

RESOLUTION NO.

1  
2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE,  
3 CALIFORNIA, AS SUCCESSOR AGENCY TO THE REDEVELOPMENT  
4 AGENCY OF THE CITY OF RIVERSIDE, AUTHORIZING THE EXECUTION  
5 OF A LEASE AGREEMENT WITH LINKUSYSTEMS INC. FOR THE  
6 CALIFORNIA TOWER BUILDING LOCATED AT 3737 MAIN STREET,  
7 SUITE 107, RIVERSIDE, CALIFORNIA.

8 WHEREAS, pursuant to Resolution No. 22322, adopted by the City Council of the City of  
9 Riverside (“City”) on January 10, 2012, the City of Riverside agreed to serve as the Successor Agency  
10 (“Successor Agency”) to the Redevelopment Agency of the City of Riverside (“Redevelopment  
11 Agency”), commencing upon dissolution of the Redevelopment Agency on February 1, 2012, pursuant  
12 to Assembly Bill X1 26 (“AB 26”); and

13 WHEREAS, Health and Safety Code Section 34177(i) provides that a successor agency is  
14 required to continue to oversee development of properties until the contracted work has been  
15 completed or the contractual obligations of the former redevelopment agency can be transferred to  
16 other parties; and

17 WHEREAS, on April 26, 1994, the former Redevelopment Agency entered into a lease  
18 agreement (“Lease Agreement”) with the State of California – Department of General Services  
19 (“DGS”) for the 160,000 square foot office tower, commonly known as “California Tower Building,”  
20 which included 22,400 square feet of ground floor retail and office space located at 3737 Main Street,  
21 commonly known as “Cal Tower” (“Property”), for the term of thirty (30) years; and

22 WHEREAS, the former Redevelopment Agency and DGS also entered into a Leaseback  
23 Agreement (“Leaseback Agreement”), in which now the Successor Agency to the Redevelopment  
24 Agency is exclusively responsible for the operation, ordinary and extraordinary maintenance and  
25 repairs, leasing and funding of tenant improvements associated with the Property ground floor; and

26 WHEREAS, pursuant to AB 1484 and Health and Safety Code Section 34191.5(c)(2), the  
27 Successor Agency prepared an amended Long Range Property Management Plan, dated February 25,  
28 2014, for the disposition of the former Redevelopment Agency properties, which included the  
Property; and

1           WHEREAS, on March 6, 2014, the Department of Finance approved the amended Successor  
2 Agency Long Range Property Management Plan (“Plan”); and

3           WHEREAS, pursuant to the approved Plan and to the Leaseback Agreement, the ground floor  
4 of the Property is currently leased by the Successor Agency from DGS; and

5           WHEREAS, pursuant to the approved Plan and the Leaseback Agreement, the Successor  
6 Agency may, among other things, lease vacant spaces on the ground floor of the Property to  
7 commercial tenants; and

8           WHEREAS, Linkusystems Inc. communicated to the Successor Agency its desire to lease  
9 vacant office space on the ground floor of the Property; and

10          WHEREAS, the Successor Agency desires to lease approximately 211 square feet of vacant  
11 office space on the ground floor of the Property, commonly known as “Suite 107” to Linkusystems Inc.

12          NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside,  
13 California, as the Successor Agency to the Redevelopment Agency of the City of Riverside, as follows:

14          Section 1.     The above recitals are incorporated herein as if set forth herein in full.

15          Section 2.     It is in the best interest of the Successor Agency to enter into a standard  
16 commercial lease agreement (“Lease Agreement”) with Linkusystems Inc., for tenancy of Suite 107  
17 of the California Tower Building, located at 3737 Main Street, through September 30, 2024.

18          Section 3.     Pursuant to the Plan and the Leaseback Agreement, the Successor Agency  
19 hereby agrees to lease Suite 107 of the California Tower Building to Linkusystems Inc., upon  
20 substantively the same terms and conditions set forth in Exhibit “A” attached hereto and incorporated  
21 herein by reference.

22          Section 4.     That the City Manager, or his designee, acting on behalf of the Successor  
23 Agency, is authorized to execute the Lease Agreement with Linkusystems Inc., in the same substantive  
24 form as set forth in Exhibit “A,” and any other documents that may be necessary and appropriate to  
25 carry out the intent of this Resolution.

1 ADOPTED by the City Council as the Successor Agency, this \_\_\_\_\_ day of  
2 \_\_\_\_\_, 2023.

3

4

PATRICIAL LOCK DAWSON  
Mayor of the City of Riverside

5

Attest:

6

7

DONESIA GAUSE  
City Clerk of the City of Riverside

8

9

I, Donesia Gause, City Clerk of the City of Riverside, California, acting as the Secretary of the  
10 Successor Agency to the Redevelopment Agency of the City of Riverside, hereby certify that the  
11 foregoing resolution was duly and regularly adopted at a meeting of the City Council of said City,  
12 acting as the Secretary of the Successor Agency to the Redevelopment Agency of the City of  
13 Riverside, at its meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, by the following vote,  
14 to wit:

15

Ayes:

16

Noes:

17

Absent:

18

Abstain:

19

20

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the  
21 City of Riverside, California, this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

22

23

DONESIA GAUSE  
City Clerk of the City

24

25

26

27

\\Re-Citylaw\Cycom\WPDOCS\D031\P021\00742292.DOCX  
CA: 22-0104.5 BGS 08/31/23

28

**EXHIBIT "A"**

STANDARD COMMERCIAL MULTI-TENANT LEASE – MODIFIED NET

by and between

**THE CITY OF RIVERSIDE AS SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF RIVERSIDE**

("Lessor")

and

**LINKUSYSTEMS, INC.**

("Lessee")

TABLE OF CONTENTS

<b>1. Basic Provisions</b> .....	1
<b>1.1(a) Parties</b> .....	1
<b>1.2(a) Premises</b> .....	1
<b>1.2(b) Vehicle Parking</b> .....	1
<b>1.3 Term</b> .....	1
<b>1.4 Early Termination</b> .....	1
<b>1.5 Base Rent</b> .....	1
<b>1.6 [Intentionally omitted.]</b> .....	1
<b>1.7 Security Deposit</b> .....	1
<b>1.8 Permitted Use</b> .....	2
<b>1.9 Insuring Party</b> .....	2
<b>1.10 Real Estate Broker</b> .....	2
<b>1.11 Guarantor</b> .....	2
<b>1.12 Exhibits</b> .....	2
<b>2. Premises, Parking and Common Areas</b> .....	2
<b>2.1 Letting</b> .....	2
<b>2.2 Condition of Premises</b> .....	3
<b>2.3 Acceptance of Premises</b> .....	3
<b>2.4 Vehicle Parking; Patio Area</b> .....	3
<b>2.5 Common Areas - Definition</b> .....	3
<b>2.6 Common Areas - Lessee's Rights</b> .....	4
<b>2.7 Common Areas - Rules and Regulations</b> .....	4
<b>2.8 Common Areas - Changes</b> .....	4
<b>3. Term</b> .....	5
<b>3.1 Term</b> .....	5
<b>3.2 [Intentionally omitted.]</b> .....	5
<b>4. Rent</b> .....	5
<b>5. Security Deposit</b> .....	5
<b>6. Use</b> .....	5
<b>6.1 Permitted Use</b> .....	5
<b>6.2 Hazardous Substances</b> .....	6
<b>6.3 Lessee's Compliance with Requirements</b> .....	7
<b>6.4 Inspection; Compliance with Law</b> .....	7
<b>6.5 [Intentionally deleted.]</b> .....	8
<b>7. Maintenance and Repairs; Utility Installations, Trade Fixtures and Alterations</b> .....	8
<b>7.1 Lessee's Obligations of Maintenance and Repairs</b> .....	8
<b>7.2 Lessor's Obligations of Maintenance and Repairs</b> .....	9
<b>7.3 Utility Installations, Trade Fixtures, Alterations</b> .....	9
<b>7.4 Ownership; Removal; Surrender and Restoration</b> .....	10
<b>8. Insurance; Indemnity</b> .....	11
<b>8.1 Payment of Premiums [Intentionally omitted.]</b> .....	11
<b>8.2 Liability Insurance</b> .....	11
<b>8.3 Property Insurance Building, Improvements and Rental Value</b> .....	12
<b>8.4 Lessee's Personal Property</b> .....	13

8.5	Insurance Policies .....	13
8.6	Waiver of Subrogation .....	13
8.7	Indemnity .....	14
8.8	Exemption of Lessor from Liability .....	14
9.	Damage or Destruction.....	15
9.1	Definitions.....	15
9.2	Premises Partial Damage - Insured Loss .....	15
9.3	Partial Damage - Uninsured Loss .....	16
9.4	Total Destruction .....	16
9.5	Damage Near End of Term.....	17
9.6	Abatement of Rent; Lessee's Remedies .....	17
9.7	Hazardous Substance Conditions .....	18
9.8	Termination - Advance Payments.....	18
9.9	Waiver of Statutes .....	18
10.	Real Property Taxes .....	19
10.1	Payment of Taxes.....	19
10.2	Real Property Tax Definition.....	19
10.3	Additional Improvements .....	19
10.4	Joint Assessment.....	19
10.5	Lessee's Property Taxes .....	19
11.	Utilities .....	20
12.	Assignment and Subletting .....	20
12.1	Lessor's Consent Required .....	20
12.2	Terms and Conditions Applicable to Assignment and Subletting .....	21
12.3	Additional Terms and Conditions Applicable to Subletting .....	22
13.	Default; Breach; Remedies .....	23
13.1	Default; Breach.....	23
13.2	Remedies .....	25
13.3	Inducement Recapture in Event of Breach .....	26
13.4	Late Charges.....	26
13.5	Breach by Lessor.....	27
14.	Condemnation .....	27
15.	Professional Fees.....	28
15.1	Brokers.....	28
15.2	Representations and Warranties .....	28
16.	Tenancy and Financial Statements.....	28
16.1	Tenancy Statement.....	28
16.2	Financial Statement .....	28
17.	Lessor's Liability.....	28
18.	Severability.....	29
19.	Interest on Past-Due Obligations.....	29
20.	Time of Essence .....	29
21.	Rent Defined .....	29
22.	No Prior or Other Agreements.....	29
23.	Notices.....	29
23.1	Notice Requirements .....	29

23.2	Date of Notice .....	29
24.	Waivers .....	30
25.	No Recordation .....	30
26.	No Right To Holdover .....	30
27.	Cumulative Remedies .....	30
28.	Covenants and Conditions .....	30
29.	Binding Effect; Choice of Law .....	30
30.	Subordination; Attornment .....	31
30.1	Subordination .....	31
30.2	Attornment .....	31
30.3	Self-Executing .....	31
31.	Attorneys' Fees .....	31
32.	Lessor's Access; Showing Premises; Repairs .....	31
33.	Auctions .....	32
34.	Signs .....	32
35.	Termination; Merger .....	32
36.	Consents .....	32
37.	Quiet Possession .....	33
38.	[Intentionally omitted.] .....	33
39.	Rules and Regulations .....	33
40.	Security Measures .....	33
41.	Reservations .....	33
42.	Performance Under Protest .....	34
43.	Authority .....	34
44.	Conflict .....	34
45.	Offer .....	34
46.	Amendments .....	34
47.	Multiple Parties .....	34

**Exhibit “A”- Description of the Premises**

**Exhibit “B”- Site Map**

**Exhibit “C”- Rules and Regulations**

**Exhibit “D”- Addendum**

**Exhibit “E”- Agreement Regarding Non-Disturbance**

**Exhibit “F”- Guaranty of Lease**

## TERMS AND CONDITIONS

### 1. Basic Provisions.

1.1(a) **Parties.** This STANDARD COMMERCIAL MULTI-TENANT LEASE – MODIFIED NET (“**Lease**”), dated \_\_\_\_\_, 2023 (“**Effective Date**”), is made by and between THE CITY OF RIVERSIDE, AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF RIVERSIDE, a public body corporate and politic (“**Lessor**”), and LINKUSYSTEMS, INC., a California corporation (“**Lessee**”). Collectively the Lessor and Lessee are referred to as “**Parties**” or individually as “**Party.**”

1.2(a) **Premises.** That certain portion of the building, including all improvements therein are to be provided by Lessor under the terms of this Lease, commonly known by the street address of 3737 Main Street, Suite 107, located in the City of Riverside, County of Riverside, State of California, with Zip Code 92501 (“**Building**”), as described and depicted on Exhibit “A” and Exhibit “B” attached hereto, consisting of approximately 211 square feet of leasable space (“**Premises**”). The Building is generally described as an 11-story mixed-use (retail and office uses) structure, known as “**California Tower,**” located at the northwest corner of University Avenue and Main Street. In addition to Lessee’s rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.5 below) as hereinafter specified, but shall not have any rights to the roof, exterior walls or utility raceways of the Building. The Premises, the Building, the Common Areas, and the land upon which they are located are herein collectively referred to as the “**Project.**”

1.2(b) **Vehicle Parking.** Lessee acknowledges there is no on-site parking available. Lessee and Lessee’s invited guests will utilize public parking structures, lots, and streets at their own costs and expense.

