responsible for making any improvements, alterations, modifications and/or repairs to or within the Premises to correct violations of construction-related accessibility standards disclosed by such CASp inspection; and (v) if such CASp inspection identifies any improvements, alterations, modifications and/or repairs necessary to correct violations of construction-related accessibility standards relating to any portions of the Building or Building Complex outside of the Premises, then Landlord shall perform such improvements, alterations, modifications and/or repairs as and to the extent required by applicable laws to correct such violations, and Tenant shall reimburse Landlord for the cost of such improvements, alterations, modifications and/or repairs within ten (10) business days after Tenant's receipt of an invoice therefor from Landlord.

ARTICLE 23

ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant to enter the Premises to: (i) inspect them; (ii) show the Premises to prospective purchasers, mortgagees or ground lessors, or, during the last twelve (12) months of the Lease Term, prospective tenants; (iii) post notices of non-responsibility; or (iv) alter, improve or repair the Premises or the Building if necessary to comply with current building codes or other applicable laws, or for structural alterations, repairs or improvements to the Building, or as Landlord may otherwise reasonably desire or deem necessary. Notwithstanding anything to the contrary contained in this Article 23, Landlord may enter the Premises at any time, without notice to Tenant, in emergency situations and/or to perform janitorial and other services required of Landlord. Any such entries shall be without the abatement of Rent and shall include the right to take such reasonable steps as required to accomplish the stated purposes; provided, however, that any such entry shall be accomplished as expeditiously as reasonably possible and in a manner so as to cause as little interference to Tenant as reasonably possible. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned by Landlord's entry into the Premises. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises by Landlord in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises.

ARTICLE 24

TENANT PARKING

Tenant shall have the right to use throughout the Lease Term up to, but not exceeding, the number of unreserved parking spaces set forth in Section 11 of the Summary (the "Parking Allotment"), in locations in the Building Complex Parking Area as designated by Landlord from time to time. All such parking

spaces in the Parking Allotment shall be provided to Tenant on an unreserved, first-come, first-served basis in common with the other tenants and users of the Building Complex Parking Area. During the Lease Term, Tenant shall have no obligation to pay Landlord any parking charges or additional fees for Tenant's right to use the unreserved parking spaces in the Parking Allotment. Tenant's continued right to use the parking spaces is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the Building Complex Parking Area (including, without limit, those Parking Rules and Regulations attached hereto as Exhibit B) and upon Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations. In addition, Landlord may assign any parking spaces and/or make all or a portion of such spaces reserved or institute an attendant-assisted tandem parking program and/or valet parking program if Landlord determines in its sole discretion that such is necessary or desirable for orderly and efficient parking. Landlord specifically reserves the right, from time to time, to change the size, configuration, design, layout, location and all other aspects of the Building Complex Parking Area, and Tenant acknowledges and agrees that Landlord, from time to time, may, without incurring any liability to Tenant and without any abatement of Rent under this Lease temporarily close-off or restrict access to the Building Complex Parking Area, or temporarily relocate Tenant's parking spaces to other parking structures and/or surface parking areas within a reasonable distance from the Building Complex Parking Area, for purposes of permitting or facilitating any such construction, alteration or improvements or to accommodate or facilitate renovation, alteration, construction or other modification of other improvements or structures located on the Real Property. Landlord may delegate its responsibilities hereunder to a parking operator in which case such parking operator shall have all the rights of control attributed hereby to Landlord. The parking spaces provided to Tenant pursuant to this Article 24 are provided solely for use by Tenant's own personnel and such spaces may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval.

ARTICLE 25

MISCELLANEOUS PROVISIONS

25.1 Binding Effect. Each of the provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 above.

25.2 No Air Rights. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Building, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease.

25.3 Modification of Lease. If any current or prospective mortgagee or ground lessor for the Real Property requires any modifications to this Lease, which modifications will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are required therefor and deliver the same to Landlord within ten (10) days following the request therefor. If Landlord or any such current or prospective mortgagee or ground lessor requires execution of a short form of Lease for recording, containing, among other customary provisions, the names of the parties, a description of the Premises and the Lease Term, Tenant shall execute such short form of Lease and to deliver the same to Landlord within ten (10) days following the request therefor.

25.4 Transfer of Landlord's Interest. Landlord has the right to transfer all or any portion of its interest in the Real Property and/or this Lease, and upon any such transfer and a transfer of the Security

Deposit, Landlord shall automatically be released from all liability under this Lease and Tenant shall look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer. Landlord may also assign its interest in this Lease to the holder of any mortgage or deed of trust as additional security, but such assignment shall not release Landlord from its obligations hereunder and Tenant shall continue to look to Landlord for the performance of its obligations hereunder.

25.5 Prohibition Against Recording. Except as provided in Section 25.3 above, neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant, and the recording thereof in violation of this provision shall make this Lease null and void at Landlord's election.

25.6 Captions. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

25.7 Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

25.8 Time of Essence. Time is of the essence of this Lease and each of its provisions.

25.9 Partial Invalidity. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

25.10 Landlord Exculpation. Notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of Landlord and the Landlord Parties under this Lease (including any successor landlord) and any recourse by Tenant against Landlord or the Landlord Parties (including any successor landlord) shall be limited solely and exclusively to an amount which is equal to the interest of Landlord in the Building Complex, and neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. Notwithstanding anything to the contrary contained in this Lease, in no event shall Landlord be liable to Tenant for any special, indirect, or Consequential Damages suffered or incurred by Tenant as a result of a default by Landlord under this Lease or otherwise arising from or in connection with this Lease or Tenant's use or occupancy of the Premises. This limitation of liability pursuant to this Section 25.10 is not intended and shall not relieve any insurance carrier of its obligations under policies required to be carried by Landlord pursuant to this Lease.

25.11 Entire Agreement. There are no oral agreements between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease, the exhibits and schedules attached hereto, and any side letter or separate agreement executed by Landlord and Tenant in connection with this Lease and dated of even date herewith contain all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises, shall be considered to be the only agreement between the parties hereto and

their representatives and agents, and none of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto.

25.12 Right to Lease. Landlord reserves the absolute right to effect such other tenancies in the Building Complex as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building Complex. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Building Complex.

25.13 Force Majeure. Notwithstanding anything to the contrary contained in this Lease, any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, civil commotions, casualty damage, actual or threatened public health emergency (including, without limitation, epidemic, pandemic, famine, disease, plague, quarantine, and other significant public health risk), governmental edicts, actions, orders, declarations or restrictions (including (a) any states of emergency and quarantines imposed by a governmental entity or agency, and (b) any government imposed shelter-in-place orders, stay at home orders and/or restrictions on travel related thereto that preclude Tenant, its agents, contractors or its employees from accessing the Building or the Premises), breaches in cybersecurity, and other causes beyond the reasonable control of the party obligated to perform regardless of whether such other causes are (i) foreseeable or unforeseeable, or (ii) related to the specifically enumerated events in this Section 25.13 (collectively, "Force Majeure") shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage. If this Lease specifies a time period for performance of an obligation of either party, then that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure, and the other party to this Lease shall not be entitled to compensation for any inconvenience or nuisance caused thereby. Notwithstanding anything to the contrary in this Lease, no event of Force Majeure shall (A) excuse or delay Tenant's obligations to pay Rent and other charges as and when due pursuant to this Lease, (B) be grounds for Tenant to abate any portion of Rent due pursuant to this Lease, or entitle either party to terminate this Lease, except as allowed pursuant to Articles 11 or 12 above, (C) excuse Tenant's obligations under Article 5 above, (D) extend the time period for Tenant to vacate and surrender the Premises to Landlord following the expiration or termination of this Lease, (E) excuse Tenant's obligations under Article 10 above to maintain the required insurance, or (F) extend the Lease Term. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1511 of the California Civil Code, and hereby agrees that this Section 25.13 is an express provision to the contrary.

25.14 Notices. All notices, demands, statements, approvals or communications (collectively, "Notices") given or required to be given by either party to the other hereunder shall be in writing, shall be sent by United States certified mail, postage prepaid, return receipt requested, or delivered personally (i) to Tenant at the appropriate address set forth in Section 5 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord; or (ii) to Landlord at the addresses set forth in Section 3 of the Summary, or to such other firm or to such other place as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given on the date which is two (2) business days after it is mailed as provided in this Section 25.14 or upon the date personal delivery is made or rejected. If Tenant is notified of the identity and address of Landlord's mortgagee or ground lessor, Tenant shall give to such mortgagee or ground lessor written notice of any default by Landlord under the terms of this Lease by certified mail, and such mortgagee or ground lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant.

25.15 Joint and Several. If there is more than one person or entity executing this Lease as Tenant, the obligations imposed upon such persons and entities under this Lease are and shall be joint and several.

25.16 Authority. Each individual executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so.

25.17 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of California.

25.18 Submission of Lease. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or an option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

25.19 Brokers. Landlord and Tenant each hereby represents and warrants to the other party it (i) has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate brokers or agents specified in Section 12 of the Summary (collectively, the "Brokers"), and (ii) knows of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Landlord shall pay the brokerage commissions owing to the Brokers in connection with this Lease pursuant to the terms of a separate written agreement between and/or among Landlord and the Brokers. Each party agrees to indemnify, defend, protect and hold the other party harmless from and against any and all Claims with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent in connection with this Lease other than the Brokers. The terms of this Section 25.19 shall survive the expiration or earlier termination of the Lease Term.

25.20 Independent Covenants. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord; provided, however, that the foregoing shall in no way impair the right of Tenant to commence a separate action against Landlord for any violation by Landlord of the provisions hereof so long as notice is first given to Landlord and any holder of a mortgage or deed of trust covering the Building, Real Property or any portion thereof, of whose address Tenant has theretofore been notified, and an opportunity is granted to Landlord and such holder to correct such violations as provided above.

