ATTORNE	OR PARTY WITHOUT ATTORNEY	STATE BAR NUMBER: 180652	FOR COURT USE ONLY
NAME: A	lexandre Ian Cornelius		
FIRM NAM	E: Cornelius & Kasendorf, APC		Floatronically EII ED by
1	DDRESS: 23801 Calabasas Rd., STE 100		Electronically FILED by Superior Court of California,
_	labasas	STATE: CA ZIP CODE: 91302	County of Los Angeles
	NE NO.: (818) 835-9159	FAX NO.: (818) 396-3160	2/13/2025 10:14 ĀM
	PRESS: cornelius@thecalaw.com		David W. Slayton, Executive Officer/Clerk of Court,
	FOR (name): 530 6th Street, LLC, a Califo		By D. Johnson, Deputy Clerk
	OR COURT OF CALIFORNIA, COUNTY OF	: Los Angeles	
	ADDRESS: 111 North Hill Street		
	ADDRESS: 111 North Hill Street ZIP CODE: Los Angeles, CA 90012		
	CH NAME: Stanley Mosk Courthouse		
-	ITIFF: 530 6th Street, LLC, a California	limited liability company	-
	DANT: Quadranet, Inc., a California corp	• • •	
1	OES 1 TO 100	orallon.	
	COMPLAINT—UNLAW	/FIII DETAINER*	CASE NUMBER:
x			258TCV04010
	COMPLAIN I AMENDED COM	PLAINT (Amendment Number):	
Jurisdi	ction (check all that apply):		
		ount demanded does not exceed \$35,0	00)
Amount	demanded does not exceed \$10,	000	
	exceeds \$10,000	- (
		E (amount demanded exceeds \$35,000)	and all that and it
	•	ended complaint or cross-complaint <i>(cl</i>	
	from unlawful detainer to general lim	limited civil (possession not in issue).	from limited to unlimited. from unlimited to limited.
	Hom amawar detainer to general init	ited civii (possession not in issue).	
	AINTIFF (name each):	***	
530	6th Street, LLC, a California limited liab	ollity company	
alle Out	ges causes of action against DEFENDA adranet, Inc., a California corporation ar	ANT (name each):	
Que	duranet, me., a Camornia corporation ar	10 DOLO 1 10 100	
0 -	Disinstiff is (1)		- makin
2. a.		rer the age of 18 years. (4) a partn	•
	(2) a public agency	` ,	pration.
		a limited liability company	
b.	Plaintiff has complied with the fig	ctitious business name laws and is doing b	usiness under the fictitious name of (specify):
3. a.	The years is the court named above to	hannyan dafandant namad ahaya ia in naa	accion of the promises leasted at (atreat
3. a.	address, apt. no., city, zip code, and c	because defendant named above is in pos	session of the premises located at (street
	530 W. 6th Street, Suite 1301, Los An		
		geles, 90014, Los Aligeles County	
b.	The premises in 3a are (check one)		
	(1) x within the city limits of (nar	me of city): Los Angeles	
	(2) within the unincorporated a	area of (name of county):	
C.	The premises in 3a were constructed	in <i>(approximate year):</i> 1929	
4. Plai	ntiff's interest in the premises is x	as owner other (specify):	
5. The	true names and capacities of defendar	its sued as Does are unknown to plaintiff.	
, .			

* NOTE: Do not use this form for evictions after sale (Code Civ. Proc., § 1161a).

F	PLAIN	NTIFF: 530 6th Street, LLC, a California limited liability company	CASE NUMBER:				
DE	FEND	DANT: Quadranet, Inc., a California corporation					
6.	a. On or about (date): January 1, 2010						
		defendant (name each): Quadranet, Inc., a California corporation successor-in-interest to OC3 Networks liability company	& Web Solutions, LLC a California limited				
		(1) agreed to rent the premises as a month-to-month tenancy x c (2) agreed to pay rent of \$ 38,673.00 payablex monthly	other tenancy (specify): Estate for Years other (specify frequency):				
		(3) agreed to pay rent on the X first of the month other day (spe					
	b.	This x written oral agreement was made with	,,,				
		(1) x plaintiff. (3) plaintiff's predecessor in interest.					
		(2) plaintiff's agent. (4) Other (specify):					
	C.	The defendants not named in item 6a are					
		(1) subtenants. (2) assignees.					
		(3) Other (specify):					
	d.	x The agreement was later changed as follows (specify): See attachment MC-025					
	e. f.	A copy of the written agreement, including any addenda or attachments the and labeled Exhibit 1. (Required for residential property, unless item 6f is (For residential property) A copy of the written agreement is not attached the written agreement is not in the possession of the landlord or the landlord.	checked. See Code Civ. Proc., § 1166.) because (specify reason):				
		(2) this action is solely for nonpayment of rent (Code Civ. Proc., § 1161)	, , , , , , , , , , , , , , , , , , ,				
7.	The	e tenancy described in 6 (complete (a) or (b))					
	a. b.	x is not subject to the Tenant Protection Act of 2019 (Civil Code, § 1946.2) is exempt is (specify): Civil Code, section 1946.2(a) is subject to the Tenant Protection Act of 2019.	The specific subpart supporting why tenancy				
8.		emplete only if item 7b is checked. Check all applicable boxes.)					
	a.	The tenancy was terminated for at-fault just cause (Civil Code, § 1946.2(o)(1)).				
	b.	The tenancy was terminated for no-fault just cause (Civil Code, § 1946.2	(b)(2)) and the plaintiff (check one)				
		(1) waived the payment of rent for the final month of the tenancy, before section 1946.2(d)(2), in the amount of \$	the rent came due, under				
		(2) provided a direct payment of one month's rent under section 1946.20 to (name each defendant and amount given to each):	d)(3), equaling \$				
	C.	Because defendant failed to vacate, plaintiff is seeking to recover the total	ıl amount in 8b as damages in this action.				
9.	a.	x Defendant (name each): Quadranet, Inc., a California corporation					
		was served the following notice on the same date and in the same manner:					
	((1) x 3-day notice to pay rent or quit (5) 3-day notice to perform	covenants or quit				
		(2) 30-day notice to quit (not applicable if item 7b	checked)				
		Prior required notice to represent the prior required notice to prior prior required notice to prior	r Civil Code, § 1946.2(c) erform covenants served (date):				
	(-	4) 3-day notice to quit (7) Other (specify):	. ,				

		NTIFF: 530 6th Street, LLC, a California limited liability company DANT: Quadranet, Inc., a California corporation	CASE NUMBER:
9.	b.	 (1) On (date): February 11, 2025 the period stated in the notice chec (2) Defendants failed to comply with the requirements of the notice by that date. 	ked in 9a expired at the end of the day.
	C.	All facts stated in the notice are true.	
	d.	x The notice included an election of forfeiture.	
	e.	A copy of the notice is attached and labeled Exhibit 2. (Required for resident When Civil Code, § 1946.2(c), applies and two notices are required, provide	
	f.	One or more defendants were served (1) with the prior required notice unde notice, (3) on a different date, or (4) in a different manner, as stated in Attack statement providing the information required by items 9a—e and 10 for each	hment 10c. (Check item 10c and attach a
10.	a.	x The notice in item 9a was served on the defendant named in item 9a as follows:	ows:
		(1) By personally handing a copy to defendant on (date):	
		(2) By leaving a copy with (name or description):	,
		a person of suitable age and discretion, on (date):	at defendant's
		residence business AND mailing a copy to defendant at def	endant's place of residence
		on (date): because defendant cannot be found at defer	ndant's residence or usual place of business
		(3) x By posting a copy on the premises on (date): February 6, 2025	
		X AND giving a copy to a person found residing at the premises AND ma	illing a copy to defendant at the premises
		on (date): February 6, 2025	
		(a) because defendant's residence and usual place of business cannot	
		(b) x because no person of suitable age or discretion can be found ther	
		(4) [(Not for 3-day notice; see Civil Code, § 1946, before using) By sending addressed to defendant on (date):	a copy by certified or registered mail
		(5) [Not for residential tenancies; see Civil Code, § 1953, before using) In commercial lease between the parties	the manner specified in a written
	b.	(Name):	
		was served on behalf of all defendants who signed a joint written rental agreemen	
	C.	Information about service of notice on the defendants alleged in item 9f is st	ated in Attachment 10c.
	d.	x Proof of service of the notice in item 9a is attached and labeled Exhibit 3.	
11.		Plaintiff demands possession from each defendant because of expiration of a fixed	ed-term lease.
12.	X	$\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ $	ue was \$280,657.52
13.	X	The fair rental value of the premises is \$4,683.61 per day.	
14.		Defendant's continued possession is malicious, and plaintiff is entitled to statutor section 1174(b). (State specific facts supporting a claim up to \$600 in Attachment	
15.	X	A written agreement between the parties provides for attorney fees.	
16.		Defendant's tenancy is subject to the local rent control or eviction control ordinan date of passage):	ce of (city or county, title of ordinance, and
17	Pla	intiff has met all applicable requirements of the ordinances.	
17.		Other allegations are stated in Attachment 17.	
18.	Plai	intiff accepts the jurisdictional limit, if any, of the court.	

PLAINTIFF: 530 6th Street, LLC, a California li DEFENDANT: Quadranet, Inc., a California corpo		:
19. PLAINTIFF REQUESTS	THE THEORY OF THE PROPERTY OF	
 a. possession of the premises. b. costs incurred in this proceeding: c. x past-due rent of \$280,657.52 d. x reasonable attorney fees. e. x forfeiture of the agreement. 	f. damages in the amount of waived rent as stated in item 8: \$ g. x damages at the rate stated in item 13 for date: February 1, 2025 for each day that defendants remain in posses the statutory damages up to \$600 for the color other (specify):	rom ession through entry of judgment.
20. X Number of pages attached (specify):	8 2	
UNLAWFUL DETA	INER ASSISTANT (Bus. & Prof. Code, §§ 6400-	-6415)
21. (Complete in all cases.) An unlawful de	tainer assistant 🕱 did not 🔝 did	
for compensation give advice or assistance w detainer assistant, complete a-f.)	ith this form. (<i>If declarant has received any help or a</i>	dvice for pay from an unlawful
a. Assistant's name:	c. Telephone no.:	
b. Street address, city, and zip code:	d. County of registrat	tion:
	e. Registration no.:	
	f. Expires on (date):	
Date: Fahrung 42, 2025		
Date: February 12, 2025		1 0 1.
Alexandre Ian Cornelius (TYPE OR PRINT NAME)	Kleyandra (SIGNATURE OF	PLANTIFF OR ATTORNEY)
	VERIFICATION	
·	the verification is by an attomey or for a corporation his complaint. I declare under penalty of perjury under	
Date: February 12, 2025	11. R	
530 6th Street, LLC	/ Um By	an
(TYPE OR PRINT NAME)	Authorized Signate	0.12 01 1 5 4111111)
	Authorized Signato	лу

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M	<u> </u>	v	4	€

	1110 020
SHORT TITLE:	CASE NUMBER:
530 6th Street, LLC v. Quadranet, Inc.	

ATTACHMENT (Number): 1

(This Attachment may be used with any Judicial Council form.)

The lease dated January 1, 2010 was amended two times. Furthermore, there was an assignment of the lease from tenant OC3 Networks & Web Solutions, LLC a California limited liability company to Quadranet, Inc., a California corporation as of December 7, 2010. All amendments and assignments are included in to the Lease as Exhibit "1."

Ultimately, based on the Second Amendment dated June 11, 2021, the rent due was the base rent, operating costs, and utilities (collectively "Rent") and the Rent due as of January 1, 2025 was \$140,508.43. The Rent due for February 1, 2025 was \$140,149.09. The total past due rent is \$280,657.52.

