

Attachment A

Office Lease Agreement

OFFICE LEASE AGREEMENT

1201 DOVE STREET
NEWPORT BEACH, CALIFORNIA

THIS OFFICE LEASE AGREEMENT (the "**Lease**") is made and entered into as of the 24th day of June, 2025, by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**") and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**"). Pursuant to the terms of this Lease, Landlord agrees to lease the Premises (hereinafter defined) to Tenant and Tenant agrees to lease the Premises from Landlord. The Lease includes the following exhibits and attachments: Exhibit A (Outline and Location of Premises), Exhibit B (Expenses and Taxes), Exhibit C (Work Letter), Schedule 1 to Exhibit C (Work List), Exhibit D (Building Rules and Regulations), Exhibit E (Additional Provisions), Exhibit F (Intentionally Omitted), Exhibit G (Statement of Tenant Regarding Lease Commencement), Exhibit H (Asbestos Notification), Rider No. 1 (Extension Option Rider), Rider No. 2 (Fair Market Rental Rate), Rider No. 3 (Options in General), and Rider No. 4 (Waiver of Relocation Benefits).

1. Basic Lease Information.

1.01 "**Building**" shall mean the building located at 1201 Dove Street, Newport Beach, California, which Building is commonly known as 1201 Dove Street (the "**Project**"). As used herein, "**Rentable Square Footage of the Building**" is deemed to be 82,867 square feet. "**Property**" shall mean the Building, any other buildings in the Project and the parcel(s) of land on which they are located.

1.02 "**Premises**" shall mean the area shown on Exhibit A to this Lease. The Premises are located on the fifth (5th) floor of the Building and known as Suite 585. The "**Rentable Square Footage of the Premises**" is deemed to be 1,031 square feet.

1.03 "Base Rent":

Months of Term	Annual Base Rent	Monthly Base Rent	Monthly Base Rent per Rentable Square Foot of the Premises
1-12*	\$38,353.20	\$3,196.10**	\$3.10
13-24	\$39,466.68	\$3,288.89	\$3.19
25-36	\$40,703.88	\$3,391.99	\$3.29
37-48	\$41,941.08	\$3,495.09	\$3.39
49-60	\$43,178.28	\$3,598.19	\$3.49
61-65	\$44,415.48	\$3,701.29	\$3.59

*Plus any partial month, if any, at the beginning of the initial Lease Term.

**Subject to abatement as set forth in Section 1 of Exhibit E attached hereto.

1.04 "**Tenant's Pro Rata Share**": 1.24% (1,031 square feet within the Premises / 82,867 square feet within the Building). Tenant shall pay Tenant's Pro Rata Share of Taxes and Expenses in accordance with Exhibit B of this Lease. Landlord may equitably recalculate Tenant's Pro Rata Share from time to time based upon the remeasurement of the Building and to the extent permitted by tenant leases the remeasurement of spaces in the Building.

1.05 "**Base Year**" for Taxes: 2025; "**Base Year**" for Expenses: 2025.

1.06 **"Term"**: A period of sixty-five (65) full calendar months. Subject to Section 2, the Term shall commence on August 1, 2025 (the **"Commencement Date"**) and shall expire on December 31, 2030 (the **"Expiration Date"**), subject to earlier termination, if applicable, in accordance with the terms of this Lease. Tenant shall have one (1) option to extend the Term for an additional period of twenty-four (24) months, pursuant to and in accordance with the terms and conditions of Rider No. 1, Rider No. 2 and Rider No. 3 attached hereto.

1.07 **"Security Deposit"**: \$4,071.42.

1.08 **"Brokers"**: CBRE on behalf of Landlord and U.S. Realty Group on behalf of Tenant.

1.09 **"Permitted Use"**: General office purposes.

1.10 **"Notice Addresses"**:

Landlord:

City of Newport Beach
Attn: Real Property Administrator
100 Civic Center Drive
Newport Beach, CA 92660

LPC West, Inc.
Attn: Parke Miller
4041 MacArthur Boulevard, Suite 150
Newport Beach, CA 92660

Tenant:

Prior to Lease Commencement:

HF&H Consultants, LLC
2801 Business Center Drive, Suite 265
Irvine, CA 92612
Attn: President

After Lease Commencement:

HF&H Consultants, LLC
1201 Dove Street, Suite 585
Newport Beach, CA 92660
Attn: President

1.11 **"Landlord Work"** means the work that Landlord is obligated to perform in the Premises pursuant to the separate work letter agreement (the **"Work Letter"**) attached to this Lease as Exhibit C.

1.12 **"Parking"**: Tenant shall purchase at least two (2) and may purchase up to a total of three (3) parking passes for unreserved parking spaces, at a monthly cost of \$0.00 per unreserved parking pass for months 1-48 of the initial Lease Term and \$45.00 per unreserved parking pass for months 49-65 of the initial Lease Term (collectively, the **"Parking Fee"**), subject to the payment of Expenses attributable to the parking areas and to the provisions set forth in Section 28. The Parking Fee for unreserved spaces following the initial Lease Term (if applicable) shall be at Landlord's then prevailing rate. Tenant agrees to pay for such parking passes as Additional Rent (defined in Section 3) under the Lease. Except as set forth in this Section 1.12 and Section 28 herein, the purchase of such parking passes shall be subject to the Rules and Regulations as set forth in Exhibit D to the Lease.

1.13 **"Guarantor"**: None.

2. Adjustment of Commencement Date; Possession.

2.01 Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, upon all the terms, covenants and conditions contained in the Lease. Tenant acknowledges that Landlord has not made any representation or warranty with respect to the condition of the Premises, the Building or the Project with respect to the suitability or fitness of any of the same for the conduct of Tenant's Permitted Use, its business or for any other purpose. The **"Rentable Area"** or "rentable square feet" and **"Usable Area"** or "usable square feet" shall be calculated by Landlord provided, however, that in any case the Rentable Area of the Building (and the applicable buildings of the Project) shall include all of, and, with respect to the Building, the Rentable Area of the Premises shall include a portion of, the square footage of the ground floor common areas located within the Building and the other applicable building(s) of the Project, respectively, and the common area and occupied space of the portion of the Project dedicated to the service of the Building or such other building(s) of the Project, as the case may be. **"Common Areas"** shall mean the lobby, plaza and sidewalk areas, accessways, Parking Facilities, and the area

on individual floors in the Building or other building(s) of the Project, as applicable, whether indoor or outdoor, devoted to corridors, fire vestibules, elevators, foyers, lobbies, electric and telephone closets, restrooms, mechanical rooms, janitor's closets, and other similar facilities for the benefit of all tenants and invitees and shall also mean those areas of the Building or other building(s) of the Project, as applicable, devoted to mechanical and service rooms servicing the Building or other building(s) of the Project, as applicable. Tenant acknowledges that it has reviewed the detail of the Rentable Area and Usable Area of the Premises prior to execution of this Lease and understands and agrees to the methodology. The Common Areas shall be subject to the exclusive management and control of Landlord, and Tenant shall comply with all Rules and Regulations pertaining to the Common Areas. Landlord shall have the right from time to time to designate, relocate and limit the use of particular areas or portions of the Common Areas. Landlord shall also have the right to close all or any portion of the Common Areas as may, in the sole discretion of Landlord, be necessary to prevent a dedication thereof or the accrual of any rights in any person.

2.02 If Landlord is required to perform Landlord Work (defined in the Work Letter) prior to the Commencement Date: (a) the date set forth in Section 1.06 as the Commencement Date shall instead be defined as the "**Target Commencement Date**"; (b) the actual Commencement Date shall be the date on which the Landlord Work is Substantially Complete (as defined in the Work Letter), as reasonably determined by Landlord; and (c) the Expiration Date will be the last day of the Term as determined based upon the actual Commencement Date; provided, however, that if the actual Commencement Date is a date other than the first (1st) day of a month, the Expiration Date shall be the last day of the month which is sixty-five (65) months after the month in which the actual Commencement Date falls. Landlord's failure to substantially complete the Landlord Work by the Target Commencement Date shall not be a default by Landlord or otherwise render Landlord liable for damages. If Landlord is delayed in the performance of the Landlord Work as a result of the acts or omissions of Tenant, the Tenant Related Parties (defined in Section 13) or their respective contractors or vendors, including, without limitation, changes requested by Tenant to approved plans, Tenant's failure to comply with any of its obligations under this Lease, or the specification of any materials or equipment with long lead times (each a "**Tenant Delay**"), the Landlord Work shall be deemed to be Substantially Complete on the date that Landlord could reasonably have been expected to Substantially Complete the Landlord Work absent any Tenant Delay. It is further understood and agreed that if for any reason the Commencement Date occurs pursuant to the terms of this Lease on a day other than the first (1st) day of a calendar month, the period commencing on the Commencement Date and ending on the last day of the calendar month in which the Commencement Date occurs shall be an initial stub period which shall be added to the initial Term and Tenant shall pay all Rent (defined in Section 3 below) and other charges with respect to such stub period (on a prorated basis as referenced in Section 3 below) at the same rate applicable to the first (1st) full calendar month of this Lease. Following such stub period and commencing as of the first (1st) day of the first (1st) full calendar month following the month in which the Commencement Date occurs, Tenant shall commence the payment of Rent and other charges payable hereunder as if the initial Term had actually commenced on such date. The use of the stub period described above is intended to provide for ease of administration and calculation of all amounts owed hereunder, it being agreed that all rental adjustments will be determined as of the first (1st) day of a calendar month and the Term of the Lease will end as of the last day of a calendar month (unless earlier terminated pursuant to the terms hereof).

2.03 Subject to Landlord performing any required Landlord Work, the Premises are accepted by Tenant in "**AS IS**" condition and configuration without any representations or warranties by Landlord. Landlord shall not be liable for any failure to deliver possession of the Premises or any other space due to the holdover or unlawful possession of such space by any party. In such event, the Commencement Date for such space shall be postponed until the date Landlord delivers possession of the Premises to Tenant free from occupancy by any party.

2.04 Within 30 days after the Commencement Date, Tenant shall return an executed Statement of Tenant Regarding Lease Commencement in the form attached hereto as Exhibit G. The Statement of Tenant Regarding Lease Commencement shall be binding upon Tenant unless Tenant objects thereto in writing within such 30 day period.

3. **Rent.** Upon execution of this Lease, Tenant shall pay to Landlord the sum of \$3,196.10 constituting Base Rent due and payable by Tenant for the first full calendar month of the Term for which Rent is payable hereunder. Tenant shall pay Landlord, without any setoff or deduction all Base Rent and Additional Rent for the Term (collectively referred to as "**Rent**") when due. "**Additional Rent**" means all sums (exclusive of Base Rent) that Tenant is required to pay Landlord under this Lease, including, without limitation, payments for insurance, repairs and parking and Tenant's Pro Rata Share of Taxes and Expenses. Tenant shall pay and be liable for all rental, sales and use taxes (but excluding income taxes), if any, imposed upon or measured by Rent. Base Rent and recurring monthly charges of Additional Rent shall be due and payable in advance on the first day of each calendar month without notice or

demand. All other items of Rent shall be due and payable by Tenant on or before 30 days after billing by Landlord. All Rent payable by Tenant hereunder shall be paid to Landlord in lawful money of the United States of America, by check or wire transfer made payable to the entity constituting Landlord hereunder and sent to the address designated in Section 1.10 of the Basic Lease Information, or to such other location or address as Landlord may designate from time to time. Tenant shall pay Landlord an administration fee equal to 5% of all past due Rent. In addition, past due Rent shall accrue interest at 12% per annum (or the maximum rate legally permissible, whichever is less). Rent for any partial month during the Term shall be prorated. No endorsement or statement on a check or letter accompanying payment shall be considered an accord and satisfaction. Tenant's covenant to pay Rent is independent of every other covenant in this Lease. Further, in the event any check submitted by Tenant is returned by reason of "non sufficient funds", Tenant shall pay to Landlord an "NSF Fee" at Landlord's standard rate then in effect.

4. **Compliance with Laws; Use.** The Premises shall be used for the Permitted Use and for no other use whatsoever. Tenant shall comply with all statutes, codes, ordinances, orders, rules and regulations of any municipal or governmental entity (collectively, "**Laws**"), regarding the operation of Tenant's business and the use, condition, configuration and occupancy of the Premises. Pursuant to California Civil Code § 1938, Landlord hereby states that the Premises have undergone inspection by a Certified Access Specialist (CASp) (defined in California Civil Code § 55.52). Tenant hereby acknowledges that it has been provided a copy of the CASp inspection report at least forty-eight (48) hours prior to the execution of this Lease and Tenant agrees that information in the report shall remain confidential, except as necessary for Tenant to complete repairs and corrections of violations of construction-related accessibility standards. The cost of making any repairs necessary to correct violations of construction-related accessibility standards indicated by the CASp report will be Tenant's sole responsibility. Tenant shall comply with the Rules and Regulations of the Building attached as Exhibit D and such other reasonable rules and regulations adopted by Landlord from time to time.

5. **Security Deposit.** The Security Deposit shall be delivered to Landlord upon the execution of this Lease by Tenant and held by Landlord without liability for interest (unless required by Laws) as security for the performance of Tenant's obligations. The Security Deposit is not an advance payment of Rent or a measure of damages. Landlord may use all or a portion of the Security Deposit to satisfy past due Rent, to cure any Default (defined in Section 18) by Tenant, or to compensate Landlord for any other loss or damage Landlord may suffer by reason of Tenant's Default. If Landlord uses any portion of the Security Deposit, Tenant shall on demand restore the Security Deposit to its original amount, and Tenant's failure to do so shall be a Default under this Lease. Landlord shall return any unapplied portion of the Security Deposit to Tenant within 45 days after the latest to occur of: (a) payment of the final Rent due from Tenant; or (b) the Expiration Date; or (c) the date Tenant surrenders the Premises to Landlord in compliance with Section 26. Landlord shall not be required to keep the Security Deposit separate from its other accounts. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, or any successor Laws now or hereafter in effect, including, but not limited to, any provision of law which (i) establishes the time frame by which a landlord must refund a security deposit under a lease, or (ii) provides that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant, or to clean the subject premises. Tenant acknowledges and agrees that (A) any statutory time frames for the return of a security deposit are superseded by the express period identified in this Section 5 above, and (B) rather than be so limited, Landlord may claim from the Security Deposit (i) any and all sums expressly identified in this Section 5, above, and (ii) any additional sums reasonably necessary to compensate Landlord for any and all losses or damages caused by Tenant's default of this Lease, including, but not limited to, all damages or rent due upon termination of this Lease pursuant to Section 1951.2 of the California Civil Code.

6. **Building Services.** Landlord shall furnish Tenant with the following services: (a) water service for use in the base building lavatories; (b) customary heat and air conditioning in season from 8:00 A.M. to 6:00 P.M., Monday through Friday. Upon request from Tenant by 3:00 P.M. on Friday, from 8:00 A.M. to 12:00 P.M. on Saturdays (excepting nationally recognized holidays, which currently include New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day) (collectively, the "**Building Service Hours**"), and Tenant shall have the right to receive HVAC service during hours other than the Building Service Hours by paying Landlord's then standard charge for additional HVAC service with a two (2) hour minimum and providing such reasonable prior notice as is specified by Landlord; (c) standard janitor service; (d) passenger elevator service; and (e) Building standard electricity for general office purposes, not to exceed two (2) watts connected load per usable square foot of the Premises calculated on a monthly basis for Building Service Hours. Electricity used by Tenant in the Premises shall, at Landlord's option, be paid for by Tenant either: (i) through inclusion in Expenses (except as provided for excess usage); (ii) by a separate charge payable by Tenant to Landlord; or (iii) by separate charge billed by the applicable utility company. Landlord's failure to furnish, or any interruption, diminishment or termination of, services due to the application of Laws, the failure of any equipment, the performance of repairs, improvements or

alterations, utility interruptions or the occurrence of an event of Force Majeure (defined in Section 27.02) shall not render Landlord liable to Tenant, constitute a constructive eviction of Tenant, give rise to an abatement of Rent, nor relieve Tenant from the obligation to fulfill any covenant or agreement.