1.3 **Term.** The term shall commence upon execution of the Lease as of the date first above written (“**Commencement Date**”) and end on September 30, 2024 (“**Expiration Date**”). The term shall be known as the “**Original Term.**”

1.4 **Early Termination.** Lessee does not have any early termination rights.

1.5 **Base Rent.** Rent shall commence on the Effective Date. .Base Rent is \$550.00 per month for the Term, ending September 30, 2024.

1.6 [Intentionally omitted.]

1.7 **Security Deposit.** Lessor shall continue to hold the Tenant’s Security Deposit in the amount of \$500.00, pursuant to the previous Temporary Access Agreement. (“**Security Deposit**”).



1.8 **Permitted Use.** Lessee shall be permitted to operate an office space at the Premises for digital marketing.

(a) Lessee may not change the use of the Premises without the prior written consent of Lessor.

(b) Lessee's use may not violate any exclusive use or use restrictions which have been granted to other occupants of the Project prior to the Commencement Date.

1.9 **Insuring Party.** Lessee is the **"Insuring Party."** (Also see Paragraph 8.)

1.10 **Real Estate Broker.** Inland Pacific Advisors, Inc. represents Lessor exclusively (**"Lessor's Broker"**). The Parties acknowledge and consent to said real estate broker and brokerage relationship. Commission is pursuant to a separate agreement between Lessor and Lessor's Broker. Lessee warrants it has not dealt with any broker and no commission is due and owing.

1.11 **Guarantor.** The obligations of the Lessee under this Lease are to be guaranteed by Wesley Rocha (**"Guarantor"**).

1.12 **Exhibits.** The following Exhibits are attached hereto:

Exhibit "A"	Description of the Premises
Exhibit "B"	Site Map
Exhibit "C"	Rules and Regulations
Exhibit "D"	Addendum
Exhibit "E"	Agreement Regarding Non-Disturbance
Exhibit "F"	Guaranty of Lease

If any inconsistency exists between this Lease and the Addendum, the terms of the Addendum shall prevail. As a requirement to enter into this Lease, Lessor must execute this Lease and the Addendum and provide an executed Guaranty of Lease, all in the same form as the documents attached hereto as Exhibits "D" and "F," respectively, to Lessee.

## 2. **Premises, Vehicle Parking, and Common Areas.**

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the Term, at the Base Rent, and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of square footage set forth in this Lease, or that may have been used in calculating the Base Rent and Common Area Operating Expenses, is an approximation which Lessor and Lessee agree is reasonable, and the rental based thereon is not subject to revision whether or not the actual square footage is more or less.

2.2 **Condition of Premises.** Lessee is taking the Premises in an “as-is” condition. Lessor does not provide any warranty of the Premises, or its fixtures, equipment, or inventory.

2.3 **Acceptance of Premises.** Lessee hereby acknowledges: (a) that it has been advised to satisfy itself with respect to the condition of the Premises (including, but not limited to, the electrical and fire sprinkler systems, security, environmental aspects, seismic and earthquake requirements, and compliance with the Americans with Disabilities Act and applicable zoning, municipal, county, state and federal laws, ordinances and regulations and any covenants or restrictions of record (collectively, “**Applicable Laws**”) and the present and future suitability of the Premises for Lessee’s intended use; (b) that Lessee has made such investigation as it deems necessary with reference to such matters, is satisfied with reference thereto, and assumes all responsibility therefore as the same relates to Lessee’s occupancy of the Premises and/or the terms of this Lease; and (c) that neither Lessor, nor any of Lessor’s agents, has made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. As required by California Civil Code No 1938, an ADA Survey has not been conducted by a Certified Access Specialist for the Premises and/or surrounding Common Areas. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

#### 2.4 **Vehicle Parking**

(a) As stated in Paragraph 1.2(b), Lessee acknowledges there is no on-site parking available. Lessee and Lessee’s invited guests will utilize public parking structures, lots and streets at their own cost and expense. Additionally, Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee’s employees, suppliers, shippers, or contractors to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities. Specifically, no parking is permitted in the alley or loading areas adjacent to the Premises.

(b) If Lessee permits or allows any of the prohibited activities described in this Paragraph 2.4, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.5 **Common Areas - Definition.** The term “**Common Areas**” is defined as all areas and facilities outside the Premises and within the exterior boundary line of the

Project and interior utility raceways within the Premises that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other lessees of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, driveways and landscaped areas. The public parking garage, known as Garage 3, adjacent to the Building is owned and operated by an independent parking authority and is not a party of the Common Areas.

It is expressly understood that the alley between the Building and Garage 3 is not included as a common area and as such may not be used for parking or be blocked for any reason. The main Building lobby, lobby restrooms, elevators, and access to floors two (2) through eleven (11) and the roof top are also expressly excluded from the Common Areas, and Lessee is not allowed to access these restricted areas. Lessee shall not access any building roof areas without Lessor's prior approval.

**2.6 Common Areas – Lessee's Rights.** Lessor hereby grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property temporarily or permanently in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. If any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable by Lessee.

**2.7 Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend, and enforce reasonable rules and regulations for the Common Areas. Lessee agrees to abide by and conform to all such rules and regulations, and to cause its employees, suppliers, shippers, customers, contractors, and invitees to so abide and conform, provided, however, that no such rules and regulations shall result in a substantial negative impact on Lessee's ability to conduct its business. Lessor shall not be responsible to Lessee for the non-compliance with said rules and regulations.

**2.8 Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time, to make the following changes:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways.

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and

(f) To do and perform other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

**3. Term.**

3.1 **Term.** The Commencement Date, Expiration Date, and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 [Intentionally omitted.]

**4. Rent.** Lessee shall pay the Base Rent and other rent or charges, as the same may be adjusted from time to time, to Lessor in lawful money of the United States, without offset or deduction, on or before the day on which it is due under the terms of this Lease. Base Rent and all other rent and charges for any period during the term hereof which is for less than one full month shall be prorated based upon the actual number of days of the month involved. Payment of Base Rent and other charges shall be made to Lessor at its address stated herein or to such other persons or at such other addresses as Lessor may from time to time designate in writing to Lessee.

**5. Security Deposit.** The Security Deposit is as set forth in Paragraph 1.7.

**6. Use.**

6.1 **Permitted Use.** Lessee shall use and occupy the Premises only for the Permitted Use set forth in Paragraph 1.8 and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates waste or a nuisance, or that unreasonably disturbs owners and/or occupants of, or causes damage to the Premises or neighboring premises or properties.

## 6.2 Hazardous Substances.

(a) **Reportable Uses Require Consent.** The term “**Hazardous Substance**” as used in this Lease shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment, or the Premises; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substance shall include, but not be limited to, hydrocarbons, petroleum, gasoline, crude oil or any products or by-products thereof. Lessee shall not engage in any activity in or about the Premises, which constitutes a Reportable Use (as hereinafter defined), of Hazardous Substances without the express prior written consent of Lessor and compliance in a timely manner (at Lessee’s sole cost and expense) with all Applicable Requirements (as defined in Paragraph 6.3). “**Reportable Use**” shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to that with which a report, notice, registration or business plan is required to be filed with any governmental authority, and (iii) the presence in, on or about the Premises of a Hazardous Substance with respect to which any Applicable Laws require that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may, without Lessor’s prior consent, but upon notice to Lessor and in compliance with all Applicable Requirements, use any ordinary and customary materials reasonably required to be used by Lessee in the normal course of the Permitted Use, so long as such use is not a Reportable Use and does not expose the Premises or the Project to any meaningful risk of contamination or damage or expose Lessor to any liability therefore. In addition, Lessor may (but without any obligation to do so) condition its consent to any Reportable Use of any Hazardous Substance by Lessee upon Lessee’s giving Lessor such additional assurances as Lessor, in its reasonable discretion, deems necessary to protect itself, the public, the Premises and the environment against damage, contamination or injury and/or liability thereto, including, but not limited to, the installation (and, at Lessor’s option, removal on or before Lease expiration or earlier termination) of reasonably necessary protective modifications to the Premises (such as concrete easements) and/or the deposit of additional Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises or the Building, other than as previously consented to by Lessor, Lessee shall immediately give Lessor written notice thereof, together with a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to, or received from, any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Substance, including, but not limited to, all such documents as may be involved in any Reportable Use involving the Premises. Lessee shall not cause or permit any Hazardous

Substance to be spilled or released in, on, under or about the Premises (including, without limitation, through the plumbing or sanitary sewer system).

(c) **Indemnification.** Lessee shall indemnify, protect, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, and the Premises, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties, loss of permits and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee or by anyone under Lessee's control.

Lessee's obligations under this Paragraph 6.2(c) shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation (including consultants' and attorneys' fees and testing), removal, remediation, restoration and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation, or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

6.3 **Lessee's Compliance with Requirements.** Lessee shall, at Lessee's sole cost and expense, fully, diligently and in a timely manner, comply with all "**Applicable Requirements,**" which term is used in this Lease to mean all laws, rules, regulations, ordinances, directives, covenants, easements and restrictions of record, permits, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants, relating in any manner to the Premises (including, but not limited to, matters pertaining to (i) industrial hygiene, (ii) environmental conditions on, in, under or about the Premises, including soil and groundwater conditions, (iii) the use, generation, manufacture, production, installation, maintenance, removal, transportation, storage, spill, or release of any Hazardous Substance), now in effect or which may hereafter come into effect and (iv) County Health Department, and (v) City of Riverside Conditional Use Permit conditions. Lessee shall, within five (5) days after receipt of Lessor's written request, provide Lessor with copies of all documents and information, including, but not limited to, permits, registrations, manifests, applications, reports and certificates, evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving failure by Lessee or the Premises to comply with any Applicable Requirements.

6.4 **Inspection; Compliance with Law.** Lessor, Lessor's agents, employees, contractors and designated representatives, and the holders of any mortgages, deeds of trust or ground leases on the Premises ("**Lenders**") shall have the right to enter the Premises at any time in the case of an emergency, and otherwise at reasonable times upon two (2) days' prior written notice to Lessee, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease and all

Applicable Requirements (as defined in Paragraph 6.3). Lessor shall be entitled to employ experts and/or consultants in connection therewith to advise Lessor with respect to Lessee's activities, including, but not limited to, Lessee's installation, operation, use, monitoring, maintenance, or removal of any Hazardous Substance on or from the Premises. The costs and expenses of any such inspections shall be paid by the party requesting same, unless a Default or Breach of this Lease (as defined in Paragraph 13) by Lessee or a violation of Applicable Requirements or a contamination, caused or materially contributed to by Lessee, is found to exist or to be imminent, or unless the inspection is requested or ordered by a governmental authority as the result of any such existing or imminent violation or contamination. In such case, Lessee shall upon request reimburse Lessor or Lessor's Lender, as the case may be, for the costs and expenses of such inspections.

6.5 [Intentionally deleted.]

## **7. Maintenance and Repairs; Utility Installations, Trade Fixtures and Alterations.**

### **7.1 Lessee's Obligations of Maintenance and Repairs.**

(a) Subject to the provisions of Paragraph 2.2 (Condition of Premises), Paragraph 7.2 (Lessor's Obligations), Paragraph 9 (Damage or Destruction), Paragraph 14 (Condemnation), Exhibit "D," and the Addendum, Lessee shall, at Lessee's sole cost and expense and at all times, keep the Premises in good order, condition and repair and provide its own janitorial service.

(b) Lessor, shall procure a contract for routine maintenance, inspection and filter replacements for the heating, air conditioning and ventilation system (Provided by the State of California). The above referenced maintenance performed by Lessor and/or Lessor's contractor(s) shall be performed on an advance scheduled basis during normal business hours observed by the State of California Building Management Department and approved by Lessor. Lessor shall provide Heating and Cooling to the Premises, subject to the operation of such by the State of California, during the hours of 8:00 am – 5:00 pm, Monday through Friday, excepting State of California holidays and other days for repair and maintenance.

(c) If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after ten (10) days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, in accordance with Paragraph 13.2 (Remedies) below.

(d) [Intentionally omitted.]

(e) [Intentionally omitted.]

(f) All Lessee's trash and refuse shall be deposited only in the area assigned to Lessee (Exhibit "B"). No trash and refuse are to be stored in other non-designated areas. Lessor shall provide and pay for normal office trash refuse.