(If the item that this Attachment concerns is made under penalty of perjury, all statements in this Attachment are made under penalty of perjury.)

Page 1 of 1
(Add pages as required)

EXHIBIT 1

TELECOMMUNICATIONS OFFICE LEASE

530 WEST SIXTH STREET LOS ANGELES, CALIFORNIA

530 6TH STREET, LLC, a California limited liability company

as Landlord,

and

OC3 NETWORKS &WEB SOLUTIONS LLC a California limited liability company

as Tenant

Suite 1301

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EXHIBITS

- A B C D
- OUTLINE OF PREMISES NOTICE OF LEASE TERM DATES RULES AND REGULATIONS FORM OF TENANT'S ESTOPPEL CERTIFICATE

530 WEST SIXTH STREET

TELECOMMUNICATIONS OFFICE LEASE

This Telecommunications Office Lease (the "Lease"), dated as of the date set forth in Section 1 of the Summary of Basic Lease Information (the "Summary"), below, is made by and between 530 6TH STREET, LLC, a California limited liability company ("Landlord"), and OC3 Networks & Web Solutions, LLC, a California limited liability company (Tenant).

SUMMARY OF BASIC LEASE INFORMATION

		TERMS OF LEASE	DESCRIPTION
1.	Date:		January 1, 2010
2.	Premis (<u>Article</u>		
	2.1	Building:	530 West 6th Street, Los Angeles, California 90014.
	2.2	Premises:	Approximately 12,245 rentable square feet, located on the 13^{th} Floor at Suite 1301.
3.	Lease (Article		
	3.1	Length of Term:	Ten Years (120 months).
	3.2.a	Delivery Date:	January 1, 2010
	3.2.b	Lease Commencement Date:	January 1, 2010
	3.3	Lease Expiration Date:	December 31, 2020

4. Base Monthly Rental

Year	Monthly Premises Rent	Monthly Cabinet Rent	Monthly Innerduct Rent	Monthly Generator Rent	Total Monthly Rent	Total Annual Rent
1	\$36,735.00	\$600.00	\$438.00	\$900.00	\$38,673.00	\$464,076.00
2	\$37,806.15	\$618.00	\$480.00	\$900.00	\$39,804.15	\$477,649.80
3	\$38,940.33	\$636.54	\$480.00	\$900.00	\$40,956.87	\$491,482.49
4	\$40,208.54	\$655.64	\$480.00	\$900.00	\$42,144.18	\$505,730.21
5	\$41,311.80	\$675.31	\$480.00	\$900.00	\$43,367.11	\$520,405.33
6	\$42,551.15	\$695.57	\$480.00	\$900.00	\$44,626.72	\$535,520.70
7	\$43,827.69	\$716.44	\$480.00	\$900.00	\$45,924.13	\$551,089.55
8	\$45,142.52	\$737.93	\$480.00	\$900.00	\$47,260.45	\$567,125.40
9	\$46,496.80	\$760.07	\$480.00	\$900.00	\$48,636.87	\$583,642.39
10	\$47,891.70	\$782.87	\$480.00	\$900.00	\$50,054.57	\$600,654.84

Base Year (<u>Article 4</u>):

Calendar Year 2010

6. Tenant's Share (Article 4):

2.1%

7. Permitted Use (<u>Article 5</u>):

Installation, operation and maintenance of equipment and facilities in connection with Tenant's telecommunications, web hosting and

collocation business.

8. Security Deposit (Article 21):

\$45,000.00

9. Address of Tenant (Section 29.18):

OC3 NETWORKS & WEB SOLUTIONS, LLC

19528 Ventura Boulevard, #433

Tarzana, CA 91356
Attention: Mr. Ilan Mishan
Facsimile: 213 - 614 9375
Phone: 213 - 614 9371

10. Address of Landlord

(Section 29.18):

530 6TH STREET, LLC

c/o Morlin Management 444 South Flower Street, 5th Floor Los Angeles, CA 90071 Attention: Jock Ebner

Attention: Jock Ebner Facsimile: (213) 402-8400

11. Broker(s) (Section 29.24):

None.

12. Guarantor:

None

PREMISES, BUILDING, PROJECT, AND COMMON AREAS

Premises, Building, Project and Common Areas.

- 1.1.1 <u>The Premises</u>. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises set forth in Section 2.2 of the Summary (the "Premises"). The parties hereto agree that the lease of the Premises is upon and subject to the terms, covenants and conditions herein set forth, and Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all of such terms, covenants and conditions by it to be kept and performed and that this Lease is made upon the condition of such performance. Landlord shall not be obligated to provide or pay for any improvements, work or services related to the improvement, remodeling or refurbishment of the Premises. Tenant shall accept the Premises in its "AS IS". Tenant shall be required to pay Base Rent from and after the Delivery Date. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Premises, the Building or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business. The taking of possession of the Premises by Tenant shall conclusively establish that the Premises and the Building were at such time in good and sanitary order, condition and repair.
- 1.1.2 <u>Condition of Premises</u>. Tenant acknowledges that Landlord has made no representation or warranty as to the condition or suitability of the Premises or any equipment, connections or facilities serving the Premises for Tenant's operations. Tenant confirms that it has conducted an independent investigation of the Premises, all equipment, connections and facilities serving the Premises and all other aspects of the Project, Tenant hereby waives any claims for any costs, expenses, damages or liabilities that Tenant may incur as a result of its use thereof.
- 1.1.3 The Building and The Project. The Premises are a part of the building set forth in Section 2.1 of the Summary (the "Building"). The Building is part of an office project known as "530 West Sixth Street." or "Telecom Center LA". The term "Project," as used in this Lease, shall mean (i) the Building and the Common Areas, (ii) the land (which is improved with landscaping, and other improvements) upon which the Building and the Common Areas are located, and (iii) at Landlord's discretion, any additional real property, areas, land, buildings or other improvements added thereto outside of the Project. Landlord reserves the right to change the name of the Building and the Project from time to time in its sole discretion. Landlord shall notify Tenant of its intent to change the name of the Building or Project within a reasonable time prior to such change.
- 1.1.4 Common Areas. Tenant shall have the non-exclusive right to use in common with other tenants in the Project, and subject to the rules and regulations referred to in Article 5 of this Lease, those portions of the Project which are provided, from time to time, for use in common by Landlord, Tenant and any other tenants of the Project (such areas, together with such other portions of the Project designated by Landlord, in its discretion, including certain areas designated for the exclusive use of certain tenants, or to be shared by Landlord and certain tenants, are collectively referred to herein as the "Common Areas"). The Common Areas shall consist of the Common Areas of the Project and Building. The use of the Common Areas are maintained and operated shall be at the sole discretion of Landlord and the use thereof shall be subject to such rules, regulations and restrictions as Landlord may make from time to time. Landlord reserves the right to close temporarily, make alterations or additions to, or change the location of elements of the Project and the Common Areas, but at all time shall maintain Tenant's access to the Premises.

- 1.1.5 Access. Landlord agrees that, subject to Landlord's reasonable rules and regulations, and access control systems and procedures, Tenant shall have access to the Premises 24 hours a day, 365 days a year during the Term.
- 1.2. Rentable Square Feet. The parties hereby stipulate that the Premises contain the number of rentable square feet set forth in Section 2.2 of the Summary, and such square footage amount is not subject to adjustment or re-measurement by Landlord or Tenant. Accordingly, there shall be no adjustment in the Base Rent or other amounts set forth in this Lease which are determined based upon rentable square feet of the Premises.

LEASE TERM

2.1. Lease Term

2.1.1 <u>Initial Lease Term.</u> The terms and provisions of this Lease shall be effective as of the date of this Lease. The term of this Lease (the "Term") shall be as set forth in <u>Section 3.1</u> of the Summary, shall commence on the date set forth in <u>Section 3.2</u> of the Summary (the "Lease Commencement Date"), and shall terminate on the date set forth in <u>Section 3.3</u> of the Summary (the "Lease Expiration Date") unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12) month period during the Term; provided, however, that the last Lease Year shall end on the Lease Expiration Date. At any time during the Term, Landlord may deliver to Tenant a notice in the form as set forth in <u>Exhibit B</u>, attached hereto, as a confirmation only of the information set forth therein, which Tenant shall execute and return to Landlord within five (5) days of receipt thereof.

ARTICLE 3

BASE RENT

Base Rent. Tenant shall pay, without prior notice or demand, to Landlord or Landlord's agent at the management office of the Project, or, at Landlord's option, at such other place as Landlord may from time to time designate in writing, by a check for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent for the Premises ("Base Rent") as set forth in Section 4 of the Summary, payable in equal monthly installments as set forth in Section 4 of the Summary in advance on or before the first day of each and every calendar month during the Term, without any setoff or deduction whatsoever. The Base Rent for the first full month of the Term shall be paid at the time of Tenant's execution of this Lease and shall be applied to the fourth month of the Term. The Base Rent for the first three months of the Term shall be abated. However, Tenant shall remain responsible for payment of all Additional Rent due and all utility and HVAC costs due during these three months and said abatement shall not apply to these Additional Rent obligations. If any Rent payment date (including the Lease Commencement Date) falls on a day of the month other than the first day of such month or if any payment of Rent is for a period which is shorter than one month, the Rent for any fractional month shall accrue on a daily basis for the period from the date such payment is due to the end of such calendar month or to the end of the Term at a rate per day which is equal to 1/365 of the applicable annual Rent. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis.

ADDITIONAL RENT

- 4.1. General Terms. In addition to paying the Base Rent specified in Article 3 of this Lease, Tenant shall pay "Tenant's Share" of the annual "Direct Expenses," as those terms are defined in Sections 4.2.6 and 4.2.2 of this Lease, respectively allocated to the tenants of the Building, to the extent such Direct Expenses allocated to the tenants of the Building are in excess of Tenant's share of Direct Expenses applicable to the "Base Year," as that term is defined in Section 4.2.1 of this Lease. Such payments by Tenant, together with any and all other amounts payable by Tenant to Landlord pursuant to the terms of this Lease, are hereinafter collectively referred to as the "Additional Rent", and the Base Rent and the Additional Rent are herein collectively referred to as "Rent." All amounts due under this Article 4 as Additional Rent shall be payable for the same periods and in the same manner as the Base Rent. Without limitation on other obligations of Tenant which survive the expiration of the Term to pay the Additional Rent provided for in this Article 4 shall survive the expiration of the Term
- 4.2. <u>Definitions of Key Terms Relating to Additional Rent</u>. As used in this <u>Article 4</u>, the following terms shall have the meanings hereinafter set forth:
 - 4.2.1 "Base Year" shall mean the period set forth in Section 5 of the Summary.
 - 4.2.2 "Direct Expenses" shall mean "Operating Expenses" and "Tax Expenses."
- 4.2.3 "Expense Year" shall mean each calendar year in which any portion of the Term falls, through and including the calendar year in which the Term expires, provided that Landlord, upon notice to Tenant, may change the Expense Year from time to time to any other twelve (12) consecutive month period, and, in the event of any such change, Tenant's Share of Direct Expenses shall be equitably adjusted for any Expense Year involved in any such change.
- 4.2.4 "Operating Expenses" shall mean all expenses, costs and amounts of every kind and nature which Landlord pays or accrues during any Expense Year because of or in connection with the ownership, management, maintenance, security, repair, replacement, restoration or operation of the Project, or any portion thereof. Without limiting the generality of the foregoing, Operating Expenses shall specifically include any and all of the following:
- (i) the cost of supplying all utilities (except for utilities provided to the Premises or to the premises of other tenants in the Building), the cost of operating, repairing, maintaining, and renovating the utility, telephone, mechanical, sanitary, storm drainage, and elevator systems, and the cost of maintenance and service contracts in connection therewith;
- (ii) the cost of licenses, certificates, permits and inspections and the cost of contesting any governmental enactments which may affect Operating Expenses, and the costs incurred in connection with a transportation system management program or similar program;
- (iii) the cost of all insurance carried by Landlord in connection with the Project, and the amounts of insurance deductibles or self-insured losses to the extent otherwise includable in Operating Expenses;
- (iv) the cost of landscaping, re-lamping, and all supplies, tools, equipment and materials used in the operation, repair and maintenance of the Project, or any portion thereof;