If Tenant uses water, electricity, heat or air conditioning in excess of the Building standard level of services supplied by Landlord pursuant to the terms hereof, or if Tenant's consumption of electricity shall exceed Building standard electrical consumption as referenced in subsection 6(e) above, Tenant shall pay to Landlord, upon billing, the cost of such excess consumption, the cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption. In order to measure the amount of electricity provided to the Premises, Landlord may, at its sole discretion and at Tenant's sole cost and expense, install devices to separately meter Tenant's electrical consumption. Further, Tenant shall not install any supplemental or stand alone HVAC or cooling equipment or systems without Landlord's prior written consent and Landlord may condition such consent upon the installation of separate meters to measure any related consumption of chilled water or electricity and compliance with Landlord's design criteria so as not to affect base Building systems or equipment. Tenant's use of electricity shall never exceed the capacity of the feeders to the Property or the risers or wiring installation, and Tenant shall not install or use or permit the installation or use of any computer or electronic data processing equipment in the Premises that will result in excess utilities consumption, without the prior written consent of Landlord. If Tenant desires to use heat, ventilation or air conditioning during hours other than those for which Landlord is obligated to supply such utilities pursuant to the terms of this Section 6, Tenant shall give Landlord such prior notice, if any, as Landlord shall from time to time establish as appropriate, of Tenant's desired use in order to supply such utilities, and Landlord shall supply such utilities to Tenant at such hourly cost to Tenant (which shall be treated as Additional Rent) as Landlord shall from time to time establish. The current hourly cost, which is subject to increase in Landlord's reasonable discretion, is Sixty-Five Dollars (\$65.00) per hour per zone within the Premises.

Tenant acknowledges that Landlord and/or Tenant may from time to time be requested or required to obtain, report and/or disclose certain energy consumption information with regard to the Premises, which may include, without limitation, benchmarking data for the U.S. Environmental Protection Agency's ENERGY STAR® Portfolio Manager and information relating to compliance with "green building" initiatives, including, if applicable, the Leadership in Energy & Environmental Design (LEED) certification program. Tenant shall throughout the Term of this Lease, comply with all Federal, State or local laws, rules and regulations relating to consumption of utilities, energy or energy efficiency (as they may be in enacted or in effect from time to time, "**Energy Regulations**"), and Tenant shall, upon request by Landlord or Landlord's lender, deliver and/or disclose such information regarding the consumption of utilities at the Premises as may be required to comply with applicable Energy Regulations. Further, Tenant authorizes Landlord to disclose such information and data regarding the Premises as may be requested or required from time to time to comply with Energy Regulations.

During the Term of this Lease, or any extensions thereof, as a benefit to the tenants of the Property, Landlord may elect to provide certain amenities at the Project for use by tenants and their employees (with any such offerings collectively being referred to as the "**Amenities**"). For example, Amenities may include a conference center (the "**Conference Center**"), a fitness center (the "**Fitness Center**") and food service. Landlord shall have the right (a) to determine and/or alter the size and location of such Amenities and the type of equipment provided, (b) to include in Expenses all management, operation, maintenance, repair and equipment replacement costs related to the Amenities (including, without limitation, a market rent amount for the rentable square footage of the Amenities), and (c) to include the rentable square footage of the Amenities in the common area "add on" factor for all measurement purposes for the Project. Tenant shall pay Landlord's regular charge for use of the Conference Center and for the cost of any special services related to Tenant's use of the Amenities, e.g., long-distance phone calls, catering, set up or take down and cleaning costs, after-hours HVAC service (with a two (2) hour minimum), personal training services, etc. ("**Special Amenity Services**"). Tenant must schedule use of the Conference Center with Landlord in advance, and Tenant's use thereof shall be subject to availability and governed by Landlord's rules and regulations for the Conference Center that are then in effect. Costs to maintain and operate the Amenities shall be included in Expenses. Tenant acknowledges and agrees that Tenant's and any Tenant Related Party's use of the Amenities is voluntary and, in consideration of the use of the Amenities, shall be undertaken by Tenant and such Tenant Related Party at its sole risk. Neither Landlord nor Landlord's officers, directors, managers, servants, agents and/or employees (collectively, the "**Released Parties**") shall be liable for any claims, demands, injuries, damages, actions or causes of action whatsoever arising out of or connected with Tenant's and any Tenant Related Party's use of the Amenities and their facilities and services. TENANT DOES HEREBY EXPRESSLY FOREVER WAIVE, RELEASE AND DISCHARGE THE RELEASED PARTIES FROM ANY AND ALL LIABILITY ARISING FROM ALL SUCH CLAIMS, DEMANDS, INJURIES, DAMAGES, ACTIONS AND/OR CAUSES OF ACTION, INCLUDING LIABILITY FROM ALL

ACTS OF ACTIVE OR PASSIVE NEGLIGENCE, INCLUDING SOLE OR GROSS NEGLIGENCE, ON THE PART OF THE RELEASED PARTIES. Further, as a condition to each person's use of any Fitness Center, Tenant shall cause each person using the Fitness Center to execute a release on Landlord's standard form prior to such party's use of the Fitness Center. The waivers contained in this paragraph shall survive the expiration or earlier termination of this Lease.

7. **Landlord's Reservation of Rights.** Provided Tenant's use of and access to the Premises and parking to be provided to Tenant under this Lease is not interfered with in an unreasonable manner, Landlord reserves for itself and for all other owner(s) and operator(s) of the Common Areas and the balance of the Property, the right from time to time to: (i) install, use, maintain, repair, replace and relocate pipes, ducts, conduits, wires and appurtenant meters and equipment above the ceiling surfaces, below the floor surfaces, within the walls and in the central core areas of the Building; (ii) make changes to the design and layout of the Property, including, without limitation, changes to buildings, driveways, entrances, loading and unloading areas, direction of traffic, landscaped areas and walkways, and, subject to the parking provisions contained in Section 28 and Exhibit D, parking spaces and parking areas; and (iii) use or close temporarily the Common Areas and/or other portions of the Property while engaged in making improvements, repairs or alterations to the Building, the Property, or any portion thereof.

8. **Leasehold Improvements.** All improvements in and to the Premises, including any Alterations (defined below) and any Landlord Work (collectively, "**Leasehold Improvements**") shall remain upon the Premises at the end of the Term without compensation to Tenant. Landlord, however, by written notice to Tenant prior to the Expiration Date, may require Tenant, at its expense, to remove any electronic, phone and data cabling and related equipment (collectively, "**Cable**") installed by or for the benefit of Tenant and/or any Landlord Work or Alterations (collectively referred to as "**Required Removables**"). Landlord may, in its sole discretion, require Tenant to provide a letter of credit, bond and/or some alternate form of security satisfactory to Landlord in an amount sufficient to ensure any required removal of such Required Removables.

9. **Repairs and Alterations.**

9.01 Tenant shall periodically inspect the Premises to identify any conditions that are dangerous or in need of maintenance or repair and shall promptly provide Landlord with notice of any such conditions. Tenant shall, at its sole cost and expense, promptly perform all maintenance and repairs to the Premises that are not Landlord's express responsibility under this Lease, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted, and in accordance with Laws (including, without limitation, California Energy Code, Title 24). If Tenant fails to make any repairs to the Premises for more than fifteen (15) days after notice from Landlord (although notice shall not be required in an emergency), Landlord may make the repairs, and Tenant shall pay the reasonable cost of the repairs, together with an administrative charge in an amount equal to 10% of the cost of the repairs. Landlord shall perform all maintenance and repairs upon the: (a) structural elements of the Building; (b) mechanical, electrical, plumbing and fire/life safety systems serving the Building in general; (c) Common Areas; (d) roof of the Building; (e) exterior windows of the Building; and (f) elevators serving the Building. Tenant hereby waives any and all rights under and benefits of subsection 1 of Section 1932, and Sections 1941 and 1942 of the California Civil Code, or any similar or successor Laws now or hereinafter in effect.

9.02 Tenant shall not make alterations, repairs, additions or improvements or install any cable (collectively referred to as "**Alterations**") without first obtaining the written consent of Landlord in each instance, which consent Landlord may withhold and/or condition in its sole and absolute discretion. In order to obtain such approvals, Tenant shall furnish Landlord with plans and specifications; names of contractors acceptable to Landlord; required permits and approvals; evidence of contractor's and subcontractor's insurance in amounts reasonably required by Landlord and naming Landlord as an additional insured; and any security for performance in amounts reasonably required by Landlord. Any Alterations performed by or on behalf of Tenant shall be constructed in accordance with Laws (including, without limitation, California Energy Code, Title 24). Tenant shall reimburse Landlord for any sums paid by Landlord for third party examination of Tenant's plans for Alterations. In addition, Tenant shall pay Landlord a fee for Landlord's oversight and coordination of any Alterations equal to 10% of the cost of the Alterations. Upon completion, Tenant shall furnish "as-built" plans for Alterations, completion affidavits and full and final waivers of lien.

10. **Entry by Landlord.** Landlord may enter the Premises to inspect or show the Premises, to clean and make repairs, alterations or additions and to perform or facilitate maintenance, repairs, alterations or additions to any portion of the Building. Except in emergencies or to provide Building services, Landlord shall provide Tenant with reasonable prior verbal notice of entry. Entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Rent.

11. **Assignment and Subletting.** Tenant shall not assign, sublease, transfer or encumber any interest in this Lease or allow any third party to use any portion of the Premises (collectively or individually, a "**Transfer**") without the prior written consent of Landlord, which consent may be withheld and/or conditioned in Landlord's reasonable discretion if Landlord does not exercise its recapture rights. It is further understood that any renewal, extension or modification of an existing sublease shall also require Landlord's prior written consent, which Landlord may withhold in its reasonable discretion. Any attempted Transfer in violation of this Section shall, at Landlord's option, be void. Within 15 business days after receipt of executed copies of the transfer documentation and such other information as Landlord may request, Landlord shall either: (a) consent to the Transfer by execution of a consent agreement in a form reasonably designated by Landlord; (b) refuse to consent to the Transfer; or (c) recapture the portion of the Premises that Tenant is proposing to Transfer. If Landlord exercises its right to recapture, the Lease shall automatically be amended to delete the applicable portion of the Premises effective on the proposed effective date of the Transfer and Tenant shall be relieved of all Lease obligations arising after the proposed effective date of the Transfer as to the portion of the Premises recaptured by Landlord. Upon Landlord's consent to any Transfer, Tenant shall pay and continue to pay Landlord fifty percent (50%) of any "Transfer Premium" (defined below), received by Tenant from the transferee. "**Transfer Premium**" shall mean all rent, Additional Rent or other consideration payable by a Transferee in connection with a Transfer in excess of the Base Rent, Taxes and Expenses payable by Tenant under this Lease during the term of the Transfer and if such Transfer is for less than all of the Premises, the Transfer Premium shall be calculated on a rentable square foot basis. Tenant hereby waives the provisions of Section 1995.310 of the California Civil Code, or any similar or successor Laws, now or hereinafter in effect, and all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable Laws, on behalf of the proposed transferee. In no event shall any Transfer release or relieve Tenant from any obligation under this Lease. Tenant shall pay Landlord a review fee of \$1,500.00 for Landlord's review of any requested Transfer. Additionally, Tenant shall reimburse Landlord for all attorneys' fees and costs incurred by Landlord with respect to any Transfer, whether consented to or not. If Tenant is in Default (as defined below), Landlord may require that all sublease payments be made directly to Landlord, in which case Tenant shall receive a credit against Rent in the amount of Tenant's share of payments received by Landlord. In no event shall any transferee under a Transfer be an entity or person (or is an affiliate of any such entity or person) (1) with whom United States persons or entities are restricted from doing business under regulations promulgated by OFAC or any anti-terrorism laws, such as the USA Patriot Act, or (2) who has been charged with, or convicted of, any anti-money laundering laws, or would otherwise result in a violation of the internal policies of Landlord or any of its direct or indirect owners, including any know your customer or similar policies.

12. **Liens.** Tenant shall not permit mechanic's or other liens to be placed upon the Property or Premises in connection with any work purportedly done by or for the benefit of Tenant or its transferees. Tenant shall, within 10 days of notice from Landlord, fully discharge any lien by settlement, by bonding or by insuring over the lien in the manner prescribed by Laws. If Tenant fails to do so, Landlord may bond, insure over or otherwise discharge the lien, and Tenant shall reimburse Landlord for any amount paid by Landlord in connection therewith, including, without limitation, reasonable attorneys' fees.

13. **Indemnity and Waiver of Claims.** Tenant hereby waives all claims against and releases Landlord and its trustees, members, principals, beneficiaries, partners, officers, directors, employees, Mortgagees (as defined herein) and agents (the "**Landlord Related Parties**") from all claims for any injury to or death of persons, damage to property or business loss in any manner related to (a) acts of God, (b) acts of third parties, (c) the bursting or leaking of any tank, water closet, drain or other pipe; (d) the inadequacy or failure of any security services, personnel or equipment, or (e) any matter outside of the reasonable control of Landlord. Except to the extent caused by the sole negligence or willful misconduct of Landlord or any Landlord Related Parties, Tenant shall indemnify, defend and hold Landlord and Landlord Related Parties harmless against and from all liabilities, obligations, suits, damages, penalties, claims, actions, losses, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (if and to the extent permitted by Laws), which may be imposed upon, incurred by or asserted against Landlord or any of the Landlord Related Parties by any third party and arising out of or in connection with any damage or injury occurring in, on or about the Premises or any acts or omissions (including without limitation violations of Laws) of Tenant and its trustees, members, principals, beneficiaries, partners, officers, directors, employees, Mortgagees and agents (the "**Tenant Related Parties**") or any of Tenant's transferees, contractors or licensees.

14. **Insurance.**

14.01 Tenant shall obtain and maintain throughout the Term, at Tenant's sole cost and expense, the following insurance ("**Tenant's Insurance**"):

(a) Commercial General Liability Insurance, on an occurrence basis, insuring bodily injury and property damage including the following divisions and extensions of coverage: Premises and Operations; Owners and Contractors protective; blanket contractual liability (including coverage for Tenant's indemnity obligations under this Lease); liquor liability, if applicable; and products and completed operations. Such insurance must have the following minimum limits of liability: \$2,000,000 Per Occurrence, \$2,000,000 General Aggregate, \$2,000,000 Personal and Advertising Injury – Per Occurrence, \$2,000,000 Products and Completed Operations Aggregate. The policy shall be endorsed to ensure the general aggregate limit shall apply separately and in total to this location only (designated location general aggregate limit);

(b) Property Insurance, written on an "All Risk" or Special Form Perils, with coverage for broad form water damage including earthquake sprinkler leakage and pollution coverage for damage caused by heat, smoke or fumes from a hostile fire, at full replacement cost value (without deduction for depreciation) and with a replacement cost endorsement covering all of Tenant's business and trade fixtures, equipment, movable partitions, furniture, merchandise and other personal property within the Premises ("**Tenant's Property**") and any Leasehold Improvements;

(c) Extra Expense, Loss of Income or Property/Business Interruption Insurance, in such amounts as will reimburse Tenant for direct or indirect loss of earnings attributable to all perils included within "All Risk" coverage or otherwise commonly insured against by prudent tenants or attributable to prevention of access to the Premises, Tenant's parking areas or to the Building as a result of such perils, with such coverage to extend to actual loss sustained subject to a minimum of one year loss of Rental Value, including Extra Expense as needed to reduce the period of restoration after the loss;

(d) Workers' Compensation Insurance as required by Laws and in amounts as may be required by applicable statute and Employers Liability Coverage of at least \$1,000,000 bodily injury (each accident), \$1,000,000 bodily injury by disease (each employee), and \$1,000,000 bodily injury by disease (policy limit), and containing a waiver of subrogation endorsement in favor of Landlord;

(e) Commercial Automobile Liability insuring bodily injury and property damage arising from any auto (including all owned, non-owned, leased and hired vehicles), with a minimum combined single limit of liability of \$1,000,000 per accident; and

(f) With respect to any Leasehold Improvements performed by Tenant within the Premises, Builder's Risk insurance or an Installation Floater.