(g) Should Lessee for any reason fail to meet Lessee's above referenced obligations, Lessor, in addition to other remedies under this Lease and upon written notice to Lessee (other than emergencies which require no such notice), shall provide such maintenance and Lessee shall be responsible for immediate payment of such costs to Lessor.

## 7.2 Lessor's Obligations of Maintenance and Repairs.

(a) Subject to the provisions of Paragraph 2.2 (Condition of Premises), Paragraph 6 (Use), 7.1 (Lessee's Obligations of Maintenance and Repairs), Paragraph 9 (Damage or Destruction), Paragraph 14 (Condemnation), Exhibit "D", and the Addendum, Lessor shall keep in good order, condition and repair of the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, HVAC, plumbing and electrical systems, fire sprinklerstandpipe and hose or other automatic fire extinguishing system, including fire alarm, smoke detection system, fire hydrants, walkways, parkways, driveways, landscaping, fences, signs, and utility systems serving the Common Areas and Premises and all parts thereof. Lessor shall not be obligated to paint the interior surfaces or walls. Lessor shall, within seventy-two (72) hours of notice by Lessee, repair any damages deemed an emergency. Emergency shall be defined as those items necessary for the continued operation of the business and which are Lessor's responsibility to maintain and repair. Should Lessor fail to timely perform any emergency repair, then Lessee may perform said repair and seek reimbursement from Lessor.

## 7.3 Utility Installations, Trade Fixtures, Alterations.

(a) **Definitions; Consent Required.** The term "**Utility Installations**" is used in this Lease to refer to all air lines, power panels, electrical distribution, security, fire protection systems, communications systems, lighting fixtures, heating, ventilating and air conditioning equipment, plumbing, and fencing in, on or about the Premises. The term "**Trade Fixtures**" shall mean Lessee's machinery and equipment, which can be removed without doing material damage to the Premises. The term "**Alterations**" shall mean any modification of the improvements on the Premises, which are provided by Lessor under the terms of this Lease, other than Utility Installations or Trade Fixtures, and which become permanently affixed to the Premises. "**Lessee-Owned Alterations and Utility Installations**" are defined as Alterations and Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a). Lessee shall not make nor cause to be made any Alterations or Utility Installations in, on, under or about the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Utility Installations not requiring a Building Permit to the interior of the Premises (excluding the roof) without Lessor's consent but upon notice to Lessor, so long as they are not visible from the outside of the Premises, do not involve puncturing or removing the roof or any existing walls, or changing or interfering with the fire sprinkler



or fire detection systems, and the cumulative cost thereof during term of this Lease as extended does not exceed Ten Thousand Dollars (\$10,000.00), or Five Thousand Dollars (\$5,000.00) for any one alteration.

(b) **Consent From Lessor.** Any Alterations or Utility Installations that Lessee shall desire to make, and which require the consent of Lessor shall be presented to Lessor in written form with detailed plans. All consents given by Lessor, whether by virtue of Paragraph 7.3(a) or by subsequent specific consent, shall be deemed conditioned upon: (i) Lessee's acquiring all applicable permits required by governmental authorities; (ii) the furnishing of copies of such permits together with a copy of the plans and specifications for the Alteration or Utility Installation to Lessor prior to commencement of the work thereon; and (iii) the compliance by Lessee with all conditions of said permits in a prompt and expeditious manner. Any Alterations or Utility Installations by Lessee during the term of this Lease shall be done in a good and workmanlike manner, with good and sufficient materials, and be in compliance with all Applicable Requirements. Lessee shall promptly upon completion thereof furnish Lessor with as-built plans and specifications, therefore. Lessor may (but without obligation to do so) condition its consent to any requested Alteration or Utility Installation that costs Two Thousand and Five Hundred Dollars (\$2,500.00) or more upon Lessee's providing Lessor with a lien and completion bond in an amount equal to one and one-half times the estimated cost of such Alteration or Utility Installation.

(c) **Lien Protection.** Lessee shall pay, when due, all claims for labor or materials furnished, or alleged to have been furnished, to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or material men's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days' notice prior to the commencement of any work in, on, or about the Premises, and Lessor shall have the right to post notices of non-responsibility in or on the Premises as provided by law. If Lessee shall, in good faith, contest the validity of any such lien, claim or demand, then Lessee shall, at its sole cost and expense, defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against the Lessor or the Premises. If Lessor shall require, Lessee shall furnish to Lessor a surety bond satisfactory to Lessor in an amount equal to one and one-half times the amount of such contested lien claim or demand, indemnifying Lessor against liability for the same, as required by law for the holding of the Premises free from the effect of such lien or claim. If Lessee fails to protect Lessor as described herein above, and upon five (5) days' written notice to Lessee, Lessor may require Lessee to pay Lessor's attorneys' fees and costs in such action.

#### 7.4 **Ownership; Removal; Surrender and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require their removal and to cause Lessee to become the owner thereof as hereinafter provided in Paragraph 7.4, other than all improvements paid for by Lessor which are and continue to be property of Lessor, all Alterations and Utility Installations made to the Premises by

Lessee shall be the property of and owned by Lessee but considered a part of the Premises. Lessor may, at any time and at its option, elect in writing to Lessee to be the owner of all or any specified part of the Lessee-Owned Alterations and Utility Installations. Unless otherwise instructed per Paragraph 7.4(b) hereof, all Lessee-Owned Alterations and Utility Installations shall, at the expiration or earlier termination of this Lease, become the property of Lessor and remain upon the Premises and be surrendered with the Premises by Lessee.

(b) **Removal.** Unless otherwise agreed in writing, Lessor may require that Lessee remove Lessee-Owned Alterations and Utility Installations from the Premises by the expiration or earlier termination of this Lease, notwithstanding that their installation may have been consented to by Lessor. Said alterations shall exclude all underground utilities and heating, ventilation, and air conditioning (“HVAC”) systems, fire sprinkler drops, lighting, electrical modifications, and ceilings. All utilities protruding outside of walls or ceilings shall be capped off. Flooring materials shall be removed. Lessor may require the removal at any time of all or any part of any Alterations or Utility Installations made without the required consent of Lessor.

(c) **Surrender and Restoration.** Lessee shall surrender the Premises by end of the last day of the Lease term or any earlier termination date, clean and free of debris and in good operating order, condition and state of repair, ordinary wear and tear excepted. Ordinary wear and tear shall not include any damage or deterioration that would have been prevented by good maintenance practice or by Lessee performing all of its obligations under this Lease. Except as otherwise agreed or specified herein, the Premises, as surrendered, shall include the Alterations and Utility Installations. The obligation of Lessee shall include the repair of any damage occasioned by the installation, maintenance or removal of Lessee’s Trade Fixtures, furnishings, equipment, and Lessee-Owned Alterations and Utility Installations, as well as the removal of any storage tank installed by or for Lessee, and the removal, replacement, or remediation of any soil, material or ground water contaminated by Lessee, all as may then be required by Applicable Requirements and good practice. Lessee’s Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee subject to its obligation to repair and restore the Premises per this Lease.

## **8. Insurance; Indemnity.**

8.1 **Payment of Premiums.** [intentionally omitted.]

8.2 **Liability Insurance.**

(a) **Carried by Lessee.** Lessee shall obtain and keep in force during the term of this Lease a Commercial General Liability policy of insurance protecting Lessee, Lessor, and any Lender(s) whose names have been provided to Lessee in writing (as additional insureds) against claims for bodily injury, personal, and property damage, based upon, involving or arising out of the ownership, use, occupancy, or maintenance of the Premises, and all areas appurtenant thereto. Such insurance shall be on an occurrence

basis, providing a single limit coverage in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence with an “Additional Insured-Managers or Lessor’s Premises” endorsement and contain the “**Amendment of the Pollution Exclusion**” endorsement for damage caused by heat and/or smoke fumes from a hostile fire. The policy shall not contain any intra insured exclusions between the insured persons or organizations but shall include coverage for liability assumed under this Lease as an “**insured contract**” for the performance of Lessee’s indemnity obligations under this Lease. The limits of said insurance required by this Lease or as carried by Lessee shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. All insurance to be carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor.** Lessor shall also maintain liability insurance in addition to and not in lieu of the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein. The limit of coverage is Two Million Dollars (\$2,000,000.00) in the aggregate.

### 8.3 **Property Insurance for Building and Improvements; Rental Value.**

(a) **Building and Improvements.** Lessor shall obtain and keep in force during the term of this Lease a policy or policies in the name of Lessor, with loss payable to Lessor and to any Lender(s), insuring against loss or damage to the Premises. Such insurance shall be for full replacement cost, as the same shall exist from time to time, or the amount required by any Lender(s), but in no event more than the commercially reasonable and available insurable value thereof if, by reason of the unique nature or age of the improvements involved, such latter amount is less than full replacement cost. Lessee-Owned Alterations and Utility Installations, Trade Fixtures and Lessee's personal property shall be insured by Lessee pursuant to Paragraph 8.4. If the coverage is available and commercially appropriate, Lessor's policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by Lender), including coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Building required to be demolished or removed by reason of the enforcement of any building, zoning, safety or land use laws as the result of a covered loss, but not including plate glass insurance. Said policy or policies shall also contain an agreed valuation provision in lieu of any co-insurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest where the Premises are located.

(b) **Rental Value.** Lessor shall also obtain and keep in force during the term of this Lease a policy or policies in the name of Lessor, with loss payable to Lessor and any Lender(s), insuring the loss of the full rental and other charges payable by all lessees of the Building to Lessor for one year (including all Real Property Taxes, as defined in Paragraph 10.2, insurance costs, all Common Area Operating Expenses and any

scheduled rental increases). Said insurance may provide that in the event the Lease is terminated by reason of an insured loss, the period of indemnity for such coverage shall be extended beyond the date of the completion of repairs or replacement of the Premises, to provide for one full year's loss of rental revenues from the date of any such loss. Said insurance shall contain an agreed valuation provision in lieu of any co-insurance clause, and the amount of coverage shall be adjusted annually to reflect the projected rental income, Real Property Taxes, as defined in Paragraph 10.2, insurance premium costs and other expenses, if any, otherwise payable, for the next twelve (12) month period.

(c) **Premium Increases.** Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas if said increase is caused exclusively by Lessee's acts, omissions, use, or occupancy of the Premises.

(d) **Lessee's Improvements.** Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee-Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 **Lessee's Personal Property.** Subject to the requirements of Paragraph 8.5, Lessee shall, at its sole cost and expense, either by a separate policy or, at Lessor's option, by an endorsement to a policy already carried, maintain insurance coverage on all of Lessee's personal property, Trade Fixtures and Lessee-Owned Alterations and Utility Installations in, on, or about the Premises similar in coverage to that carried by Lessor as the Insuring Party under Paragraph 8.3(a). Such insurance shall be full replacement cost coverage with a deductible not to exceed a Thousand Dollars (\$1,000.00) per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of the personal property and the restoration of Trade Fixtures and Lessee-Owned Alterations and Utility Installations. Upon request from Lessor, Lessee shall provide Lessor with written evidence that such insurance is in force.

8.5 **Insurance Policies.** Insurance required hereunder shall be with companies duly licensed to transact business in California where the Premises are located, and maintained, during the term of this Lease, a "**General Policyholders Rating**" of at least A, and a financial class of VII or higher. Lessee shall not do or permit to be done anything, which shall invalidate the insurance policies referred to in this Paragraph 8. Lessee shall cause to be delivered to Lessor, within seven (7) days after the Commencement Date, certified copies of, or certificates evidencing the existence and amounts of, the insurance required under Paragraphs 8.2(a) and 8.4. No such policy shall be cancelable or subject to modification except after thirty (30) days' prior written notice to Lessor. Lessee shall, at least thirty (30) days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "**insurance binders**" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand.

8.6 **Waiver of Subrogation.** Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other and waive their

entire right to recover damages (whether in contract or in tort) against the other, for loss or damage to their property arising out of or incident to the perils required to be insured against under Paragraph 8. The effect of such releases and waivers of the right to recover damages shall not be limited by the amount of insurance carried or required or by any deductibles applicable thereto. Lessor and Lessee agree to have their respective insurance companies issuing property damage insurance waiving any right to subrogation that such companies may have against Lessor or Lessee so long as the insurance is not invalidated thereby.

8.7 **Indemnity.** Except for Lessor's sole negligence and/or breach of express warranties, Lessee shall indemnify, protect, defend, and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, costs, liens, judgments, penalties, loss of permits, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the occupancy of the Premises by Lessee, the conduct of Lessee's business, any act, omission or neglect of Lessee, its agents, contractors, or employees, whether active or passive, and out of any Default or Breach by Lessee in the performance in a timely manner of any obligation on Lessee's part to be performed under this Lease. The foregoing shall include, but not be limited to, the defense or pursuit of any claim or any action or proceeding involved therein, and whether or not (in the case of claims made against Lessor) litigated and/or reduced to judgment. In case any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee upon notice from Lessor shall defend the same at Lessee's sole cost and expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be so indemnified.