- (v) costs incurred in connection with any parking areas servicing the Building;
- (vi) fees and other costs, including management fees, consulting fees, legal fees and accounting fees, of all contractors and consultants in connection with the management, operation, maintenance and repair of the Project (including city sidewalks);
- (vii) payments under any equipment rental agreements and the fair rental value of any management office space;
- (viii) wages, salaries and other compensation and benefits, including taxes levied thereon, of all persons engaged in the operation, maintenance and security of the Project;
 - (ix) costs under any instrument pertaining to the sharing of costs by the Project;
- (x) operation, repair, maintenance and replacement of all systems and equipment and components thereof of the Building;
- (xi) the cost of janitorial (except for janitorial services provided to the Premises or to the premises of other tenants in the Building), alarm, security and other services, replacement of wall and floor coverings, ceiling tiles and fixtures in the Project and in common areas, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing;
- (xii) amortization (including interest on the unamortized cost at a rate equal to the floating commercial loan rate announced from time by Bank of America, a national banking association, or its successors, as its prime rate, plus two percent (2%) per annum (the "Interest Rate")) of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project, or any portion thereof;
- (xiii) the cost of capital improvements or other costs incurred in connection with the Project (A) which are intended to effect economies in the operation or maintenance of the Project, or any portion thereof, (B) that are required to comply with present or anticipated conservation programs, (C) which are replacements or modifications of nonstructural items located in the Project required to keep the Project in good order or condition, or (D) that are required under any governmental law or regulation; provided, however, that any capital expenditure shall be amortized (including interest on the unamortized cost at the Interest Rate in effect at the time such expenditure is placed in service) over its useful life as Landlord shall reasonably determine;
- (xiv) costs, fees, charges or assessments imposed by, or resulting from any mandate imposed on Landlord by, any federal, state or local government for fire and police protection, trash removal, community services, or other services which do not constitute "Tax Expenses" as that term is defined in Section 4.2.5, below; and
- (xv) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Building. If Landlord is not furnishing any particular work or service (the cost of which, if performed by Landlord, would be included in Operating Expenses) to a tenant who has undertaken to perform such work or service in lieu of the performance thereof by Landlord, Operating Expenses shall be deemed to be increased by an amount equal to the additional Operating Expenses which would reasonably have been incurred during such period by Landlord if it had at its own expense furnished such work or service to such tenant.

If the Project is not one-hundred percent (100%) occupied during all or a portion of any Expense Year, Landlord may elect to make an appropriate adjustment to the components of Operating Expenses for such year to determine the amount of Operating Expenses that would have been incurred had the Building been one hundred percent (100%) occupied; and the amount so determined shall be deemed to have been the amount of Operating Expenses for such year. Operating Expenses for the Base Year shall not include market-wide labor-rate increases due to extraordinary circumstances, including, but not limited to, boycotts and strikes, and utility rate increases due to extraordinary circumstances including, but not limited to, conservation surcharges, boycotts, embargoes or other shortages, or amortized costs relating to capital improvements. In no event shall the components of Direct Expenses for any Expense Year related to electrical costs be less than the components of Direct Expenses related to electrical costs in the Base Year.

4.2.5 <u>Taxes</u>.

- 4.2.5.1 "Tax Expenses" shall mean all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary, (including, without limitation, real estate taxes, general and special assessments, transit taxes, leasehold taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, unless required to be paid by Tenant, personal property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, appurtenances, furniture and other personal property used in connection with the Project, or any portion thereof), which shall be paid or accrued during any Expense Year (without regard to any different fiscal year used by such governmental or municipal authority) because of or in connection with the ownership, leasing and operation of the Project, or any portion thereof.
- Tax Expenses shall include, without limitation: (i) Any tax on the rent, right to rent or other income from the Project, or any portion thereof, or as against the business of leasing the Project, or any portion thereof; (ii) Any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of California in the June 1978 election ("Proposition 13") and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants, and, in further recognition of the decrease in the level and quality of governmental services and amenities as a result of Proposition 13, Tax Expenses shall also include any governmental or private assessments or the Project's contribution towards a governmental or private cost-sharing agreement for the purpose of augmenting or improving the quality of services and amenities normally provided by governmental agencies; (iii) Any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises or the Rent payable hereunder, including, without limitation, any business or gross income tax or excise tax with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises, or any portion thereof; and (iv) Any assessment, tax, fee, levy or charge, upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises.
- 4.2.5.3 Any costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in attempting to protest, reduce or minimize Tax Expenses shall be included in Tax Expenses in the Expense Year such expenses are paid. Tax refunds shall be credited against Tax Expenses and refunded to Tenant regardless of when received, based on the Expense Year to which the refund is applicable, provided that in no event shall the amount to be refunded to Tenant for any such Expense Year exceed the total amount paid by Tenant as Tax Expenses under this Article 4 for such

Expense Year. If Tax Expenses for any period during the Term or any extension thereof are increased after payment thereof for any reason, including, without limitation, error or reassessment by applicable governmental or municipal authorities, Tenant shall pay Landlord upon demand Tenant's Share of any such increased Tax Expenses included by Landlord as Building Tax Expenses pursuant to the terms of this Lease. Notwithstanding anything to the contrary contained in this Section 4.2.5 (except as set forth in Section 4.2.5.1, above), there shall be excluded from Tax Expenses (i) all excess profits taxes, franchise taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state income taxes, and other taxes to the extent applicable to Landlord's general or net income (as opposed to rents, receipts or income attributable to operations at the Project), (ii) any items included as Operating Expenses, and (iii) any items paid by Tenant under Section 4.5 of this Lease.

- 4.2.5.4 The amount of Tax Expenses for the Base Year attributable to the valuation of the Project, inclusive of tenant improvements, shall be known as "Base Taxes." If in any comparison year subsequent to the Base Year, the amount of Tax Expenses decreases below the amount of Base Taxes, then for purposes of all subsequent comparison years, including the comparison year in which such decrease in Tax Expenses occurred, the Base Taxes, and therefore the Base Year, shall be decreased by an amount equal to the decrease in Tax Expenses.
- 4.2.6 "**Tenant's Share**" shall mean the percentage set forth in Section 6 of the Summary, and is based on the ratio of the rentable square footage of the Premises to the total rentable square footage of the Building.
- 4.3. Allocation of Direct Expenses; Cost Pools. Landlord shall have the right, from time to time, to equitably allocate some or all of the Direct Expenses for the Project among different portions or occupants of the Project (the "Cost Pools"), in Landlord's reasonable discretion. Such Cost Pools may include, but shall not be limited to, the office space tenants of the Project. The Direct Expenses within each such Cost Pool shall be allocated and charged to the tenants within such Cost Pool in an equitable manner.
- $4.4. \qquad \underline{\textbf{Calculation and Payment of Additional Rent}}. \quad \textbf{Tenant shall pay to Landlord, in the manner set forth in } \underline{\textbf{Section } 4.4.1} \text{ below, the Additional Rent as follows:}$
- 4.4.1 <u>Calculation of Excess.</u> If for any Expense Year ending or commencing within the Term, Tenant's Share of Direct Expenses for such Expense Year exceeds Tenant's Share of the amount of Direct Expenses applicable to the Base Year, then Tenant shall pay to Landlord, in the manner set forth in <u>Section 4.4.2</u>. below, and as Additional Rent, an amount equal to such excess of the Direct Expenses, as applicable (the "Excess").
- 4.4.2 <u>Statement of Actual Direct Expenses and Payment by Tenant.</u> Landlord shall endeavor to give to Tenant following the end of each Expense Year, a statement (the "Statement") which shall state the Direct Expenses incurred or accrued for such preceding Expense Year, and which shall indicate the amount of the Excess. Upon receipt of the Statement for each Expense Year commencing or ending during the Term, if an Excess is present, Tenant shall pay, with its next installment of Base Rent due, the full amount of the Excess for such Expense Year, less the amounts, if any, paid during such Expense Year as "Estimated Excess," as that term is defined in <u>Section 4.4.3</u>, below. The failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord or Tenant from enforcing its rights under this <u>Article 4</u>. Even though the Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Share of Direct Expenses for the Expense Year in which this Lease terminates, if an Excess if present, Tenant shall immediately pay to Landlord such amount. The provisions of this <u>Section 4.4.2</u> shall survive the expiration or earlier termination of the

4.4.3 <u>Statement of Estimated Direct Expenses.</u> In addition, Landlord shall endeavor to give Tenant a yearly expense estimate statement (the "Estimate Statement") which shall set forth Landlord's reasonable estimate (the "Estimate") of what the total amount of Direct Expenses for the then-current Expense Year shall be and the estimated excess (the "Estimated Excess") as calculated by comparing the Direct Expenses for such Expense Year, which shall be based upon the Estimate, to the amount of Direct Expenses for the Base Year. The failure of Landlord to timely furnish the Estimate Statement for any Expense Year shall not preclude Landlord from enforcing its rights to collect any Estimated Excess under this <u>Article 4</u>, nor shall Landlord be prohibited from revising any Estimate Statement or Estimated Excess theretofore delivered to the extent necessary. Thereafter, Tenant shall pay, with its next installment of Base Rent due, a fraction of the Estimated Excess for the then-current Expense Year (reduced by any amounts paid pursuant to the next to last sentence of this <u>Section 4.4.3</u>). Such fraction shall have as its numerator the number of months which have elapsed in such current Expense Year, including the month of such payment, and twelve (12) as its denominator. Until a new Estimate Statement is furnished (which Landlord shall have the right to deliver to Tenant at any time), Tenant shall pay monthly, with the monthly Base Rent installments, an amount equal to one-twelfth (1/12) of the total Estimated Excess set forth in the previous Estimate Statement delivered by Landlord to Tenant.

4.5. Taxes and Other Charges for Which Tenant Is Directly Responsible.

- 4.5.1 Tenant shall be liable for and shall pay ten (10) days before delinquency, taxes levied against Tenant's equipment (including without limitation Tenant's switching and antenna equipment), furniture, fixtures and any other personal property located in or about the Premises. If any such taxes on Tenant's equipment, furniture, fixtures and any other personal property are levied against Landlord or Landlord's property or if the assessed value of Landlord's property is increased by the inclusion therein of a value placed upon such equipment, furniture, fixtures or any other personal property and if Landlord pays the taxes based upon such increased assessment, which Landlord shall have the right to do regardless of the validity thereof but only under proper protest if requested by Tenant, Tenant shall upon demand repay to Landlord the taxes so levied against Landlord or the proportion of such taxes resulting from such increase in the assessment, as the case may be.
- 4.5.2 If the tenant improvements in the Premises, whether installed and/or paid for by Landlord or Tenant and whether or not affixed to the real property so as to become a part thereof, are assessed for real property tax purposes at a valuation higher than the valuation at which tenant improvements conforming to Landlord's "building standard" in other space in the Building are assessed, then the Tax Expenses levied against Landlord or the property by reason of such excess assessed valuation shall be deemed to be taxes levied against personal property of Tenant and shall be governed by the provisions of Section 4.5.1, above.
- 4.5.3 Notwithstanding any contrary provision herein, Tenant shall pay prior to delinquency any (i) rent tax or sales tax, service tax, transfer tax or value added tax, or any other applicable tax on the rent or services herein or otherwise respecting this Lease, (ii) taxes assessed upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion of the Project, including the Project parking facility; or (iii) taxes assessed upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises.