25.21 Building and Building Complex Name and Signage. Landlord shall have the right at any time to designate and/or change the name of the Building, the Building Complex and any Other Buildings and to install, affix and maintain any and all signs on the exterior and on the interior of the Building and any Other Buildings, as Landlord may, in Landlord's sole discretion, desire. Tenant shall not use the name of the Building, the Building Complex or any Other Buildings or use pictures or illustrations of the Building, the Building Complex or any Other Buildings in advertising or other publicity, without the prior written consent of Landlord.

25.22 Successors. Except as otherwise expressly provided herein, the obligations of this Lease shall bind and benefit the successors and assigns of the parties hereto; provided, however, that no assignment, sublease or other Transfer in violation of the provisions of Article 14 shall operate to vest any rights in any putative assignee, subtenant or transferee of Tenant.

25.23 Landlord Renovations. Tenant acknowledges and agrees that, except as specifically set forth in this Lease: (i) Landlord has no obligation to alter, remodel, improve, renovate, repair or decorate the Premises, Building, Building Complex or any part thereof; and (ii) no representations or warranties

respecting the condition of the Premises, the Building or the Building Complex have been made by Landlord to Tenant. At Landlord's option, Landlord may, at any time and from time to time, renovate, improve, alter, or modify (collectively, the "Renovations") the Building, the Premises, and/or the Building Complex, including without limitation the Building Complex Parking Area, common areas, systems and equipment, roof, and structural portions of the same, which Renovations may include, without limitation, (A) modifying the common areas and tenant spaces to comply with applicable laws and regulations, including regulations relating to the physically disabled, seismic conditions, and building safety and security, (B) installing new floor covering, lighting, and wall coverings in the common areas, and in connection with any Renovations, Landlord may, among other things, erect scaffolding or other necessary structures in the Building or Building Complex, limit or eliminate access to portions of the Building Complex, including portions of the common areas, or perform work in the Building or Building Complex, which work may create noise, dust or leave debris in the Building Complex, (C) renovation of the main entry to the Building Complex, the Building and/or the main Building lobby area, (D) renovation of the elevator, lobbies, elevator doors and frames, and (E) installations, repairs or maintenance of telephone risers. Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the Renovations or Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions in connection with such Renovations. During the performance of any Renovations, Landlord shall use commercially reasonable efforts to minimize any unreasonable disruption to Tenant's performance of the permitted use set forth in Section 5.1 above.

25.24 Confidentiality. Landlord acknowledges that the Premises will be used by Tenant for the processing and storage of confidential information that is protected from unlawful access and disclosure by municipal, county, state, and federal laws ("Confidential Information"). Landlord and its officers, agents, volunteers, employees, contractors, and any third parties under Landlord's control (including, but not limited, to property management, maintenance, and custodial providers) hereby agree to comply with all applicable municipal, county, state, and federal laws pertaining to the security and protection of Confidential Information and will prevent and not permit any unlawful access to or disclosure of Confidential Information when entering the Premises as permitted by the Lease. Prior to any permitted entry of the Premises, except in the event of a life-threatening emergency or an imminent and substantial destruction of the Premises, Landlord and its officers, agents, volunteers, employees, contractors and any third parties under Landlord's control shall: (i) provide not less than twenty-four (24) hours prior written notice of its desired entry; (ii) enter only during Tenant's normal business hours; (iii) be escorted by Tenant during its entry; and (iv) remain in the Premises only for so long as reasonably necessary to complete Landlord's obligations under the Lease. Should it be necessary for Landlord to enter the Premises due to a life-threatening emergency or imminent and substantial destruction of the Premises, Landlord and its agents, volunteers, employees, contractors, and any third parties under Landlord's control shall: (a) immediately notify Tenant of such entry, (b) remain in the Premises only for so long as reasonably necessary to abate such emergency or destruction, and (c) upon departure, secure the Premises in the same manner as the Premises were secured upon entry, (i.e., arming alarm system and locking entry points). During any permitted entry of the Premises, Landlord and its officers, agents, volunteers, employees or any third parties under Landlord's control shall not access, disclose, or remove any Confidential Information from the Premises, including but not limited to, access of file cabinets, locked storage rooms, and desks. Any entry of the Premises that does not comply with the requirements of this paragraph is unauthorized. Landlord agrees to use its best efforts include the entry requirements contained in this Section 25.24 in its agreements with all third party providers who may enter the Premises. Landlord acknowledges that any unlawful access to or disclosure of Confidential Information may result in the imposition of civil and criminal sanctions.

25.25 Public Records Disclosure. Landlord acknowledges and agrees that all information received by Tenant from Landlord or any source concerning this Lease or the Real Property, including the Lease itself, may be treated by Tenant as public information, subject to disclosure under the provisions of the California Public Records Act (Government Code Section 6250 et seq.), the Ralph M Brown Act, or any other open records laws ("Public Records Laws"). Landlord further acknowledges and agrees that, although all information received by Tenant in connection with this Lease or the Real Property are intended for the exclusive use of Tenant, such information is potentially subject to disclosure under Public Records Laws. In the event Landlord, at the time any information is provided to Tenant, has reasonably requested in writing that certain information as to this Lease or the Real Property be held in confidence and a request for disclosure of such information is thereafter received by Tenant, Tenant shall endeavor to notify Landlord of said request and shall thereafter disclose the requested information unless Landlord, within five (5) days of Tenant's notice of such disclosure request: (i) requests that the information not be disclosed; (ii) provides a legally sound basis for nondisclosure (as determined in Tenant's sole discretion); and (iii) agrees in writing to indemnify, defend (with counsel reasonably approved by Tenant), and hold harmless Tenant and its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of or related the required disclosure. Notwithstanding anything to the contrary in this Lease, if Tenant does not notify Landlord of such disclosure request or if Tenant does not deem Landlord's basis for nondisclosure to be legally sufficient, as determined by Tenant in its sole discretion, Tenant shall not be liable for any claims for damages, lost profits, or other injuries of any and all kinds and Landlord waives any and all such claims against Tenant. Landlord's indemnity obligation shall survive the expiration or earlier termination of this Lease.

25.26 Landlord's Title. Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.

25.27 No Waiver. No waiver of any provision of this Lease shall be implied by any failure of a party to enforce any remedy on account of the violation of such provision, even if such violation shall continue or be repeated subsequently, any waiver by a party of any provision of this Lease may only be in writing, and no express waiver shall affect any provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

25.28 Attorneys' Fees. If any legal action is instituted to enforce or declare a party's rights hereunder, each party, including the prevailing party, must bear its own attorneys' fees and costs. This provision shall not apply to those attorneys' fees and costs directly arising from any third party legal action against Tenant, including such attorneys' fees and costs payable under Section 5.2 (Hazardous Substances) and Article 10 (Insurance).

25.29 Application of Payments. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

25.30 Reserved.

25.31 Former County Officials. Landlord hereby represents and warrants to Tenant that, to Landlord's actual knowledge without duty of investigation or inquiry, as of the date of execution of this Lease, there are no former County administrative officials (as defined below) who are employed by Landlord. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

25.32 Venue. The parties acknowledge and agree that this Lease is entered into and intended to be performed in the County of San Bernardino, California. The parties agree that the venue for any action or claim brought by any party to the Lease will be the Superior Court of California, County of San Bernardino. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394), or rule of court that would allow them to request or demand a change of venue. If any third party brings an action or claim concerning this Lease, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino.

25.33 Amendments. The Lease shall not be amended or modified except by written agreement executed by the Parties.

25.34 Armed Guard. Notwithstanding anything to the contrary contained in this Lease (including, without limitation, rule #30 of the Rules and Regulations), during the Lease Term (as may be extended), Tenant shall have the right to hire one (1) armed security guard (the "Armed Guard") solely for the purposes of (i) patrolling and securing the interior of the Premises, and (ii) escorting Tenant's employees, ex-employees, visitors, guests, licensees or invitees from the Premises to their vehicles, whether located in the Building Complex Parking Area or outside of the Building Complex (the "Armed Guard Duties"), subject to the following terms and conditions:

25.34.1 Tenant shall hire the Armed Guard from an insured, licensed, bonded and reputable armed security company reasonably approved by Landlord. The Armed Guard shall at all times wear a uniform (and/or badge) which identifies the Armed Guard as an employee or contractor of (i) Tenant, and/or (ii) of the security company providing the Armed Guard, and such uniform and/or badge shall in no event display the name of Landlord or the Building Complex;

25.34.2 upon request by Landlord from time to time, Tenant shall provide to Landlord (i) proof of insurance carried by the Armed Guard (which insurance shall list Landlord as an additional insured), and (ii) a copy of the service contract between Tenant and the Armed Guard;

25.34.3 the Armed Guard shall not be permitted to perform the Armed Guard Duties in any portion of the Building or Building Complex other than the Premises and those certain areas necessary to escort Tenant's employees, ex-employees, visitors, guests or invitees from the Premises to their vehicles, whether located in the Building Complex Parking Area or outside of the Building Complex;

25.34.4 Landlord may terminate Tenant's right to hire the Armed Guard at any time by providing written notice thereof to Tenant if (i) Landlord's insurance carrier increases (or threatens in writing to increase) Landlord's insurance premiums or cancels (or threatens in writing to cancel) Landlord's insurance coverage as a result of the Armed Guard, unless Tenant agrees, in writing, to pay for such increases, (ii) any other tenant at the Building Complex complains to Landlord in good faith about Tenant's Armed Guard (provided that in such case, Tenant shall be permitted to replace the Armed Guard within five [5] business days with another Armed Guard who meets the qualifications set forth in this Section 25.32), (iii) Landlord engages the services of an armed security guard for the Building to serve the tenants of the Building, (iv) the Armed Guard discharges a weapon in the Building, and/or (v) the Armed Guard

does not act reasonably while performing the Armed Guard Duties or otherwise, as determined by Landlord in good faith (provided that if Landlord makes such determination and Tenant must terminate the Armed Guard, then Tenant shall be permitted to replace such Armed Guard within five [5] business days with another Armed Guard who meets the qualifications set forth in this Section 25.32); and

25.34.5 Except in connection with any Excluded Claims, Tenant hereby assumes all risk of damage to property and injury to persons (including, without limitation, the visitors, guests, invitees, licensees, employees, vendors and/or contractors of Tenant) in, on or about the Premises from the Armed Guard and, except in connection with any Excluded Claims, agrees that (i) Landlord and the Landlord Parties shall not be liable for, and are hereby released from any responsibility for, any damage or injury either to person or property sustained by Tenant and its visitors, guests, invitees, licensees, employees, vendors and/or contractors in connection with the Armed Guard, and (ii) Tenant shall be solely responsible, at its sole cost and expense, for the acts of the Armed Guard. In addition, Tenant hereby indemnifies, defends, protects and holds Landlord and the Landlord Parties harmless from and against all Claims by or on behalf of Tenant or any other person, including, but not limited to Tenant's visitors, guests, invitees, licensees, employees, vendors and/or contractors arising from Tenant's use of the Armed Guard, including, without limitation, the acts or omissions (including the negligence or willful misconduct) of the Armed Guard during the performance of the Armed Guard Duties.