In addition to the foregoing, Tenant shall carry and maintain during the entire Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Section 14 and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord, but in no event in excess of the amounts and types of insurance then being required by landlords of other comparable buildings in the vicinity of the Building.

14.02 Any company writing Tenant's Insurance shall have an A.M. Best rating of not less than A:X and shall be licensed to issue insurance coverage in the State of California. All Commercial General Liability Insurance policies shall (i) name Landlord (or its successors and assignees), the managing agent for the Building (or any successor), and their respective members, principals, beneficiaries, partners, officers, directors, employees, lenders and agents, and other designees of Landlord and its successors as the interest of such designees shall appear, as additional insureds (utilizing endorsement ISO Form CG 2011 11/85 or equivalent), (ii) must contain an endorsement stating "such insurance as is afforded by this policy for the benefit of Landlord and any other additional insured(s) designated by Landlord, shall be primary as respects any liability or claims arising out of the occupancy of the Premises by Tenant or Tenant's operations, and any insurance carried by Landlord or any other additional insured(s) shall be non-contributory" provision that the insurance afforded by such policy is primary insurance, (iii) contain an endorsement that the insurer waives its right to subrogation as described in Section 15 below; (iv) contain a cross-liability endorsement or separation of insureds/severability of interests clause. All policies of Tenant's Insurance shall contain an unqualified thirty (30) days' advance written notice of any cancellation, termination, material change or lapse of insurance. No policy required hereunder shall contain a co-insurance clause and all policy deductibles shall be acceptable to Landlord. Tenant shall provide Landlord with a certificate of insurance evidencing all insurance required to be carried by Tenant hereunder (including evidence of all required endorsements and additional insured coverage as noted above) at least fifteen (15) days prior to the earlier to occur of the Commencement Date or the date Tenant is provided with possession of the Premises, and thereafter as necessary to assure that Landlord always

has current certificates evidencing Tenant's Insurance. If any such initial or replacement policies or certificates are not furnished within the time(s) specified herein, Tenant shall be deemed to be in material Default under this Lease without the benefit of any additional notice or cure period provided in Section 18 below, and Landlord shall have the right, but not the obligation, to procure such policies and certificates at Tenant's expense, and Tenant shall pay the cost thereof within ten (10) days following Landlord's submission of an invoice therefor. In no event shall the limits of any insurance policy obtained by a Tenant be considered to limit the liability of Tenant under this Lease. Further, and without limitation of Section 27.05 herein, all obligations placed on Tenant in this Section 14 and the below Section 15 (including, but without limitation and purely for the avoidance of doubt, maintenance of products-completed operations coverage, additional insured status for completed operations, primary and non-contributory coverage, and waiver of subrogation) shall survive the termination or expiration of this Lease.

15. **Subrogation.** Landlord and Tenant hereby waive and shall cause their respective insurance carriers to waive any and all rights of recovery, claims, actions or causes of action against the other for any loss or damage to person with respect to Tenant's Property, Leasehold Improvements, the Building, the Premises, or any contents thereof, including rights, claims, actions and causes of action based on negligence, which loss, damage or injury is (or would have been, had the insurance required by this Lease been carried) covered by insurance. As noted above, Tenant also waives subrogation with respect to losses or claims covered by worker's compensation insurance.

16. **Casualty Damage.** Landlord, by notice to Tenant within 60 days of the date of the fire or other casualty (a "Casualty"), shall have the right to terminate this Lease if all or any part of the Premises is damaged to the extent that it cannot reasonably be repaired within 120 days after the date of the Casualty. If this Lease is not terminated, Landlord shall promptly and diligently, restore the Premises. Such restoration shall be to substantially the same condition that existed prior to the Casualty, except for modifications required by Laws. Upon notice from Landlord, Tenant shall assign to Landlord (or to any party designated by Landlord) all property insurance proceeds payable to Tenant under Tenant's Insurance with respect to any Leasehold Improvements performed by or for the benefit of Tenant; provided if the estimated cost to repair such Leasehold Improvements exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, the excess cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repairs. Within 15 days of demand, Tenant shall also pay Landlord for any additional excess costs that are determined during the performance of the repairs. Landlord shall not be liable for any inconvenience to Tenant, or injury to Tenant's business resulting in any way from the Casualty or the repair thereof. Provided that Tenant is not in Default, during any period of time that all or a material portion of the Premises is rendered untenable as a result of a Casualty, the Rent shall abate for the portion of the Premises that is untenable and not used by Tenant. Notwithstanding the foregoing, and without limiting Tenant's obligations, to pay to Landlord any cost of restoration in excess of the proceeds of Tenant's Insurance, in the event that Landlord does not receive sufficient insurance proceeds to complete all required restoration work, whether due to an uninsured Casualty, requirements of a Mortgagee, or otherwise, then Landlord shall have the right to terminate this Lease by written notice to Tenant. The provisions of this Lease, including this Section 16, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building, the Property or the Project, and any Laws, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any similar or successor Laws now or hereinafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or the Property.

17. **Condemnation.** Either party may terminate this Lease if any material part of the Premises is taken or condemned for any public or quasi-public use under Laws, by eminent domain or private purchase in lieu thereof (a "Taking"). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Building or Property which would have a material adverse effect on Landlord's ability to profitably operate the remainder of the Building. The terminating party shall provide written notice of termination to the other party within forty-five (45) days after it first receives notice of the Taking. The termination shall be effective on the date the physical taking occurs. All compensation awarded for a Taking, or sale proceeds, shall be the property of Landlord. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure, or any similar or successor Laws.

18. **Events of Default.** Each of the following occurrences shall be considered to be a "Default": (a) Tenant's failure to pay any portion of Rent when due, if the failure continues for 3 days after written notice to Tenant, which notice shall be in satisfaction of, and not in addition to, notice required by Laws ("Monetary Default"); (b) the failure by Tenant to observe or perform according to the provisions of Section 4, 11, or 23 of this Lease where such failure continues for more than 3 days after written notice to Tenant; or (c) Tenant's failure (other than a Monetary Default

and other than as provided in clause (b) above) to comply with any term, provision, condition or covenant of this Lease, if the failure is not cured within 10 days after written notice to Tenant), provided, however, if Tenant's failure to comply cannot reasonably be cured within 10 days, Tenant shall be allowed additional time (not to exceed 60 days) as is reasonably necessary to cure the failure so long as Tenant commences to cure within 10 days and Tenant diligently pursues the cure to completion. Any notice provided under this Section 18 shall be in satisfaction of, and not in addition to, any notice required by Laws (including, without limitation, Section 1161 of the California Code of Civil Procedure).

19. Remedies.

19.01 Upon the occurrence of any Default under this Lease, whether enumerated in Section 18 or not, Landlord shall have the option to pursue any one or more of the following remedies without any notice (except as expressly prescribed herein) or demand whatsoever (and without limiting the generality of the foregoing, Tenant hereby specifically waives notice and demand for payment of Rent or other obligations, except for those notices specifically required pursuant to the terms of Section 18 or this Section 19, and waives any and all other notices or demand requirements imposed by applicable law):

(a) Terminate this Lease and Tenant's right to possession of the Premises and recover from Tenant an award of damages equal to the sum of the following:

(i) The Worth at the Time of Award (as defined below) 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 Rent loss that Tenant affirmatively 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 Rent loss that Tenant affirmatively proves could be reasonably avoided;

(iv) Any other amount necessary to compensate Landlord for all the detriment either proximately caused by Tenant's failure to perform Tenant's obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and

(v) All such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time under applicable law.

The "**Worth at the Time of Award**" of the amounts referred to in parts (i) and (ii) above, shall be computed by allowing interest at the lesser of a per annum rate equal to: (A) the greatest per annum rate of interest permitted from time to time under applicable law, or (B) the Prime Rate (defined below) plus 5%. For purposes hereof, the "**Prime Rate**" shall be the per annum interest rate publicly announced as its prime or base rate by a federally insured bank selected by Landlord in the State of California. The "Worth at the Time of Award" of the amount referred to in part (iii), above, shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1%;

(b) Employ the remedy described in California Civil Code §1951.4 (Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations); or

(c) Notwithstanding Landlord's exercise of the remedy described in California Civil Code §1951.4 in respect of an event or events of Default, at such time thereafter as Landlord may elect in writing, to terminate this Lease and Tenant's right to possession of the Premises and recover an award of damages as provided above in Section 19.01(a).

(d) Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Section 19, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in

Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

(e) Following the occurrence of an event of default by Tenant, Landlord shall have the right to require that any or all subsequent amounts paid by Tenant to Landlord hereunder, whether to cure the default in question or otherwise, be paid in the form of cash, money order, cashier's or certified check drawn on an institution acceptable to Landlord, or by other means approved by Landlord, notwithstanding any prior practice of accepting payments in any different form.

(f) No re-entry or repossession, repairs, maintenance, changes, alterations and additions, reletting, appointment of a receiver to protect Landlord's interests hereunder, or any other action or omission by Landlord shall be construed as an election by Landlord to terminate this Lease or Tenant's right to possession, or to accept a surrender of the Premises, nor shall same operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord to Tenant.

19.02 The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No waiver by Landlord of any breach hereof shall be effective unless such waiver is in writing and signed by Landlord.

19.03 TENANT HEREBY WAIVES ANY AND ALL RIGHTS CONFERRED BY SECTION 3275 OF THE CIVIL CODE OF CALIFORNIA AND BY SECTIONS 1174 (c) AND 1179 OF THE CODE OF CIVIL PROCEDURE OF CALIFORNIA AND ANY AND ALL OTHER LAWS AND RULES OF LAW FROM TIME TO TIME IN EFFECT DURING THE LEASE TERM PROVIDING THAT TENANT SHALL HAVE ANY RIGHT TO REDEEM, REINSTATE OR RESTORE THIS LEASE FOLLOWING ITS TERMINATION BY REASON OF TENANT'S BREACH. TENANT ALSO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS LEASE.

19.04 No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing by agreement, applicable law or in equity. In addition to other remedies provided in this Lease, Landlord shall be entitled, to the extent permitted by applicable law, to injunctive relief, or to a decree compelling performance of any of the covenants, agreements, conditions or provisions of this Lease, or to any other remedy allowed to Landlord at law or in equity. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of Default shall not be deemed or construed to constitute a waiver of such Default.

19.05 If Tenant is in Default of any of its non-monetary obligations under this Lease, Landlord shall have the right to perform such obligations. Tenant shall reimburse Landlord for the cost of such performance upon demand together with an administrative charge equal to 10% of the cost of the work performed by Landlord.

19.06 This Section 19 shall be enforceable to the maximum extent such enforcement is not prohibited by applicable law, and the unenforceability of any portion thereof shall not thereby render unenforceable any other portion.

20. Limitation of Liability.

THE LIABILITY OF LANDLORD (AND OF ANY SUCCESSOR LANDLORD) SHALL BE LIMITED TO THE LESSER OF (A) THE INTEREST OF LANDLORD IN THE PROPERTY, OR (B) THE EQUITY INTEREST LANDLORD WOULD HAVE IN THE PROPERTY IF THE PROPERTY WERE ENCUMBERED BY THIRD PARTY DEBT IN AN AMOUNT EQUAL TO 70% OF THE VALUE OF THE PROPERTY. TENANT SHALL LOOK SOLELY TO LANDLORD'S INTEREST IN THE PROPERTY FOR THE RECOVERY OF ANY JUDGMENT OR AWARD AGAINST LANDLORD OR ANY LANDLORD RELATED PARTY. NEITHER LANDLORD NOR ANY LANDLORD RELATED PARTY SHALL BE PERSONALLY LIABLE FOR ANY JUDGMENT OR DEFICIENCY AND IN NO EVENT SHALL LANDLORD OR ANY LANDLORD RELATED PARTY BE LIABLE TO TENANT FOR ANY LOST PROFIT,

DAMAGE TO OR LOSS OF BUSINESS OR ANY FORM OF SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGE. BEFORE FILING SUIT FOR AN ALLEGED DEFAULT BY LANDLORD, TENANT SHALL GIVE LANDLORD AND THE MORTGAGEE(S) (DEFINED IN SECTION 23 BELOW) OF WHOM TENANT HAS BEEN NOTIFIED HOLD MORTGAGES (DEFINED IN SECTION 23 BELOW), NOTICE AND REASONABLE TIME TO CURE THE ALLEGED DEFAULT.

21. **Relocation.** Landlord, at its expense, at any time before or during the Term, may relocate Tenant from the Premises to space of reasonably comparable class, size and utility ("**Relocation Space**") within the Building or neighboring buildings owned by Landlord or an affiliate of Landlord upon 60 days' prior written notice to Tenant. Expenses to be paid by Landlord are limited to Tenant's reasonable and actual expenses resulting from the improvements to the Relocation Space to reasonably conform with the Space Plan (Exhibit C, Schedule 1) and physical relocation of Tenant's furniture, fixtures and equipment to the Relocation Space. From and after the date of the relocation, "Premises" shall refer to the Relocation Space into which Tenant has been moved and the Base Rent and Tenant's Pro Rata Share shall be adjusted based on the rentable square footage of the Relocation Space.

22. **Holding Over.** If Tenant remains in possession of the Premises after expiration or termination of the Term, or after the date in any notice given by Landlord to Tenant terminating this Lease, such possession by Tenant shall be deemed to be a month-to-month tenancy terminable on written thirty (30) day notice at any time, by either party. Tenant's occupancy shall be subject to all the terms and provisions of this Lease and Tenant shall pay an amount (on a per month basis without reduction for partial months during the holdover) equal to (a) for the first ninety (90) days of holdover, 125% of the fair market gross rental for the Premises as reasonably determined by Landlord (which in no event shall be less than 125% of the sum of the Base Rent and Additional Rent due for the period immediately preceding the holdover) and (b) thereafter, 150% of the fair market gross rental for the Premises as reasonably determined by Landlord (which in no event shall be less than 150% of the sum of the Base Rent and Additional Rent due for the period immediately preceding the holdover). No holdover by Tenant or payment by Tenant after the termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise. Further, there shall be no reconciliation or refund of amounts paid by Tenant during any period of holdover. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting therefrom.

23. **Subordination to Mortgages; Estoppel Certificate.** Tenant accepts this Lease subject and subordinate to any mortgage(s), deed(s) of trust, ground lease(s) or other lien(s) now or subsequently arising upon the Premises, the Building or the Property, and to renewals, modifications, refinancings and extensions thereof (collectively referred to as a "**Mortgage**"). This clause shall be self-operative, but upon request from the holder of a Mortgage (a "**Mortgagee**"), Tenant shall execute a commercially reasonable subordination agreement within 10 days after receipt of a written request from Landlord. As an alternative, a Mortgagee shall have the right at any time to subordinate its Mortgage to this Lease. Upon request, Tenant shall, without charge, attorn to any successor to Landlord's interest in this Lease. Tenant shall, within 10 days after receipt of a written request from Landlord, execute and deliver a commercially reasonable estoppel certificate to those parties as are reasonably requested by Landlord.