8.8 **Exemption of Lessor from Liability.** Unless caused by Lessor's negligent act or omission, Lessor shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is accessible or not. Lessor shall not be liable for any damages arising from any act or neglect of any other lessee of Lessor nor from the failure by Lessor to enforce the provisions of any other lease in the Project. Notwithstanding Lessor's negligence or breach of this Lease, Lessor shall under no circumstances be liable for injury to Lessee's business or for any loss of income or profit therefrom.

## 9. Damage or Destruction.

### 9.1 Definitions.

(a) **“Premises Partial Damage”** shall mean damage or destruction to the Premises, other than Lessee-Owned Alterations and Utility Installations, the repair cost of which damage or destruction is less than fifty percent (50%) of the Replacement Cost (as defined in Paragraph 9.1(d)) of the Premises (excluding Lessee-Owned Alterations, Utility Installations, and Trade Fixtures) immediately prior to such damage or destruction.

(b) **“Premises Total Destruction”** shall mean damage or destruction to the Premises, other than Lessee-Owned Alterations and Utility Installations, the repair cost of which damage or destruction is fifty percent (50%) or more of the Replacement Cost of the Premises (excluding Lessee-Owned Alterations, Utility Installations, and Trade Fixtures) immediately prior to such damage or destruction. In addition, damage or destruction to the Building (excluding Lessee-Owned Alterations, Utility Installations, and Trade Fixtures of any lessees of the Building), the cost of which damage or destruction is fifty percent (50%) or more of the Replacement Cost (excluding Lessee-Owned Alterations, Utility Installations, and Trade Fixtures of any lessees of the Building) shall, at the option of Lessor, be deemed to be Premises Total Destruction.

(c) **“Insured Loss”** shall mean damage or destruction to the Premises (excluding Lessee-Owned Alterations, Utility Installations, and Trade Fixtures), which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a) irrespective of any deductible amounts or coverage limits involved.

(d) **“Replacement Cost”** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of applicable building codes, ordinances or laws, and without deduction for depreciation.

(e) **“Hazardous Substance Condition”** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Paragraph 6.2(a), in, on, or under the Premises.

9.2 **Premises Partial Damage - Insured Loss.** If Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor’s expense, repair such damage (excluding Lessee-Owned Alterations, Utility Installations, and Trade Fixtures), and as soon as reasonably possible and this Lease shall continue in full force and effect. In the event, however, that there is a material shortage of insurance proceeds and such shortage is due to the fact that, by reason of the unique nature of the improvements in the Premises, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the

funds to cover same, or adequate assurance thereof, within ten (10) days following receipt of written notice of such shortage and request therefore. If Lessor receives said funds or adequate assurance thereof within said ten (10) day period, Lessor shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If Lessor does not receive such funds or assurance within said period, and Lessor fails to substantially restore the unique aspects of the Premises, Lessee shall have the right to terminate this Lease with a thirty (30) days' written notice to Lessor. Unless otherwise agreed, Lessee shall in no event have any right to reimbursement from Lessor for any funds contributed by Lessee to repair any damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3 rather than Paragraph 9.2, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

**9.3 Partial Damage - Uninsured Loss.** If Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's sole cost and expense and this Lease shall continue in full force and effect), Lessor may at Lessor's option, either (i) substantially repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) give a written notice to Lessee, within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such damage and the desire to terminate, and this Lease shall terminate within thirty (30) days after the receipt of such notice. In the event Lessor fails to substantially restore the unique aspects of the Premises, Lessee shall have the right to terminate the Lease upon thirty (30) days' written notice to Lessor. In the event Lessor elects to give such notice of Lessor's intention to terminate this Lease, Lessee shall have the right within ten (10) days after the receipt of such notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage totally at Lessee's sole cost and expense and without reimbursement from Lessor. Lessee shall provide Lessor with the required funds or satisfactory assurance thereof within thirty (30) days following such commitment from Lessee. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the funds or assurance thereof within the times specified above, this Lease shall terminate as of the date specified in Lessor's notice of termination.

**9.4 Total Destruction.** Notwithstanding any other provision hereof, if Premises Total Destruction occurs (including any destruction required by any authorized public authority), the Base Rent, Common Area Operating Expenses, and other charges (if any payable by Lessee) shall cease upon the date of such Total Destruction, and this Lease shall terminate within sixty (60) days following the date of such Premises Total Destruction, whether or not the damage or destruction is an Insured Loss or was caused by a negligent or willful act of Lessee. In the event, however, that the damage or destruction was caused by Lessee, Lessor shall have the right to recover Lessor's damages from Lessee except as released and waived in Paragraph 9.7.

9.5           **Damage Near End of Term.** If at any time during the last six (6) months of the term of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may, at Lessor's option, terminate this Lease no later than thirty (30) days following the date of occurrence of such damage by giving written notice to Lessee of Lessor's election to do so within thirty (30) days after the date of occurrence of such damage. Should such termination be effective, the Base Rent, Common Area Operating Expenses, and other charges (if any payable by Lessee) from the date of the occurrence to the date of termination shall be abated. Provided, however, if Lessee at that time has an exercisable right to extend this Lease, then Lessee may preserve this Lease by (a) exercising such right, and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs, on or before the earlier of (i) the date which is ten (10) days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such right to extend expires. If Lessee duly exercises such Lease Extension during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such Lease Extension and provide such funds or assurance during such period, then this Lease shall terminate as of the date set forth in the first sentence of this Paragraph 9.5.

9.6           **Abatement of Rent; Lessee's Remedies.**

(a)           In the event of (i) Premises Partial Damage, or (ii) Hazardous Substance Condition for which Lessee is not legally responsible, the Base Rent, Common Area Operating Expenses, and other charges (if any payable by Lessee), for the period during which such damage or condition, its repair, remediation or restoration continues, shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not in excess of proceeds from insurance required to be carried under Paragraph 8.3(b). Except for abatement of the Base Rent, Common Area Operating Expenses, and other charges (if any payable by Lessee), as aforesaid, all other obligations of Lessee hereunder shall be performed by Lessee, and Lessee shall have no claim against Lessor for any damage suffered by reason of any such damage, destruction, repair, remediation or restoration.

(b)           If Lessor is obligated to repair or restore the Premises under the provisions of this Paragraph 9 and does not commence, in a substantial and meaningful way, the repair or restoration of the Premises within sixty (60) days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders, of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than sixty (60) days following the giving of such notice. If Lessee gives such notice to Lessor and such Lenders and such repair or restoration is not commenced within thirty (30) days after receipt of such notice, this Lease shall terminate as of the date specified in said notice. If Lessor or a Lender commences the repair or restoration of the Premises within thirty (30) days after the receipt of such notice, this Lease shall continue in full force and effect. **"Commence"**



as used in this Paragraph 9.6 shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever occurs first. Notwithstanding the foregoing, if such repairs are not substantially completed within one hundred and eighty (180) days of the damages occurring, Lessee may terminate this Lease, in its sole discretion, upon thirty (30) days' written notice to Lessor.

**9.7 Hazardous Substance Conditions.** If a Hazardous Substance Condition occurs, unless Lessee is legally responsible therefore (in which case Lessee shall make the investigation and remediation thereof required by Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(c) and Paragraph 13), Lessor may at Lessor's option either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible, at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to investigate and remediate such condition exceeds twelve (12) times the monthly Base Rent or One Hundred Thousand Dollars (\$100,000.00) whichever is greater, give written notice to Lessee within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition of Lessor's desire to terminate this Lease as of the date sixty (60) days following the date of such notice. In the event Lessor elects to give such notice of Lessor's intention to terminate this Lease, Lessee shall have the right within ten (10) days after the receipt of such notice to give written notice to Lessor of Lessee's commitment to pay for the excess costs of (a) investigation and remediation of such Hazardous Substance Condition to the extent required by Applicable Requirements, over (b) an amount equal to twelve (12) times the monthly Base Rent or One Hundred Thousand Dollars (\$100,000.00), whichever is greater. Lessee shall provide Lessor with the funds required of Lessee or satisfactory assurance thereof within thirty (30) days following said commitment by Lessee. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed with such investigation and remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time period specified above, this Lease shall terminate as of the date specified in Lessor's notice of termination.

**9.8 Termination - Advance Payments.** Upon termination of this Lease pursuant to Paragraph 9, Lessor shall return to Lessee any advance payment made by Lessee to Lessor and so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor under the terms of this Lease.

**9.9 Waiver of Statutes.** Lessor and Lessee agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises and the Building with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent it is inconsistent herewith, provided the Lessor's and Lessee's respective counsels opine that such inconsistency exists.

## **10. Real Property Taxes.**

10.1 **Payment of Taxes.** Lessor shall pay the Real Property Taxes, as defined in Paragraph 10.2, applicable to the Project, and except as otherwise provided in Paragraph 10.4, in the Addendum, or as provided for elsewhere in this Lease, in accordance with the provisions of Paragraph 1.6.

10.2 **Real Property Tax Definition.** As used herein, the term “**Real Property Taxes**” shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, any possessory interest tax or similar tax and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed upon the Project by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage, or other improvement district thereof, levied against any legal or equitable interest of Lessor in the Project or any portion thereof, Lessor’s right to rent or other income therefrom, and/or Lessor’s business of leasing the Premises. Real Property Taxes shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring, or changes in Applicable Laws taking effect, during the term of this Lease, including, but not limited to, a change in the ownership of the Project or in the improvements thereon, the execution of this Lease, or any modification, amendment or transfer thereof, and whether or not contemplated by the Parties. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days, which such calendar year and tax year have in common.

10.3 **Additional Improvements.** Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor’s records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.1 hereof, Lessee shall, however, pay to Lessor the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee’s request.

10.4 **Joint Assessment.** If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor’s work sheets or such other information as may be reasonably available. Lessor’s reasonable determination thereof, in good faith, shall be conclusive.

10.5 **Lessee’s Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee-Owned Alterations, Utility Installations, Trade Fixtures, furnishings, equipment, and all personal property of Lessee contained in the Premises or stored within the Project, and all possessory interest taxes. When possible, Lessee shall cause its Lessee-Owned Alterations, Utility Installations, Trade Fixtures,

furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within ten (10) days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

**11. Utilities.** Lessor shall provide electricity, trash service and HVAC for normal office use and during State of California building operating hours.

**12. Assignment and Subletting.**

**12.1 Lessor's Consent Required.**

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or otherwise transfer or encumber (collectively, "assign") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent given under and subject to the terms of Paragraph 36.

(b) A change in the control of Lessee shall constitute an assignment requiring Lessor's consent. The transfer, on a cumulative basis, of fifty percent (50%) or more of the voting control of Lessee shall constitute a change in control for this purpose. If, however, there is a mere change in name of the business and Lessee still retains one hundred percent (100%) ownership and control of the business, such change in name shall not constitute an assignment.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, refinancing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the net worth of Lessee, as hereinafter defined, by an amount equal to or greater than fifty percent (50%) of such net worth of Lessee as it was represented to Lessor at the time of full execution and delivery of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, at whichever time said net worth of Lessee was or is greater, shall be considered an assignment of this Lease by Lessee to which Lessor may reasonably withhold its consent. For purposes of this Lease, the net worth of Lessee (excluding any Guarantors) shall be established under generally accepted accounting principles consistently applied.

(d) An assignment or subletting of Lessee's interest in this Lease, without Lessor's specific prior written consent, shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1, or a non-curable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unconsented to assignment or subletting as a non-curable Breach, Lessor shall have the right to either: (i) terminate this Lease, or (ii) upon thirty (30) days' written notice ("**Lessor's Notice**"), increase the monthly Base Rent for the Premises to the greater of the then fair market rental

value of the Premises, as reasonably determined by Lessor, or one hundred ten percent (110%) of the Base Rent then in effect. Pending determination of the new fair market rental value, if disputed by Lessee, Lessee shall pay the amount set forth in Lessor's Notice, with any overpayment credited against the next installment(s) of Base Rent coming due, and any underpayment for the period retroactively to the effective date of the adjustment being due and payable immediately upon the determination thereof. Further, in the event of such Breach and rental adjustment, (i) the price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to the then fair market value as reasonably determined by Lessor (without the Lease being considered an encumbrance or any deduction for depreciation or obsolescence, and considering the Premises at its highest and best use and in good condition) or one hundred ten percent (110%) of the price previously in effect, (ii) any index-oriented rental or price adjustment formulas contained in this Lease shall be adjusted to require that the base index be determined with reference to the index to the time of such adjustment, and (iii) any fixed rental adjustments scheduled during the remainder of the Lease term shall be increased in the same ratio as the new rental bears to the Base Rent in effect immediately prior to the adjustment specified in Lessor's Notice.