25.35 Counterparts; Electronic Signatures. This Lease may be executed in counterparts each of which shall be deemed as an original, but all of which taken together shall constitute one and the same document. Each of the parties to this Lease (i) has agreed to permit the use from time to time, where appropriate, of telecopy or other electronic signatures (including, without limitation, DocuSign) in order to expedite the transaction contemplated by this Lease, (ii) intends to be bound by its respective telecopy or other electronic signature, (iii) is aware that the other will rely on the telecopied or other electronically transmitted signature, and (iv) acknowledges such reliance and waives any defenses to the enforcement of this Lease and the documents affecting the transaction contemplated by this Lease based on the fact that a signature was sent by telecopy or electronic transmission only.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have caused their duly authorized representatives to execute this Lease as of the day and date first above written.

"Landlord"

TRI-CITY PROPERTY, LLC,
a Delaware limited liability company

By: _____
Name: Joon Choi
Its: Authorized Signatory

"Tenant"
SAN BERNARDINO COUNTY

By: _____
Curt Hagman, Chairman
Board of Supervisors

Date: _____

SIGNED AND CERTIFIED THAT
A COPY OF THIS DOCUMENT
HAS BEEN DELIVERED TO THE
CHAIR OF THE BOARD

LYNNA MONELL, Clerk of the Board of
Supervisors

By: _____
Deputy

Date: _____

Approved as to Legal Form:

Tom Bunton, County Counsel
San Bernardino County, California

By: _____
Kristina Robb, Principal Assistant
County Counsel

Date: _____

EXHIBIT A

FLOOR PLAN OF PREMISES

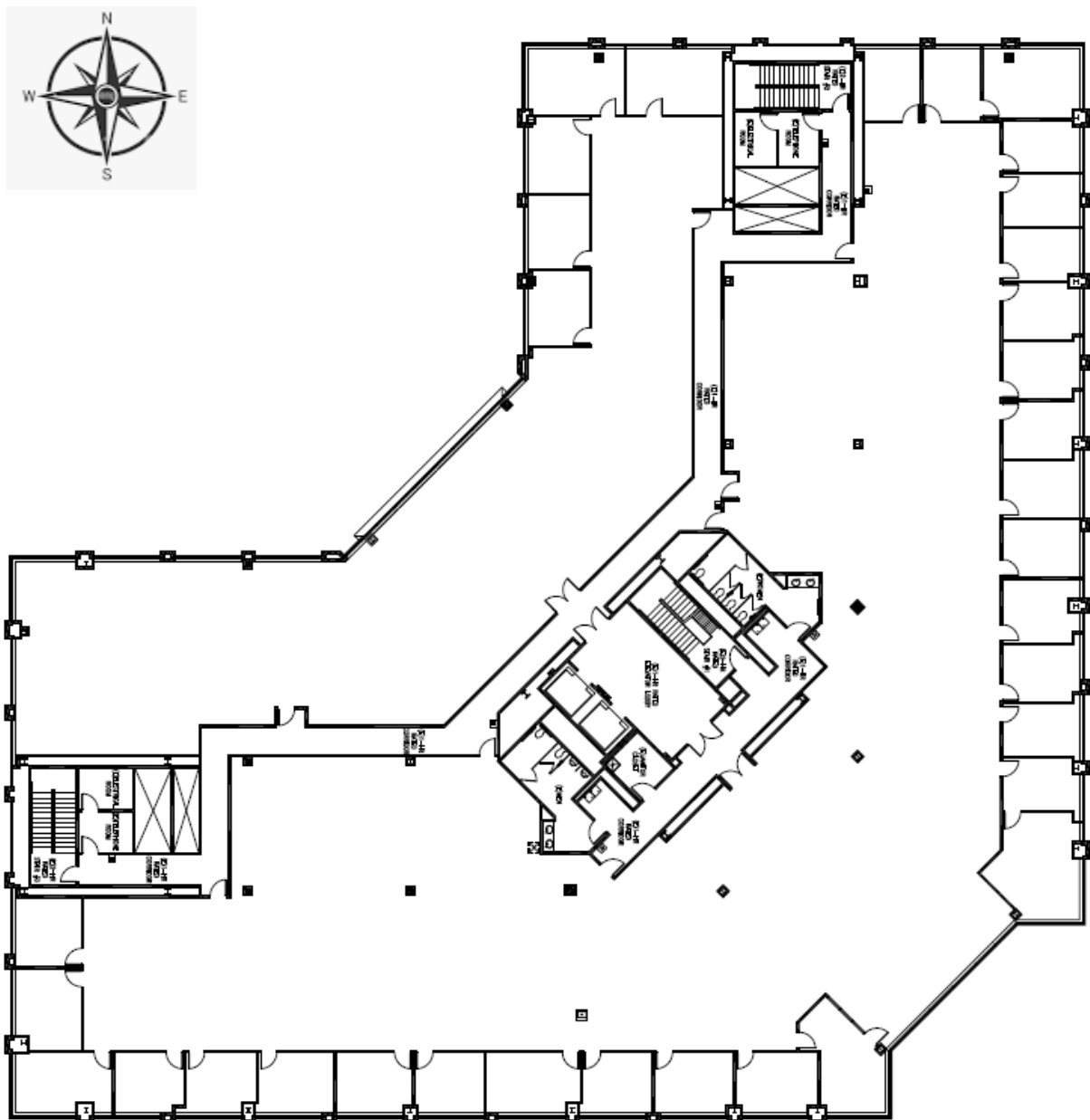


EXHIBIT B

RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Building Complex.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two (2) keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord. Upon the expiration or earlier termination of the Lease, Tenant shall restore to Landlord all keys of stores, offices, and toilet rooms, either furnished to, or otherwise procured by, Tenant, and in the event of the loss of any keys so furnished, Tenant shall pay to Landlord the cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such change.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises, unless electrical hold backs have been installed.

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building and to exclude from the Building between the hours of 6:00 p.m. and 8:00 a.m. and at all hours on Saturday, Sunday and Holidays (as defined in the Lease) all persons who do not present a pass or card key to the Building approved by Landlord. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building or Building Complex may be required to sign the Building register when so doing. After-hours access by Tenant's authorized employees may be provided by card-key access or other procedures adopted by Landlord from time to time; Tenant shall pay for the costs of all access cards provided to Tenant's employees and all replacements thereof for lost, stolen or damaged cards. Access to the Building or Building Complex may be refused unless the person seeking access has proper identification or has a previously arranged pass for access. Landlord and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building or Building Complex of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building and/or Building Complex during the continuance of same by any means it deems appropriate for the safety and protection of life and property.

4. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. All damage done to any part of the Building and/or Building Complex, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility of Tenant and any expense of said damage or injury shall be borne by Tenant.

5. No furniture, freight, packages, supplies, equipment or merchandise will be brought into or removed from the Building or carried up or down in the elevators, except upon prior notice to Landlord, and in such manner, in such specific elevator, and between such hours as shall be designated by Landlord.

Tenant shall provide Landlord with not less than twenty-four (24) hours' prior notice of the need to utilize an elevator for any such purpose, so as to provide Landlord with a reasonable period to schedule such use and to install such padding or take such other actions or prescribe such procedures as are appropriate to protect against damage to the elevators or other parts of the Building.

6. Landlord shall have the right to control and operate the public portions of the Building and Building Complex, the public facilities, the HVAC, and any other facilities furnished for the common use of tenants, in such manner as is customary for comparable building projects in the vicinity of the Building Complex.

7. The requirements of Tenant will be attended to only upon application at the management office of the Building Complex or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.

8. Tenant shall not disturb, solicit, or canvass any occupant of the Building Complex and shall cooperate with Landlord or Landlord's agents to prevent same.

9. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or agents, shall have caused it.

10. Tenant shall not overload the floor of the Premises, nor mark, drive nails or screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof without Landlord's consent first had and obtained; provided, however, Landlord's prior consent shall not be required with respect to Tenant's placement of pictures and other normal office wall hangings on the interior walls of the Premises (but at the end of the Lease Term, Tenant shall repair any holes and other damage to the Premises resulting therefrom).

11. Except for vending machines intended for the sole use of Tenant's employees and invitees, no vending machine or machines of any description other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord.

12. Tenant shall not use any method of HVAC other than that which may be supplied by Landlord, without the prior written consent of Landlord.

13. Tenant shall not use or keep in or on the Premises or the Building Complex any kerosene, gasoline or other inflammable or combustible fluid or material. Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building or Building Complex by reason of noise, odors, or vibrations, or interfere in any way with other tenants or those having business therein.