24. **Financial Statements.** Prior to the execution of this Lease by Landlord and at any time during the Term of this Lease upon ten (10) days prior written notice from Landlord, Tenant agrees to provide Landlord with a current financial statement for Tenant and financial statements for the two (2) years prior to the current financial statement year for Tenant. Such statements are to be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, audited by an independent certified public accountant.

25. **Notice.** All demands, approvals, consents or notices shall be in writing and delivered by hand or sent by registered or certified mail with return receipt requested, or sent by overnight or same day courier service at the party's respective Notice Address(es) set forth in Section 1. Each notice shall be deemed to have been received on the earlier to occur of actual delivery or the date on which delivery is refused, or, if Tenant has vacated the Premises or any other Notice Address without providing a new Notice Address, 3 days after notice is deposited in the U.S. mail or with a courier service in the manner described above. Either party may, at any time, change its Notice Address (other than to a post office box address) by giving the other party written notice of the new address.

26. **Surrender of Premises.** At the termination of this Lease or Tenant's right of possession, Tenant shall remove Tenant's Property and any designated Required Removables from the Premises, and quit and surrender the

Premises to Landlord, broom clean, and in good order, condition and repair, ordinary wear and tear and damage which Landlord is obligated to repair hereunder excepted. If Tenant fails to remove any of Tenant's Property within 2 days after termination, Landlord, at Tenant's sole cost and expense, shall be entitled to remove and store Tenant's Property. Landlord shall not be responsible for the value, preservation or safekeeping of Tenant's Property. Tenant shall pay Landlord, upon demand, the expenses and storage charges incurred. If Tenant fails to remove Tenant's Property from the Premises or storage within 30 days after notice, Landlord may deem all or any part of Tenant's Property to be abandoned and title to Tenant's Property shall vest in Landlord (and Tenant hereby waives any rights it may have to notice under California Civil Code sections 1980 et seq. with respect to such Tenant's Property). If Tenant fails to remove any of the designated Required Removables by the Expiration Date or perform related repairs in a timely manner, Landlord may perform such work at Tenant's expense, and Tenant shall be deemed to be in holdover of the Premises pursuant to Section 22 above during the reasonable period of time required for the removal of the designated Required Removables.

27. Miscellaneous.

27.01 No Attorneys Fees; No Waiver. If either party institutes a suit against the other for violation of or to enforce any covenant, term or condition of this Lease, the prevailing party shall NOT be entitled attorneys' fees. Either party's failure to declare a default immediately upon its occurrence, or delay in taking action for a default shall not constitute a waiver of the default, nor shall it constitute an estoppel.

27.02 Force Majeure. Whenever a period of time is prescribed for the taking of an action by Landlord or Tenant (other than the payment of the Security Deposit or Rent), the period of time for the performance of such action shall be extended by the number of days that the performance is actually delayed due to strikes, acts of God, epidemic, pandemic or disease outbreak (including, without limitation, the COVID-19 virus), permitting delays, shortages of labor or materials, war, terrorist acts, civil disturbances and other causes beyond the reasonable control of the performing party ("**Force Majeure**"). Force Majeure shall not include financial difficulties of the party required to perform.

27.03 Transfer By Landlord. Landlord shall have the right to transfer and assign, in whole or in part, all of its ownership interest, rights and obligations in the Building, Project, Property or Lease, including the Security Deposit, and upon transfer Landlord shall be released from any further obligations hereunder, and Tenant agrees to look solely to the successor in interest of Landlord for the performance of such obligations and the return of any Security Deposit.

27.04 Submission of Lease; Claims By Brokers. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or an option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant, and Landlord's lender holding a lien with respect to the Building has approved this Lease and the terms and conditions hereof. Tenant represents that it has dealt directly with and only with the Broker as a broker in connection with this Lease. Tenant shall indemnify and hold Landlord and the Landlord Related Parties harmless from all claims of any other brokers claiming to have represented Tenant in connection with this Lease.

27.05 Survival of Obligations. The expiration of the Term, whether by lapse of time, termination or otherwise, shall not relieve either party of any obligations which accrued prior to or which may continue to accrue after the expiration or termination of this Lease.

27.06 Quiet Enjoyment; Binding Covenants. Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, conditions, provisions and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, conditions, provisions and agreements hereof, and the rights of all Mortgagee, without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied. This covenant and all other covenants of Landlord shall be binding upon Landlord and its successors only during its or their respective periods of ownership of the Building.

27.07 Entire Agreement. This Lease constitutes the entire agreement between the parties and supersedes all prior agreements and understandings related to the Premises. This Lease may be modified only by a written agreement signed by Landlord and Tenant.

27.08 Authority. Each individual executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so. In such event, Tenant shall, within ten (10) days after execution of this Lease, deliver to Landlord satisfactory evidence of such authority and, if an entity, upon demand by Landlord, also deliver to Landlord satisfactory evidence of (i) good standing in Tenant's state of incorporation or formation and (ii) qualification to do business in California.

27.09 Confidentiality. Tenant acknowledges that the content of this Lease and any related documents are confidential information. Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Tenant's financial, legal, and space planning consultants.

27.10 Asset Control and Anti-Terrorism Regulations. Neither Tenant nor any of its affiliates, nor any of their respective brokers or other agents acting in any capacity in connection with the transactions contemplated by this Lease, is or will be (a) conducting any business or engaging in any transaction or dealing with any person appearing on the U.S. Treasury Department's OFAC list of prohibited countries, territories, "specifically designated nationals" ("SDNs") or "blocked person" (each a "**Prohibited Person**") (which lists can be accessed at the following web address: <http://www.ustreas.gov/offices/enforcement/ofac/>), including the making or receiving of any contribution of funds, goods or services to or for the benefit of any such Prohibited Person; (b) engaging in certain dealings with countries and organizations designated under Section 311 of the USA PATRIOT Act as warranting special measures due to money laundering concerns; (c) dealing in, or otherwise engaging in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224 dated September 24, 2001, relating to "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism"; (d) a foreign shell bank or any person that a financial institution would be prohibited from transacting with under the USA PATRIOT Act; or (e) engaging in or conspiring to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempting to violate, any of the prohibitions set forth in (i) any U.S. anti-money laundering law, (ii) the Foreign Corrupt Practices Act, (iii) the U.S. mail and wire fraud statutes, (iv) the Travel Act, (v) any similar or successor statutes, or (vi) any regulations promulgated under the foregoing statutes. If at any time this representation becomes false, then it shall be considered a Default under this Lease as to which there shall be no right to notice or an opportunity to cure, notwithstanding anything contained in this Lease to the contrary, and Landlord shall have the right to immediately exercise all of the remedies set forth in this Lease, including immediate termination of this Lease.

27.11 Compliance with Laws. Tenant shall not do anything or suffer anything to be done in or about the Premises or Project which will in any way conflict with any Laws now in force or which may hereafter be enacted or promulgated, including, without limitation, any such governmental regulations related to disabled access. At its sole cost and expense, Tenant shall promptly comply with all applicable Laws (including the making of any alterations to the Premises required by applicable Laws) which relate to (i) Tenant's use of the Premises, (ii) the Alterations or any tenant improvements in the Premises, or (iii) the base Building, but, as to the base Building, only to the extent such obligations are triggered by Tenant's Alterations, any tenant improvements, or use of the Premises for non-general office use. Should any standard or regulation now or hereafter be imposed on Landlord or Tenant by a state, federal or local governmental body charged with the establishment, regulation and enforcement of occupational, health or safety standards for employers, employees, landlords or tenants, then Tenant agrees, at its sole cost and expense, to comply promptly with such standards or regulations. The judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any of said governmental measures, shall be conclusive of that fact as between Landlord and Tenant.

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

27.13 No Recording. Neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded or otherwise published by Tenant or by anyone acting through, under or on behalf of Tenant.

27.14 Partial Invalidity. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons

or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

27.15 Governing Law; WAIVER OF TRIAL BY JURY. This Lease shall be construed and enforced in accordance with the laws of the State of California. IN ANY ACTION OR PROCEEDING ARISING HEREFROM, LANDLORD AND TENANT HEREBY CONSENT TO (I) THE JURISDICTION OF ANY COMPETENT COURT WITHIN THE STATE OF CALIFORNIA, COUNTY OF ORANGE, (II) SERVICE OF PROCESS BY ANY MEANS AUTHORIZED BY CALIFORNIA LAW, AND (III) IN THE INTEREST OF SAVING TIME AND EXPENSE AND TO THE EXTENT PERMITTED BY LAW, TRIAL WITHOUT A JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER OR THEIR SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY. IN THE EVENT LANDLORD COMMENCES ANY SUMMARY PROCEEDINGS OR ACTION FOR NONPAYMENT OF BASE RENT OR ADDITIONAL RENT, TENANT SHALL NOT INTERPOSE ANY COUNTERCLAIM OF ANY NATURE OR DESCRIPTION (UNLESS SUCH COUNTERCLAIM SHALL BE MANDATORY) IN ANY SUCH PROCEEDING OR ACTION, BUT SHALL BE RELEGATED TO AN INDEPENDENT ACTION AT LAW.

27.16 Building Renovations. It is specifically understood and agreed that Landlord has made no representation or warranty to Tenant and has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises, Building, or any part thereof and that no representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant except as specifically set forth herein or in the Work Letter. However, Tenant hereby acknowledges that Landlord is currently renovating or may during the Lease Term renovate, improve, alter, or modify (collectively, the "**Renovations**") the Project, the Building and/or the Premises including without limitation the parking structure, common areas, systems and equipment, roof, and structural portions of the same, which Renovations may include, without limitation, (i) installing sprinklers in the Building's Common Areas and tenant spaces, (ii) modifying the common areas and tenant spaces to comply with applicable laws and regulations, including regulations relating to the physically disabled, seismic conditions, and building safety and security, and (iii) installing new floor covering, lighting, and wall coverings in the Building's Common Areas, and in connection with any Renovations, Landlord may, among other things, erect scaffolding or other necessary structures in the Building, limit or eliminate access to portions of the Project, including portions of the common areas, or perform work in the Building, which work may create noise, dust or leave debris in the Building. Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the Renovations or Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions.

27.17 No Right To Relocation Expenses. Tenant will begin the tenancy and rent the Premises after the date that Landlord acquired the Property and Tenant's occupancy of the Premises is, will be, and shall remain as a "post-acquisition" occupant pursuant to applicable federal, state, and local laws and regulations providing for relocation assistance, benefits, or compensation for moving and for property interests (including without limitation furnishings, fixtures and equipment, goodwill, and moving expenses) (referred to herein as "**Relocation Law**"), as is more fully set forth in Rider No. 4 to the Lease.

28. Parking.

28.01 Tenant's Parking Passes. During the Term of this Lease, Tenant shall purchase from Landlord, the number of parking passes specified in the Basic Lease Information hereof for use by Tenant's employees in the common parking areas for the Building within the Property, as designated by Landlord from time to time. Landlord shall at all times have the right to establish and modify the nature and extent of the parking areas for the Building and Property (including whether such areas shall be surface, underground and/or other structures) as long as Tenant is provided the number of parking passes designated in the Basic Lease Information. In addition, Landlord may, in its sole discretion, assign any unreserved and unassigned parking spaces, and/or make all or a portion of such spaces reserved.

28.02 Visitor Parking Charges. In addition to such parking passes for use by Tenant's employees, Landlord shall permit access to the parking areas for Tenant's visitors, subject to availability of spaces and payment (by validation charges or otherwise) of daily visitor parking charges therefor as may be established and adjusted by Landlord from time to time.

28.03 Parking Rules. The use of the parking areas shall be subject to any reasonable, non-discriminatory rules and regulations adopted by Landlord and/or Landlord's parking operators from time to time, including any system for controlled ingress and egress and charging visitors and invitees, with appropriate provision for validation of such charges. Tenant shall not use more parking spaces than its allotment and shall not use any parking spaces specifically assigned by Landlord to other tenants of the Building or Property or for such other uses as visitor parking. Tenant's parking passes shall be used only for parking by vehicles no larger than normally sized passenger automobiles or pick-up trucks. Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant's employees, suppliers, shippers, customers or invitees to be loaded, unloaded, or parked in areas other than those designated by Landlord for such activities. If Tenant permits or allows any of the prohibited activities described herein, including, without limitation, parking in spaces designated as reserved spaces, illegal parking, and any non-compliance with posted signage, then Landlord 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 thereof to Tenant, which cost shall be immediately payable by Tenant upon demand by Landlord.

29. Joint and Several Obligations. If more than 1 person executes this Lease as Tenant, their execution of this Lease will constitute their covenant and agreement that (i) each of them is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants, conditions, provisions and agreements of this Lease to be kept, observed and performed by Tenant, and (ii) the term "Tenant" as used in this Lease means and includes each of them jointly and severally. The act of or notice from, or notice or refund to, or the signature of any 1 or more of them, with respect to the tenancy of this Lease, including, but not limited to, any renewal, extension, expiration, termination or modification of this Lease, will be binding upon each and all of the persons executing this Lease as Tenant with the same force and effect as if each and all of them had so acted or so given or received such notice or refund or so signed.

30. Counterparts. This Lease may be executed in one or more counterparts, each of which shall constitute an original and all of which shall be one and the same agreement.

31. Hazardous Substance Disclosure. California law requires landlords to disclose to tenants the existence of certain Hazardous Materials (hereinafter defined). As used herein, "**Hazardous Materials**" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi-solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, tobacco smoke, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule", as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Laws, rules or regulations governing Hazardous Materials based upon, directly or indirectly, such properties or effects. Accordingly, the existence of gasoline and other automotive fluids, asbestos containing materials, maintenance fluids, copying fluids and other office supplies and equipment, certain construction and finish materials, tobacco smoke, cosmetics and other personal items must be disclosed. Gasoline and other automotive fluids are found in the parking areas of the Property. Cleaning, lubricating and hydraulic fluids used in the operation and maintenance of the Building are found in the utility areas of the Building not generally accessible to Building occupants or the public. Many Building occupants use copy machines and printers with associated fluids and toners, and pens, markers, inks, and office equipment that may contain Hazardous Materials. Certain adhesives, paints and other construction materials and finishes used in portions of the Building may contain Hazardous Materials. The Building may from time to time be exposed to tobacco smoke. Building occupants and other persons entering the Building from time to time may use or carry prescription and non-prescription drugs, perfumes, cosmetics and other toiletries, and foods and beverages, some of which may contain Hazardous Materials. By its execution of this Lease, Tenant acknowledges that the notice set forth hereinabove shall constitute the notice required under California Health and Safety Code Section 25915.5.