(e) Lessee's remedy for any breach of this Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

## **12.2 Terms and Conditions Applicable to Assignment and Subletting.**

(a) Regardless of Lessor's consent, any assignment or subletting shall not (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, nor (iii) alter the primary liability of Lessee for the payment of Base Rent and other sums due to Lessor hereunder or for the performance of any other obligations to be performed by Lessee under this Lease or under an assignment or sublease.

(b) Lessor may accept any rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of any rent for performance shall constitute a waiver nor estoppel of Lessor's right to exercise its remedies for the Default or Breach by Lessee of any of the terms, covenants or conditions of this Lease.

(c) The consent of Lessor to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting by Lessee or to any subsequent or successive assignment or subletting by the assignee or sublessee. However, Lessor may consent to subsequent subletting and assignments of the sublease or any amendments or modifications thereto without notifying Lessee or anyone else liable under this Lease or the sublease and without obtaining their consent, and such action shall not relieve such persons from liability under this Lease.

(d) In the event of any Default or Breach of Lessee's obligation under this Lease, Lessor may proceed directly against Lessee, any Guarantors or anyone

else responsible for the performance of the Lessee's obligations under this Lease, including any sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request or consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including, but not limited to, the intended use and required modification of the Premises, if any, together with a non-refundable deposit of One Thousand Dollars (\$1,000.00) or ten percent (10%) of the monthly Base Rent applicable to the portion of the Premises, which is the subject of the proposed assignment or sublease, whichever is greater, as reasonable consideration for Lessor's considering and processing the request for consent. Lessee agrees to provide Lessor with additional information and documentation as may be reasonably requested by Lessor.

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed, for the benefit of Lessor, to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented in writing.

**12.3 Additional Terms and Conditions Applicable to Subletting.** The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all rentals arising from any sublease of all or a portion of the Premises heretofore or hereafter made by Lessee, and Lessor may collect such rent and apply same toward Lessee's obligations under this Lease, provided, however, that until a Breach (as defined in Paragraph 13.1) shall occur in the performance of Lessee's obligations under this Lease, Lessee may, except as otherwise provided in this Lease, receive, collect and enjoy the rents accruing under such sublease. Lessor shall not, by reason of the foregoing provision or any other assignment of such sublease to Lessor, nor by reason of the collection of the rents from a sublessee, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee under such sublease. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor the rents and other charges due and to become due under the sublease. Sublessee shall rely upon any such statement and request from Lessor and shall pay such rents and other charges to Lessor without any obligation or right to inquire as to whether such Breach exists and notwithstanding any notice from or claim from Lessee to the contrary. Lessee shall have no right or claim against such sublessee, or, until the

Breach has been cured, against Lessor, for any such rents and other charges so paid by said sublessee to Lessor.

(b) In the event of a Breach by Lessee in the performance of its obligations under this Lease, Lessor, at its option and without any obligation to do so, may require any sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sub lessee to such sublessor or for any other prior defaults or breaches of such sublessor under such sublease.

(c) Any matter or thing requiring the consent of the sublessor under a sublease shall also require the consent of Lessor herein.

(d) No sublessee under a sublease approved by Lessor shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

### **13. Default; Breach; Remedies.**

13.1 **Default; Breach.** Lessor and Lessee agree that if an attorney (including, but not limited to, Agency General Counsel or his designee) is consulted by Lessor in connection with a Lessee's Default or Breach (as hereinafter defined), Five Hundred Dollars (\$500.00) is a reasonable minimum sum per such occurrence for legal services and costs in the preparation and service of a notice of Default, and that Lessor may include the cost of such services and costs in said notice as rent due and payable to cure said default. A "**Default**" by Lessee is defined as a failure by Lessee to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to Lessee under this Lease. A "**Breach**" by Lessee is defined as the occurrence of any one or more of the following Defaults (where a grace period for cure after notice is specified herein, the failure by Lessee to cure such Default prior to the expiration of the applicable grace period) shall entitle Lessor to pursue the remedies set forth in Paragraphs 13.2 and 13.3:

(a) The vacating of the Premises without the intention to reoccupy same, or the abandonment of the Premises.

(b) Except as expressly otherwise provided in this Lease, the failure by Lessee to make any payment of Base Rent or any other monetary payment required to be made by Lessee hereunder as and when due, the failure by Lessee to provide Lessor with reasonable evidence of insurance or surety bond required under this Lease, or

the failure of Lessee to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of three (3) business days following written notice thereof by or on behalf of Lessor to Lessee.

(c) Except as expressly otherwise provided in this Lease, the failure by Lessee to provide Lessor with reasonable written evidence (in duly executed original form, if applicable) of (i) compliance with Applicable Requirements per Paragraph 6.3, (ii) the inspection, maintenance and service contracts required under Paragraph 7.1(b), (iii) the rescission of an unauthorized assignment or subletting per Paragraph 12.1, (iv) a Tenancy Statement per Paragraph 16, (v) the subordination or non-subordination of this Lease per Paragraph 30, (vi) the guaranty of the performance of Lessee's obligations under this Lease if required under Paragraph 1.11, or (vii) the execution of any document requested under Paragraph 41 (Reservations), where any such failure continues for a period of ten (10) days following written notice by or on behalf of Lessor to Lessee.

(d) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the Rules and Regulations adopted under Paragraph 39 hereof that are to be observed, complied with or performed by Lessee, other than those described in Subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of Lessor to Lessee; provided, however, that if the nature of Lessee's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach of this Lease by Lessee if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(e) The occurrence of any of the following events: (i) the making by Lessee of any general arrangement or assignment for the benefit of creditors; (ii) Lessee's becoming a "debtor" as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within thirty (30) days, provided, however, in the event that any provision of this subparagraph 13.1(e) is contrary to any applicable law, such provision shall be of no force or effect, and shall not affect the validity of the remaining provisions.

(f) The discovery by Lessor that any financial statement of Lessee or of any Guarantor, given to Lessor by Lessee or any Guarantor was materially false.

(g) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's

refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory breach basis, and Lessee's failure, within sixty (60) days following written notice by or on behalf of Lessor to Lessee of any such event, to provide Lessor with written alternative assurances of security, which, when coupled with the then existing resources of Lessee, equals or exceeds a net worth of at least One Million Dollars (\$1,000,000.00).

13.2 **Remedies.** If Lessee fails to perform any affirmative duty or obligation of Lessee under this Lease, within ten (10) days after written notice to Lessee (or in case of an emergency, without notice), Lessor may at its option (but without obligation to do so), perform such duty or obligation on Lessee's behalf, including, but not limited to, the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee to Lessor upon invoice, therefore. If any check given to Lessor by Lessee shall not be honored by the bank upon which it is drawn, Lessor, at its own option, may require all future payments under this Lease by Lessee to be made only by cashier's check. In the event of a Breach of this Lease by Lessee (as defined in Paragraph 13.1), with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach, Lessor may:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease and the term hereof shall terminate, and Lessee shall immediately surrender possession of the Premises to Lessor. In such an event, Lessor shall be entitled to recover from Lessee: (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (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 the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Premises are located at the time of award plus one percent (1%). Efforts by Lessor to mitigate damages caused by Lessee's Default or Breach of this Lease shall not waive Lessor's right to recover damages under this Paragraph 13.2. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages. If a notice and grace period required under subparagraph 13.1(b), (c) or (d) was not previously given, a notice to pay



rent or quit, or to perform or quit, as the case may be, given to Lessee under any statute authorizing the forfeiture of leases for unlawful detainer shall also constitute the applicable notice for grace period purposes required by subparagraph 13.1(b), (c) or (d). In such case, the applicable grace period under the unlawful detainer statute shall run concurrently after the one such statutory notice, and the failure of Lessee to cure the Default within the greater of the two (2) such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession in effect (in California under California Civil Code Section 1951.4) after Lessee's Breach and recover the rent as it becomes due, provided Lessee has the right to sublet or assign, subject only to reasonable limitations. Lessor and Lessee agree that the limitations on assignment and subletting in this Lease are reasonable. Acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver to protect the Lessor's interest under this Lease, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available to Lessor under the laws or judicial decisions of the state wherein the Premises are located.

(d) The expiration or termination of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

**13.3 Inducement Recapture in Event of Breach.** During the Original Term, and only if Lessee should have failed to diligently attempt to cure any Breach, any agreement by Lessor for free or abated rent or other charges applicable to the Premises, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "**Inducement Provisions**" shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease to be performed or observed by Lessee during the term hereof. Upon the occurrence of a Breach (as in Paragraph 13.1) of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, and recoverable by Lessor, as additional rent due under this Lease, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this Paragraph 13.3 shall not be deemed a waiver by Lessor of the provisions of this Paragraph 13.3 unless specifically so stated in writing by Lessor at the time of such acceptance.

**13.4 Late Charges.** Lessee acknowledges that late payment by Lessee to Lessor of rent and other sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges and

late charges which may be imposed upon Lessor by the terms of any lease, master lease, mortgage or deed of trust covering the Premises. Accordingly, if any installment of rent or other sum due from Lessee is not received by Lessor or Lessor's designee within ten (10) days after such amount is due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a late charge equal to ten percent (10%) of such overdue amount. The subparties agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of Base Rent, then notwithstanding Paragraph 4.1 or any other provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 **Breach by Lessor.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation to be performed by Lessor. For purposes of this Paragraph 13.5, a reasonable time shall in no event be less than thirty (30) days after receipt by Lessor, and by any Lender(s) whose name and address shall have been furnished to Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days after such notice is reasonably required for its performance, then Lessor shall not be in breach of this Lease if performance is commenced within such thirty (30) day period and thereafter diligently pursued to completion.

14. **Condemnation.** If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than ten percent (10%) of the floor area of the Premises, or more than twenty-five percent (25%) of the portion of the Common Areas designated for Lessee's parking, is taken by condemnation, Lessee may, at Lessee's option, to be exercised in writing within ten (10) days after Lessor shall have given Lessee written notice at such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in the same proportion as the rentable floor area of the Premises taken bears to the total rentable floor area of the Premises. No reduction of Base Rent shall occur if the condemnation does not apply to any portion of the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Lessor, whether such award shall be made as compensation for diminution of value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Lessee shall be entitled to any compensation, separately awarded to Lessee for Lessee's relocation expenses and/or loss of Lessee's Trade Fixtures. In the event that

this Lease is not terminated by reason of such condemnation, Lessor shall to the extent of its net severance damages received, over and above Lessee's share of the legal and other expenses incurred by Lessee in the condemnation matter, repair any damage to the Premises caused by such condemnation authority. Lessor shall reimburse Lessee for any costs or expense Lessee may incur up to the amount of the award Lessor may receive.

## **15. Professional Fees.**

15.1 **Brokers.** Any fees or commissions payable with respect to the procurement, negotiation, and execution of this Lease shall be as set forth pursuant to a separate agreement limited to Lessee's Broker identified in Paragraph 1.10.

15.2 **Representations and Warranties.** Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker, or finder other than Lessor's Broker named in Paragraph 1.10 in connection with the negotiation of this Lease and the consummation of the transaction contemplated hereby, and that no broker or other person, firm or entity other than Lessor's Broker is entitled to any commission or finder's fee in connection with said Lessee. The Parties hereby agree to indemnify, protect, defend, and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder, or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses, and/or attorneys' fees reasonably incurred with respect thereto.

## **16. Tenancy and Financial Statements.**

16.1 **Tenancy Statement.** Each Party (as "**Responding Party**") shall within ten (10) days after written notice from the other Party (the "**Requesting Party**") execute, acknowledge and deliver to the Requesting Party a "**Tenancy Statement**," plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party. For the purposes of this Lease, a Tenancy Statement is that document required to confirm the lease relationship between the Parties of any proposed lender of a Party.

16.2 **Financial Statement.** If Lessor desires to finance, refinance, or sell the Premises or the Building, or any part thereof, Lessee shall deliver to any potential lender or purchaser designated by Lessor such financial statements of Lessee as may be reasonably required by such lender or purchaser, including, but not limited to, Lessee's financial statements for the past three (3) years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth. Purchaser shall be defined as one who has made an offer in the form of a letter of intent, or similar, and who has signed a confidentiality agreement in connection with the financial statements received.

**17. Lessor's Liability.** The term "**Lessor**" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises. In the event of a transfer of Lessor's title or interest in the Premises or in this Lease, the prior Lessor shall be relieved

of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

**18. Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

**19. Interest on Past-Due Obligations.** Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor within ten (10) days following the date on which it was due, shall bear interest from the date due at the prime rate charged by the largest state-chartered bank in the state in which the Premises are located plus the maximum interest rate permitted by law, in addition to the potential late charge provided for in Paragraph 13.4.