14. Tenant shall not bring into or keep within the Building Complex or the Premises any animals, birds or bicycles. This paragraph 14 does not prohibit the presence of service animals ("Service Animals") on the Premises pursuant to applicable laws. Tenant shall use best efforts to ensure that any Service Animals brought into the Premises shall be fully domesticated, fully vaccinated, trained animals, and subject to the following terms and conditions, except to the extent prohibited by applicable laws:

14.1 all Service Animals shall be strictly controlled at all times, shall not be left unattended in the Premises or the Real Property at any time, shall not be permitted to walk or otherwise roam through the Real Property unattended or off-leash and shall not be permitted to foul, damage or otherwise mar any part of the Premises or the Real Property;

14.2 all Service Animals shall be on a leash at all times that they are not entirely within the Premises;

14.3 Tenant shall not bring the Service Animals to the Real Property if any of the Service Animals become ill or contract a disease that could potentially threaten the health or well-being of any tenant or occupant of the Real Property (which diseases shall include, without limitation, rabies, leptospirosis, flea infestation and Lyme Disease);

14.4 the Service Animals must use the stairs, and not the elevators, to access the Premises;

14.5 Tenant shall be responsible for any additional cleaning costs and all other costs which may arise from the presence of the Service Animals at the Real Property in excess of the costs that would have been incurred had the Service Animals not been allowed in or around the Real Property;

14.6 Tenant assumes responsibility for, and agrees at the sole discretion of Landlord to indemnify, defend and hold Landlord and the Landlord Parties harmless from, any and all Claims, directly related to the acts (including but not limited to biting or causing bodily injury to, or damage to the property of, Landlord or any other tenant, subtenant, occupant, licensee or invitee of the Real Property) of, or the presence of, any Service Animals in, on or about the Real Property;

14.7 Tenant shall immediately remove any waste and excrement of any Service Animals from the Real Property and properly clean the affected area;

14.8 any Service Animals shall not create a nuisance at the Real Property, including, without limitation, excessive barking if any Service Animals are dogs;

14.9 Service Animals shall not be allowed in the Common Areas, except en route to or from the Premises;

14.10 Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that Tenant's liability insurance provided pursuant to Section 10.3 above covers animal related injuries and damage;

14.11 Tenant shall be responsible for, and indemnify, defend, protect and hold Landlord and the Landlord Parties harmless from and against, any and all costs to remedy any and all damage caused by any Service Animals to the Premises (including any tenant improvements therein), the Real Property and/or the property of Landlord or any other tenant, subtenant, occupant, licensee or invitee of the Real Property; and

14.12 Tenant shall comply with all applicable laws associated with or governing the presence of the Service Animals within the Real Property and all additional rules and regulations as may be adopted by Landlord from time to time, and such presence shall not violate the certificate of occupancy for the Building.

15. No cooking shall be done or permitted by any tenant on the Premises, nor shall the Premises be used for the storage of merchandise, for lodging or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters' laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations, and does not cause odors which are objectionable to Landlord and other tenants.

16. Landlord will approve where and how telecommunications cabling and wiring are to be introduced to the Premises. No boring, cutting or stringing of wires or laying of linoleum or other similar floor coverings shall be allowed without the consent of Landlord. The location of telephone, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

17. Landlord reserves the right to exclude or expel from the Building and/or Building Complex any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.

18. Tenant, its employees and agents shall not loiter in the entrances or corridors, nor in any way obstruct the sidewalks, lobby, halls, stairways or elevators, and shall use the same only as a means of ingress and egress for the Premises.

19. Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to ensure the most effective operation of the Building's HVAC system, and shall refrain from attempting to adjust any controls. Tenant shall comply with and participate in any program for metering or otherwise measuring the use of utilities and services, including, without limitation, programs requiring the disclosure or reporting of the use of any utilities or services. Tenant shall also cooperate and comply with, participate in, and assist in the implementation of (and take no action that is inconsistent with, or which would result in Landlord, the Building and/or the Real Property failing to comply with the requirements of) any conservation, sustainability, recycling, energy efficiency, and waste reduction programs, environmental protection efforts and/or other programs that are in place and/or implemented from time to time at the Building and/or the Real Property, including, without limitation, any required reporting, disclosure, rating or compliance system or program (including, but not limited to, any LEED [Leadership in Energy and Environmental Design] rating or compliance system, including those currently coordinated through the U.S. Green Building Council).

20. Tenant shall not use any method of heating or air conditioning other than that which may be supplied by Landlord, without the prior written consent of Landlord. Tenant shall not furnish cooling or heating to the Premises, including, without limitation, the use of electronic or gas heating devices, portable coolers (such as "move n cools") or space heaters, without Landlord's prior written consent, and any such approval will be for devices that meet federal, state and local code.

21. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the city in which the Building is located without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate.

22. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

23. Tenant shall assume any and all responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed, when the Premises are not occupied.

24. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. The sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord.

25. The washing and/or detailing of or, the installation of windshields, radios, telephones in or general work on, automobiles shall not be allowed on the Real Property.

26. The term "personal goods or services vendors" as used herein means persons who periodically enter the Building of which the Premises are a part for the purpose of selling goods or services to a tenant, other than goods or services which are used by the Tenant only for the purpose of conducting its business in the Premises. "Personal goods or services" include, but are not limited to, drinking water and other beverages, food, barbering services and shoe-shining services. Landlord reserves the right to prohibit personal goods and services vendors from access to the Building except upon Landlord's prior written consent and upon such reasonable terms and conditions, including, but not limited to, the payment of a reasonable fee and provision for insurance coverage, as are related to the safety, care and cleanliness of the Building, the preservation of good order thereon, and the relief of any financial or other burden on Landlord or other tenants occasioned by the presence of such vendors or the sale by them of personal goods or services to Tenant or its employees. Under no circumstance shall the personal goods or services vendors display their products in a public or common area, including corridors and elevator lobbies. If necessary for the accomplishment of these purposes, Landlord may exclude a particular vendor entirely or limit the number of vendors who may be present at any one time in the Building. No such personal goods or services vendors shall be allowed to transport or carry beverages, food, food containers, etc., on any passenger elevators. The transportation of such items shall be via the service elevators in such manner as prescribed by Landlord.

27. Tenant must comply with requests by the Landlord concerning the informing of their employees of items of importance to the Landlord.

28. Tenant shall comply with any non-smoking ordinance adopted by any applicable governmental authority. Neither Tenant nor its agents, employees, contractors, guests or invitees shall smoke or permit smoking in the Premises and/or the common areas, unless the common areas have been declared a designated smoking area by Landlord, nor shall the above parties allow smoke from the Premises to emanate into the common areas or any other part of the Building. Landlord shall have the right to designate the Building (including the Premises) as a non-smoking building.

29. The Premises shall not be used for manufacturing. Tenant shall not engage or pay any employees on the Premises except those actually working for Tenant on the Premises nor advertise for laborers giving an address at the Premises.

30. Tenant shall not maintain armed security in or about the Premises (except as expressly permitted in Section 25.32 of the Lease) nor possess any weapons (except as expressly permitted in Section

25.32 of the Lease), explosives, combustibles or other hazardous devices in or about the Premises, Building and/or Real Property.

31. Landlord shall have the right to prohibit any advertising by Tenant which, in Landlord's opinion, tends to impair the reputation of the Building and/or Real Property or its desirability as an office building and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

32. Any outside contractor employed by Tenant, shall, while in the Building and/or Real Property, be subject to the prior written notice to Landlord and subject to the Rules and Regulations. Tenant shall be responsible for all acts of such persons and Landlord shall not be responsible for any loss or damage to property in the Premises, Building and/or Real Property, however occurring.

PARKING RULES AND REGULATIONS

1. Landlord reserves the right to establish and reasonably change the hours for the Building Complex Parking Area, on a non-discriminatory basis, from time to time. Tenant shall not store or permit its employees to store any automobiles in the Building Complex Parking Area without the prior written consent of Landlord (or any parking operator, if applicable). Except for emergency repairs, Tenant and its employees shall not perform any work on any automobiles while located in the Building Complex Parking Area or on the Real Property. The Building Complex Parking Area may not be used by Tenant or its agents for overnight parking of vehicles. If it is necessary for Tenant or its employees to leave an automobile in the Building Complex Parking Area overnight, Tenant shall provide Landlord (or any parking operator, if applicable) with prior notice thereof designating the license plate number and model of such automobile.

2. Tenant (including Tenant's employees and agents) will use the parking spaces solely for the purpose of parking passenger model cars, small vans and small trucks and will comply in all respects with any rules and regulations that may be promulgated by Landlord (or any parking operator, if applicable), from time to time with respect to the Building Complex Parking Area.

3. Vehicles must be parked entirely within the stall lines painted on the floor, and only small cars may be parked in areas reserved for small cars.

4. All directional signs and arrows must be observed.

5. The speed limit shall be 5 miles per hour.

6. Parking spaces reserved for handicapped persons must be used only by vehicles properly designated.

7. Parking is prohibited in all areas not expressly designated for parking, including without limitation:

- (a) areas not striped for parking;
- (b) aisles;
- (c) where "no parking" signs are posted;
- (d) ramps; and
- (e) loading zones.

8. Parking stickers, key cards and any other devices or forms of identification or entry supplied by Landlord (or any parking operator, if applicable) shall remain the property of Landlord (or any parking operator, if applicable). Such device must be displayed as requested and may not be mutilated in

any manner. The serial number of the parking identification device may not be obliterated. Parking passes and devices are not transferable and any pass or device in the possession of an unauthorized holder will be void.

9. Parking managers or attendants are not authorized to make or allow any exceptions to these Parking Rules and Regulations.

10. Every parker is required to park and lock his/her own car.

11. Loss or theft of parking passes, identification, key cards or other such devices must be reported to Landlord (or any parking operator, if applicable) immediately. Any parking devices reported lost or stolen found on any authorized car will be confiscated and the illegal holder will be subject to prosecution. Lost or stolen passes and devices found by Tenant or its employees must be reported to Landlord (or to the parking operator, if applicable) immediately.