[SIGNATURES ON NEXT PAGE]

Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:

THE CITY OF NEWPORT BEACH,
a California municipal corporation and charter city

By: _____
Grace K. Leung, City Manager

ATTEST:

By: _____
Leilani I. Brown, City Clerk

APPROVED AS TO FORM:

By: Joe Montoya for _____
Aaron C. Harp, City Attorney

TENANT:

HF&H CONSULTANTS, LLC,
a California limited liability company

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Tenant's Tax ID Number (FEIN)

This Lease must be signed by two (2) officers of Tenant: one being the chairman of the board, the president or a vice president, and the other being the secretary, an assistant secretary, the chief financial officer or an assistant treasurer. If one (1) individual is signing in two (2) of the foregoing capacities, that individual must sign twice; once as one officer and again as the other officer

Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:

THE CITY OF NEWPORT BEACH,
a California municipal corporation and charter city

By: _____
Grace K. Leung, City Manager

ATTEST:

By: _____
Leilani I. Brown, City Clerk

APPROVED AS TO FORM:

By: Joe Montoya for
Aaron C. Harp, City Attorney

TENANT:

HF&H CONSULTANTS, LLC,
a California limited liability company

By: [Signature]
Name: ROBERT HILTON
Title: PRESIDENT

By: [Signature]
Name: RICHARD J. SIMONSON
Title: SR. VICE PRESIDENT
94-3097242
Tenant's Tax ID Number (FEIN)

This Lease must be signed by two (2) officers of Tenant: one being the chairman of the board, the president or a vice president, and the other being the secretary, an assistant secretary, the chief financial officer or an assistant treasurer. If one (1) individual is signing in two (2) of the foregoing capacities, that individual must sign twice; once as one officer and again as the other officer

EXHIBIT A

OUTLINE AND LOCATION OF PREMISES

Exhibit A is intended only to show the general layout of the Premises as of the beginning of the Term of this Lease. It does not in any way supersede any of Landlord's rights with respect to arrangements and/or locations of public parts of the Building and changes in such arrangements and/or locations. It is not to scale; any measurements or distances shown should be taken as approximate.

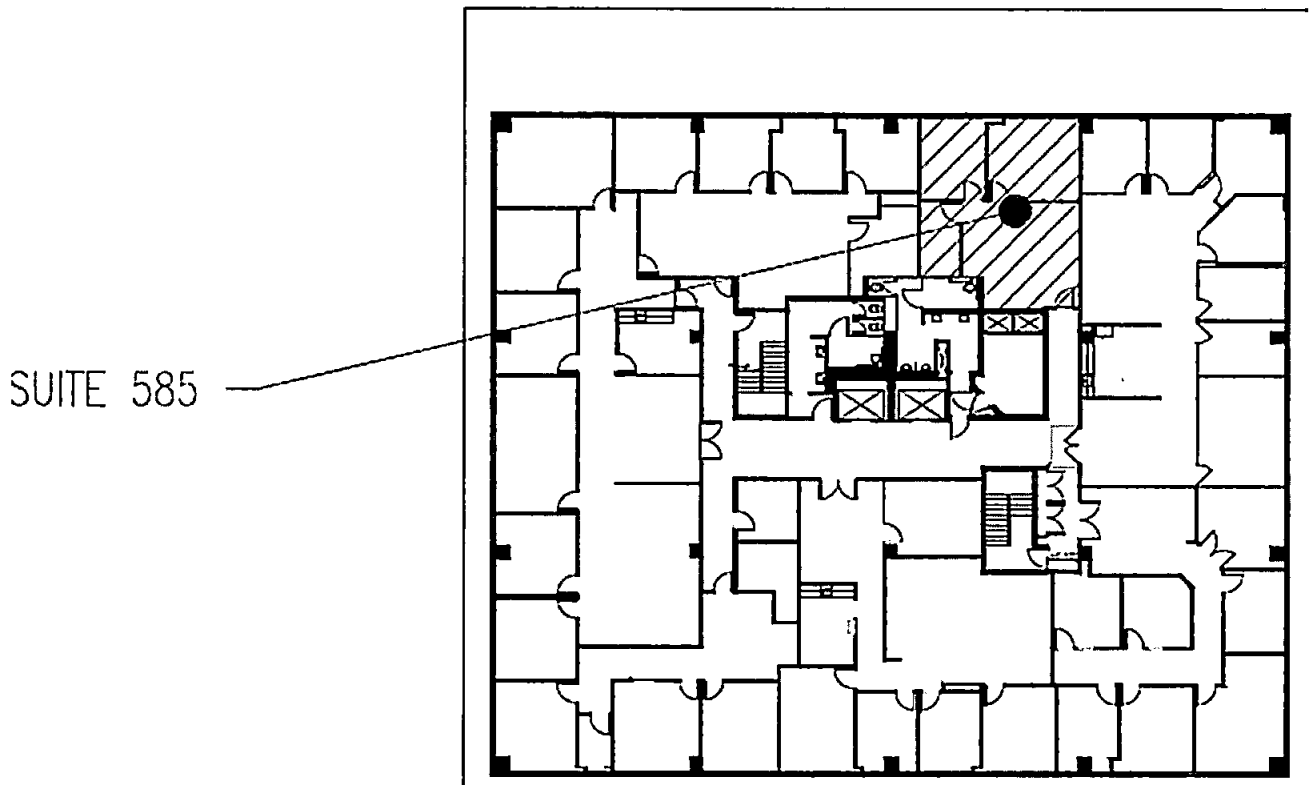


EXHIBIT B

EXPENSES AND TAXES

This Exhibit is attached to and made a part of the Lease by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**") and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**") for space in the Building located at 1201 Dove Street, Newport Beach, California.

1. Payments.

1.01 Tenant shall pay Tenant's Pro Rata Share of the amount, if any, by which Expenses (defined below) for each calendar year during the Term exceed Expenses for the Base Year (the "**Expense Excess**") and also the amount, if any, by which Taxes (defined below) for each calendar year during the Term exceed Taxes for the Base Year (the "**Tax Excess**"). If Expenses or Taxes in any calendar year decrease below the amount of Expenses or Taxes for the Base Year, Tenant's Pro Rata Share of Expenses or Taxes, as the case may be, for that calendar year shall be \$0. Landlord shall provide Tenant with a good faith estimate of the Expense Excess and of the Tax Excess for each calendar year during the Term. On or before the first day of each month, Tenant shall pay to Landlord a monthly installment equal to one-twelfth of Tenant's Pro Rata Share of Landlord's estimate of both the Expense Excess and Tax Excess. After its receipt of the revised estimate, Tenant's monthly payments shall be based upon the revised estimate. If Landlord does not provide Tenant with an estimate of the Expense Excess or the Tax Excess by January 1 of a calendar year, Tenant shall continue to pay monthly installments based on the previous year's estimate(s) until Landlord provides Tenant with the new estimate. The failure of Landlord to timely furnish any such statement for any year shall not preclude Landlord from enforcing its rights to collect any Expense Excess or Tax Excess under this Section.

1.02 As soon as is practical following the end of each calendar year, Landlord shall furnish Tenant with a statement of the actual Expenses and Expense Excess and the actual Taxes and Tax Excess for the prior calendar year. If the estimated Expense Excess or estimated Tax Excess for the prior calendar year is more than the actual Expense Excess or actual Tax Excess, as the case may be, for the prior calendar year, Landlord shall either provide Tenant with a refund or apply any overpayment by Tenant against Additional Rent due or next becoming due, provided if the Term expires before the determination of the overpayment, Landlord shall refund any overpayment to Tenant after first deducting the amount of Rent due. If the estimated Expense Excess or estimated Tax Excess for the prior calendar year is less than the actual Expense Excess or actual Tax Excess, as the case may be, for such prior year, Tenant shall pay Landlord, within 30 days after its receipt of the statement of Expenses or Taxes, any underpayment for the prior calendar year.

2. Expenses.

2.01 "**Expenses**" means all costs and expenses incurred in each calendar year in connection with operating, maintaining, repairing, and managing the Project and the Property. Expenses include, without limitation: (a) all labor and labor related costs, including wages, salaries, bonuses, taxes, insurance, uniforms, training, retirement plans, pension plans and other employee benefits; (b) management fees; (c) the cost of equipping, staffing and operating an on-site and/or off-site management office for the Project, provided if the management office services 1 or more other buildings or properties, the shared costs and expenses of equipping, staffing and operating such management office(s) shall be equitably prorated and apportioned between the Building and/or the other buildings or properties within or outside the Property, as applicable; (d) accounting costs; (e) the cost of services; (f) rental and purchase cost of parts, supplies, tools and equipment; (g) insurance premiums and deductibles; (h) electricity, gas and other utility costs; (i) an administration and overhead fee (j) the cost of landscaping, relamping, and all supplies, tools, equipment and materials used in the operation, repair and maintenance of the Property, or any portion thereof, (k) operation, repair, maintenance, renovation, replacement and restoration of all systems and equipment and components thereof of the Property, (l) the cost of janitorial, alarm, security and other services, (m) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Property; (n) costs of any additional services not provided to the Property as of the Commencement Date but which are thereafter provided by Landlord in connection with its prudent management of the Property; and (o) the amortized cost of capital improvements (as distinguished from replacement parts or components installed in the ordinary course of business) made subsequent to the Base Year. The cost of capital improvements shall be amortized by Landlord over the lesser of the Payback Period (defined below) or the useful life of the capital improvement as reasonably determined by Landlord. The amortized cost of capital improvements may, at Landlord's

option, include actual or imputed interest at the rate that Landlord would reasonably be required to pay to finance the cost of the capital improvement. **"Payback Period"** means the reasonably estimated period of time that it takes for the cost savings resulting from a capital improvement to equal the total cost of the capital improvement. Landlord, by itself or through an affiliate, shall have the right to directly perform, provide and be compensated for any services under this Lease. If Landlord incurs Expenses for the Building, the Project or the Property together with 1 or more other buildings or properties, whether pursuant to a reciprocal easement agreement, common area agreement or otherwise, the shared costs and expenses shall be equitably prorated and apportioned between the Building, the Project and the Property, and the other buildings or properties. Expenses for the Base Year shall not include market-wide cost increases (including utility rate increases) due to extraordinary circumstances, including, but not limited to, Force Majeure, boycotts, strikes, conservation surcharges, embargoes or shortages, or amortized costs.

2.02 Expenses shall not include: depreciation; principal payments of mortgage and other non-operating debts of Landlord; the cost of repairs or other work to the extent Landlord is reimbursed by insurance or condemnation proceeds; costs in connection with leasing space in the Building, including brokerage commissions; lease concessions, rental abatements and construction allowances granted to specific tenants; costs incurred in connection with the sale, financing or refinancing of the Building; fines, interest and penalties incurred due to the late payment of Taxes or Expenses; organizational expenses associated with the creation and operation of the entity which constitutes Landlord; or any penalties or damages that Landlord pays to Tenant under this Lease or to other tenants in the Building under their respective leases.

2.03 If at any time during a calendar year the Building is not at least 95% occupied or Landlord is not supplying services to at least 95% of the total Rentable Square Footage of the Building, Expenses shall, at Landlord's option, be determined as if the Building had been 95% occupied and Landlord had been supplying services to 95% of the Rentable Square Footage of the Building. If Expenses for a calendar year are determined as provided in the prior sentence, Expenses for the Base Year shall also be determined in such manner.

3. **"Taxes"** shall mean: (a) all real property taxes and other assessments on the Building, the Project and/or Property, including, but not limited to, gross receipts taxes, assessments for special improvement districts and building improvement districts, governmental charges, fees and assessments for police, fire, traffic mitigation or other governmental service of purported benefit to the Property, taxes and assessments levied in substitution or supplementation in whole or in part of any such taxes and assessments and the Property's share of any real estate taxes and assessments under any reciprocal easement agreement, common area agreement or similar agreement as to the Property; (b) all personal property taxes for property that is owned by Landlord and used in connection with the operation, maintenance and repair of the Property; (c) any possessory interest tax pursuant to Section 107.6 of the California Revenue and Taxation Code and any successor code section(s) (**"PIT Tax"**); and (d) all costs and fees incurred in connection with seeking reductions in any tax liabilities described in (a), (b) and (c), including, without limitation, any costs incurred by Landlord for compliance, review and appeal of tax liabilities. Without limitation, Taxes shall not include any income, capital levy, capital stock, gift, estate or inheritance tax. If a change in Taxes is obtained for any year of the Term during which Tenant paid Tenant's Pro Rata Share of any Tax Excess, then Taxes for that year will be retroactively adjusted and Landlord shall provide Tenant with a credit, if any, based on the adjustment. Likewise, if a change is obtained for Taxes for the Base Year, Taxes for the Base Year shall be restated and the Tax Excess for all subsequent years shall be recomputed. Tenant shall pay Landlord the amount of Tenant's Pro Rata Share of any such increase in the Tax Excess within 30 days after Tenant's receipt of a statement from Landlord.

4. **Possessory Interest.** Pursuant to Section 107.6 of the California Revenue and Taxation Code (**"Code"**), Landlord hereby notifies Tenant that a possessory interest with respect to the Premises is created pursuant to this Lease (**"Possessory Interest"**) and may be subject to property taxation under the Code (**"PIT Tax"**). Landlord shall be responsible for paying any PIT Tax directly to the appropriate governmental authority. Tenant acknowledges that the foregoing complies with Section 107.6 of the Code. Tenant shall advise in writing any subtenant, licensee, concessionaire or third party approved by Landlord that is using the Premises of the requirements of Section 107.6 of the Code. If Tenant receives any PIT Tax bills related to Tenant's possession of the Premises, Tenant shall immediately deliver a copy of such PIT Tax bills to Landlord.

5. **The City of Newport Beach's Ownership.** The Base Rent rate set forth in Section 1.03 of the Basic Lease Information of the Lease includes Tenant's Pro Rata Share of Taxes for the Base Year including, without limitation, any PIT Tax. During the period that the Landlord under the Lease is The City of Newport Beach, Tenant shall not be responsible for the payment to Landlord of any Tax Excess. If The City of Newport Beach transfers its ownership interest in the Property, (a) the Base Year for Taxes only shall become the calendar year in which such transfer in

ownership occurs ("**New Tax Base Year**"), (b) the amount of Taxes for the New Tax Base Year shall be the annualized value of the new Property owner's tax basis in the Property, and (c) Tenant shall thereafter pay to the then Landlord the Tax Excess (i.e., Tenant's Pro Rata Share of the amount, if any, by which Taxes for each subsequent calendar year (or portion thereof) exceed the Taxes for the New Tax Base Year) including, without limitation, any increase in Taxes due to subsequent reassessments of the Property.

EXHIBIT C

WORK LETTER TURN KEY (ALLOWANCE CAP)

This Exhibit is attached to and made a part of the Lease by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**") and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**") for space in the Building located at 1201 Dove Street, Newport Beach, California.