**20. Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

**21. Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease are deemed to be rent.

**22. No Prior or Other Agreements.** This Lease contains all agreements between the Parties, including any consultants and/or real estate brokers representing either Party, with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective.

**23. Notices.**

**23.1 Notice Requirements.** All notices required or permitted by this Lease shall be in writing and may be delivered in person (by hand, messenger, or courier service) or may be sent by certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notice purposes. Either Party may, by written notice to the other, specify different address for notice purposes, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for the purpose of mailing or delivering notices to Lessee. A copy of all notices required or permitted to be given to either party hereunder shall be concurrently transmitted to such Party or Parties at such addresses as either Party may from time to time hereafter designate by written notice to the other Party.

**23.2 Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt, or if no delivery date is shown, the postmark thereon. Notices delivered by courier or by an

overnight delivery service, shall be deemed given on the date of delivery shown on the receipt.

**24. Waivers.** No waiver by either party of the Default or Breach of any term, covenant or condition hereof by either party, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by the other party of the same or any other term, covenant or condition hereof. Either party's consent to, or approval of, any such act shall not be deemed to render unnecessary the obtaining of the other party's consent to, or approval of, any subsequent or similar act by the other party, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. Regardless of Lessor's knowledge of a Default or Breach at the time of accepting rent, the acceptance of rent by Lessor shall not be a waiver of any Default or Breach by Lessee of any provision hereof. Any payment given Lessor by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

**25. No Recordation.** Neither party will record this Lease or any memorandum or short form of it. Any such recording by Lessee will be void and a default under this Lease.

**26. No Right to Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease. In the event that Lessee holds over in violation of this Paragraph 26, the Base Rent payable from and after the time of the expiration or earlier termination of this Lease shall be increased to one hundred fifty percent (150%) of the Base Rent applicable during the month immediately preceding such expiration or earlier termination. Nothing contained herein shall be construed as a consent by Lessor to any holding over by Lessee.

**27. Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

**28. Covenants and Conditions.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions.

**29. Binding Effect; Choice of Law.** This Lease shall be binding upon the Parties, their personal representatives, successors, and assigns, and be governed by the laws of the State of California. Any action at law or in equity brought by either of the Parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in the Riverside Branch of the Consolidated Courts of Riverside County, State of California, and the Parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

**30. Subordination; Attornment.**

30.1 **Subordination.** This Lease and any Lease Extension granted hereby shall be subject and subordinate to any lease, master lease, mortgage, deed of trust, or other hypothecation or security device (collectively, “**Security Device**”), now or hereafter placed by Lessor upon the real property of which the Premises are a part, to any and all advances made on the security thereof, and to all renewals, modifications, consolidations, replacements, and extensions thereof. Lessee agrees that the Lenders holding any such Security Device shall have no duty, liability or obligation to perform any of the obligations of Lessor under this Lease, but that in the event of Lessor’s default with respect to any such obligation, Lessee will give any Lender whose name and address have been furnished Lessee in writing for such purpose notice of Lessor’s default pursuant to Paragraph 13.5. If any Lender shall elect to have this Lease and/or any Lease Extension granted hereby superior to the lien of its Security Device and shall give written notice thereof to Lessee, this Lease and such Lease Extensions shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** Lessee agrees to attorn to Lessor or any other party who acquires ownership of the Premises by reason of a foreclosure of a Security Device, and that in the event of such foreclosure, such new owner shall not: (i) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership, (ii) be subject to any offsets or defenses which Lessee might have against any prior lessor, or (iii) be bound by prepayment of more than one month’s rent, except where Lessor may have collected such excess amounts in any form.

30.3 **Self-Executing.** Any agreements cited in this Paragraph 30 shall be effective without the execution of any further documents, provided, however, that upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any such subordination or non-subordination, and/or attornment agreement as is provided for herein.

**31. Attorneys’ Fees.** If any Party brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the prevailing party as determined by a court of competent jurisdiction in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys’ fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The attorneys’ fee award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys’ fees reasonably incurred. Lessor shall be entitled to attorneys’ fees, costs, and expenses incurred in preparation and service of the notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting breach.

**32. Lessor’s Access; Showing Premises; Repairs.** Lessor and Lessor’s agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise

at reasonable times for the purpose of showing the same to prospective purchasers, lenders, or lessees, and making alterations, repairs, improvements, or additions to the Premises or to the Building as Lessor may reasonably deem necessary. Lessor may at any time place on or about the Building any ordinary “**For Sale**” signs, and Lessor may at any time during the last one hundred eighty (180) days of the term hereof advertise the Premises “**For Lease**” on signs placed on or about the Building. All such activities of Lessor shall be without abatement of rent or liability to Lessee.

**33. Auctions.** Lessee shall not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction upon the Premises without first having obtained Lessor’s prior written consent. Notwithstanding anything to the contrary in this Lease, Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to grant such consent.

**34. Signs.** Lessee shall be permitted, at Lessee’s sole cost and expense, to install upon the exterior of the Premises or the Building (but not on the roof) signs subject to Lessor’s prior written consent and consistent with the California Tower Retail Signage Criteria. Such signs shall be in a location designated by Lessor and shall comply with applicable City requirements and ordinances and the signage criteria established for the Project by Lessor. Lessee shall be responsible for the ongoing maintenance, repair, and replacement of all such signage. The installation of any sign on the Premises by or for Lessee shall be subject to the provisions of Paragraph 7 (Maintenance, Repairs, Utility Installations, Trade Fixtures and Alterations). During the term of this Lease, and any Lease Extension, so long as Lessee is not in Default under the Lease and is still operating its business, Lessor shall not place any For Lease signs on the Premises.

**35. Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, Lessor shall, in the event of any such surrender, termination or cancellation, have the option to continue any one or all of any existing sublessees. Lessor’s failure, within ten (10) days following any such event to make a written election to the contrary of any such lesser interest, shall constitute Lessor’s election to have such event constitute the termination of such interest.

**36. Consents.**

(a) Except for Paragraph 33 (Auctions) or as otherwise provided herein, wherever in this Lease, the consent of a Party is required, such consent shall not be unreasonably withheld or delayed. Within thirty (30) days of written request by Lessee and prior to incurring the below referenced costs, Lessor shall provide to Lessee an estimate of costs attributable to the consideration of such request. Lessee shall be further advised by Lessor should costs be anticipated to exceed such previously submitted cost estimate. Lessor’s actual reasonable costs and expenses (including, but not limited to, architects’, attorneys’, engineers’, and other consultants’ fees) incurred in the consideration of, or

response to, a request by Lessee for any Lessor consent pertaining to this Lease or the Premises, including, but not limited to, consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee to Lessor upon receipt of an invoice and supporting documentation therefore. In addition to the non-refundable deposit described in Paragraph 12.2(e), Lessor may, as a condition to considering any such request by Lessee, require that Lessee deposit with Lessor an amount of money reasonably calculated by Lessor to represent the cost Lessor will incur in considering and responding to Lessee's request. Any unused portion of said deposit shall be refunded to Lessee without interest. Lessor's consent to any act, assignment of this Lease, or subletting of the Premises by Lessee shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent.

(b) All conditions to Lessor's consent authorized by this Lease are acknowledged by Lessee as being reasonable.

**37. Quiet Possession.** Upon payment by Lessee of the rent for the Premises and the performance of all of the covenants, conditions, and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession of the Premises for the entire term hereof subject to all of the provisions of this Lease.

**38.** [Intentionally omitted.]

**39. Rules and Regulations.** Lessee agrees that it will abide by, and keep and observe all reasonable rules and regulations as set forth in Exhibit "C" ("**Rules and Regulations**") which Lessor may make from time to time for the management, safety, care, and cleanliness of the grounds, parking, and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building, the Project and their invitees.

**40. Security Measures.** Lessee hereby acknowledges that Lessor is not responsible for guard service, security camera monitoring or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessor does, however, have the right to provide those services and charge Lessee for the same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from acts of third parties.

**41. Reservations.** Lessor reserves the right, from time to time, to grant, without the consent or joinder of Lessee, such easements, rights of way, utility raceways, and dedications that Lessor deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights of way, utility raceways, dedications, maps and restrictions do not reasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate any such easement rights, dedication, map, or restrictions.



**42. Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment “under protest” and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay under the provisions of this Lease.

**43. Authority.** If either Party hereto is a corporation, trust, or general or limited partnership, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. If Lessee is a corporation, limited liability company, trust or partnership, Lessee shall, within thirty (30) days after requested by Lessor, deliver to Lessor evidence satisfactory to Lessor of such authority.

**44. Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

**45. Offer.** Preparation of this Lease by either Lessor or Lessee, or Lessor’s agent or Lessee’s agent, and submission of same to Lessee or Lessor, shall not be deemed an offer to lease. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

**46. Amendments.** This Lease may be modified only in writing and signed by the Parties in interest at the time of the modification. The Parties shall amend this Lease from time to time to reflect any adjustments that are made to the Base Rent or other rent payable under this Lease. As long as they do not materially change Lessee’s obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by an institutional insurance company or pension plan Lender in connection with the obtaining of normal financing or refinancing of the property of which the Premises are a part, but in no event shall the Base Rent amounts, term assignment or Default provisions be subject to such modification.

**47. Multiple Parties.** Except as otherwise expressly provided herein, if more than one person or entity is named herein as either Lessor or Lessee, the obligations of such multiple parties shall be the joint and several responsibilities of all persons or entities named herein as such Lessor or Lessee.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

**[SIGNATURES ON FOLLOWING PAGE.]**

The Parties hereto have executed this Lease at the place and on the dates specified below with their respective signatures.

LESSOR

LESSEE:

THE CITY OF RIVERSIDE  
AS SUCCESSOR AGENCY TO  
THE REDEVELOPMENT AGENCY  
OF THE CITY OF RIVERSIDE

LINKUSSYSTEMS, INC.  
a California corporation

By: \_\_\_\_\_  
City Manager, on behalf of  
City of Riverside  
the Successor Agency to the  
Redevelopment Agency  
of the City of Riverside

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Address:  
City of Riverside  
Community & Economic Development  
3900 Main Street, 3rd Floor  
Attn: Successor Agency Division  
Riverside, CA 92522

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

Attest:

Address:  
LINKUSSYSTEMS, INC.  
Attn: Wesley Rocha  
7629 Saint Andrews Drive  
Riverside, CA 92508

By: \_\_\_\_\_  
City Clerk on behalf of  
City of Riverside  
Successor Agency to the  
Redevelopment Agency of the  
City of Riverside

Approved as to form:

By: \_\_\_\_\_  
Successor Agency General Counsel

**EXHIBIT "A"**

**DESCRIPTION OF THE PREMISES**

Approximately 211 square feet of leasable space located at 3737 Main Street, Suite 107, Riverside, California, as depicted Exhibit "B."

**EXHIBIT "B"**

**SITE MAP**

## EXHIBIT "C"

### RULES AND REGULATIONS

1. Lessor may from time to time adopt appropriate systems and procedures for the security or safety of the Building, of any persons(occupying, using, or entering the Building, or of any equipment, furnishings, or contents of the Building, and Lessee will comply with Lessor's reasonable requirements relative to such systems and procedures.
2. The sidewalks, halls, passages, exits, entrances, elevators, and stairways of the Building will not be obstructed by any Lessee or used by any Lessee for any purpose other than for ingress to and egress from their respective Premises. The halls, passages, exits, entrances, elevators, escalators, and stairways are not for the general public, and Lessor will in all cases retain the right to control and prevent access to such halls, passages, exits, entrances, elevators, and stairways of all persons whose presence in the judgment of Lessor would be prejudicial to the safety, character, reputation, and interests of the Building and its Lessees, provided that nothing contained in these Rules and Regulations will be construed to prevent such access to persons with whom any Lessee normally deals with in the ordinary course of its business, unless such persons are engaged in illegal activities. No Lessee and no employee or invitee of any lessee will go upon the roof of the Building except such roof or portion of such roof as may be contiguous to the Premises of a particular lessee and may be designated in writing by Lessor as a roof deck or roof garden area. No Lessee will be permitted to place or install any object (including without limitation radio and television antennas, loudspeakers, sound amplifiers, microwave dishes, solar devices, or similar devices) on the exterior of the Building or on the roof of the Building without Lessor's prior written consent.
3. No sign, placard, picture, name, advertisement, or written notice visible from the exterior of Lessee's Premises will be inscribed, painted, affixed, or otherwise displayed by Lessee on any part of the Building or the Premises without the prior written consent of Lessor. Lessee agrees to conform to such guidelines. All approved signs or lettering on doors will be printed, painted affixed or inscribed at the expense of the Lessee by a person approved by Lessor. Other than draperies expressly permitted by Lessor and industry-standard mini-blinds, material visible from outside the Building will not be permitted. In the event of the violation of this rule by Lessee, Lessor may remove the violating items without any liability, and may charge the expense incurred by such removal to the Lessee.
4. No Lessee will employ any person or persons other than the cleaning service of Lessor for the purpose of cleaning the Premises, unless otherwise agreed to by Lessor in writing. Except with the written consent of Lessor, no person or persons other than those approved by Lessor will be permitted to enter the Building for the purpose of cleaning it. No lessee will cause any unnecessary labor by reason of such Lessee's carelessness or indifference in the preservation of good order and

cleanliness. Should Lessee's actions result in any increased expense for any required cleaning, Lessor reserves the right to assess Lessee for such expenses.