12. Washing, waxing, cleaning or servicing of any vehicle by the customer and/or its agents is prohibited.

13. Tenant agrees to acquaint all persons to whom Tenant assigns a parking space with these Parking Rules and Regulations.

14. Neither Landlord nor, if applicable, any parking operator, from time to time will be liable for loss of or damage to any vehicle or any contents of such vehicle or accessories to any such vehicle, or any property left in any of the Building Complex Parking Area, resulting from fire, theft, vandalism, accident, conduct of other users of the Building Complex Parking Area and other persons, or any other casualty or cause. Further, Tenant understands and agrees that: (i) Landlord will not be obligated to provide any traffic control, security protection or parking operator for the Building Complex Parking Area; (ii) Tenant uses the Building Complex Parking Area at its own risk; and (iii) Landlord will not be liable for personal injury or death, or theft, loss of or damage to property.

15. Tenant will ensure that any vehicle parked in any of the parking spaces will be kept in proper repair and will not leak excessive amounts of oil or grease or any amount of gasoline. If any of the parking spaces are at any time used (i) for any purpose other than parking as provided above, (ii) in any way or manner reasonably objectionable to Landlord, or (iii) by Tenant after default by Tenant under the Lease, Landlord, in addition to any other rights otherwise available to Landlord, may consider such default an event of default under the Lease.

16. Tenant's right to use the Building Complex Parking Area will be in common with other tenants of the Real Property and with other parties permitted by Landlord to use the Building Complex Parking Area. Landlord reserves the right to assign and reassign, from time to time, particular parking spaces for use by persons selected by Landlord, provided that Tenant's rights under the Lease are preserved. Landlord will not be liable to Tenant for any unavailability of Tenant's designated spaces, if any, nor will any unavailability entitle Tenant to any refund, deduction, or allowance. Tenant will not park in any numbered space or any space designated as: RESERVED, HANDICAPPED, VISITORS ONLY, or LIMITED TIME PARKING (or similar designation).

17. If the Building Complex Parking Area are damaged or destroyed, or if the use of the Building Complex Parking Area is limited or prohibited by any governmental authority, or the use or operation of the Building Complex Parking Area is limited or prevented by strikes or other labor difficulties or other causes beyond Landlord's reasonable control, Tenant's inability to use the parking spaces will not subject Landlord (or any parking operator, if applicable) to any liability to Tenant and will not relieve

Tenant of any of its obligations under the Lease and the Lease will remain in full force and effect. Tenant will pay to Landlord upon demand, and Tenant indemnifies Landlord against, any and all loss or damage to the Building Complex Parking Area, or any equipment, fixtures, or signs used in connection with the Building Complex Parking Area and any adjoining buildings or structures caused by Tenant or any of its employees and agents.

18. Tenant has no right to assign or sublicense any of its rights in the parking passes, except as part of a permitted assignment or sublease of the Lease; however, Tenant may allocate the parking passes among its employees.

33. Landlord may waive any one or more of these Rules and Regulations and Parking Rules and Regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations and/or Parking Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules or Regulations and/or Parking Rules and Regulations against any or all tenants of the Building. Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations and/or Parking Rules and Regulations, or to make such other and further reasonable Rules and Regulations and/or Parking Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises and Building, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Landlord shall not be responsible to Tenant or to any other person for the nonobservance of the Rules and Regulations and/or Parking Rules and Regulations by another tenant or other person. Tenant shall be deemed to have read these Rules and Regulations and Parking Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises.

EXHIBIT C

AMENDMENT TO LEASE

This AMENDMENT TO LEASE ("Amendment") is made and entered into effective as of _____, _____, by and between TRI-CITY PROPERTY, LLC, a Delaware limited liability company ("Landlord"), and SAN BERNARDINO COUNTY ("Tenant").

R E C I T A L S :

A. Landlord and Tenant entered into that certain Office Lease dated as of _____ (the "Lease") pursuant to which Landlord leased to Tenant and Tenant leased from Landlord certain "Premises", as described in the Lease, known as Suites 200 and 250 of the Building located at 451 Vanderbilt Way, San Bernardino, CA 92408.

B. Except as otherwise set forth herein, all capitalized terms used in this Amendment shall have the same meaning given such terms in the Lease.

C. Landlord and Tenant desire to amend the Lease to confirm the commencement and expiration dates of the Lease Term, as hereinafter provided.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Confirmation of Dates. The parties hereby confirm that (a) the Lease Term for the Lease commenced as of _____ (the "Lease Commencement Date") for a term of _____ months ending on August 31, 2032 (the "Lease Expiration Date") (unless sooner terminated or extended as provided in the Lease) and (b) in accordance with the Lease, Rent commenced to accrue on _____.

2. No Further Modification. Except as set forth in this Amendment, all of the terms and provisions of the Lease shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed as of the day and year first above written.

"Landlord"

TRI-CITY PROPERTY, LLC,

By: _____

Name: Joon Choi

Its: Authorized Signatory

"Tenant"

SAN BERNARDINO COUNTY

By:

Curt Hagman, Chairman
Board of Supervisors

Date: _____

SIGNED AND CERTIFIED THAT
A COPY OF THIS DOCUMENT
HAS BEEN DELIVERED TO THE
CHAIR OF THE BOARD

LYNNA MONELL, Clerk of the Board of
Supervisors

By:

Deputy

Date: _____

Approved as to Legal Form:

Tom Bunton, County Counsel
San Bernardino County, California

By:

Kristina Robb, Principal Assistant
County Counsel

Date: _____

EXHIBIT D

FORM OF TENANT'S ESTOPPEL CERTIFICATE

The undersigned, as Tenant under that certain Office Lease (the "Lease") made and entered into as of _____, 20__ and between TRI-CITY PROPERTY, LLC, a Delaware limited liability company, as Landlord, and the undersigned as Tenant, for Premises on the _____ floor(s) of the Building located at 621/685 E. Carnegie Drive, San Bernardino, CA 92408, hereby certifies as follows:

1. Attached hereto as Exhibit A is a true and correct copy of the Lease and all amendments and modifications thereto. The documents contained in Exhibit A represent the entire agreement between the parties as to the Premises.

2. The undersigned has commenced occupancy of the Premises described in the Lease, currently occupies the Premises, and the Lease Term commenced on _____.

3. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in Exhibit A.

4. Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto except as follows:

5. Tenant shall not modify the documents contained in Exhibit A or prepay any amounts owing under the Lease to Landlord in excess of thirty (30) days without the prior written consent of Landlord's mortgagee.

6. Base Rent became payable on _____.

7. The Lease Term expires on _____.

8. All conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied and Landlord is not in default thereunder.

9. No rental has been paid in advance and no security has been deposited with Landlord except as provided in the Lease.

10. As of the date hereof, there are no existing defenses or offsets that the undersigned has, which preclude enforcement of the Lease by Landlord.

11. All monthly installments of Base Rent, all additional rent and all monthly installments of estimated additional rent have been paid when due through _____. The current monthly installment of Base Rent is \$_____.

12. The undersigned acknowledges that this Estoppel Certificate may be delivered to Landlord's current and/or prospective mortgagees, or a prospective purchaser, and acknowledges that it recognizes that if same is done, said current mortgagee, prospective mortgagee, or prospective purchaser will be relying upon the statements contained herein in making the loan or acquiring the property of which the Premises are a part, and in accepting an assignment of the Lease as collateral security, and that receipt by it of this certificate is a condition of making of the loan or acquisition of such property.

13. If Tenant is a corporation or partnership, each individual executing this Estoppel Certificate on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Estoppel Certificate and that each person signing on behalf of Tenant is authorized to do so.

Executed at _____ on the ____ day of _____, 20____.

"Tenant"

SAN BERNARDINO COUNTY

By: _____
Name: _____
Its: _____

EXHIBIT E

EXTENSION OPTION RIDER

1. Extension Option. Subject to the terms of this Exhibit E, Landlord hereby grants Tenant one (1) option (the "Extension Option") to extend the Lease Term for all of the Premises then leased by Tenant (collectively, the "Renewal Premises") for a period of five (5) years (the "Option Term"). Notwithstanding the foregoing, at Landlord's option, in addition to any other remedies available to Landlord under the Lease, at law and/or in equity, the Extension Option shall not be deemed properly exercised if as of the date of delivery of the Exercise Notice (as defined below) by Tenant, Tenant is in default under the Lease beyond any applicable notice and cure period. Upon the proper exercise of the Extension Option, the Lease Term shall be extended for the Option Term. The Extension Option is personal to the Original Tenant and any Affiliate Assignee and may only be exercised by the original Tenant executing the Lease (the "Original Tenant"), or such Affiliate Assignee, as the case may be (and not any assignee, sublessee or other transferee of Tenant's interest in the Lease) if the Original Tenant occupies the entire Premises as of the date of Tenant's delivery of the Exercise Notice.

2. Option Rent. The annual Base Rent payable by Tenant during the Option Term (the "Option Rent") shall be equal the Fair Market Rental Rate for the Renewal Premises. As used herein, the "Fair Market Rental Rate" for purposes of determining the Option Rent payable for the Renewal Premises during the Option Term shall mean the annual base rent calculated on a gross basis (i.e., the annual base rent shall take into consideration operating expense passthroughs and taxes typically paid by other tenants) at which non-equity tenants, as of the commencement of the Option Term, will be leasing non-sublease, unencumbered space comparable in size, location and quality to the Renewal Premises, for a comparable term as the Option Term, which comparable space is located in the Building Complex and in other comparable Class A, steel-framed office buildings located within the larger Tri-City Corporate Centre project in the San Bernardino, California (the "Comparable Buildings"), taking into consideration free rent, all out-of-pocket monetary concessions and inducements generally being granted at such time for such comparable space leased by tenants of comparable net worth as Tenant (including, without limitation, any tenant improvement allowance provided for such comparable space with the amount of such tenant improvement allowance to be provided for the Renewal Premises for the Option Term to be determined after taking into account the quality and layout of the tenant improvements in the Renewal Premises as of the commencement of the Option Term). All other terms and conditions of the Lease shall apply throughout the Option Term; however, Tenant shall, in no event, have the option to extend the Lease Term beyond the Option Term.