1. Landlord, at its sole cost and expense, up to the amount of the Allowance as referenced below (subject to the terms and provisions of this Section 1 and Section 2 below), shall perform improvements to the Premises in accordance with the work list attached hereto as Schedule 1 (the "**Work List**") using Building standard methods, materials and finishes. The improvements to be performed in accordance with the Work List are hereinafter referred to as the "**Landlord Work**". Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that Landlord shall not be obligated to pay more than \$20,877.75 (calculated at a rate of \$20.25 per rentable square foot of the Premises) (the "**Allowance**") to complete the Landlord Work, and Tenant shall pay to Landlord (within five (5) business days after invoice therefor) the amount of any actual and reasonable costs incurred by Landlord to complete the Landlord Work in excess of the Allowance. It is further understood and agreed that in no event shall the Allowance be used or applied to costs of design and construction of any server rooms, computer or phone rooms, and/or any other improvements with non-Building standard improvements, materials and/or quantities (collectively, the "**Overstandard Improvements**"), and all costs relating to designing and constructing such Overstandard Improvements will be at Tenant's sole cost and expense and shall require Landlord's prior approval. Prior to commencement of construction of the Landlord Work, Tenant shall pay to Landlord all costs related to the Overstandard Improvements, and the expected costs of the Landlord Work exceeding the Allowance. Landlord shall enter into a direct contract for the Landlord Work with a general contractor selected by Landlord. In addition, Landlord shall have the right to select and/or approve of any subcontractors used in connection with the Landlord Work. The costs of the Landlord Work shall include any and all architectural fees, engineering fees, city permits, a general contractor's fee, and a construction management fee paid to Landlord's construction manager in the amount of five percent (5%) of the total cost of the Landlord Work. Any portion of the Landlord Work that does not require a permit shall be exempt from Landlord's construction management fee. Any portion of the Allowance which is not used on or before June 30, 2026 ("**Allowance Deadline**") shall revert to Landlord.
2. If Tenant uses less than the Allowance for the costs of the Landlord Work, Tenant may request in a written notice ("**Rent Credit Notice**") delivered to Landlord on or before the Allowance Deadline, that the lesser of (a) the unused portion of the Allowance or (b) \$10,567.75 (calculated at a rate of \$10.25 per rentable square foot of the Premises), be applied as a credit against Tenant's Base Rent obligations under this Lease ("**Rent Credit**"). The Rent Credit Notice shall specify which months of the initial Lease Term Tenant desires to apply the available Improvement Allowance as a credit against Base Rent, but (i) in no event may more than \$2,577.50 (based upon \$2.50 per rentable square foot of the Premises) be used as a credit against Base Rent in any given Lease year and (ii) the Rent Credit shall not commence prior to the first day of the fourteenth (14th) full calendar month of the initial Lease Term. Any portion of the Allowance that is not so requested by Tenant on or before the Allowance Deadline shall revert to Landlord.
3. All work and upgrades not set forth on the Work List shall be subject to Landlord's approval, shall be at Tenant's sole cost and expense, plus any applicable state sales or use tax thereon, payable upon demand as Additional Rent and a construction management fee payable to Landlord equivalent to five percent (5%) of the cost of such work and upgrades. Tenant shall be responsible for any Tenant Delay in completion of the Premises resulting from any such other work and upgrades requested or performed by Tenant.
4. Landlord's supervision or performance of any work for or on behalf of Tenant shall not be deemed to be a representation by Landlord that such work complies with applicable insurance requirements, building codes, ordinances, Laws or regulations or that the improvements constructed will be adequate for Tenant's use.
5. The Landlord Work shall not include any of Tenant's trade fixtures, equipment, furniture, furnishings, telephone and data equipment, or other personal property. Tenant shall assume full responsibility to ensure

that all items associated with the Landlord Work are adequate to fully meet the requirements of Tenant's intended use of the Premises.

6. For purposes of this Lease, including for purposes of determining the Commencement Date (pursuant to Section 2 of the Lease), the Landlord Work shall be "**Substantially Complete**" upon the completion of the Landlord Work in the Premises pursuant to the Work List, with the exception of any punch list items that do not materially and adversely affect Tenant's use and occupancy of the Premises and any tenant fixtures, work-stations, built-in furniture, or equipment to be installed by or on behalf of Tenant in accordance with the terms of this Work Letter.
7. This Exhibit shall not be deemed applicable to any additional space added to the Premises at any time or from time to time, whether by any options under the Lease or otherwise, or to any portion of the original Premises or any additions to the Premises in the event of a renewal or extension of the original Term of the Lease, whether by any options under the Lease or otherwise, unless expressly so provided in the Lease or any amendment or supplement to the Lease.
8. In addition to the Landlord Work set forth above, Landlord, at Landlord's sole cost and expense, shall deliver the Premises to Tenant with all demising walls in place per the layout shown on Exhibit A to the Lease.
9. Provided that Tenant and its agents do not interfere with the Landlord Work in the Premises, Landlord shall allow Tenant access to the Premises beginning fourteen (14) days prior to the Commencement Date for the purpose of Tenant installing furniture, fixtures and equipment (including telephones and computers and related cabling and wiring) in the Premises; provided that Tenant can have access to the Premises for cabling and wiring beginning on the date of full execution and delivery of the Lease by Landlord and Tenant. Prior to Tenant's entry into the Premises as permitted by the terms of this Section 9, Tenant shall submit certificates of insurance reasonably acceptable to Landlord and shall submit a schedule to Landlord (and Landlord's contractor, if so requested by Landlord), for their approval, which schedule shall detail the timing and purpose of Tenant's entry. Tenant shall hold Landlord and the Landlord Related Parties harmless from and indemnify, protect and defend Landlord and the Landlord Related Parties against any loss or damage to the Project or Premises and against injury to any persons caused by Tenant's actions pursuant to this Section 9.

SCHEDULE 1 TO EXHIBIT C

WORK LIST

- Repainting the interior painted walls of the Premises
- Recarpeting the carpeted areas of the Premises

EXHIBIT D

BUILDING RULES AND REGULATIONS

The following rules and regulations shall apply, where applicable, to the Premises, the Building, the parking areas/garage, the Property and the appurtenances. In the event of a conflict between the following rules and regulations and the remainder of the terms of the Lease, the remainder of the terms of the Lease shall control. Capitalized terms have the same meaning as defined in the Lease.

1. Sidewalks, doorways, vestibules, halls, stairways and other similar areas shall not be obstructed by Tenant or used by Tenant for any purpose other than ingress and egress to and from the Premises. No rubbish, litter, trash, or material shall be placed, emptied, or thrown in those areas. At no time shall Tenant permit Tenant's employees to loiter in Common Areas or elsewhere about the Building or Property.
2. Plumbing fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or placed in the fixtures or appliances. Damage resulting to fixtures or appliances by Tenant, its agents, employees or invitees, shall be paid for by Tenant, and Landlord shall not be responsible for the damage.
3. No signs, advertisements or notices shall be painted or affixed to windows, doors or other parts of the Building, except those of such color, size, style and in such places as are first approved in writing by Landlord. All tenant identification and suite numbers at the entrance to the Premises shall be installed by Landlord, at Tenant's cost and expense, using the standard graphics for the Building. Except in connection with the hanging of lightweight pictures and wall decorations, no nails, hooks or screws shall be inserted into any part of the Premises or Building except by the Building maintenance personnel without Landlord's prior approval, which approval shall not be unreasonably withheld.
4. Landlord may provide and maintain in the first floor (main lobby) of the Building an alphabetical directory board or other directory device listing tenants, and no other directory shall be permitted unless previously consented to by Landlord in writing.
5. Tenant shall not place any lock(s) on any door, or install any security system (including, without limitation, card key systems, alarms or security cameras), in the Premises or Building without Landlord's prior written consent, which consent shall not be unreasonably withheld, and Landlord shall have the right to retain at all times and to use keys or other access codes or devices to all locks and/or security system within and into the Premises. A reasonable number of keys to the locks on the entry doors in the Premises shall be furnished by Landlord to Tenant at Tenant's cost, and Tenant shall not make any duplicate keys. All keys shall be returned to Landlord at the expiration or early termination of this Lease. Further, if and to the extent Tenant re-keys, re-programs or otherwise changes any locks at the Project, Tenant shall be obligated to restore all such locks and key systems to be consistent with the master lock and key system at the Building, all at Tenant's sole cost and expense.
6. All contractors, contractor's representatives and installation technicians performing work in the Building shall be subject to Landlord's prior approval, which approval shall not be unreasonably withheld, and shall be required to comply with Landlord's standard rules, regulations, policies and procedures, which may be revised from time to time.
7. Movement in or out of the Building of furniture or office equipment, or dispatch or receipt by Tenant of merchandise or materials requiring the use of elevators, stairways, lobby areas or loading dock areas, shall be restricted to hours reasonably designated by Landlord. Tenant shall obtain Landlord's prior approval by providing a detailed listing of the activity. If approved by Landlord, the activity shall be under the supervision of Landlord and performed in the manner required by Landlord. Tenant shall assume all risk for damage to articles moved and injury to any persons resulting from the activity. If equipment, property, or personnel of Landlord or of any other party is damaged or injured as a result of or in connection with the activity, Tenant shall be solely liable for any resulting damage or loss.

8. Landlord shall have the right to approve the weight, size, or location of heavy equipment or articles in and about the Premises, which approval shall not be unreasonably withheld. Damage to the Building by the installation, maintenance, operation, existence or removal of Tenant's Property shall be repaired at Tenant's sole expense.
9. Corridor doors, when not in use, shall be kept closed.
10. Tenant shall not: (i) make or permit any improper, objectionable or unpleasant noises or odors in the Building, or otherwise interfere in any way with other tenants or persons having business with them; (ii) solicit business or distribute, or cause to be distributed, in any portion of the Building, handbills, promotional materials or other advertising; or (iii) conduct or permit other activities in the Building that might, in Landlord's sole opinion, constitute a nuisance.
11. No animals, except those assisting handicapped persons, shall be brought into the Building or kept in or about the Premises.
12. No inflammable, explosive or dangerous fluids or substances shall be used or kept by Tenant in the Premises, Building or about the Property, except for those substances as are typically found in similar premises used for general office purposes and are being used by Tenant in a safe manner and in accordance with all applicable Laws, rules and regulations. Tenant shall not, without Landlord's prior written consent, use, store, install, spill, remove, release or dispose of, within or about the Premises or any other portion of the Property, any asbestos-containing materials or any solid, liquid or gaseous material now or subsequently considered toxic or hazardous under the provisions of 42 U.S.C. Section 9601 et seq. or any other applicable environmental Laws which may now or later be in effect. Tenant shall comply with all Laws pertaining to and governing the use of these materials by Tenant, and shall remain solely liable for the costs of abatement and removal.
13. Tenant shall not use or occupy the Premises in any manner or for any purpose which might injure the reputation or impair the present or future value of the Premises or the Building. Tenant shall not use, or permit any part of the Premises to be used, for lodging, sleeping or for any illegal purpose.
14. Tenant shall not take any action which would violate Landlord's labor contracts or which would cause a work stoppage, picketing, labor disruption or dispute, or interfere with Landlord's or any other tenant's or occupant's business or with the rights and privileges of any person lawfully in the Building ("**Labor Disruption**"). Tenant shall take the actions necessary to resolve the Labor Disruption, and shall have pickets removed and, at the request of Landlord, immediately terminate any work in the Premises that gave rise to the Labor Disruption, until Landlord gives its written consent for the work to resume. Tenant shall have no claim for damages against Landlord or any of the Landlord Related Parties, nor shall the Commencement Date of the Term be extended as a result of the above actions.
15. Tenant shall not install, operate or maintain in the Premises or in any other area of the Building, electrical equipment that would overload the electrical system beyond its capacity for proper, efficient and safe operation as determined solely by Landlord. Tenant shall not furnish cooling or heating to the Premises, including, without limitation, the use of electronic or gas heating devices, portable coolers (such as "move 'n cools") or space heaters, without Landlord's prior written consent. Tenant shall not use more than its proportionate share of telephone lines and other telecommunication facilities available to service the Building.
16. Tenant shall not operate or permit to be operated a coin or token operated vending machine or similar device (including, without limitation, telephones, lockers, toilets, scales, amusement devices and machines for sale of beverages, foods, candy, cigarettes and other goods), except for machines for the exclusive use of Tenant's employees and invitees.
17. Bicycles and other vehicles are not permitted inside the Building or on the walkways outside the Building, except in areas designated by Landlord.
18. Landlord may from time to time adopt systems and procedures for the security and safety of the Building, its occupants, entry, use and contents. Tenant, its agents, employees, contractors, guests and invitees shall comply with Landlord's systems and procedures.

19. Landlord shall have the right to prohibit the use of the name of the Building or any other publicity by Tenant that in Landlord's sole opinion may impair the reputation of the Building or its desirability. Upon written notice from Landlord, Tenant shall refrain from and discontinue such publicity immediately.
20. Neither Tenant nor its agents, employees, contractors, guests or invitees shall smoke or permit smoking in the Common Areas, unless the Common Areas have been declared a designated smoking area by Landlord, nor shall the above parties allow smoke from the Premises to emanate into the Common Areas or any other part of the Building. Landlord shall have the right to designate the Building (including the Premises) as a non-smoking building.
21. Landlord shall have the right to designate and approve standard window coverings for the Premises and to establish rules to assure that the Building presents a uniform exterior appearance. Tenant shall ensure, to the extent reasonably practicable, that window coverings are closed on windows in the Premises while they are exposed to the direct rays of the sun.
22. Deliveries to and from the Premises shall be made only at the times, in the areas and through the entrances and exits reasonably designated by Landlord. Tenant shall not make deliveries to or from the Premises in a manner that might interfere with the use by any other tenant of its premises or of the Common Areas, any pedestrian use, or any use which is inconsistent with good business practice.
23. The work of Landlord's cleaning personnel shall not be hindered by Tenant after 5:30 P.M., and cleaning work may be done at any time when the offices are vacant. Windows, doors and fixtures may be cleaned at any time. Tenant shall provide adequate waste and rubbish receptacles to prevent unreasonable hardship to the cleaning service.
24. Tenant shall at all times reasonably comply with, and shall cause its employee, agents and invitees to comply with such governmental and regulatory orders, laws, programs, procedures and protocols as may be implemented from time to time at or with respect to the Building in order to address any events or circumstances that may pose danger or risk to persons or property relating to community health emergencies, including epidemic, quarantine, or any infectious disease-related outbreak. Such cooperation and compliance may include compliance with reasonable Building shutdown orders and reduced access to use of Common Areas, parking facilities, elevators and other Building systems and amenities, and may also include voluntary participation in screening programs intended to identify those persons who may present risk of contagion of infectious diseases and conditions. Tenant shall also immediately notify Landlord or Landlord's property manager of any persons entering the Building that have a contagious condition related to a pandemic or other health emergency. In the event Tenant becomes aware that a person entering the Building or Tenant's Premises has contracted a contagious condition related to a pandemic or other health emergency, Tenant shall immediately notify Landlord and the Building's Property Manager, and in such an event the Premises, Common Areas on the Tenant's floor, and affected elevators cabs will be thoroughly cleaned and disinfected at Tenant's cost. Landlord will not include in Tenant's Expenses Common Area disinfecting that is for the exclusive benefit of one tenant, or that is paid for or the responsibility of another tenant of the Building. Tenant shall also follow (and shall cause its employees and invitees to follow) County Health and CDC Guidelines with regard to quarantine and isolation of all persons coming into contact with the infected person(s). Notwithstanding the foregoing, Landlord acknowledges if there is governmental restriction(s) imposed related to limiting access to the Building, Landlord shall reasonably cooperate with Tenant to provide Tenant with the ability to access its servers and equipment if necessary.
25. In no event shall Tenant or its employees, agents or contractors bring firearms or other weapons to the Project or the Premises, and Tenant shall not have the right to employ armed security guards.

PARKING RULES AND REGULATIONS

- (i) Landlord reserves the right to establish and reasonably change the hours for the parking areas, on a non-discriminatory basis, from time to time. Tenant shall not store or permit its employees to store any automobiles in the parking areas without the prior written consent of the operator. Except for emergency repairs, Tenant and its employees shall not perform any work on any automobiles while located in the parking areas, or on the Property. If it is necessary for Tenant or its employees to leave an automobile in the Parking

Facility overnight, Tenant shall provide the operator with prior notice thereof designating the license plate number and model of such automobile.