5. The bathrooms, toilets, urinals, washbowls, and other plumbing fixtures will not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags, or other foreign substances will be thrown in such plumbing fixtures. All damages resulting from any misuse of the fixtures will be borne by the Lessee who, or whose servants, employees, agents, visitors, or licensees, caused the same.
6. No Lessee will in any way deface any part of the Premises or the Building of which they form a part. In those portions of the Premises where carpet has been provided directly or indirectly by Lessor, Lessee will at its own expense install and maintain pads to protect the carpet under all furniture having casters other than carpet casters.
7. No lessee will alter, change, replace, or rekey any lock or install a new lock or a knocker on any door of the Premises. Lessor, its agents, or employees will retain a master key to all door locks on the Premises. Any new door locks required by Lessee or any change in keying of existing locks will be installed or changed by Lessor following Lessee's written request to Lessor and will be at Lessee's sole cost and expense. All new locks and rekeyed locks will remain operable by Lessor's master key. Lessor will furnish each lessee, free of charge, with two (2) keys to each door lock on the Premises and two (2) access cards for the Building. Lessor will have the right to collect a reasonable charge for additional keys and cards requested by any Lessee. Lessee, upon termination of its tenancy, will deliver to Lessor all keys and access cards for the Premises and Building that have been furnished.
8. Any elevator designated for freight by Lessor will be available for use by all Lessees in the Building during the hours and pursuant to such procedures as Lessor may determine from time to time. The persons employed to move Lessee's equipment, material, furniture, or other property in or out of the Building must be reasonably acceptable to Lessor. The moving company must be a locally recognized professional mover, whose primary business is the performing of relocation services, and must be bonded and fully insured. A certificate or other verification of such insurance must be received and approved by Lessor prior to the start of any moving operations. Insurance must be sufficient, in Lessor's sole opinion, to cover all personal liability, theft or damage to the Project, including, but not limited to, floor coverings, doors, walls, elevators, stairs, foliage, and landscaping. Special care must be taken to prevent damage to foliage and landscaping during adverse weather. All moving operations will be conducted at such times and in such a manner as Lessor will direct, and all moving will take place during non-business hours unless Lessor agrees in writing otherwise. Lessee will be responsible for the provision of the Building's security during all moving operations and will be liable for all losses and damages sustained by any party as a result of the failure to supply adequate security. Lessor will have the right to

prescribe the weight, size, and position of all equipment, materials, furniture, or other property brought into the Building. Heavy objects will, if considered necessary by Lessor, stand on wood strips of such thickness as is necessary to properly distribute the weight. Lessor will not be responsible for any loss of or damage to any property from any cause, and all damage done to the Building by moving or maintaining such property will be repaired at the expense of Lessee. Lessor reserves the right to inspect all such property to be brought into the Building and to exclude from the Building all such property which violates any of these Rules and Regulations and the Lease. Supplies, goods, materials, packages, furniture, and all other items of every kind delivered to or taken from the Premises will be delivered or removed through the entrance and route designated by Lessor, and Lessor will not be responsible for the loss or damage of any such property unless such loss or damage results from the negligence of Lessor, its agents, or employees.

9. No Lessee will use or keep in the Premises or the Building any kerosene, gasoline, or flammable, combustible or explosive fluid, material or chemical substances, other than limited quantities of such materials or substances reasonably necessary for the operation or maintenance of office equipment or limited quantities of cleaning fluids and solvents required in Lessee's normal operations in the Premises. Without Lessor's prior written approval, no Lessee will use any method of heating or air conditioning other than that supplied by Lessor. No Lessee will use, keep or permit to use or keep any foul or noxious gas or substance in the Premises.
10. Lessor will have the right, exercisable upon written notice and without liability to any Lessee, to change the name and street address of the Building.
11. Lessor will have the right to prohibit any advertising by Lessee mentioning the Building that, in Lessor's reasonable opinion, tends to impair the reputation of the Building or its desirability as a Building for offices, and upon written notice from Lessor, Lessee will refrain from or discontinue such advertising.
12. Lessee will not bring any animals (except "Seeing Eye" dogs) or birds into the Building and will not permit bicycles or other vehicles inside or on the sidewalks outside the Building except in areas designated from time to time by Lessor for such purposes.
13. All persons entering or leaving the Office Tower between the hours of 6 p.m. and 7 a.m. Monday through Friday, and at all hours on Saturdays, Sundays, and holidays will comply with such off-hour regulations as Lessor may establish and modify from time to time. Lessor reserves the right to limit reasonably or restrict access to California Tower during such time periods.
14. Each lessee will store all its trash and garbage within its Premises. No material will 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 without being in violation of any law or ordinance governing such disposal. All garbage and refuse disposal will be made only through entryways and elevators provided for such purposes and at such times as Lessor designates. Removal of any furniture or furnishings, large equipment, packing crates, packing materials, and boxes will be the responsibility of each lessee and such items may not be disposed of in the Building trash receptacles nor will they be removed by the Building's janitorial service, except at Lessor's sole option and at the Lessee's sole cost and expense. No furniture, appliances, equipment, or flammable products of any type may be disposed of in the Building trash receptacles.
15. Canvassing, peddling, soliciting, and distributing handbills or any other written materials in the Building are prohibited, and each lessee will cooperate to prevent the same.
  16. The requirements of the lessees will be attended to only upon application by written, personal, or telephone notice at the office of the Building. Employees of Lessor will not perform any work or do anything outside of their regular duties unless under special instructions from Lessor.
  17. Lessee will assure that the doors of the Premises are closed and locked and that all the water faucets, water apparatus, and utilities are shut off before Lessee or Lessee's employees leave the Premises, so as to prevent waste or damage, and for any default or carelessness in this regard Lessee will make good all injuries sustained by other lessees or occupants of the Building or Lessor. On multiple-tenancy floors, all lessees will keep the doors to the Building corridors closed at all times except for ingress and egress.
  18. Lessee will not conduct itself in any manner that is inconsistent with the character of the Building as a first quality Building or that will impair the comfort and convenience of other lessees in the Building.
  19. Neither Lessor nor any operator of the parking areas within the Project, as the same are designated and modified by Lessor, in its sole discretion, from time to time (the "parking areas"), will be liable for loss 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 parking areas, resulting from fire, theft, vandalism, accident, conduct of other users of the parking areas and other persons, or any other casualty or cause. Further, Lessee understands and agrees that: (a) Lessor will not be obligated to provide any traffic control, security protection, or operator for the parking areas; (b) Lessee uses the parking areas at its own risk; and (c) Lessor will not be liable for personal injury or death, or theft, or loss or damage to property. Lessee waives and releases Lessor from any and all liability arising out of the use of the parking areas by Lessee, its employees, agents, invitees, and visitors, whether brought by any of such persons or any other person.

20. Lessee (including Lessee's employees, agents, invitees, and visitors) 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 Lessor from time to time with respect to the parking areas. Lessee 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 (a) for any purpose other than parking as provided above; (b) in any way or manner reasonably objectionable to Lessor; or (c) by Lessee after Default by Lessee under the Lease, Lessor, in addition to any other rights otherwise available to Lessor, may consider such an event as a Default under the Lease.
21. Lessee's right to use the parking areas will be in common with other lessees of the Project and with other parties permitted by Lessor to use the parking areas. Lessor reserves the right to assign and reassign, from time to time, particular parking spaces for use by persons selected by Lessor, provided that Lessee's rights under the Lease are preserved. Lessor will not be liable to Lessee for any unavailability of Lessee's designated spaces, if any, nor will any unavailability entitle Lessee to any refund, deduction, or allowance. Lessee will not park in any numbered space or any space designated as: RESERVED, HANDICAPPED, VISITORS ONLY, or LIMITED TIME PARKING (or similar designation).
22. If the parking areas are damaged or destroyed, or if the use of the parking areas is limited or prohibited by any governmental authority, or the use or operation of the parking areas is limited or prevented by strikes or other labor difficulties or other causes beyond Lessor's control, Lessee's inability to use the parking spaces will not subject Lessor or any operator of the parking areas to any liability to Lessee and will not relieve Lessee of any of its obligations under the Lease and the Lease will remain in full force and effect.
23. Lessee has no right to assign or sublicense any of its rights in the parking spaces, except as part of a permitted assignment or sublease of the Lease; however, Lessee may allocate the parking spaces among its employees.
24. No act or thing done or omitted to be done by Lessor or Lessor's agent during the Term of the Lease in connection with the enforcement of these Rules and Regulations will constitute an eviction by Lessor of any lessee nor will it be deemed an acceptance of surrender of the Premises by any lessee, and no agreement to accept such termination or surrender will be valid unless in writing and signed by Lessor. The delivery of keys to any employee or agent of Lessor will not operate as a termination of the Lease or a surrender of the Premises unless such delivery of keys is done in connection with a written instrument executed by Lessor approving the termination or surrender.

25. In these Rules and Regulations, the term Lessee includes its employees, agents, specific invitees, customers, and licensees of Lessee and others permitted by Lessee to use or occupy the Premises.
26. Lessor may waive any one or more of these Rules and Regulations for the benefit of any particular Lessee or Lessees, but no such waiver by Lessor will be construed as a waiver of such Rules and Regulations in favor of any other Lessee or Lessees, nor prevent Lessor from enforcing any such Rules and Regulations against any or all of the Lessees of the Building after such waiver.
27. These Rules and Regulations are in addition to, and will not be construed to modify or amend, in whole or in part, the terms, covenants, agreements, and conditions of the Lease.

## EXHIBIT “D”

### ADDENDUM

THIS ADDENDUM supplements that certain Lease dated \_\_\_\_\_, 2023, by and between the CITY OF RIVERSIDE, AS SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF RIVERSIDE, as Lessor, and LINKUSYSTEMS INC., as Lessee. All capitalized terms herein shall have the same meaning as in the Lease.

1. Sublease. Notwithstanding references in this Lease to “Lessor,” “Lessee,” and the “Lease,” the Parties acknowledge that the relationship between Lessor and Lessee is a sublease hold relationship and that this Lease is a sublease. This Lease is in all respects subject and subordinate to a lease dated April 26, 1994 between Lessor and the Department of General Services of the State of California (the “**Department**”). Such lease is hereafter referred to as the “State Lease.” Pursuant to the State Lease and a Leaseback Agreement also dated April 26, 1994, Lessor has the right to lease back, sublease and otherwise take possession of portions of the Building, including the Premises described herein. In the event of any conflict between the terms and provisions of this Lease and the terms and provisions of the State Lease and the Leaseback Agreement, the rights and obligations of the Parties will be determined and this Lease will be interpreted in a manner which gives the effect to the terms and provisions of the State Lease and the Leaseback Agreement.

Lessee acknowledges that certain services and responsibilities described herein as Lessor’s Obligations may be provided by the Department under the terms of the State Lease and the Leaseback Agreement. Thus, all provisions in Paragraph 9 of the Lease regarding damage or destruction will be subject to the provisions of Section 7 of the State Lease. Also, certain Lessor obligations such as those contained in Paragraph 7.2 (Maintenance and Repair) and Paragraph 8 (Insurance; Indemnity) may be performed by the Department under the State Lease. Similarly, the Department may be responsible for payment of property taxes (subject to payment of Lessee’s Common Area Operating Expenses) and all condemnation rights as set forth in Paragraph 14 of the Lease will be subject to the provisions of Section 10 of the State Lease.

2. Nondiscrimination. Lessee hereby covenants for itself, its heirs, administrators, successors and assigns, and all persons claiming under or through Lessee, that this Lease is made and accepted upon and subject to the condition that there shall be no discrimination on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, gender, gender identity, genetic information, gender expression, sex, sexual orientation or military or veteran status, in the leasing subleasing, transferring, use occupancy, tenure or enjoyment of the Premises nor shall Lessee, or any person claiming under or through Lessee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sub

lessees, subtenants, or vendees in the Premises herein leased. Further, Lessee agrees to conform to the requirements of the Americans with Disabilities Act in acting under this Lease.