USE OF PREMISES

5.1. Use. Tenant shall use the Premises solely for the Permitted Use set forth in Section 7 of the Summary, and Tenant shall not use or permit the Premises to be used for any other purpose or purposes whatsoever. Tenant shall not allow occupancy density of use of the Premises which is greater than the average density of the other office tenants of the Project. Tenant further covenants and agrees that it shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose contrary to the Rules and Regulations, or in violation of the laws of the United States of America, the State of California, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Project (including laws pertaining to Hazardous Materials, as defined below). Tenant shall comply with the Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of such Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. Tenant shall comply with all recorded covenants, conditions, and restrictions now or hereafter affecting the Project.

5.2. <u>Hazardous Materials</u>.

- 5.2.1 Prohibition on Use. Tenant shall not use or allow another person or entity to use any part of the Premises for the storage, use, treatment, manufacture or sale of Hazardous Materials. Landlord acknowledges, however, that Tenant will maintain products in the Premises which are incidental to the operation of telecommunications facilities such as dry and gel cell batteries and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Materials. Landlord agrees that the use of such products in the Premises in compliance with all applicable laws and in the manner in which such products are designed to be used shall not be a violation by Tenant of this Section 5.2.1.
- 5.2.2 Indemnity. Tenant agrees to indemnify, defend, protect and hold Landlord and the Landlord Parties (as defined in Section 10.1 below) harmless from and against any and all claims, actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities, interest or losses, including reasonable attorneys' fees and expenses, consultant fees, and expert fees, together with all other costs and expenses of any kind or nature, that arise during or after the Term directly or indirectly from or in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, surface water or groundwater at, on, about, under or within the Premises or Project or any portion thereof, caused by Tenant, its assignees or subtenants and/or their respective agents, employees, contractors, licensees or invitees (collectively, "Tenant Affiliates").
- 5.2.3 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work (collectively, the "Remedial Work") is required under any applicable federal, state or local laws or by any judicial order, or by any governmental entity as the result of operations or activities upon, or any use or occupancy of any portion of the Premises by Tenant or Tenant Affiliates, Tenant shall perform or cause to be performed the Remedial Work in compliance with such laws or order. All Remedial Work shall be performed by one or more contractors, selected by Tenant and approved in advance in writing by Landlord. All costs and expenses of such Remedial Work shall be paid by Tenant, including, without limitation, the charges of such contractor(s), the consulting engineers, and Landlord's reasonable attorneys' fees and costs incurred in connection with monitoring or review of such Remedial Work.

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

ARTICLE 6

SERVICES AND UTILITIES

- 6.1. Standard Tenant Services. Landlord and Tenant shall provide the following services to the Premises as provided below.
- 6.1.1 Tenant shall maintain the HVAC Equipment and have use thereof throughout the term of its Lease. Tenant will pay its pro rata share of metered electricity plus the Landlord's standard administrative fee of 5%.
- 6.1.2 Tenant shall be responsible for maintaining any fire suppression systems serving the Premises during the Term of the Lease.
- 6.1.3 Electrical service to the Premises shall be provided utilizing an existing electrical panel which will tie into the Building's bus duct system to obtain an electrical supply for the Premises providing up to 1200 amps at 480 volts, three phase wiring. The cost of such electrical supply shall be separately metered to the Premises at Tenant's sole cost and expense. Notwithstanding anything in this Lease to the contrary, Landlord shall have the right to meter and test Tenant's connected amperage load used at the Premises, and in the event that over a thirty (30) day period, Landlord's metering and testing procedures demonstrate that Tenant is not utilizing on an average business day basis, all of the amps initially reserved by Tenant in this Section 6.1.2, Landlord may reclaim up to seventy-five percent (75%) of any amperage Landlord reasonably determines through such process is being unused by Tenant."
- 6.1.4 Landlord shall not provide janitorial services to the Premises. Tenant shall be solely responsible, at Tenant's sole cost and expense, for keeping all areas of the Project used by Tenant, in a neat, clean and safe condition, and for performing all janitorial services and other cleaning of the Premises appropriate to maintain the Premises in a manner consistent with a first-class telecommunications building; provided that Tenant shall use Landlord's designated Building janitorial company for all janitorial services within the Project.
- 6.1.5 Landlord shall furnish unheated water from mains for drinking, lavatory and toilet purposes drawn through fixtures installed by Landlord, or by Tenant with Landlord's prior written consent, and heated water for lavatory purposes from regular building supply in such quantities as required in Landlord's judgment for the comfortable and normal use of the Premises. Tenant shall pay Landlord, as Additional Rent, for any additional water which is furnished for any other purpose. The amount that Tenant shall pay Landlord for such additional water shall be the average price per gallon charged to the Landlord for the Building by the entity providing water.
- 6.2. <u>Emergency Generator Access.</u> Landlord has installed for the benefit of the tenants of the Building an emergency generator plant (the "Emergency Generator") in the Building which is in service as of the execution of this Lease. Landlord will provide an automatic transfer switch which will transfer power to the Premises from the Emergency Generator in the event of a power outage. Tenant

may elect to reserve no more than 750 Kilowatts of emergency power. Tenant understands and agrees that Landlord makes no representations or warranties as to the suitability of the existing connections, and Landlord shall have no responsibility to repair, restore of replace the existing generator conditions. Tenant shall be solely responsible for any additional costs for any further connections from the Premises to the Emergency Generator (subject to Landlord's approval as set forth in this Lease).

- $6.2.1\,$ Tenant may elect to terminate its rights and obligations under this Section 6.2, upon giving written notice to Landlord at least sixty (60) days prior to the effective date of such termination. In the event of any such termination, Tenant shall not be entitled to any reimbursement for sums expended pursuant to this Lease.
- $6.2.2\,$ Tenant's use of such emergency power shall be in accordance with such rules and regulations as may be established by Landlord from time to time.
- 6.2.3 Landlord shall repair and maintain the Emergency Generators, and Tenant shall reimburse Landlord upon demand, as Additional Rent hereunder, for the cost of any repairs or extraordinary maintenance for the Emergency Generators necessitated by acts of Tenant or Tenant's employees, contractors, assignees, sublessees, agents, licensees or invitees. In addition, any installation of equipment, wiring or cabling in the Premises, the Wilshire Connection Space, the Building or the Project for the purpose of enabling Tenant to access the Emergency Generators shall be performed by Landlord in accordance with plans and specifications approved by the parties in writing in advance, and Tenant shall reimburse Landlord for the costs of such installation, including, but not limited to, design fees and costs of demolition.
- 6.2.4 Tenant acknowledges and agrees that in order to ensure that the cumulative electrical loads on the Emergency Generator servicing the Building stay within the maximum capabilities of the Emergency Generator, Tenant shall be required to automatically shed a portion of Tenant's total electrical load to the Emergency Generator to ensure that Tenant's equipment does not use more than the number of Kilowatts reserved by Tenant pursuant to Section 6.2.1 above. Tenant covenants that such load shed shall occur simultaneously whenever transfer is made to the Emergency Generator, and Landlord shall have the right to test Tenant's load shed compliance on reasonable advance notice. Tenant shall, within ten (10) days of the Lease Commencement Date, or following Landlord's written request from time to time, deliver to Landlord, for Landlord's review and approval, all plans, specifications and other engineering documentation (including without limitation, single-line diagrams, load summaries and equipment specifications) required by Landlord or Landlord's agents showing Tenant's procedure for load shedding of electrical load in the Premises. Tenant shall not use or connect to more kilowatts from the Emergency Generator then Tenant has reserved pursuant to this Section 6.2.1. If Tenant does not comply with the terms of this provision, Tenant agrees that Landlord may, at its option and without limiting any remedies for such default, immediately disconnect Tenant from the Emergency Generator.
- 6.2.5 The provision of Emergency Generators service by Landlord to Tenant shall be subject to the terms and provisions of this Lease. Tenant acknowledges that Landlord makes no representation regarding the effectiveness of any Emergency Generator to provide emergency service to Tenant; provided, however, Landlord shall make commercially reasonable efforts to provide effective Emergency Generator service to Tenant. In no event or under any circumstances shall Landlord have any liability or responsibility for any cessation of Tenant's business operations or any loss suffered by Tenant as a result of any failure of any Emergency Generator provided hereunder.
- 6.3. <u>Condenser Water</u>. Landlord has installed for the benefit of the tenants of the Building a central condenser water plant (the "Condenser Water Plant") to provide each floor of the Building with available condenser water ("Condensed Water Loop"). Tenant agrees to pay to Landlord its prorata

share of the monthly maintenance fee for the Condenser Water Plant and the Condenser Water Loop, within thirty (30) days of demand therefor (the "Condenser Water Plant Maintenance Fee").

- 6.3.1 Tenant agrees to indemnify and hold Landlord harmless from and against any and all loss, cost, claim and liability (including all attorneys' fees) for injuries to all persons and for damage to or loss of all property arising or alleged to arise from Tenant's use of or connection to the Condenser Water Loop.
- 6.3.2 Notwithstanding any contrary provision contained herein, Landlord shall have the right to relocate, at Landlord's sole expense, the Condenser Water Loop to another location in the Building, as Landlord shall elect; provided, however, the no such relocation may result in any additional cost or expense to Tenant or have any material detrimental effect on Tenant's use and operation of the Existing HVAC Equipment.
- 6.3.3 Tenant may elect to terminate its rights and obligations under this <u>Section 6.3</u> and the use of the Condenser Water Plant and Condenser Water Loop granted hereunder, upon giving written notice to Landlord at least sixty (60) days prior to the effective date of such termination. In the event of any such termination, Tenant shall not be entitled to any reimbursement for sums expended pursuant to this <u>Section 6.3</u>.
- 6.3.4 Landlord shall repair and maintain the Condenser Water Plant, provided that Tenant shall reimburse Landlord upon demand, as Additional Rent hereunder, for the cost of any repairs or extraordinary maintenance for the Condenser Water Plant and/or Condenser Water Loop necessitated by acts of Tenant or Tenant's employees, contractors, assignees, sublessees, agents, licensees or invitees.
- Interruption of Use. Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service (including without limitation telephone, telecommunication, electrical, HVAC and emergency power services), or for any diminution or interruption in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Project after commercially reasonable effort to do so, by any accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause beyond Landlord's reasonable control; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6. Landlord may comply with voluntary controls or guidelines promulgated by any governmental entity relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions without creating any liability of Landlord to Tenant under this Lease, provided that the Premises are not thereby rendered un-tenantable. As a material inducement to Landlord's entry into this Lease, Tenant waives and releases any rights it may have to make repairs at Landlord's expense under Sections 1941 and 1942 of the California Civil Code.

6.5. Connection to One Wilshire Meet Me Room/Wilshire Connection Space.

6.5.1 One Wilshire "Meet Me" Room. Tenant acknowledges that the "Meet Me" room located at the Building commonly known as One Wilshire and located adjacent to the Project (collectively, the "One Wilshire Meet Me Room") is owned by an entity other than Landlord. Landlord,

at its option, may enter into an agreement with the owner or owners of any or all of the One Wilshire Meet Me Room to provide (i) for reciprocal rights of access and/or use of the Project, (ii) for the common management, operation, maintenance, improvement and/or repair of all or any portion of the Project and the One Wilshire Meet Me Room, and/or (iii) for the allocation of a portion of the Direct Expenses for the One Wilshire Meet-Me Room to the Project. Nothing contained herein shall be deemed or construed to limit or otherwise affect Landlord's right to convey all or any portion of the Project or any other of Landlord's rights described in this Lease.