3. Exercise of Option. The Extension Option shall be exercised by Tenant, if at all, only in the following manner: (i) Tenant shall deliver written notice ("Exercise Notice") to Landlord not less than nine (9) months prior to the expiration of the initial Lease Term stating that Tenant is exercising the Extension Option (with the Option Rent to be determined as provided hereinbelow); and (ii) Landlord, after receipt of Tenant's Exercise Notice, shall deliver written notice (the "Option Rent Notice") to Tenant within thirty (30) days following Landlord's receipt of the Exercise Notice setting forth the Option Rent. Within fifteen (15) days after receipt of the Option Rent Notice, Tenant shall notify Landlord in writing whether Tenant accepts or disagrees with the Fair Market Rental Rate set forth in the Option Rent Notice (if Tenant fails to deliver such written notice, Tenant shall be deemed to have accepted the Fair Market Rental Rate set forth in the Option Rent Notice). Should Tenant accept (or be deemed to have accepted) the Fair Market Rental Rate set forth in the Option Rent Notice, the Option Rent for the Option Term shall be as set forth in the Option Rent Notice and the following provisions of Section 4 below shall not apply. Should Tenant properly and timely disagree with the Fair Market Rental Rate set forth in the Option Rent Notice, such

Fair Market Rental Rate shall be determined pursuant to Section 4 below. Tenant's failure to deliver the Exercise Notice on or before the delivery date therefor specified hereinabove, shall be deemed to constitute Tenant's waiver of the Extension Option.

4. Determination of Option Rent. If Tenant timely objects to the Fair Market Rental Rate for the Option Term submitted by Landlord in the Option Rent Notice therefor, Landlord and Tenant shall thereafter attempt in good faith to agree upon such Fair Market Rental Rate for the Option Term, using their best good faith efforts. If Landlord and Tenant fail to reach agreement on such Fair Market Rental Rate for the Option Term within fifteen (15) days following Tenant's objection thereto pursuant to Section 3 above (the "Outside Agreement Date"), then each party shall submit to the other party a separate written determination of the Fair Market Rental Rate for the Option Term within ten (10) business days after the Outside Agreement Date, and such determinations shall be submitted to arbitration in accordance with the provisions of Sections 4 (a) through (g) below. The failure of Tenant or Landlord to submit a written determination of the Fair Market Rental Rate for the Option Term within such ten (10) business day period shall conclusively be deemed to be such party's approval of the Fair Market Rental Rate for the Option Term submitted within such ten (10) business day period by the other party.

(a) Landlord and Tenant shall each appoint one (1) "appraiser" who shall by profession be a real estate broker who shall have been active over the ten (10) year period ending on the date of such appointment in the leasing of Comparable Buildings. The determination of the appraisers shall be limited solely to the issue of whether Landlord's or Tenant's submitted Fair Market Rental Rate for the Option Term is the closer to the actual Fair Market Rental Rate for the Option Term as determined by the appraisers, taking into account the requirements with respect thereto set forth in Section 2 above. Each such appraiser shall be appointed within fifteen (15) days after the Outside Agreement Date.

(b) The two (2) appraisers so appointed shall, within fifteen (15) days of the date of the appointment of the last appointed appraiser, agree upon and appoint a third appraiser who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) appraisers.

(c) The three (3) appraisers shall, within thirty (30) days of the appointment of the third appraiser, reach a decision as to which of Landlord's or Tenant's submitted Fair Market Rental Rate for the Option Term is closer to the actual Fair Market Rental Rate for the Option Term and shall select such closer determination as the Fair Market Rental Rate for the Option Term and notify Landlord and Tenant thereof.

(d) The decision of the majority of the three (3) appraisers shall be binding upon Landlord and Tenant.

(e) If either Landlord or Tenant fails to appoint an appraiser within the time period specified in Section 4(a) above, the appraiser appointed by one of them shall reach the decision described in Section 4(c) above, notify Landlord and Tenant thereof, and such appraiser's decision shall be binding upon Landlord and Tenant.

(f) If the two (2) appraisers fail to agree upon and appoint a third appraiser, a third appraiser shall be appointed by the applicable county court for the county in which the Building is located.

(g) Each party shall pay the fees and expenses of the appraiser appointed by or on behalf of it, and each shall pay one-half of the fees and expenses of the third appraiser, if any.

5. Any Extension Option, including final acceptance of the Option Rent, is subject to approval by and only binding upon Tenant when, finally approved by the San Bernardino County Board of Supervisors, which approval must be provided within ninety (90) days after the Option Rent has been finally determined pursuant to this Exhibit F. Tenant's failure to obtain approval by the San Bernardino County Board of Supervisors within such ninety (90) day period, shall be deemed to constitute Tenant's waiver of the Extension Option.

EXHIBIT F

PREVAILING WAGE REQUIREMENTS

A. All or a portion of the Scope of Work in the Contract requires the payment of prevailing wages and compliance with the following requirements:

1. Determination of Prevailing Rates:

Pursuant to Labor Code sections 1770, *et seq.*, the County has obtained from the Director of the Department of Industrial Relations (DIR) pursuant to the California Labor Code, the general prevailing rates of per diem wages and the prevailing rates for holiday and overtime work in the locality in which the Scope of Work is to be performed. Copies of said rates are on file with the County, will be made available for inspection during regular business hours, may be included elsewhere in the specifications for the Scope of Work, and are also available online at www.dir.ca.gov. The wage rate for any classification not listed, but which may be required to execute the Scope of Work, shall be commensurate and in accord with specified rates for similar or comparable classifications for those performing similar or comparable duties. In accordance with Labor Code section 1773.2, the Contractor shall post, at appropriate and conspicuous locations on the job site, a schedule showing all applicable prevailing wage rates and shall comply with the requirements of Labor Code sections 1773, *et seq.*

2. Payment of Prevailing Rates

Each worker of the Contractor, or any subcontractor, engaged in the Scope of Work, shall be paid not less than the general prevailing wage rate, regardless of any contractual relationship which may be alleged to exist between the Contractor or any subcontractor, and such worker.

3. Prevailing Rate Penalty

The Contractor shall, as a penalty, forfeit two hundred dollars (\$200.00) to the County for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of the DIR for such work or craft in which such worker is employed by the Contractor or by any subcontractor in connection with the Scope of Work. Pursuant to California Labor Code section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate, shall be paid to each worker by the Contractor.

4. Ineligible Contractors:

Pursuant to the provisions of Labor Code section 1777.1, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a contractor or subcontractor on a public works project. This list of debarred contractors is available from the DIR website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>. Any contract entered into between a contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract, and any public money that may have been paid to a debarred subcontractor by a contractor on the project shall be returned to the County. The Contractor shall be responsible for the payment of wages to workers as a debarred subcontractor who has been allowed to work on the Scope of Work.

5. Payroll Records:

- a. Pursuant to California Labor Code section 1776, the Contractor and each subcontractor, shall keep accurate certified payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by them in connection with the Scope of Work. The payroll records enumerated herein shall be verified by a written declaration made under penalty of perjury

that the information contained in the payroll record is true and correct and that the Contractor or subcontractor has complied with the requirements of the California Labor Code sections 1771, 1811, and 1815 for any Scope of Work performed by his or her employees. The payroll records shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

- i. A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his/her authorized representative on request;
 - ii. A certified copy of all payroll records shall be made available for inspection or furnished upon request to the County, the Division of Labor Standards Enforcement of the DIR;
 - iii. A certified copy of payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either the County or the Division of Labor Standards Enforcement. If the requested payroll records have not been previously provided to the County or the Division of Labor Standards Enforcement, the requesting party shall, prior to being provided the records, reimburse the cost of preparation by the Contractor, subcontractor and the entity through which the request was made; the public shall not be given access to such records at the principal office of the Contractor;
 - iv. The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) days after receipt of a written request; and
 - v. Copies provided to the public, by the County or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number. The name and address of the Contractor or any subcontractor, performing a part of the Scope of Work shall not be marked or obliterated. The Contractor shall inform the County of the location of payroll records, including the street address, city and county and shall, within five (5) working days, provide a notice of a change of location and address.
- b. The Contractor shall have ten (10) days from receipt of the written notice specifying in what respects the Contractor must comply with the above requirements. In the event Contractor does not comply with the requirements of this section within the ten (10) day period, the Contractor shall, as a penalty to the County, forfeit one-hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, such penalty shall be withheld from any portion of the payments then due or to become due to the Contractor.

6. Limits on Hours of Work:

Pursuant to California Labor Code section 1810, eight (8) hours of labor shall constitute a legal day's work. Pursuant to California Labor Code section 1811, the time of service of any worker employed at any time by the Contractor or by a subcontractor, upon the Scope of Work or upon any part of the Scope of Work, is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as provided for under Labor Code section 1815. Notwithstanding the foregoing provisions, work performed by employees of Contractor or any subcontractor, in excess of eight (8) hours per day and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in

excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.

7. Penalty for Excess Hours:

The Contractor shall pay to the County a penalty of twenty-five dollars (\$25.00) for each worker employed on the Scope of Work by the Contractor or any subcontractor, for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week, in violation of the provisions of the California Labor Code, unless compensation to the worker so employed by the Contractor is not less than one and one-half (1½) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.