Lessee shall keep fully informed of federal, state, and local laws and ordinances and regulations which in any manner affect those employed by Lessee or in any way affect the use of the Premises of Lessee pursuant to this Lease. Lessee shall at all times observe and comply with all such laws, ordinances, and regulations and shall be responsible for the compliance of Lessee's use of the Premises with all applicable laws, ordinances and regulations.

3. Rules and Regulations. Lessee agrees to comply with the Rules and Regulations for the Building attached as Exhibit "C" of the Lease. Any deletions in the Rules and Regulations represent matters which are inapplicable to Lessee's use of the Premises.

4. Agreement Regarding Non-Disturbance. Lessor and Lessee acknowledge that as set forth in the State Lease, renovation of the Building has been funded through the issuance of Bonds (as defined in the State Lease) and that such Bonds are secured by rents paid by the tenants of the Building. Pursuant to an "**Agreement Regarding Non-Disturbance**" dated September 15, 1994, by and among Lessor, the Department, AMBAC Indemnity Corporation ("**AMBAC**") and First Trust of California ("**Trustee**"), upon execution by Lessor and Lessee of the Lease, as well as execution of the Agreement Regarding Non-Disturbance in the same form as attached as Exhibit "E", the Department, AMBAC and Trustee agree, as set forth in said documents, that so long as Lessee is not materially in Default under this Lease, Lessee's use and enjoyment of the Premises will not be disturbed by Lessor, the Department, AMBAC, or the Trustee.

7. Tenant Improvements.

7.1 Lessee shall not make structural and nonstructural alterations to the Premises without Lessor's consent. Lessee shall be solely responsible for all Tenant Improvement costs and for securing all permits required for such work. All Tenant Improvement work shall be performed by a licensed general and sub-contractor, holding active licenses with the State of Contractors License Board and a business license with the City of Riverside. Prior to the start of construction, Lessee shall submit a list of contractors for Lessor's approval.

In so much as the California Tower operates an integrated life safety control system, any modification to the Premises security access control, fire sprinkler, or fire alarm system must be performed through the California Tower designated fire control contractor.

7.2 Prior to the start of construction, Lessee shall submit to Lessor, plans prepared at Lessee's sole cost and expense, which plans shall indicate clearly and in detail, all specific changes and alterations to the Premises, including, but not limited to, the storefront, interior partitions, trade fixture plans, lighting, and electrical outlets. Any such

plans shall be subject to Lessor's prior written approval. Lessor shall have ten (10) working days within which to approve or disapprove Lessee's proposed plans. If Lessor approves such plans, Lessee shall apply to the City of Riverside for a building permit prior to commencing construction. Lessee shall diligently pursue such construction to completion. If Lessor shall disapprove Lessee's plans, Lessor shall provide Lessee with written objections and Lessee shall have ten (10) working days in which to amend its proposed plans and incorporate Lessor's required changes. In no event shall Lessee commence any of the work on the Premises until Lessor has approved, in writing, Lessee's final plans. All work shall be in accordance with the final approved plans. In addition, Lessee shall not have the right to enter upon the Premises to commence such construction until it has delivered to Lessor a certificate of its liability insurance in accordance with Section 8.2(a) of the Lease.

7.3 Any work shown on the plans and specifications not set forth as Lessor's work shall be Lessee's sole responsibility. Lessee agrees, without limitation, that the construction and/or installation of any interior walls, floor coverings (other than restroom), or other fixtures or improvements shall be at Lessee's sole cost and expense.

Within forty-five (45) days following receipt by Lessee of a space plan for the Premises, Lessee shall provide Lessor with three (3) copies of plans and specifications prepared by a licensed architect for any improvements to be made by Lessee to the Premises. Lessor shall have forty-five (45) days from receipt of said plans and specifications to approve, disapprove or require modification to said plans and specifications. Lessee shall cause the required modifications to be made and resubmitted to Lessor. The foregoing procedure shall be followed until a set of plans and specifications have been approved. Any improvements shall be at Lessee's sole cost and expense and shall be done in accordance with all applicable building codes and regulations governing said construction. Within thirty (30) days after completion of the improvements, Lessee shall deliver to Lessor a set of "as built" drawings. Lessee agrees to promptly commence and diligently prosecute the improvements to completion so that Lessee's business will be ready to open as soon as possible.

Lessee also agrees that if at any time it shall cause any work, repair, maintenance, or alteration upon the Premises to be performed, Lessee shall utilize licensed contractors and shall comply with all applicable statutes, orders, regulations, and ordinances in connection with any work, repair, maintenance, or alteration. It is further understood and agreed by Lessee that three (3) copies of all plans and specifications for such work repair, maintenance or alteration shall be submitted to Lessor for approval prior to its commencement and to provide Lessor a copy of all building permits received. Lessee further understands and agrees that all such work, repair, maintenance, or alteration shall be at Lessee's sole cost and expense.

Lessee has installed a floor and other Tenant improvements (and damage) that will be required to be removed (by Lessee) upon surrender of the Premises.

7.4 Lessee shall obtain, at its sole cost and expense, all necessary approvals and permits from all applicable governmental authorities prior to commencement of the work and shall promptly cause to be made any and all required changes in order to secure any and all such approvals and permits. Lessee shall supply Lessor copies of Lessee's certificate of occupancy with respect to the completed Premises within ten (10) working days after Lessee obtains such certificate.

7.5 If it is determined that the Lessor has contributed an "economic interest" to Lessee, any such additional work performed upon the Premises shall be performed on a prevailing wage basis. Lessee shall submit and require all licensed contractors to submit prevailing wage information in the form and frequency required by Lessor.

7.6 All contractors and subcontractors retained by Lessee shall carry Worker's Compensation Insurance covering all of their respective employees, as well as Commercial General Liability Insurance, including property damage insurance. The policies shall insure the Lessor and Lessee, as well as the contractor and/or subcontractor, and shall make Lessor and Lessor's Broker/Property Manager as additional insureds. Lessee shall carry insurance against damage by fire to the construction and improvements to be made by Lessee. Certificates for all such insurance shall be delivered to Lessor before the construction is started or contractor's equipment is moved onto the Property. All policies of insurance must contain a provision that the company writing the policy will give Lessor thirty (30) days' prior written notice before any cancellation or lapse of the effective date of such insurance. All insurance carriers must be authorized to transact business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher. The minimum amount of insurance to be carried by Lessee's contractors and subcontractors shall be as follows:

a. Workers' Compensation (including employer's liability) shall be in an amount of not less than One Million Dollars (\$1,000,000.00). The policy shall be in full compliance with all current laws governing Workers' Compensation in the State of California.

b. Commercial General Liability (including contractor protective liability) shall be in an amount of not less than Two Million Dollars (\$2,000,000.00) combined single limit bodily injury and property damage. Such insurance shall provide for explosion, collapse, underground hazards coverage and broad form contractual liability coverage and shall insure the contractor and subcontractors against any and all claims for personal injury, including death, resulting therefrom, and damage to the property of others and arising from its operations under the contract and whether such operations are performed by the contractor, subcontractor or any of their subcontractors or by anyone directly or indirectly employed by any of them. Fire liability shall be maintained in the amount of One Million Dollars (\$1,000,000.00) or an amount deemed reasonable by Lessor.

8. Construction Parking. During the time Lessee is doing construction on the Premises, Lessor agrees to work with Lessee to allow for construction vehicle access to the Premises, pursuant to the City's Parking Authority rules and regulations. Lessee, however, acknowledges that the alley behind the Building (as the building at 3737 Main Street is defined in the Lease) is a public driveway, parking area, and access for emergency vehicles for the Building and agrees to keep the alley access open and available at all times. Lessee further agrees to notify Lessor in advance of the times and days construction vehicles will need access to the Premises.

10. Signage. Lessee, at Lessee's sole cost and expense, shall be permitted to install exterior door signage, subject to Lessor's standard sign criteria and all City of Riverside requirements.

11. [Intentionally omitted.]

12. Asbestos Disclosure. Lessee is aware that Lessor completed an asbestos removal within the Building several years ago; however, there are certain areas of the Building that considered to be "inaccessible," which still contain asbestos. As such, extreme care must be given to either avoid such areas or to take the necessary protective precautions. It is Lessee's responsibility to contact Lessor's Broker before performing any work within the Premises. It shall also be Lessee's responsibility to notify all owners, employees, and contractors working within or around the Premises of the existence of this hazardous material.

13. Trash Disposal. Lessor has provided a trash disposal area to facilitate trash pick-up service for Lessee's non-exclusive use. .

14. Property Manager. Lessor has retained Inland Pacific Advisors, Inc. as Lessor's Property Manager (and Broker). Said property management firm is located at 3538 Central Avenue, Suite 200, Riverside, California 92506 and can be reached at (951) 686-1462. Lessee acknowledges that Lessor has retained the services of said Property Manager/Broker to assist with the day-to-day management of the Project. Lessee also acknowledges and agrees that all Base Rent payments, maintenance, tenant improvement work, construction, and general property issues are to be presented to Lessor's Property Manager/Broker for handling and resolution.

(Signatures on Following Page)



**EXHIBIT "E"**

**AGREEMENT REGARDING NON-DISTURBANCE**

**(Inserted Behind This Page)**

**EXHIBIT “F”**  
**GUARANTY OF LEASE**

THIS GUARANTY OF LEASE (“Guaranty”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between the City of Riverside, as Successor Agency to the Redevelopment Agency of the City of Riverside, a public body corporate and politic (“Lessor”) and Wesley Rocha, an individual (“Guarantor”), with reference to the following:

WHEREAS, a certain lease (“Lease”) of even date herewith has been, or will be, executed by and between LINKUSYSTEMS, INC., a California corporation (“Lessee”), covering certain premises in the City of Riverside, County of Riverside, State of California, located at 3737 Main Street, Suite 107; and

WHEREAS, the Lessor under the Lease requires as a condition to its execution of the Lease that the Guarantor guarantees the full performance of the obligations of Lessee under the Lease; and

WHEREAS, the Guarantor is desirous that Lessor enter into the Lease with Lessee.

NOW, THEREFORE, in consideration of the execution of the Lease by Lessor, Guarantor hereby unconditionally guarantees the full performance of each and all of the terms, covenants, and conditions of the Lease to be kept and performed by the Lessee, including the payment of all rentals and other charges to accrue thereunder. Guarantor further agrees as follows:

1. Should Lessee fail to perform any of the terms, covenants, or obligations under the Lease, Guarantor, upon notice from Lessor, shall, within ten (10) days perform as required under the Lease.
2. That this Guaranty shall continue in favor of the Lessor notwithstanding any extension, modification, or alteration of the Lease entered into by and between the Parties thereto, or their successors or assigns, or notwithstanding any assignment of the Lease, with or without the consent of the Lessor, and no extension, modification, alteration, or assignment of the Lease shall be in any manner release or discharge Guarantor and Guarantor do hereby consents thereto.
3. This Guaranty will continue unchanged by bankruptcy, reorganization, or insolvency of the Lessee or any successor or assignee thereof or by any disaffirmance or abandonment by a trustee of Lessee.
4. Lessor may, without notice, assign this Guaranty in whole or in part and no assignment or transfer of the Lease shall operate to extinguish or diminish the liability of the Guarantor hereunder.
5. The liability of Guarantor under this Guaranty shall be primary and that in any right of action which shall accrue to Lessor under the Lease, the Lessor may, at its option, proceed against Guarantor without having commenced any action, or having obtained any judgment against the Lessee.

6. Guarantor hereby agrees to pay Lessor's reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempted collection or in any negotiations relative to the obligations hereby guaranteed or enforcing this Guaranty against the undersigned, individually and jointly.

7. Guarantor does hereby waive notice of any demand by the Lessor, as well as any notice of Default in the payment of rent or any other amounts contained or reserved in the Lease.

8. Guarantor does hereby waive the provisions of Sections 2809, 2810, 2819, 2845, 2850 and 3433 of the California Civil Code.

9. Notices. Any notices required to be given shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

Successor Agency

City of Riverside  
as Successor Agency for the  
Redevelopment Agency of the  
City of Riverside  
3900 Main Street, 3rd Floor  
Community Development Dept.  
Attn: Successor Agency Division  
Riverside, CA 92522

Guarantor

Wesley Rocha  
7629 Saint Andrews Dr.  
Riverside, CA 92508

The use of the singular herein shall include the plural. The obligation of two or more parties shall be joint and several. The terms and provisions of this Guaranty shall be binding upon and insure to the benefit of the respective successors and assigns of the parties herein named.

(Signatures on following page)

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed as of the date set forth above.

WESLEY ROCHA

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

Wesley Rocha  
Guarantor