- 6.5.2 <u>Interconnection with One Wilshire Meet Me Room.</u> Subject to the terms of this <u>Section 6.5.</u> and <u>Article 22</u> below. Landlord hereby grants Tenant the non-exclusive right solely for purposes of making line connections and for no other purpose whatsoever, to use portions of the Project designated by Landlord, in its sole discretion, to connect to, at Tenant's sole expense, the One Wilshire Meet Me Room. Tenant hereby acknowledges that Tenant's use of the One Wilshire Meet Me Room is not controlled by Landlord, and that Tenant's use of and ability to interconnect with the One Wilshire Meet Me Room shall be based on a separate agreement by and between Tenant and the owners of the One Wilshire Meet Me Room. Landlord makes no representation or warranty regarding the availability, maintenance or operation of any interconnections with the One Wilshire Meet Me Room.
- 6.5.3 <u>Wilshire Connection Space</u>. The areas located on the fourth floor of the Building used to connect the Project to the One Wilshire Meet Me Room, as well as the conduits used by Tenant therefor, are referred to herein as the "Wilshire Connection Space." Subject to <u>Section 6.6</u> below, the precise amount and location of the Wilshire Connection Space used by Tenant shall be designated by Landlord. The Wilshire Connection Space, and the Tenant's equipment and conduit located therein, shall be deemed to be a part of the Premises for purposes of the indemnification and insurance provisions of this Lease.
- 6.6. Central Cabling Distribution System/Building Network Access Center. Tenant recognizes that Landlord desires to provide access to both existing and future telecommunications services and service providers for tenants of the Building, and Landlord has deemed it desirable to achieve this objective by providing a central telecommunications cabling distribution system ("CDS") in the Project which Landlord so designates for use by tenants of the Project and all competitive providers of telecommunications services. Accordingly, and notwithstanding anything contained in this Agreement to the contrary, Landlord reserves the right to designate a CDS, including a main demarcation frame ("MDF") for use by all tenants of the Project and all competitive service providers in order to reach tenant demarcation points or cross-connect facilities in the Building (including without limitation Landlord's designated network access center ("NAC") for the Building located on the second (2nd) floor of the Building). In this event, the MDF shall serve as the minimum point of entry ("MPOE") demarcation point for service providers. The MDF shall also service as the origination point of the CDS, on that floor.
- 6.6.1 Tenant shall use the CDS and its components for (i) providing all service to tenants in the Project, (ii) for making all cross-connections with tenants in the Project (including without limitation Landlord's designated NAC for the Building located on the second (2nd) floor of the Building). Tenant's use of the CDS shall be at the prevailing rate then charged by Landlord for such use and in accordance with the requirements of this Lease. The use of any conduits distributed to or from the Premises or the NAC shall be at then prevailing rates charged by the Landlord from time to time.
- 6.6.2 Landlord's sole responsibility in the event of interruption or other effects caused by malfunction, damage or destruction of the CDS shall be to repair or replace the CDS as necessary to eliminate the cause of malfunction or interruption, the cost of which shall be borne by Tenant if the

problem was caused directly or indirectly by Tenant, its employees, agents or licensees. Notwithstanding the foregoing, Landlord's obligation to repair or replace the CDS shall apply only to the extent necessary to reach premises in the Building that are then used by tenants after the malfunction, damage or destruction or that, if damaged or destroyed, will be again used by tenants of the Building upon completion of restoration or repair thereof. In no event shall Tenant have any right to make any claim against Landlord whatsoever for any damages, whether direct, indirect or consequential, in any such circumstance, Tenant's remedy being limited to a claim for specific performance of Landlord's obligation to repair or replace as specified above.

ARTICLE 7

REPAIRS

Tenant shall, at Tenant's own expense, pursuant to the terms of this Lease, including without limitation Article 8 hereof, keep the Premises and any License Areas utilized by Tenant or any of the Tenant Parties, including all improvements, fixtures, equipment (including without limitation the Supplemental Equipment) and furnishings therein, and the floor or floors of the Building on which the Premises are located, in good order, repair and condition at all times during the Term. In addition, Tenant shall, at Tenant's own expense, but under the supervision and subject to the prior approval of Landlord, and within any reasonable period of time specified by Landlord, pursuant to the terms of this Lease, including without limitation Article 8 hereof, promptly and adequately repair all damage to the Premises and replace or repair all damaged, broken, or worn fixtures and appurtenances, except for damage caused by ordinary wear and tear or beyond the reasonable control of Tenant; provided however, that, at Landlord's option, or if Tenant fails to make such repairs, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including a percentage of the cost thereof (to be uniformly established for the Building and/or the Project) sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from Landlord's involvement with such repairs and replacements forthwith upon being billed for same. Landlord may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, improvements or additions to the Premises or to the Project or to any equipment located in the Project as Landlord shall desire or deem necessary or as Landlord may be required to do by governmental or quasi-governmental authority or court order or decree. 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 under any similar law, statute, or ordinance now or hereafter in effect.

ARTICLE 8

ADDITIONS AND ALTERATIONS

- 8.1. Landlord's Consent to Alterations. Tenant may not make any improvements, additions or changes to the Premises or any mechanical, plumbing or HVAC facilities or systems pertaining to the Premises (collectively, the "Alterations") without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) days prior to the commencement thereof, and which consent shall not be unreasonably withheld by Landlord, provided it shall be deemed reasonable for Landlord to withhold its consent to any Alteration which adversely affects the structural portions or the systems or equipment of the Building or is visible from the exterior of the Building.
- 8.2. Manner of Construction. Landlord may impose, as a condition of its consent to any and all Alterations or repairs of the Premises or about the Premises, such requirements as Landlord in its sole discretion may deem desirable, including, but not limited to, the requirement that Tenant utilize for such

purposes only contractors, subcontractors, materials, mechanics and materialmen selected by Tenant from a list provided and approved by Landlord. Upon the expiration or earlier termination of this Lease, Landlord shall deliver to Tenant written notice a list of any equipment or Alterations which Tenant shall be required to remove from the Premises or the Project, including the risers or other parts of the Building. The cost of removing any equipment or Alterations designated by Landlord shall be at Tenant's expense, using contractors approved by Landlord, and following such other removal procedures as Landlord may reasonably request. If such Alterations will involve the use of or disturb hazardous materials or substances existing in the Premises, Tenant shall comply with Landlord's rules and regulations concerning such hazardous materials or substances. Tenant shall construct such Alterations and perform such repairs in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations and pursuant to a valid building permit, issued by the City of Los Angeles, all in conformance with Landlord's construction rules and regulations. In the event Tenant performs any Alterations in the Premises which require or give rise to governmentally required changes to the "Base Building," as that term is defined below, then Landlord shall, at Tenant's expense, make such changes to the Base Building. The "Base Building" shall include the structural portions of the Building, and the public restrooms and the systems and equipment located in the internal core of the Building on the floor or floors on which the Premises are located. In performing the work of any such Alterations, Tenant shall have the work performed in such manner so as not to obstruct access to the Project or any portion thereof, by any other tenant of the Project, and so as not to obstruct the business of Landlord or other tenants in the Project. Tenant shall not use (and upon notice from Landlord shall cease using) contractors, services, workmen, labor, materials or equipment that, in Landlord's reasonable judgment, would disturb labor harmony with the workforce or trades engaged in performing other work, labor or services in or about the Building or the Common Areas. In addition to Tenant's obligations under Article 9 of this Lease, upon completion of any Alterations, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County of Los Angeles in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, and Tenant shall deliver to the Project management office a reproducible copy of the "as built" drawings of the Alterations, digital "CAD" files for such Alterations, as well as all permits, approvals and other documents issued by any governmental agency in connection with the Alterations.

- 8.3. Payment for Improvements. If payment is made directly to contractors, Tenant shall comply with Landlord's requirements for final lien releases and waivers in connection with Tenant's payment for work to contractors. Whether or not Tenant orders any work directly from Landlord, Tenant shall reimburse Landlord for any and all reasonable costs and expenses arising from Landlord's involvement with such work.
- 8.4. Construction Insurance. In addition to the requirements of Article 10 of this Lease, in the event that Tenant makes any Alterations, prior to the commencement of such Alterations. Tenant shall provide Landlord with evidence that Tenant carries "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may reasonably require, it being understood and agreed that all of such Alterations shall be insured by Tenant pursuant to Article 10 of this Lease immediately upon completion thereof. In addition, Landlord may, in its discretion, require Tenant to obtain a lien and completion bond or some alternate form of security satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations and naming Landlord as a co-obligee.
- 8.5. <u>Landlord's Property</u>. All Alterations, improvements, Existing Fixtures and other fixtures, conduit, equipment and/or appurtenances which may be installed or placed in or about the Premises, from time to time, including any non-general office use improvements made at the time of Tenant's initial occupancy of the Premises, shall be at the sole cost of Tenant and shall be and become the property of Landlord, and shall be and remain part of the Premises and shall not be removed by Tenant at

the end of the term of this Lease, unless Landlord agreed to its removal at the time Landlord consented to such Alteration. Such fixtures, alterations, additions, repairs, improvements and/or appurtenances shall include, without limitation, the improvements, built-in utilities such as heating, ventilating and air conditioning units, floor coverings, drapes, paneling, molding, doors, kitchen and dishwashing fixtures and equipment, plumbing systems, electrical systems, lighting systems, silencing equipment, switching conduit and cabling, all fixtures and outlets for the systems mentioned above and for all telephone, radio, telegraph and television purposes, and any special flooring or ceiling installations. Notwithstanding the foregoing, Landlord may, by written notice to Tenant at the time Tenant requests Landlord's consent to any Alteration pursuant to Section 8.1 or Article 22, or given following any earlier termination of this Lease, require Tenant, at Tenant's expense, to remove any Alterations, improvements, fixtures, conduit, equipment, and/or appurtenances in the Premises and Project, and to repair any damage to the Premises, Existing Fixtures and Building caused by such removal and return the affected portion of the Premises and Project to a building standard tenant improved condition in which the Premises and Existing Fixtures were delivered to the Tenant. If Tenant fails to complete such removal and/or to repair any damage caused by the removal of any Alterations, improvements, Existing Fixtures and other fixtures, conduit, equipment, and/or appurtenances in the Premises and Project, and returns the affected portion of the Premises and Project to a building standard tenant improved condition as determined by Landlord, Landlord may do so and may charge the cost thereof to Tenant. Tenant hereby protects, defends, indemnifies and holds Landlord harmless from any liability, cost, obligation, expense or claim of lien in any manner relating to the installation, placement, removal or financing of any such Alterations, improvements, fixtures, conduit, equipment, and/or appurtenances in, on or about the Premises and Project, which obligations of Tenant shall survive the expiration or earlier termination of this Lease.

ARTICLE 9

COVENANT AGAINST LIENS

Tenant shall keep the Project and Premises free from any liens or encumbrances arising out of the work performed, materials furnished or obligations incurred by or on behalf of Tenant, and shall protect, defend, indemnify and hold Landlord harmless from and against any claims, liabilities, judgments or costs (including, without limitation, reasonable attorneys' fees and costs) arising out of same or in connection therewith. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any such work on the Premises (or such additional time as may be necessary under applicable laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Tenant shall remove any such lien or encumbrance by bond or otherwise within five (5) days after notice by Landlord, and if Tenant shall fail to do so, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof. The amount so paid shall be deemed Additional Rent under this Lease payable upon demand, without limitation as to other remedies available to Landlord under this Lease. Nothing contained in this Lease shall authorize Tenant to do any act which shall subject Landlord's title to the Building or Premises to any liens or encumbrances whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the Building or Premises arising in connection with any such work or respecting the Premises not performed by or at the request of Landlord shall be null and void, or at Landlord's option shall attach only against Tenant's interest in the Premises and shall in all respects be subordinate to Landlord's title to the Project, Building and Premises.