- (ii) Cars must be parked entirely within the stall lines painted on the floor, and only small cars may be parked in areas reserved for small cars.
 - (iii) All directional signs and arrows must be observed.
 - (iv) The speed limit shall be 5 miles per hour.
 - (v) Parking spaces reserved for handicapped persons must be used only by vehicles properly designated.
 - (vi) Parking is prohibited in all areas not expressly designated for parking, including without limitation:
 - (a) areas not striped for parking
 - (b) aisles
 - (c) where "no parking" signs are posted
 - (d) ramps
 - (e) loading zones
 - (vii) Parking stickers, key cards or any other devices or forms of identification or entry supplied by the operator shall remain the property of the operator. Such device must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Parking passes and devices are not transferable and any pass or device in the possession of an unauthorized holder will be void.
 - (viii) Parking areas managers or attendants are not authorized to make or allow any exceptions to these Rules.
 - (ix) Every parker is required to park and lock his/her own car.
 - (x) Loss or theft of parking pass, identification, key cards or other such devices must be reported to Landlord and to the parking areas manager immediately. Any parking devices reported lost or stolen found on any authorized car will be confiscated and the illegal holder will be subject to prosecution. Lost or stolen passes and devices found by Tenant or its employees must be reported to the office of the parking areas immediately.
 - (xi) Washing, waxing, cleaning or servicing of any vehicle by the customer and/or his agents is prohibited. Parking spaces may be used only for parking automobiles.
 - (xii) Tenant agrees to acquaint all persons to whom Tenant assigns a parking space with these Rules.
- A. TENANT ACKNOWLEDGES AND AGREES THAT, TO THE FULLEST EXTENT PERMITTED BY LAW, LANDLORD SHALL NOT BE RESPONSIBLE FOR ANY LOSS OR DAMAGE TO TENANT OR TENANT'S PROPERTY (INCLUDING, WITHOUT LIMITATIONS, ANY LOSS OR DAMAGE TO TENANT'S AUTOMOBILE OR THE CONTENTS THEREOF DUE TO THEFT, VANDALISM OR ACCIDENT) ARISING FROM OR RELATED TO TENANT'S USE OF THE PARKING AREAS OR EXERCISE OF ANY RIGHTS UNDER THIS PARKING AGREEMENT, WHETHER OR NOT SUCH LOSS OR DAMAGE RESULTS FROM LANDLORD'S ACTIVE NEGLIGENCE OR NEGLIGENT OMISSION. THE LIMITATION ON LANDLORD'S LIABILITY UNDER THE PRECEDING SENTENCE SHALL NOT APPLY HOWEVER TO LOSS OR DAMAGE ARISING DIRECTLY FROM LANDLORD'S WILLFUL MISCONDUCT.
- B. Without limiting the provisions of Paragraph A above, Tenant hereby voluntarily releases, discharges, waives and relinquishes any and all actions or causes of action for personal injury or property damage occurring to Tenant arising as a result of parking in the parking areas or any activities incidental thereto, wherever or however the same may occur, and further agrees that Tenant will not prosecute any claim for personal injury or property damage against Landlord or any of its officers, agents, servants or employees for any said causes of action. It is the intention of Tenant by this instrument, to exempt and relieve Landlord from liability for personal injury or property damage caused by negligence. If Tenant fails to comply with the parking rules and regulations set forth herein, Landlord shall have the right to take such action as may be necessary to

EXHIBIT D

enforcement thereof, which may include the towing of vehicles, attachment of wheel immobilizer units (boots) and the like.

- C. The provisions of Section 28 of the Lease are hereby incorporated by reference as if fully recited.

By executing the Lease to which this Exhibit D is attached, Tenant acknowledges that it has read and agreed to be bound by the forgoing Building Rules and Regulations. Tenant further confirms that it has been fully and completely advised of the potential dangers incidental to parking in the parking areas and the terms and conditions set forth above.

EXHIBIT E

ADDITIONAL PROVISIONS

This Exhibit is attached to and made a part of the Lease by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**") and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**") for space in the Building located at 1201 Dove Street, Newport Beach, California.

1. **Abatement of Base Rent.** Provided that Tenant faithfully performs all of the terms and conditions of this Lease, Landlord hereby agrees to abate Tenant's obligation to pay Base Rent for the second (2nd), third (3rd), fourth (4th), fifth (5th) and sixth (6th) full calendar months of the initial Term ("**Abatement Period**"). During such Abatement Period, Tenant shall still be responsible for the payment of all of its other monetary obligations, including but not limited to Expenses or Taxes under this Lease. In the event of a Default by Tenant under the terms of this Lease that results in early termination pursuant to the provisions of Section 19 of this Lease, then as a part of the recovery set forth in Section 19 of this Lease, Landlord shall be entitled to recover the Base Rent that was abated under the provisions of this Section.

2. **No Expense Excess or Tax Excess for First 12 Months.** Notwithstanding anything to the contrary contained herein, Tenant shall not be responsible for paying Landlord any Expense Excess or Tax Excess for the first twelve (12) full calendar months of the initial Lease Term (or any partial month at the commencement of the initial Lease Term).

3. **Directory and Premises Signage.** Landlord, at Landlord's sole cost, will provide Tenant with Building standard lobby directory board identification and Building standard identification at the entrance to the Premises. If Tenant's name subsequently changes, any changes to such signage shall be at Tenant's sole cost and expense.

4. **Parking Validations.** During the initial Term of the Lease, Landlord shall provide Tenant at Landlord's cost with up to \$400.00 per month of complimentary visitor parking validations for use by Tenant's clients. Landlord shall provide Tenant with its allotment of complimentary visitor parking validations annually with the first allotment to be provided to Tenant by the Commencement Date and each subsequent allotment shall be provided to Tenant on each anniversary date of the Commencement Date. The physical parking validation tickets issued to Tenant do not have an expiration date and any parking validation tickets in Tenant's possession may be used at any time during the Lease Term.

5. **Twenty-Four Hour Access.** Subject to Landlord's security requirements, repairs made by Landlord to the Building, and Sections 16 and 17 of the Lease, Tenant shall have access to the Premises twenty-four (24) hours per day, seven (7) days per week throughout the Term of the Lease.

EXHIBIT F

INTENTIONALLY OMITTED

EXHIBIT F

-1-

EXHIBIT G

STATEMENT OF TENANT REGARDING LEASE COMMENCEMENT

The undersigned as Tenant under that certain Office Lease Agreement made and entered into by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city, as Landlord, and the undersigned, as Tenant (the "**Lease**"), hereby certifies that:

- 1) The undersigned has entered into occupancy of the Premises described in said Lease on _____, 20____.
- 2) All conditions under said Lease to be performed by Landlord have been satisfied, and on this date there are not existing defenses or offsets which the undersigned has against the enforcement of said Lease by Landlord.
- 3) The Term of the Lease commenced, or will commence, as of _____, 20____, which date shall be the "**Commencement Date**" under the terms of the Lease.
- 4) The "**Expiration Date**" of the Lease is _____, 20____, subject to extension or earlier termination in accordance with the terms and conditions of the Lease.
- 5) Tenant accepts the Premises in its "**AS-IS**" condition as of the date of Tenant's possession thereof.
- 6) Tenant's obligation to pay Base Rent will commence on _____, 20____. The Abatement Period (as defined in Section 1 of Exhibit E of the Lease) will commence on _____, and end on _____, 20____.
- 7) Tenant's obligation to pay Tenant's Pro Rata Share of Expenses and Taxes will commence on _____, 20____.

Yours very truly,

a _____

By: _____

Name: _____

Its: _____

EXHIBIT H

ASBESTOS NOTIFICATION

This Exhibit H (the "**Exhibit**") is attached to and made a part of the Lease by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**") and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**") for space in the Building located at 1201 Dove Street, Newport Beach, California (the "**Building**").

Asbestos-containing materials ("**ACMs**") were historically commonly used in the construction of commercial buildings across the country. ACMs were commonly used because of their beneficial qualities. ACMs are fire-resistant and provide good noise and temperature insulation.

Some common types of ACMs include surfacing materials (such as spray-on fireproofing, stucco, plaster and textured paint), flooring materials (such as vinyl floor tile and vinyl floor sheeting) and their associated mastics, carpet mastic, thermal system insulation (such as pipe or duct wrap, boiler wrap and cooling tower insulation), roofing materials, drywall, drywall joint tape and drywall joint compound, acoustic ceiling tiles, transite board, base cove and associated mastic, caulking, window glazing and fire doors. These materials are not required under law to be removed from any building (except prior to demolition and certain renovation projects). Moreover, ACMs generally are not thought to present a threat to human health unless they cause a release of asbestos fibers into the air, which does not typically occur unless (1) the ACMs are in a deteriorated condition, or (2) the ACMs have been significantly disturbed (such as through abrasive cleaning, or maintenance or renovation activities).

It is possible that some of the various types of ACMs noted above (or other types) are present at various locations in the Building. Anyone who finds any such materials in the Building should assume them to contain asbestos unless those materials are properly tested and found to be otherwise. In addition, under applicable law, certain of these materials are required to be presumed to contain asbestos in the Building because the Building was built prior to 1981 (these materials are typically referred to as "**Presumed Asbestos Containing Materials**" or "**PACM**"). PACM consists of thermal system insulation and surfacing material found in buildings constructed prior to 1981, and asphalt or vinyl flooring installed prior to 1981. If any thermal system insulation, asphalt or vinyl flooring or surfacing materials are found to be present in the Building, such materials must be considered PACM unless properly tested and found otherwise. In addition, Landlord has identified the presence of certain ACMs in the Building. For information about the specific types and locations of these identified ACMs, please contact the Building manager. The Building manager maintains records of the Building's asbestos information including any Building asbestos surveys, sampling and abatement reports. This information is maintained as part of Landlord's asbestos Operations and Maintenance Plan ("**O&M Plan**").

The O&M Plan is designed to minimize the potential of any harmful asbestos exposure to any person in the Building. Because Landlord is not a physician, scientist or industrial hygienist, Landlord has no special knowledge of the health impact of exposure to asbestos. Therefore, Landlord hired an independent environmental consulting firm to prepare the Building's O&M Plan. The O&M Plan includes a schedule of actions to be taken in order to (1) maintain any building ACMs in good condition, and (2) to prevent any significant disturbance of such ACMs. Appropriate Landlord personnel receive regular periodic training on how to properly administer the O&M Plan.

The O&M Plan describes the risks associated with asbestos exposure and how to prevent such exposure. The O&M Plan describes those risks, in general, as follows: asbestos is not a significant health concern unless asbestos fibers are released and inhaled. If inhaled, asbestos fibers can accumulate in the lungs and, as exposure increases, the risk of disease (such as asbestosis and cancer) increases. However, measures taken to minimize exposure and consequently minimize the accumulation of fibers, can reduce the risk of adverse health effects.

The O&M Plan also describes a number of activities which should be avoided in order to prevent a release of asbestos fibers. In particular, some of the activities which may present a health risk (because those activities may cause an airborne release of asbestos fibers) include moving, drilling, boring or otherwise disturbing ACMs. Consequently, such activities should not be attempted by any person not qualified to handle ACMs. In other words, the approval of Building management must be obtained prior to engaging in any such activities. Please contact the Building manager for more information in this regard. A copy of the written O&M Plan for the Building is located in the Building management office and, upon your request, will be made available to tenants for you to review and copy during regular business hours.

Because of the presence of ACM in the Building, we are also providing the following warning, which is commonly known as a California Proposition 65 warning:

WARNING: This building contains asbestos, a chemical known to the State of California to cause cancer.

Please contact the Building manager with any questions regarding the contents of this Exhibit H.

RIDER NO. 1 TO OFFICE LEASE

EXTENSION OPTION RIDER

This Rider No. 1 is made and entered into by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**"), and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider No. 1 is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider No. 1 to the "**Lease**" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider No. 1. All capitalized terms not defined in this Rider No. 1 shall have the same meaning as set forth in the Lease.

1. Landlord hereby grants to Tenant one (1) option (the "**Extension Option**") to extend the Term of the Lease for an additional period of two (2) years (the "**Option Term**"), on the same terms, covenants and conditions as provided for in the Lease during the initial Term, except for the Base Rent, which shall equal the "fair market rental rate" for the Premises for the Option Term as defined and determined in accordance with the provisions of Section 3 below.

2. The Extension Option must be exercised, if at all, by an irrevocable written exercise notice ("**Extension Notice**") delivered by Tenant to Landlord no sooner than that date which is twelve (12) months and no later than that date which is nine (9) months days prior to the expiration of the then current term of the Lease. The Extension Option shall, at Landlord's sole option, not be deemed to be properly exercised if, at the time the Extension Option is exercised or on the scheduled commencement date for the Option Term, (a) Tenant has committed an uncured event of default whose cure period has expired pursuant to Article 18 of the Lease, (b) Tenant has assigned all or any portion of the Lease or its interest therein or sublet all or any portion of the Premises, (c) Tenant's financial condition is not sufficient, in Landlord's reasonable judgment, to perform the obligations of Tenant under the Lease during the Option Term, or (d) the City, at its sole discretion, or Landlord's lender, if any, disapproves the Extension Option terms. Provided Tenant has properly and timely exercised the Extension Option, the then current term of the Lease shall be extended by the Option Term, and all terms, covenants and conditions of the Lease shall remain unmodified and in full force and effect, except that the Base Rent shall be as set forth above.

3. The Base Rent for the Option Term shall include the periodic rental increases that would be included for space leased for the period of the Option Term.

4. Notwithstanding the fair market rental rate determined pursuant to Section 3 above, in no event shall the Base Rent payable during the Option Term be less than the Base Rent payable during the last month of the immediately preceding Term.

5. Tenant's Extension Option is further subject to the terms and conditions of Rider No. 3 attached hereto.

RIDER NO. 2 TO OFFICE LEASE

FAIR MARKET RENTAL RATE

This Rider No. 2 is made and entered into by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**"), and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider No. 2 is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider No. 2 to the "**Lease**" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider No. 2. All capitalized terms not defined in this Rider No. 2 shall have the same meaning as set forth in the Lease.

1. The term "fair market rental rate" as used in the Lease and any Rider attached thereto shall mean the annual amount per square foot, projected during the Option Term that a willing, non-equity renewal tenant (excluding sublease and assignment transactions) would pay, and a willing, institutional landlord of a comparable Class "A" office building located in the Orange County Airport market area (the "**Comparison Area**") would accept, in an arm's length transaction (what Landlord is accepting in then current transactions for the buildings located in the Project may be used for purposes of projecting rent for the Option Term), for space of comparable size, quality and floor height as the Premises, taking into account the age, quality and layout of the existing improvements in the Premises, and taking into account items that professional real estate brokers or professional real estate appraisers customarily consider, including, but not limited to, rental rates, space availability, tenant size, tenant improvement allowances, parking charges and any other lease considerations, if any, then being charged or granted by Landlord or the lessors of such similar office buildings. All economic terms other than Base Rent, such as tenant improvement allowance amounts, if any, operating expense allowances, parking charges, etc., will be established by Landlord and will be factored into the determination of the fair market rental rate for the Option Term. Accordingly, the fair market rental rate will be an effective rate, not specifically including, but accounting for, the appropriate economic considerations described above. The fair market rental rate shall include the periodic rental increases that would be included for space leased for the period of the Option Term.

2. In the event the determination of fair market rental rate is required under the Lease (as set forth in Rider No. 1 above), Landlord shall provide written notice of Landlord's determination of the fair market rental rate ("**Landlord Rent Notice**") not later than ninety (90) days following Landlord's receipt of Tenant's Extension Notice. Tenant shall have ten (10) business days after receipt of Landlord's notice of the fair market rental rate within which to accept or reject such fair market rental rate by delivering written notice ("**Tenant Rent Response Notice**") thereof to Landlord. For purposes of this Rider No. 2, the last day of such 10-business day period shall be referred herein as the "**Objection Date**". Tenant's failure to deliver the Tenant Rent Response Notice on or before the Objection Date shall be deemed to constitute Tenant's acceptance of the fair market rental rate set forth in the Landlord Rent Notice. If Tenant timely objected in the Tenant Rent Response Notice to Landlord's fair market rental rate, the parties shall follow the procedure and the fair market rental rate shall be determined as set forth in Section 3 below.