8. Senate Bill 854 (Chapter 28, Statutes of 2014) and Senate Bill 96 (Chapter 28, Statutes of 2017) Requirements:

a. Contractor shall comply with Senate Bill 854 and Senate Bill 96. The requirements include, but are not limited to, the following:

- i. No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the DIR pursuant to Labor Code section 1725.5, with limited exceptions from this requirements for bid purposes only as allowed under Labor Code section 1771.1(a).
- ii. No contractor or subcontractor may be awarded a contract for public work or perform work on a public works project unless registered with the DIR pursuant to Labor Code section 1725.5.
- iii. This project is subject to compliance monitoring and enforcement by the DIR.
- iv. As required by the DIR, Contractor is required to post job site notices, as prescribed by regulation, regarding compliance monitoring and enforcement by the DIR.
- v. Contractors and all subcontractors must submit certified payroll records online to the Labor Commissioner for all public works projects.
 - 1) The certified payroll must be submitted at least monthly to the Labor Commissioner.
 - 2) The County reserves the right to require Contractor and all subcontractors to submit certified payroll records more frequently than monthly to the Labor Commissioner.
 - 3) The certified payroll records must be in a format prescribed by the Labor Commissioner.
- vi. Registration with the DIR and the submission of certified payroll records to the Labor Commissioner are not required if the public works project is \$25,000 or less when the project is for construction, alteration, demolition, installation or repair work, or if the public works project is \$15,000 or less when the project is for maintenance work.

b. Labor Code section 1725.5 states the following:

"A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1) (A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars (\$400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) Beginning June 1, 2019, a contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable application or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars (\$2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be

prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:

(1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.

(2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.

(3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2).

(e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, to any contract for public work, as defined in this chapter, executed on or after April 1, 2015, and to any work performed under a contract for public work on or after January 1, 2018, regardless of when the contract for public work was executed.

(f) This section does not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work."

c. Labor Code section 1771.1 states the following:

"(a) A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work pursuant to Section 1725.5.

(c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:

(1) The subcontractor is registered prior to the bid opening.

(2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.

(d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.

(e) The department shall maintain on its Internet Web site a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.

(f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.

(g) If the Labor Commissioner or his or her designee determines that a contractor or subcontractor engaged in the performance of any public work contract without having been registered in accordance with this section, the contractor or subcontractor shall forfeit, as a civil penalty to the state, one hundred dollars (\$100) for each day of work performed in violation of the registration requirement, not to exceed an aggregate penalty of eight thousand dollars (\$8,000) in addition to any penalty registration fee assessed pursuant to clause (ii) of subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(h)(1) In addition to, or in lieu of, any other penalty or sanction authorized pursuant to this chapter, a higher tiered public works contractor or subcontractor who is found to have entered into a subcontract with an unregistered lower tier subcontractor to perform any public work in violation of the requirements of Section 1725.5 or this section shall be subject to forfeiture, as a civil penalty to the state, of one hundred dollars (\$100) for each day the unregistered lower tier subcontractor performs work in violation of the registration requirement, not to exceed an aggregate penalty of ten thousand dollars (\$10,000).

(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess, and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter.

(3) A higher tiered public works contractor or subcontractor shall not be liable for penalties assessed pursuant to paragraph (1) if the lower tier subcontractor's performance is in violation of the requirements of Section 1725.5 due to the revocation of a previously approved registration.

(4) A subcontractor shall not be liable for any penalties assessed against a higher tiered public works contractor or subcontractor pursuant to paragraph (1). A higher tiered public works contractor or subcontractor may not require a lower tiered subcontractor to indemnify or otherwise be liable for any penalties pursuant to paragraph (1).

(i) The Labor Commissioner or his or her designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741, upon determination of penalties pursuant to subdivision (g) and subparagraph (B) of paragraph (1) of subdivision (h). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments under Article

1 (commencing with Section 1720) and Article 2 (commencing with Section 1770), shall apply.

(j)(1) Where a contractor or subcontractor engages in the performance of any public work contract without having been registered in violation of the requirements of Section 1725.5 or this section, the Labor Commissioner shall issue and serve a stop order prohibiting the use of the unregistered contractor or the unregistered subcontractor on all public works until the unregistered contractor or unregistered subcontractor is registered. The stop order shall not apply to work by registered contractors or subcontractors on the public work.

(2) A stop order may be personally served upon the contractor or subcontractor by either of the following methods:

(A) Manual delivery of the order to the contractor or subcontractor personally.

(B) Leaving signed copies of the order with the person who is apparently in charge at the site of the public work and by thereafter mailing copies of the order by first class mail, postage prepaid to the contractor or subcontractor at one of the following:

(i) The address of the contractor or subcontractor on file with either the Secretary of State or the Contractors' State License Board.

(ii) If the contractor or subcontractor has no address on file with the Secretary of State or the Contractors' State License Board, the address of the site of the public work.

(3) The stop order shall be effective immediately upon service and shall be subject to appeal by the party contracting with the unregistered contractor or subcontractor, by the unregistered contractor or subcontractor, or both. The appeal, hearing, and any further review of the hearing decision shall be governed by the procedures, time limits, and other requirements specified in subdivision (a) of Section 238.1.

(4) Any employee of an unregistered contractor or subcontractor who is affected by a work stoppage ordered by the commissioner pursuant to this subdivision shall be paid at his or her regular hourly prevailing wage rate by that employer for any hours the employee would have worked but for the work stoppage, not to exceed 10 days.

(k) Failure of a contractor or subcontractor, owner, director, officer, or managing agent of the contractor or subcontractor to observe a stop order issued and served upon him or her pursuant to subdivision (j) is guilty of a misdemeanor punishable by imprisonment in county jail not exceeding 60 days or by a fine not exceeding ten thousand dollars (\$10,000), or both.

(l) This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015. This section shall also apply to the performance of any public work, as defined in this chapter, on or after January 1, 2018, regardless of when the contract for public work was entered.

(m) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(n) This section shall not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work."

d. Labor Code section 1771.4 states the following:

"a) All of the following are applicable to all public works projects that are otherwise subject to the requirements of this chapter:

(1) The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

- (2) The awarding body shall post or require the prime contractor to post job site notices, as prescribed by regulation.
- (3) Each contractor and subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner, in the following manner:
 - (A) At least monthly or more frequently if specified in the contract with the awarding body.
 - (B) In a format prescribed by the Labor Commissioner.
- (4) If the contractor or subcontractor is not registered pursuant to Section 1725.5 and is performing work on a project for which registration is not required because of subdivision (f) of Section 1725.5, the unregistered contractor or subcontractor is not required to furnish the records specified in Section 1776 directly to the Labor Commissioner but shall retain the records specified in Section 1776 for at least three years after completion of the work.
- (5) The department shall undertake those activities it deems necessary to monitor and enforce compliance with prevailing wage requirements.
- (b) The Labor Commissioner may exempt a public works project from compliance with all or part of the requirements of subdivision (a) if either of the following occurs:
 - (1) The awarding body has enforced an approved labor compliance program, as defined in Section 1771.5, on all public works projects under its authority, except those deemed exempt pursuant to subdivision (a) of Section 1771.5, continuously since December 31, 2011.
 - (2) The awarding body has entered into a collective bargaining agreement that binds all contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.
- (c) The requirements of paragraph (1) of subdivision (a) shall only apply to contracts for public works projects awarded on or after January 1, 2015.
- (d) The requirements of paragraph (3) of subdivision (a) shall apply to all contracts for public work, whether new or ongoing, on or after January 1, 2016."

B. STATE PUBLIC WORKS APPRENTICESHIP REQUIREMENTS

1. State Public Works Apprenticeship Requirements:

- a. The Contractor is responsible for compliance with Labor Code section 1777.5 and the California Code of Regulations, title 8, sections 230 – 230.2 for all apprenticeable occupations (denoted with "#" symbol next to craft name in DIR Prevailing Wage Determination), whether employed by the Contractor, subcontractor, vendor or consultant. Included in these requirements is (1) the Contractor's requirement to provide notification (i.e. DAS-140) to the appropriate apprenticeship committees; (2) pay training fund contributions for each apprenticeable hour employed on the Contract; and (3) utilize apprentices in a minimum ratio of not less than one apprentice hour for each five journeyman hours by completion of Contract work (unless an exception is granted in accordance with Labor Code section 1777.5) or request for the dispatch of apprentices.
- b. Any apprentices employed to perform any of the Scope of Work shall be paid the standard wage to apprentices under the regulations of the craft or trade for which such apprentice is employed, and such individual shall be employed only for the work of the craft or trade to which such individual is registered. Only apprentices, as defined in California Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under California Labor Code sections 3070 *et seq.* are eligible

to be employed for the Scope of Work. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprentice agreements under which such apprentice is training.

2. Compliance with California Labor Code section 1777.5 requires all public works contractors to:

a. Submit Contract Award Information (DAS-140):

- i. Although there are a few exemptions (identified below), all Contractors, regardless of union affiliation, must submit contract award information when performing on a California public works project.
- ii. The DAS-140 is a notification "announcement" of the Contractor's participation on a public works project—*it is not a request for the dispatch of an apprentice*.
- iii. Contractors shall submit the contract award information (you may use form DAS 140) within 10 days of the execution of the prime contract or subcontract, but in no event later than the first day in which the Contractor has workers employed on the public work.
- iv. Contractors who are already approved to train apprentices (i.e. check "Box 1" on the DAS-140) shall only be required to submit the form to their approved program.
- v. Contractors who are NOT approved to train apprentices (i.e. those that check either "Box 2" or "Box 3" on the DAS-140) shall submit the DAS-140 TO EACH of the apprenticeship program sponsors in the area of your public works project. For a listing of apprenticeship programs see <http://www.dir.ca.gov/Databases/das/pwaddrstart.asp>.