INSURANCE

- Indemnification and Waiver. Tenant hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause whatsoever and agrees that Landlord, its partners, subpartners and their respective officers, agents, servants, employees, and independent contractors (collectively, "Landlord Parties") shall not be liable for, and are hereby released from any responsibility for, any damage either to person or property or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all loss, cost, damage, expense and liability (including without limitation court costs and reasonable attorneys' fees) incurred in connection with or arising from any cause in, on or about the Premises, any acts, omissions or negligence of Tenant or of any person claiming by, through or under Tenant, or of any of Tenant's Customers, the contractors, agents, servants, employees, invitees, guests or licensees of Tenant or any such person, in, on or about the Project or any breach of the terms of this Lease, either prior to, during, or after the expiration of the Term, provided that the terms of the foregoing indemnity shall not apply to the gross negligence or willful misconduct of Landlord. Should Landlord be named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy of the Premises, Tenant shall pay to Landlord its costs and expenses incurred in such suit, including without limitation, its actual professional fees such as appraisers', accountants' and attorneys' fees. Further, Tenant's agreement to indemnify Landlord pursuant to this Section 10.1 is not intended and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease, to the extent such policies cover the matters subject to Tenant's indemnification obligations; nor shall they supersede any inconsistent agreement of the parties set forth in any other provision of this Lease. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease with respect to any claims or liability arising in connection with any event occurring prior to such expiration or termination,
- 10.2. Tenant's Compliance With Landlord's Fire and Casualty Insurance. Tenant shall, at Tenant's expense, comply with all insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for such insurance policies then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body.
- 10.3. <u>Tenant's Insurance</u>. Tenant shall maintain the following coverages in the following amounts at all times following the date (the "Insurance Start Date") which is the earlier of (i) Tenant's entry into the Premises to perform any work or commence business operations therein, or (ii) the Lease Commencement Date, and continuing thereafter throughout the Term.
- 10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage (including loss of use thereof) arising out of Tenant's operations (and the operations of any Customers (defined in Section 14.6 below) of Tenant), and contractual liabilities (covering the performance by Tenant of its indemnity agreements) including a Broad Form endorsement covering the insuring provisions of this Lease and the performance by Tenant of the indemnity agreements set forth in Section 10.1 of this Lease, for limits of liability not less than:

Bodily Injury and Property Damage Liability \$2,000,000 each occurrence \$2,000,000 annual aggregate \$2,000,000 each occurrence \$2,000,000 annual aggregate \$2,500 deductible

- 10.3.2 Physical Damage Insurance covering (i) all office furniture, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) the Existing Fixtures, and (iii) the Supplemental Equipment, and all other improvements, alterations and additions to the Premises. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value (subject to reasonable deductible amounts) new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include coverage for damage or other loss caused by fire or other peril including, but not limited to, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion, and providing business interruption coverage for a period of one year. Notwithstanding the foregoing, if and to the extent that Tenant does not elect to insure against the physical damage of Tenant's property in accordance with the terms of this Section 10.3.2, it shall not be a default under this Lease, provided, however, Tenant shall be deemed to have fully self-insured such loss and shall have no right, under any circumstances, to seek recourse against Landlord or Landlord's insurance coverage for any losses which otherwise would have been covered by such insurance. Tenant understands that it must provide physical damage insurance coverage for Landlord's Fixtures, and Tenant may not self insure obligations with respect to Landlord's Fixtures.
- 10.3.3 Worker's Compensation and Employer's Liability or other similar insurance pursuant to all applicable state and local statutes and regulations.
- 10.3.4 Loss-of-income and extra-expense insurance in such amounts as will reimburse Tenant for direct loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of access to the Premises, to the Building or to the Project as a result of such perils. Notwithstanding the foregoing, if and to the extent that Tenant does not elect to insure against the loss of income and extra expenses pursuant to the terms of this Section 10.3.4, it shall not be a default under this Lease, provided, however, Tenant shall be deemed to have fully self-insured such loss and shall have no right, under any circumstances, to seek recourse against Landlord or Landlord's insurance coverage for any losses which otherwise would have been covered by such insurance.
- 10.4. Landlord's Property and Liability Insurance. Landlord shall procure and maintain during the term of this Lease, physical damage insurance covering the base Building and common areas (excluding at Landlord's option, any items Tenant is required to insure pursuant to Section 10.3) and general liability insurance. Such coverages shall be in such amounts, from such companies, and on such other terms and conditions as Landlord may from time to time reasonably determine; provided, however, the amounts of insurance carried by Landlord in connection with the Building shall at a minimum be comparable to the coverage and amounts of insurance that are carried by reasonably prudent institutional owners of comparable buildings located in the vicinity of the Building and Workers' Compensation coverage as required by applicable law (except that Landlord shall have the right, but not the obligation, to carry earthquake and/or flood insurance).
- 10.5. Form of Policies. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall (i) name Landlord, and any other party the Landlord so specifies, as an additional insured, including Landlord's managing agent, if any; (ii) specifically cover the liability assumed by Tenant under this Lease, including, but not limited to, Tenant's obligations under Section 10.1 of this Lease; (iii) be issued by an insurance

company having a rating of not less than A-X in Best's Insurance Guide or which is otherwise acceptable to Landlord and licensed to do business in the State of California; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) be in form and content reasonably acceptable to Landlord; and (vi) provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee of Landlord. Tenant shall deliver said policy or policies or certificates thereof to Landlord on or before the Lease Commencement Date and at least thirty (30) days before the expiration dates thereof. In the event Tenant shall fail to procure such insurance, or to deliver such policies or certificate, Landlord may, at its option, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord within five (5) days after delivery to Tenant of bills therefor.

- 10.6. <u>Subrogation</u>. Landlord and Tenant intend that their respective property loss risks shall be borne by reasonable insurance carriers to the extent above provided, and Landlord and Tenant hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a property loss to the extent that such coverage is agreed to be provided hereunder. The parties each hereby waive all rights and claims against each other for such losses, and waive all rights of subrogation of their respective insurers, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder. The parties agree that their respective insurance policies are now, or shall be, endorsed such that the waiver of subrogation shall not affect the right of the insured to recover thereunder, so long as no material additional premium is charged therefor.
- 10.7. Additional Insurance Obligations. 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 Article 10 and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.1. Repair of Damage to Premises by Landlord. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or any Common Areas serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 11, restore the Base Building and such Common Areas. Such restoration shall be to substantially the same condition of the Base Building and the Common Areas prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Building or Project or any other modifications to the Common Areas deemed desirable by Landlord, provided that access to the Premises and any common restrooms serving the Premises shall not be materially impaired. Upon the occurrence of any damage to the Premises, upon notice (the "Landlord Repair Notice") to Tenant from Landlord, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease, and Landlord shall repair any injury or damage to tenant improvements (but not any Supplemental Equipment or any of Tenant's personal property which shall be promptly and with due diligence repaired and restored by Tenant at Tenant's sole cost and expenses, unless and to the extent Landlord elects in its sole discretion to restore all or a part of the Supplemental Equipment) installed in the Premises and shall return any such tenant improvements (and any Supplemental Equipment Landlord elects to repair in its sole discretion) to their original condition; provided that if the cost of such repair by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, the cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repair of the damage. In the event that Landlord does not deliver the Landlord Repair Notice within sixty (60) days following the date the casualty becomes known to Landlord, Tenant shall, at its sole cost and expense, repair any injury or damage to the Tenant Improvements and the Base Premises Work installed in the Premises and shall return such Tenant Improvements and Base Premises Work to their original condition. Whether or not Landlord delivers a Landlord Repair Notice, prior to the commencement of construction, Tenant shall submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select the contractors to perform such improvement work. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or Common Areas necessary to Tenant's occupancy, Landlord shall allow Tenant a proportionate abatement of Base Rent to the extent Landlord is reimbursed from the proceeds of rental interruption insurance purchased by Landlord as part of Operating Expenses, during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied by Tenant as a result thereof; provided, further, however, that if the damage or destruction is due to the negligence or willful misconduct of Tenant or any of its agents, employees, contractors, invitees or guests. Tenant shall be responsible for any reasonable, applicable insurance deductible (which shall be payable to Landlord upon demand) and there shall be no rent abatement. In the event that Landlord shall not deliver the Landlord Repair Notice, Tenant's right to rent abatement pursuant to the preceding sentence shall terminate as of the date which is reasonably determined by Landlord to be the date Tenant should have completed repairs to the Premises assuming Tenant used reasonable due diligence in connection therewith.

- 11.2. <u>Landlord's Option to Repair</u>. Notwithstanding the terms of <u>Section 11.1</u> of this Lease, Landlord may elect not to rebuild and/or restore the Premises, Building and/or Project, and instead terminate this Lease, by notifying Tenant in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving Tenant sixty (60) days to vacate the Premises, but Landlord may so elect only if the Building or Project shall be damaged by fire, earthquake or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) in Landlord's reasonable judgment, repairs cannot reasonably be completed within one hundred eighty (180) days after the date of discovery of the damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Building or Project or ground lessor with respect to the Building or Project shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be; (iii) the damage is not fully covered by Landlord's insurance policies; or (iv) Landlord decides to rebuild the Building or Common Areas so that they will be substantially different structurally or architecturally; (v) the damage occurs during the last twelve (12) months of the Term; or (vi) any owner of any other portion of the Project, other than Landlord, does not intend to repair the damage to such portion of the Project
- 11.3. Waiver of Statutory Provisions. The provisions of this Lease, including this Article 11, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building or the Project, and any statute or regulation of the State of California, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or the Project.

NONWAIVER

No provision of this Lease shall be deemed waived by either party hereto unless expressly waived in a writing signed thereby. The waiver by either party hereto of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of same or any other term, covenant or condition herein contained. 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 acceptance of a lesser amount than the Rent herein stipulated shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Term or of Tenant's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit, or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

ARTICLE 13

CONDEMNATION

If the whole or any part of the Premises, Building or Project shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any part of the Premises, Building or Project, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority. If more than twenty-five percent (25%) of the rentable square feet of the Premises is taken, or if access to the Premises is substantially impaired, in each case for a period in excess of one hundred eighty (180) days, Tenant shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority. Tenant shall not because of such taking assert any claim against Landlord or the authority for any compensation because of such taking and Landlord shall be entitled to the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Term pursuant to the terms of this Lease, and for moving expenses, so long as such claims do not diminish the award available to Landlord, its ground lessor with respect to the Building or Project or its mortgagee, and such claim is payable separately to Tenant. All Base Rent shall be apportioned as of the date Tenant is physically dispossessed of the Premises. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the Rent shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of The California Code of Civil Procedure. Notwithstanding anything to the contrary contained in this Article 13, in the event of a temporary taking of all or any portion of the Premises for a period of one hundred and eighty (180) days or less, then this Lease shall not terminate but the Base Rent and the Additional Rent shall be abated for the period of such taking in proportion to the ratio that the amount of rentable square feet of the Premises taken bears to the total rentable square feet of the Premises. Landlord shall be entitled to receive the entire award made in connection with any such temporary taking.