3. If Tenant timely and appropriately objects to Landlord's determination of the fair market rental rate in the Tenant Rent Response Notice, Landlord and Tenant shall attempt to agree upon the fair market rental rate using their best good-faith efforts. If Landlord and Tenant fail to reach agreement within twenty-one (21) days following the delivery of the Tenant Rent Response Notice ("**Outside Agreement Date**"), then each party shall make a separate determination of the fair market rental rate which shall be submitted to each other and to arbitration in accordance with the following items (i) through (vii):

(i) Landlord and Tenant shall each appoint, within ten (10) days of the Outside Agreement Date, one arbitrator who shall by profession be a current real estate broker or appraiser of comparable commercial properties in the immediate vicinity of the Project, and who has been active in such field over the last five (5) years. The determination of the arbitrators shall be limited solely to the issue of whether Landlord's or Tenant's submitted fair market rental rate is the closest to the actual fair market rental rate as determined by the arbitrators, taking into account the requirements of Section 1 above (i.e., the arbitrators may only select Landlord's or Tenant's determination of the fair market rental rate and shall not be entitled to make a compromise determination).

(ii) The two (2) arbitrators so appointed shall within five (5) business days of the date of the appointment of the last appointed arbitrator agree upon and appoint a third (3rd) arbitrator who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) arbitrators.

(iii) The three (3) arbitrators shall within fifteen (15) days of the appointment of the third (3rd) arbitrator reach a decision as to whether the parties shall use Landlord's or Tenant's submitted fair market rental rate, and shall notify Landlord and Tenant thereof.

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

(v) If either Landlord or Tenant fails to appoint an arbitrator within ten (10) days after the applicable Outside Agreement Date, the arbitrator appointed by one (1) of them shall reach a decision, notify Landlord and Tenant thereof, and such arbitrator's decision shall be binding upon Landlord and Tenant.

(vi) If the two (2) arbitrators fail to agree upon and appoint a third (3rd) arbitrator, or both parties fail to appoint an arbitrator, then the appointment of the third (3rd) arbitrator or any arbitrator shall be dismissed and the matter to be decided shall be forthwith submitted to arbitration under the provisions of the American Arbitration Association, but subject to the instruction set forth in this Section 3.

(vii) The cost of arbitration shall be paid by Landlord and Tenant equally.

RIDER NO. 3 TO OFFICE LEASE

OPTIONS IN GENERAL

This Rider No. 3 is made and entered into by and between THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**"), and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider No. 3 is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider No. 3 to the "**Lease**" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider No. 3. All capitalized terms not defined in this Rider No. 3 shall have the same meaning as set forth in the Lease.

(a) **Definition.** As used in this Lease and any Rider or Exhibit attached hereto, the word "**Option**" shall mean all options granted to Tenant under the Lease, including the Extension Option pursuant to Rider No. 1 attached hereto.

(b) **Option Personal.** The Option granted to Tenant is personal to the original Tenant executing this Lease (the "**Original Tenant**") and may be exercised only by the Original Tenant while occupying the entire Premises and without the intent of thereafter assigning this Lease or subletting the Premises and may not be exercised or be assigned, voluntarily or involuntarily, by any person or entity other than the Original Tenant. The Option granted to Tenant under this Lease is not assignable separate and apart from this Lease, nor may the Option be separated from this Lease in any manner, either by reservation or otherwise.

(c) **Effect of Default on Options.** Tenant will have no right to exercise any Option, notwithstanding any provision of the grant of option to the contrary, and Tenant's exercise of any Option may be nullified by Landlord and deemed of no further force or effect, if (i) Tenant is in default of any monetary obligation or material non-monetary obligation under the terms of this Lease (or if Tenant would be in such default under this Lease but for the passage of time or the giving of notice, or both) as of Tenant's exercise of the Option in question or at any time after the exercise of any such Option and prior to the commencement of the Option event, or (ii) Landlord has given Tenant two (2) or more notices of default, whether or not such defaults are subsequently cured, during any twelve (12) consecutive month period of this Lease.

(d) **Option as Economic Term.** The Option is hereby deemed an economic term which Landlord, in its sole and absolute discretion, may or may not offer in conjunction with any future extensions of the Term.

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RIDER NO. 4 TO OFFICE LEASE

WAIVER OF RELOCATION BENEFITS

This Rider No. 4 is made and entered into by and between and THE CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("**Landlord**") and HF&H CONSULTANTS, LLC, a California limited liability company ("**Tenant**"), as of the date of the Lease between Landlord and Tenant to which this Rider No. 4 is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions therein. All references in the Lease and in this Rider No. 4 to "**Lease**" shall mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented, including by this Rider No. 4. All capitalized terms not defined in this Rider No. 4 shall have the same meaning as set forth in the Lease.

Tenant acknowledges it has read and understands the following terms and knowingly and voluntarily enters into the Lease without coercion, undue influence or other inducement by Landlord or any other person or entity. In this regard, the following is and shall serve as a written Move-In Notice under Relocation Law (defined herein).

1. POST-ACQUISITION TENANT; MOVE-IN NOTICE. Tenant acknowledges that it is entering into the Lease as a "post-acquisition tenant" and that it is not (and will not become) a "displaced person", as those terms are defined in under Relocation Law. Tenant further acknowledges that in no event will it be entitled to any relocation benefits or assistance pursuant to otherwise applicable Relocation Law requirements as a result of having to move from or vacate the Premises. Not by way of limitation of the foregoing, Tenant hereby voluntarily waives and releases any claim it might otherwise have to any such relocation benefits or assistance.

(a) Landlord has informed Tenant that it acquired the Premises in May 2023 for public purposes, specifically the construction and development of a public project for a new police department facility ("**Public Facility**"). Landlord will apply for and seek approval of federal, state or local funding for part or all of the Public Facility, which, if implemented, will require Tenant to move from the Premises, permanently, and in such instance, Tenant will not be eligible as a displaced person under the Relocation Law.

(b) The proposed Public Facility would involve demolition and new construction of the subject Property and Premises. Since potential federal, state, and local funding would be planned for use in the Public Facility, the Relocation Law may apply to persons and businesses in lawful occupancy at the time an application for funding is submitted for federal, state and/or local funding.

(c) In the event, you as Tenant, choose to enter into occupancy of the Premises as a new tenant you will not be eligible, nor will you become eligible, for relocation payments or assistance under the Relocation Law.

(d) If Tenant is ever required to vacate the Premises upon notice from Landlord, its move from, and vacation of, the Premises would be the result of the termination of Tenant's leasehold interest, and shall not be considered, expressly or impliedly, as a direct result of either: (i) a written notice of intent to acquire, or the acquisition of, the Premises, in whole or in part, for a program or project undertaken by a public entity or by any person having an agreement with, or acting on behalf of, a public entity; or (ii) the rehabilitation, demolition, or other displacing activity, as the public entity may prescribe under a program or project undertaken by a public entity, of real property on which the person is a tenant or conducts a business or farm operation, if the public entity determines that the displacement is permanent under the Relocation Law. Nothing contained in this Rider No. 4 grants Landlord additional rights to (A) terminate the Lease early or (B) relocate the Premises, and such rights shall be governed by the terms and conditions set forth in the Lease. Notwithstanding anything to the contrary in this Rider No 4, if Landlord elects to relocate the Premises pursuant to Section 21 of the Lease, Section 21 of the Lease shall solely apply to such relocation and the provisions of this Rider No 4 shall not be applicable to such relocation.

(e) Tenant understands that other businesses or persons in occupancy at the Property may be or become eligible for relocation assistance that may include, without limitation, advisory assistance, payment for certain moving expenses, business re-establishment expenses, and expenses incurred in searching for a replacement business; however, Tenant is entering occupancy under this Lease as a "post-acquisition tenant" and is not and will not become eligible for such assistance or benefits under the Relocation Law.

(f) Landlord intends that these provisions are intended as a written Move-In Notice to inform you, Tenant, of the following information before you enter into this Lease and/or occupy the Premises:

(1) You may be displaced by the Public Facility; and

(2) You will not be entitled to any relocation advisory assistance or monetary benefits under the Relocation Law.

(g) After full consideration of the foregoing advisement and information, Tenant agrees that:

(1) under the Relocation Law, including without limitation California Government Code Section 7260(c)(2)(D), Tenant is not and will not become a "displaced person"; therefore, Tenant is not, and shall not become, entitled to relocation assistance or benefits if this Lease is terminated in connection with the Public Facility or use of the Property for any other public purposes, or if Tenant moves from the Premises for whatever reason at any time;

(2) if for any reason Tenant shall ever be determined to be a "displaced person", Tenant does hereby expressly, intentionally, and knowingly waive each and any claim of entitlement to relocation assistance and/or benefits under the Relocation Law in connection with the Tenant's occupancy of the Premises under the Lease;

(h) Tenant expressly, intentionally, and knowingly does and shall settle, waive, and release any and all claims associated in any manner with Landlord's termination of Tenant's leasehold interest and Tenant's business operation at the Premises and the move or removal of Tenant's personal property from the Premises, to the extent that such claims exist now, or otherwise may or may not arise, or may or may not have arisen in the future, if at all.

(i) Tenant represents, warrants, and agrees that it has not entered into any other lease, assignment or any other agreement allowing any third party to occupy all or any part of the Premises. Tenant represents, warrants, and agrees that as of the date of this Lease, other than Tenant, no other person or entity has or will have any legal right to possess or occupy the Premises, excepting Tenant.

2. TENANT'S RELEASE AND WAIVER OF LANDLORD CITY OF NEWPORT BEACH. Tenant is entering into the Lease with Landlord and agrees that all rights or obligations that exist or may arise out of the termination of Tenant's leasehold interest at some date in the future, whether for public, private or any other purposes, include Tenant's intentional release and waiver of any and all rights to seek remedies under the Relocation Law, to seek compensation for alleged severance damages, pre-condemnation damages, alleged loss of business goodwill, or for costs, interest, attorneys' fees, and/or any claim whatsoever that might arise out of or relate in any respect whatsoever directly or indirectly to the termination of Tenant's leasehold interest by Landlord.

(a) Accordingly, Tenant acknowledges and agrees that Landlord's termination of Tenant's leasehold interest and the move of Tenant's business and/or removal of Tenant's personal property from the Premises are non-compensable under the Relocation Law and other federal and state laws related to Tenant's move of its business from the Premises. Tenant agrees its status is deemed and shall be and remain as a post-acquisition tenant.

(b) Tenant fully, intentionally, knowingly and voluntarily waives, releases and discharges Landlord (City of Newport Beach) and its appointed and elected officials, officers, directors, employees, contractors, and agents (together "**Indemnitees**") from all and any manner of rights, demands, liabilities, obligations, claims, or cause of actions, in law or equity, of whatever kind or nature, whether known or unknown, whether now existing or hereinafter arising, which arise from or relate in any manner to (i) the use of the Premises for a public project or other public purposes, and (ii) the relocation of any of Tenant's business operations or the relocation of any person or persons, business or businesses, or other occupant or occupants located on the Premises, including the specific waiver and release of all rights under the Relocation Law and/or payments that otherwise may be required under such state or federal law.

(c) Tenant waives all rights to compensation for any interest in the business operations at, on, or about the Premises including, but not limited to, land and improvements, fixtures, furniture, or equipment thereon, goodwill, severance damage, attorneys' fees or any other compensation of any nature whatsoever.

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(d) It is hereby intended that the release contained herein relates to both known and unknown claims that Tenant and any person or entity claiming by or through Tenant may have, or claim to have, against any of the Indemnitees with respect to the subject matter contained herein or the events relating thereto. By releasing and forever discharging claims both known and unknown which are related to or which arise under or in connection with, the items set out above, Tenant expressly waives any rights under California Civil Code Section 1542 and any similar law of any state or territory of the United States are expressly waived. Section 1542 reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Tenant Initials: _____

(e) In connection with the Lease, and the above release and waiver, Tenant acknowledges that it is aware that it and its attorneys may hereafter discover claims or facts or legal theories in addition to or different from those which it know or believe to exist with respect to the claims released herein, but that Tenant's intention hereby is to fully, finally and forever release and waive all such claims, known or unknown, suspected or unsuspected, which do now exist, may exist or have existed in favor of Tenant. In furtherance of such intention, Tenant's entering into the Lease shall evidence Tenant's full and complete release and waiver, notwithstanding the discovery or existence of any such additional claims, facts, or legal theories under applicable laws or regulations or otherwise relating to the Premises or the termination of Tenant's leasehold interest and later move from the Premises. Tenant acknowledges and agrees that its waiver and release is an essential and material term to the Lease and that without it, Landlord would not have consented to the Lease. Tenant understands and acknowledges the significance and consequences of these provisions under the Lease.

(f) Tenant agrees, warrants and represents that it has carefully read the contents of the Lease and that, in executing the Lease, Tenant does so with full knowledge of any right which it may have, that it has received independent legal advice from its attorneys, or in the alternative, knowingly has determined not to seek legal advice with respect to the matters set forth herein, and that Tenant has freely signed this Lease without relying on any agreement, promise, statement or representation by or on behalf of any person or entity, including any and all Indemnitees, except as specifically set forth in the Lease.

(g) The statements, representations and recitals contained in the Lease are to be considered contractual in nature and not merely recitations of fact. The Lease, the advisements herein, and the above release and waiver shall be binding upon Tenant and its heirs, agents, successors, legal representatives and assigns.

3. **RELOCATION LAW DEFINITION.** "Relocation Law" as used herein shall mean applicable federal, state, and local laws and regulations, including without limitation (i) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), 42 U.S.C. 4601-4655, and the implementing regulations at 49 CFR Part 24, (ii) the California Relocation Assistance Act, Government Code Section 7260, et seq. and the implementing regulations at Title 25, Section 6000, et seq. of the California Code of Regulations, and (iii) any other applicable federal, state or local enactment, regulation or practice providing for relocation assistance, benefits, or compensation for moving and for property interests (including without limitation furnishings, fixtures and equipment, goodwill, and moving expenses).

(d) It is hereby intended that the release contained herein relates to both known and unknown claims that Tenant and any person or entity claiming by or through Tenant may have, or claim to have, against any of the Indemnitees with respect to the subject matter contained herein or the events relating thereto. By releasing and forever discharging claims both known and unknown which are related to or which arise under or in connection with, the items set out above, Tenant expressly waives any rights under California Civil Code Section 1542 and any similar law of any state or territory of the United States are expressly waived. Section 1542 reads as follows:

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Tenant Initials: *TH* *B*

(e) In connection with the Lease, and the above release and waiver, Tenant acknowledges that it is aware that it and its attorneys may hereafter discover claims or facts or legal theories in addition to or different from those which it know or believe to exist with respect to the claims released herein, but that Tenant's intention hereby is to fully, finally and forever release and waive all such claims, known or unknown, suspected or unsuspected, which do now exist, may exist or have existed in favor of Tenant. In furtherance of such intention, Tenant's entering into the Lease shall evidence Tenant's full and complete release and waiver, notwithstanding the discovery or existence of any such additional claims, facts, or legal theories under applicable laws or regulations or otherwise relating to the Premises or the termination of Tenant's leasehold interest and later move from the Premises. Tenant acknowledges and agrees that its waiver and release is an essential and material term to the Lease and that without it, Landlord would not have consented to the Lease. Tenant understands and acknowledges the significance and consequences of these provisions under the Lease.

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