b. Employ Registered Apprentices

- i. Labor Code section 1777.5 requires that a contractor performing work in an "apprenticeable" craft must employ one (1) hour of apprentice work for every five (5) hours performed by a journeyman. This ratio shall be met prior to the Contractor's completion of work on the project. "Apprenticeable" crafts are denoted with a pound symbol "#" in front of the craft name on the prevailing wage determination.
- ii. All Contractors who do not fall within an exemption category (see below) must request for dispatch of an apprentice from an apprenticeship program (for each apprenticeable craft or trade) by giving the program actual notice of at least 72 hours (business days only) before the date on which apprentices are required.
- iii. Contractors may use the "DAS-142" form for making a request for the dispatch of an apprentice.
- iv. Contractors who are participating in an approved apprenticeship training program and who did not receive sufficient number of apprentices from their initial request must request dispatch of apprentices from ALL OTHER apprenticeship committees in the project area in order to fulfill this requirement.
- v. Contractor should maintain and submit proof (when requested) of its DAS-142 submittal to the apprenticeship committees (e.g. fax transmittal confirmation). A Contractor has met its requirement to employ apprentices only after it has successfully made a dispatch request to all apprenticeship programs in the project area.
- vi. Only "registered" apprentices may be paid the prevailing apprentice rates and must, at all times work under the supervision of a Journeyman (Cal. Code Regs., tit 8, § 230.1).

c. Make Training Fund Contributions

- i. Contractors performing in apprenticeable crafts on public works projects, must make training fund contributions in the amount established in the prevailing wage rate publication for journeymen and apprentices.
- ii. Contractors may use the "CAC-2" form for submittal of their training fund contributions.
- iii. Contractors who do not submit their training fund contributions to an approved apprenticeship training program must submit their contributions to the California Apprenticeship Council (CAC), PO Box 420603, San Francisco, CA 94142-0603.
- iv. Training fund contributions to the CAC are due and payable on the 15th day of the month for work performed during the preceding month.
- v. The "training" contribution amount identified on the prevailing wage determination shall not be paid to the worker, unless the worker falls within one of the exemption categories listed below.

3. Exemptions to Apprenticeship Requirements:

- a. The following are exempt from having to comply with California apprenticeship requirements. These types of contractors do not need to submit a DAS-140, DAS--142, make training fund contributions, or utilize apprentices:
 - i. When the Contractor holds a sole proprietor license ("Owner-Operator") and no workers were employed by the Contractor. In other words, the contractor performed the entire work from start to finish and worked alone.
 - ii. Contractors performing in non-apprenticeable crafts. "Apprenticeable" crafts are denoted with a pound symbol "#" in front of the craft name on the prevailing wage determination.
 - iii. When the Contractor has a direct contract with the Public Agency that is under \$30,000.
 - iv. When the project is 100% federally-funded and the funding of the project does not contain any city, county, and/or state monies (unless the project is administered by a state agency in which case the apprenticeship requirements apply).
 - v. When the project is a private project not covered by the definition of public works as found in Labor Code section 1720.

4. Exemption from Apprenticeship Ratios:

- a. The Joint Apprenticeship Committee shall have the discretion to grant a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the Contractor from the 1-to-5 ratio set forth in this Section when it finds that any one of the following conditions are met:
 - i. Unemployment for the previous three-month period in such area exceeds an average of fifteen percent (15%); or
 - ii. The number of apprentices in training in such area exceeds a ratio of 1-to-5 in relation to journeymen; or
 - iii. The Apprenticeable Craft or Trade is replacing at least one-thirtieth (1/30) of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis; or
 - iv. If assignment of an apprentice to any work performed under the Contract Documents would create a condition which would jeopardize such apprentice's life or the life, safety or property of fellow employees or the public at large, or if the specific task to which the apprentice is to be assigned is of such a nature that training cannot be provided by a journeyman.

- b. When such exemptions from the 1-to-5 ratio between apprentices and journeymen are granted to an organization which represents contractors in a specific trade on a local or statewide basis, the member contractors will not be required to submit individual applications for approval to local Joint Apprenticeship Committees, provided they are already covered by the local apprenticeship standards.

5. Contractor's Compliance:

The responsibility of compliance with this Section for all Apprenticeable Trades or Crafts is solely and exclusively that of the Contractor. All decisions of the Joint Apprenticeship Committee(s) under this Section are subject to the provisions of California Labor Code section 3081 and penalties are pursuant to Labor Code section 1777.7 and the determination of the Labor Commissioner.

EXHIBIT G

FINAL SPACE PLAN

[Attached]

EXHIBIT H

RECORDED AT REQUEST OF
AND TO BE RETURNED TO:

Attn: _____

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement") is entered into by and between San Bernardino County ("Tenant"), _____ ("Landlord") and, _____ ("Lender").

Recitals

A. Landlord, as landlord, and Tenant, as tenant, have entered into a certain Lease Agreement, County Contract No. ____-____ dated on _____, 20__ ("Lease") for the lease of certain premises, comprising approximately _____ square feet ("Premises") located at the building with an address of _____, _____, California _____ (zip code), which is situated on certain real property located in the County of San Bernardino, State of California, commonly known as APN _____ ("Property").

B. Landlord represents to County that it has executed and delivered or is about to execute and deliver to Lender a certain promissory note dated substantially contemporaneously herewith ("Note"), in the original principal sum of \$_____. The obligations evidenced by the Note shall be referred to as the "Loan". Landlord further represents to COUNTY that the Note is executed pursuant to the terms of a certain Construction Loan Agreement dated substantially contemporaneously herewith (the "Loan Agreement") between Lender and Landlord.

C. Landlord represents to County that has executed and delivered or is about to execute and deliver to Lender a certain Deed of Trust and Assignment of Rents dated substantially contemporaneously herewith ("Deed of Trust"), encumbering the Property to secure the Loan.

D. Landlord represents that it is a condition precedent to the Loan that the Deed of Trust shall remain at all times a lien upon the Property, prior and superior to the Lease.

E. Landlord represents that it is a condition precedent to the Loan that County will subordinate and subject the Lease, together with all rights and privileges of County thereunder, to the lien of the Deed of Trust.

Covenants

In consideration of the recitals set forth above, which are incorporated herein, and the covenants and agreements contained herein, the parties agree as follows:

1. Subordination: Tenant hereby subordinates all of Tenant's right, title, interest in the leasehold estate of the Premises to the Deed of Trust, subject to the terms of this Agreement.

2. Nondisturbance: Tenant's peaceful and quiet possession of the Premises shall not be disturbed and Tenant's rights and privileges under the Lease, including but not limited to the provisions of the Lease set forth under the headings "TERM," "OPTION TO EXPAND," "OPTION TO EXTEND TERM," "INSURANCE REQUIREMENTS AND SPECIFICATIONS," "DESTRUCTION OF PREMISES," "COUNTY'S EARLY TERMINATION RIGHT," and "CONDEMNATION," shall not be altered or diminished by Lender's foreclosure, acceptance of a deed in lieu of foreclosure, or any other exercise of Lender's rights or remedies under the Deed of Trust, the Note, the Loan Agreement, any other loan document, or the laws governing secured loans. In the event of any conflict among the Lease and the Deed of Trust, the Note, the Loan Agreement, any other loan document, or the laws governing secured loans, the Lease shall prevail. Tenant shall not be named or joined in any foreclosure, trustee's sale, or other proceeding or action to enforce the Deed of Trust, the Note, the Loan Agreement, or any other loan document, unless such joinder shall be legally required to perfect such foreclosure, trustee's sale, or other proceeding or action.

3. Attornment: If the Deed of Trust is foreclosed for any reason, or Landlord deeds the Property to Lender in lieu of foreclosure, the Lease shall not be extinguished and Tenant shall be bound to Lender under all the terms, covenants, and conditions of the Lease for the balance of the Lease Term, including any options to extend thereunder, with the same force and effect as if Lender was the landlord under the Lease. Tenant shall attorn to Lender as Tenant's landlord, and agrees to recognize Lender as the new landlord and promises to pay the Monthly Rent to Lender as landlord. Lender shall assume the interest of Landlord and fulfill all of Landlord's obligations thereunder. This attornment shall be effective and self-operative, without the execution of any other instruments on the part of any of the parties to this Agreement, immediately upon Lender succeeding to the interest of Landlord under the Lease.

4. Disbursements: Lender is under no obligation or duty to monitor the application of the proceeds of the Loan. Any application of such proceeds for purposes other than those provided for in the Loan Agreement or any of the other Loan Documents shall not defeat the effect of this Agreement in whole or in part.

5. Acknowledgment of Assignment: Tenant acknowledges the assignment of Landlord's rights to collect Monthly Rent due under the Lease to Lender pursuant to a certain Assignment of Leases (the "Assignment"). Tenant shall, without duty of inquiry or investigation, pay Monthly Rent to Lender upon receipt of written notice from Lender that Lender has revoked the waiver of Landlord's right to collect the Monthly Rent from the Premises pursuant to the Assignment, notwithstanding the fact that Lender has not foreclosed the Deed of Trust, nor succeeded to the interest of Landlord under the Lease. Landlord hereby releases Tenant and Tenant shall not be liable to Landlord for any payments made to Lender hereunder.

6. Assignment or Sublease: Tenant may assign the Lease or sublease the Premises or any portion thereof in accordance with the Lease, but no such assignment, transfer, or subletting shall relieve Tenant of any of its obligations under the Lease.

7. Notices: Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party, or any other person shall be in writing and either

served personally, delivered by a reputable overnight courier service, or sent by postage prepaid, first-class United States mail, certified or registered, return receipt requested. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be addressed to the other party at the addresses set forth in the Basic Lease Provisions. Either party may change its address by notifying the other party of the change of address. Notices shall be deemed delivered upon the earlier of: (i) actual receipt if such notice is personally delivered on a COUNTY business day; (ii) the date of delivery if such notice is delivered by a reputable overnight courier service on a COUNTY business day; otherwise on the next COUNTY business day; or (iii) the date of delivery or refusal of the addressee to accept delivery if such notice is sent by postage pre-paid, first-class United States mail, certified or registered, return receipt requested, if on a COUNTY business day; otherwise on the next COUNTY business day:

to Tenant: San Bernardino County
Attn: Director, Real Estate Services Department
385 North Arrowhead Avenue, Third Floor
San Bernardino, California 92415-0180

to Landlord: _____

Attn: _____

to Lender: _____

Attn: _____