ARTICLE 14

ASSIGNMENT AND SUBLETTING

- 14.1. Transfers. Except as otherwise provided herein, Tenant shall not, without the prior written consent of Landlord, assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment, or other transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or enter into any license, "co-location" or concession agreements or otherwise permit the occupancy or use of the Premises or any part thereof by any persons other than Tenant and its employees and contractors (all of the foregoing are hereinafter sometimes referred to collectively as "Transfers" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "Transferee"). If Tenant desires Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "Transfer Notice") shall include (i) the proposed effective date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "Subject Space"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including calculation of the "Transfer Premium", as that term is defined in Section 14.3 below, in connection with such Transfer, the name and address of the proposed Transferee, and a copy of all existing executed and/or proposed documentation pertaining to the proposed Transfer, including all existing operative documents to be executed to evidence such Transfer or the agreements incidental or related to such Transfer, provided that Landlord shall have the right to require Tenant to utilize Landlord's standard Transfer documents in connection with the documentation of such Transfer, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, business credit and personal references and history of the proposed Transferee and any other information reasonably required by Landlord which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space, and (v) an executed estoppel certificate from Tenant in the form attached hereto as Exhibit D. Any Transfer made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under this Lease. Whether or not Landlord consents to any proposed Transfer, Tenant shall pay Landlord's review and processing fees, as well as any reasonable professional fees (including, without limitation, attorneys', accountants', architects', engineers' and consultants' fees) incurred by Landlord, within thirty (30) days after written request by Landlord.
- 14.2. <u>Landlord's Consent</u>. Landlord shall not unreasonably withhold its consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice. Without limitation as to other reasonable grounds for withholding consent, the parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply:
- 14.2.1 The Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Building or the Project, or would be a significantly less prestigious occupant of the Building than Tenant;
- 14.2.2 The Transferee intends to use the Subject Space for purposes which are not permitted under this Lease;

- 14.2.3 The Transferee is either a governmental agency or instrumentality thereof;
- 14.2.4 The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities to be undertaken in connection with the Transfer on the date consent is requested;
- 14.2.5 The proposed Transfer would cause a violation of another lease for space in the Project, or would give an occupant of the Project a right to cancel its lease; or
- 14.2.6 Either the proposed Transferee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the proposed Transferee, (i) occupies space in the Project at the time of the request for consent, or (ii) is negotiating or has negotiated with Landlord to lease space in the Project.
- 14.2.7 The Transferee does not intend to occupy the entire Premises and conduct its business therefrom for a substantial portion of the term of the Transfer.

If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (and does not exercise any recapture rights Landlord may have under Section 14.4 of this Lease), Tenant may within six (6) months after Landlord's consent, but not later than the expiration of said six-month period, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to <u>Section 14.1</u> of this Lease, provided that if there are any changes in the terms and conditions from those specified in the Transfer Notice (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, or (ii) which would cause the proposed Transfer to be more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14 (including Landlord's right of recapture, if any, under Section 14.4 of this Lease). Notwithstanding anything to the contrary in this Lease, if Tenant or any proposed Transferee claims that Landlord has unreasonably withheld or delayed its consent under Section 14.2 or otherwise has breached or acted unreasonably under this Article 14, their sole remedies shall be a declaratory judgment and an injunction for the relief sought without any monetary damages, and Tenant hereby waives 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. Tenant shall indemnify, defend and hold harmless Landlord from any and all liability, losses, claims, damages, costs, expenses, causes of action and proceedings involving any third party or parties (including without limitation Tenant's proposed subtenant or assignee) who claim they were damaged by Landlord's wrongful withholding or conditioning of Landlord's consent.

14.3. Transfer Premium. If Landlord consents to a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any "Transfer Premium," as that term is defined in this Section 14.3, received by Tenant from such Transferee. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by such Transferee in connection with the Transfer in excess of the Rent and Additional Rent payable by Tenant under this Lease during the term of the Transfer on a per rentable square foot basis if less than all of the Premises is transferred, after deducting the reasonable expenses incurred by Tenant for (i) any changes, alterations and improvements to the Premises in connection with the Transfer, (ii) any free base rent reasonably provided to the Transferee, (iii) any brokerage commissions in connection with the Transfer, and (iv) unamortized costs of capital improvements completed by Tenant during the Term. "Transfer Premium" shall also include, but not be limited to, key money, bonus money or other cash consideration paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market

value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer. In the calculations of the Rent (as it relates to the Transfer Premium calculated under this Section 14.3), and the Transferee's Rent and Quoted Rent under Section 14.2 of this Lease, the Rent paid during each annual period for the Subject Space, and the Transferee's Rent and the Quoted Rent, shall be computed after adjusting such rent to the actual effective rent to be paid, taking into consideration any and all leasehold concessions granted in connection therewith, including, but not limited to, any rent credit and tenant improvement allowance. For purposes of calculating any such effective rent all such concessions shall be amortized on a straightline basis over the relevant term.

- 14.4. Landlord's Option as to Subject Space. Notwithstanding anything to the contrary contained in this Article 14, and except with respect to "Co-location Agreements" and "Non-Transfers," as those terms are defined in Sections 14.6 and 14.7, below or transfers to a Permitted Transferee (as defined below), Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice, to recapture the Subject Space. Such recapture notice shall cancel and terminate this Lease with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the Transfer Notice (or at Landlord's option, shall cause the Transfer to be made to Landlord or its agent, in which case the parties shall execute the Transfer documentation promptly thereafter). In the event of a recapture by Landlord, if this Lease shall be canceled with respect to less than the entire Premises, the Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture the Subject Space under this <u>Section 14.4</u>, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of this Article 14.
- 14.5. Effect of Transfer. If Landlord consents to a Transfer, (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transfere, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, and (v) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of the Lease from any liability under this Lease, including, without limitation, in connection with the Subject Space. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency, and if understated by more than two percent (2%), Tenant shall pay Landlord's costs of such audit.
- 14.6. <u>Co-location Rights</u>. Landlord acknowledges that Tenant's business to be conducted on the Premises requires the installation on the Premises of certain communications equipment by telecommunications customers of Tenant ("Customers") in order for such Customers to interconnect with Tenant's terminal facilities or to permit Tenant to manage or operate their equipment. Tenant represents to Landlord that such arrangements will require access by each Customer to the Premises only on an infrequent basis, and only when accompanied by a representative of Tenant. Notwithstanding anything contained elsewhere in this <u>Article 14</u>, Landlord hereby consents in advance to allow Tenant to enter into

any license, co-location agreement, or like agreement (collectively, "Co-location Agreements") between Tenant and such a Customer for the limited purpose of permitting such an arrangement, subject to the terms of this Lease and described in this Section 14.6. The effectiveness of such advance consent as to a particular Co-location Agreements is conditioned on (a) Tenant providing Landlord notice of any such Co-location Agreement within twenty (20) days after any such transaction; (b) such Co-location Agreements being in writing and consistent with the provisions of this Lease (and Tenant will provide Landlord with a copy of any executed Co-location Agreements if Landlord requests it in writing, in which case Tenant will provide Landlord with a true and complete copy within ten (10) days after Tenant receives Landlord's request); and (c) Tenant providing Landlord on or before the first (1st) day of each month during the Term, a list of all Customers which are permitted access to the Premises as part of Co-location Agreements. Tenant shall be liable to Landlord for any violation by its Customers of any provisions of this Lease, and Tenant further agrees to indemnify, defend and hold harmless Landlord from and against any claims, liabilities or causes of action brought by any Customers or with respect to any Co-location Agreements. Tenant represents that as of the date of execution of this Lease by Tenant, Tenant is not required to permit co-location in the Premises pursuant to any applicable statutes, rules or regulations.

- 14.7. Additional Transfers. For purposes of this Lease, the term "Transfer" shall also include (i) if Tenant is a partnership, the withdrawal or change, voluntary, involuntary or by operation of law, of fifty percent (50%) or more of the partners, or transfer of twenty-five percent or more of partnership interests, within a twelve (12)-month period, or the dissolution of the partnership without immediate reconstitution thereof, and (ii) if Tenant is a closely held corporation (i.e., whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant, or (B) the sale or other transfer of more than an aggregate of fifty percent (50%) of the voting shares of Tenant (other than to immediate family members by reason of gift or death), within a twelve (12)-month period, or (C) the sale, mortgage, hypothecation or pledge of more than an aggregate of fifty percent (50%) of the value of the unencumbered assets of Tenant within a twelve (12) month period.
- 14.8. <u>Non-Transfers</u>. Notwithstanding anything to the contrary contained in this Lease, neither (i) an assignment of this Lease to a transferee of all or substantially all of the assets of Tenant, (ii) an assignment of this Lease or sublease of the Premises to a transferee which is either (A) the resulting entity of a merger or consolidation of Tenant with another entity or (B) acquiring all or substantially all of the assets of Tenant, nor (iii) an assignment or subletting of all or a portion of the Premises to an affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant), shall be deemed a Transfer under Article 14 of this Lease (and thus shall not be subject to Landlord's prior consent or recapture rights pursuant to Section 14.1 and 14.4 or rights to receive any Transfer Premium pursuant to Section 14.3), provided that (1) Tenant notifies Landlord in writing of any such assignment or sublease at least five (5) days prior to the effective thereof, and thereafter promptly supplies Landlord with any documents or information reasonably requested by Landlord regarding such transfer or transferee, (2) such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (3) such transferee or affiliate (which for purposes of this Lease shall be referred to as a "Permitted Affiliate") shall have a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles (the "Net Worth") sufficient to satisfy the obligations and responsibilities to be undertaken in connection with such assignment or sublease, and (4) such transferee or affiliate, shall with respect to an Assignment of this Lease, deliver to Landlord an agreement assuming all the obligations of Tenant under this Lease arising after the effective date of such assignment. As used in this Lease, the term "Permitted Transferee" shall mean and include any Permitted Affiliate and transferee to which Landlord consents in accordance with the terms and conditions of this Article 14.

Occurrence of Default. Any Transfer hereunder shall be subordinate and subject to the provisions of this Lease, and if this Lease shall be terminated during the term of any Transfer, Landlord shall have the right to: (i) treat such Transfer as canceled and repossess the Subject Space by any lawful means, or (ii) require that such Transferee and any Customers or Collocation Tenants attorn to and recognize Landlord as its landlord under any such Transfer. If Tenant shall be in default under this Lease, Landlord is hereby irrevocably authorized, as Tenant's agent and attorney-in-fact, to direct any Transferee to make all payments under or in connection with the Transfer directly to Landlord (which Landlord shall apply towards Tenant's obligations under this Lease) until such default is cured. Such Transferee shall rely on any representation by Landlord that Tenant is in default hereunder, without any need for confirmation thereof by Tenant. Upon any assignment, the assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease. No collection or acceptance of rent by Landlord from any Transferee shall be deemed a waiver of any provision of this Article 14 or the approval of any Transferee or a release of Tenant from any obligation under this Lease, whether theretofore or thereafter accruing. In no event shall Landlord's enforcement of any provision of this Lease against any Transferee be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person. If Tenant's obligations hereunder have been guaranteed, Landlord's consent to any Transfer shall not be effective unless the guarantor also consents to such Transfer. Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 14, 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.

ARTICLE 15

SURRENDER OF PREMISES; OWNERSHIP AND REMOVAL OF TRADE FIXTURES

- 15.1. Surrender of Premises. No act or thing done by Landlord or any agent or employee of Landlord during the Term shall be deemed to constitute an acceptance by Landlord. The delivery of keys to the Premises such intent is specifically acknowledged in writing by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises or terminate any or all such sublessees or subtenancies.
- 15.2. Removal of Tenant Property by Tenant. Upon the expiration of the Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear and repairs which are specifically made the responsibility of Landlord hereunder excepted. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, business and trade fixtures, free-standing cabinet work, movable partitions and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming

under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal. Under no circumstances shall Tenant remove any fixtures or equipment that are part of the Building structure or were affixed in the Premises prior to Tenant's occupancy thereof.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Term or earlier termination thereof, with or without the express or implied consent of Landlord, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Rent shall be payable at a monthly rate equal to Two Hundred percent (200%) (the "Percentage Rate") of the Base Rent applicable during the last rental period of the applicable Lease or Option Term. Such month-tomonth tenancy shall be subject to every other applicable term, covenant and agreement contained herein. Nothing contained in this Article 16 shall be construed as consent by Landlord to any holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. 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, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom.

ARTICLE 17

ESTOPPEL CERTIFICATES

Within ten (10) days following a request in writing by Landlord, Tenant shall execute, acknowledge and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be substantially in the form of Exhibit D, attached hereto (or such other form as may be required by any prospective mortgagee or purchaser of the Project, or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or prospective mortgagee. Any such certificate may be relied upon by any prospective mortgagee or purchaser of all or any portion of the Project. Tenant shall execute and deliver whatever other instruments may be reasonably required for such purposes. At any time during the Term, Landlord may require Tenant to provide Landlord with a current financial statement and financial statements of the two (2) years prior to the current year. Such statements shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certificate public accountant. Failure of Tenant to timely execute, acknowledge and deliver such estoppel certificate or other instruments shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception.

ARTICLE 18

SUBORDINATION

- 18.1. <u>Subordination</u>. This Lease is subject and subordinate to all present and future ground or underlying leases of the Building or Project and to the lien of any mortgage, trust deed or other encumbrances now or hereafter in force against the Building or Project or any part thereof, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages, trust deeds or other encumbrances, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed in lieu thereof (or if any ground lease is terminated), to attorn, without any deductions or set-offs whatsoever, to the lienholder or purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof (or to the ground lessor), if so requested to do so by such purchaser or lienholder or ground lessor, and to recognize such purchaser or lienholder or ground lessor as the lessor under this Lease, provided such lienholder or purchaser or ground lessor shall agree to accept this Lease and not disturb Tenant's occupancy, so long as Tenant timely pays the rent and observes and performs the terms, covenants and conditions of this Lease to be observed and performed by Tenant. Landlord's interest herein may be assigned as security at any time to any lienholder. Tenant shall, within five (5) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases, provided Tenant has received or will receive a commercially reasonable nondisturbance agreement in favor of Tenant from any such party requesting such further instruments or assurances. Tenant hereby irrevocably authorizes Landlord to execute and deliver in the name of Tenant any such instrument or instruments if Tenant fails to do so, provided that such authorization shall in no way relieve Tenant from the obligation of executing such instruments of subordination or superiority. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event of any foreclosure proceeding or sale.
- 18.2. Mortgagee Protection. Tenant agrees to give any lender, mortgagee, ground lessor or future mortgagee designated in writing by Landlord ("Designated Mortgagee"), by registered or certified mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has received notice (by way of service on Tenant of a copy of an assignment of rents and leases, or otherwise) of the address of such Designated Mortgagee or ground lessor. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the Designated Mortgagee or ground lessor shall have an additional sixty (60) days after receipt of notice thereof within which to cure such default or if such default cannot be cured within that time, then such additional notice time as may reasonably be necessary, if, within such sixty (60) days, any Designated Mortgagee or ground lessor has commenced and is diligently pursuing the remedies necessary to cure such default (including commencement of foreclosure proceedings or other proceedings to acquire possession of the Building, if necessary to cure such defaults has expired without cure, Tenant shall have no right to, and shall not, terminate this Lease on account of default.

ARTICLE 19

DEFAULTS; REMEDIES

- 19.1. **Events of Default**. The occurrence of any of the following shall constitute a default of this Lease by Tenant:
- 19.1.1 Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, when due unless such failure is cured within three (3) business days after receipt of written notice by Tenant; provided, however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure section 1161 or any similar successor law, or
- 19.1.2 Except where a specific time period is otherwise set forth for Tenant's performance in this Lease, in which event the failure to perform by Tenant within such time period shall be a default by Tenant under this Section 19.1.2, any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for ten (10) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a ten (10) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure such default, but in no event exceeding a period of time in excess of thirty (30) days after written notice thereof from Landlord to Tenant; or
- 19.1.3 To the extent permitted by law, a general assignment by Tenant or any guarantor of the Lease for the benefit of creditors, or the taking of any corporate action in furtherance of bankruptcy or dissolution whether or not there exists any proceeding under an insolvency or bankruptcy law, or the filing by or against Tenant or any guarantor of any proceeding under an insolvency or bankruptcy law, unless in the case of a proceeding filed against Tenant or any guarantor the same is dismissed within sixty (60) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is restored to Tenant or such guarantor within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days; or
- 19.1.4 Abandonment or vacation of all or a substantial portion of the Premises by Tenant; or
- 19.1.5 The failure by Tenant to observe or perform according to the provisions of Articles 5, 14, 17 or 18 of this Lease where such failure continues for more than five (5) business days after notice from Landlord; or
- 19.1.6 Tenant's failure to occupy the Premises within ten (10) business days after the Lease Commencement Date.
- 19.1.7 A default by Tenant under any other lease of license with Landlord in connection with space leased or licensed in the Building.

The notice periods provided herein are in lieu of, and not in addition to, any notice periods provided by law.

- 19.2. Remedies Upon Default. Upon the occurrence of any event of default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.
- 19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:
 - (i) The worth at the time of any unpaid rent which has been earned at the time of such termination; plus
 - (ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
 - (iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
 - (iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and
 - $(v) \qquad \text{At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law. } \\$

The term "rent" as used in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in subsections 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the rate set forth in Article $\underline{25}$ of this Lease, but in no case greater than the maximum amount of such interest permitted by law. As used in subsection $\underline{19.2.1(iii)}$ above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus two percent (2%).

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

- 19.2.3 Landlord shall at all times have the rights and remedies (which shall be cumulative with each other and cumulative and in addition to those rights and remedies available under Sections 19.2.1 and 19.2.2, above, or any law or other provision of this Lease), without prior demand or notice except as required by applicable law, to seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease, or restrain or enjoin a violation or breach of any provision hereof.
- 19.3. Subleases of Tenant. Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19. 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.
- 19.4. Form of Payment After Default. Following the occurrence of two (2) or more events of default in any twelve (12) month period by Tenant, Landlord shall have the right to require that any or all subsequent amounts of Rent paid by Tenant to Landlord hereunder be prepaid quarterly in advance.
- 19.5. Efforts to Relet. 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. Tenant hereby irrevocably waives any right otherwise available under any law to redeem or reinstate this Lease.

ARTICLE 20

COVENANT OF QUIET ENJOYMENT

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, 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, covenants, conditions, provisions and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied.

ARTICLE 21

SECURITY DEPOSIT

Concurrent with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "Security Deposit") in the amount set forth in Section 8 of the Summary, as security for the faithful performance by Tenant of all of its obligations under this Lease. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, the removal of property and the repair of resultant damage, Landlord may, without notice to Tenant, but shall not be required to apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default and Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. Any unapplied portion of the Security Deposit shall be returned to Tenant, or, at

Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Term. In addition, in the event Tenant defaults on any of its obligations under this Lease more than two (2) times in any Lease Year, Landlord shall have the right to require Tenant to immediately increase the Security Deposit required hereunder by two times. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, or any successor statute.

ARTICLE 22

SUPPLEMENTAL EQUIPMENT

- 22.1. <u>Supplemental Equipment</u>. Landlord hereby grants to Tenant and Tenant hereby accepts from Landlord, on the terms and conditions set forth herein, a license (the "License") granting Tenant the right to use or install (as applicable), at Tenant's sole cost and expense and subject to the provisions of this <u>Article 22</u>, the following:
- 22.1.1 A heating, ventilating and air conditioning system related to connections to the Premises providing up to 100 tons of cooling capacity ("Tenant's HVAC Equipment") located on a portion of the roof system support panel.
- 22.1.2 Two (2) four inch (4") aluminum conduit running from the two diverse exterior fiber vaults (collectively "Fiber Vault Conduits") in locations approved by Landlord in writing running from the street adjacent to the Building to the MPOE located in the basement of the Building. Tenant shall maintain the Fiber Vault Conduits in compliance with all applicable laws and shall be solely responsible for all costs and expenses incurred in connection with the installation, maintenance, and operation of the Fiber Vault Conduits.
 - 22.1.3 Electrical Equipment described in Section 6.1.3 above.
- 22.1.4 Subject to available capacity of the Building, such connection equipment, such as conduits, cables, risers, feeders and materials (collectively, the "Connecting Equipment") in the shafts, ducts, conduits, chases, utility closets and other facilities of the Building as is reasonably necessary to connect the existing HVAC equipment, the electrical equipment and any fire-suppression system to Tenant's other machinery and equipment in the Premises, subject however, to the provisions of Section 22.3 below and subject to the availability of vertical riser and feeder excess capacity in Riser A;
- 22.1.5 Three (3) four inch (4") aluminum conduit running from the Premises to the basement of the Building, running in the main telecommunications risers of the Building locations designated or approved in writing by Landlord, and in the basement from the main telecommunication riser to the MPOE to connect with the fiber optic network of Tenant's chosen fiber optic service provider (collectively "Tenant's Conduit"). All fiber cross connections with other tenants of the Project shall be made through the NAC located on the second floor of the Building. Tenant acknowledges that Landlord has made no representations and has provided no assurances regarding the availability or existence of fiber, carrier connections or telecommunication lines at the Building and Tenant is relying solely on its own investigations and arrangements with respect to such matters. Tenant further acknowledges that it may not bring any new carriers or fiber connections to the Building or make any connections to or from the Building's MPOE without first obtaining Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion.

The Connecting Equipment, Fiber Vault Conduit, Tenant's Conduit, designated innerducts, and other supplemental equipment installed by Tenant pursuant to the terms of this Lease are sometimes collectively referred to as the "Supplemental Equipment."

- 22.2. <u>License Areas</u>. The areas within the Building and Project which are outside the Premises and are occupied by the Supplemental Equipment (including without limitation, Tenant's non-exclusive use, in common with one or more other tenants of the Project and Landlord, the vertical shafts and horizontal raceways of the Building to the extent Tenant's use of such areas are approved in writing by Landlord) are referred to herein collectively as the "License Areas". The precise amount and location of the License Areas shall be designated by Landlord. It is expressly understood that Landlord retains the right to use the License Areas for any purpose whatsoever provided that Tenant shall have reasonable access to, and Landlord shall not unduly interfere with the use of, the Supplemental Equipment therein. In addition, Landlord reserves full control of the MPOE to the Building, and Tenant has no below ground entrance to the Building or the street.
- 22.3. Tenant's Obligations. For the purposes of determining Tenant's obligations with respect to the License Areas, the License Areas shall be deemed to be a portion of the Premises; consequently, unless otherwise provided in this Article 22, all of the provisions of this Lease with respect to Tenant's obligations hereunder shall apply to the installation, use and maintenance of the License Areas and the Supplemental Equipment, including without limitation, provisions relating to compliance with requirements as to insurance, indemnity, janitorial services, repairs, maintenance and compliance with law. Landlord shall have no obligation with regard to the License Areas except as provided in this Article 22.
- 22.4. Indemnity. Tenant shall install, use, maintain and repair the Supplemental Equipment, and use the License Areas, so as not to damage or interfere with the operation of the Building, the Building systems or with the occupancy or activities of any other tenant of the Building; and Tenant hereby agrees to indemnify and hold harmless the Landlord Parties from and against any and all claims (including but not limited to claims for bodily injury or property damage), actions, mechanic's liens, losses, liabilities, and expenses (including reasonable attorney fees and costs of defense by Landlord's legal counsel) (collectively, "Claims"), which may arise from the installation, operation, use, maintenance or removal of the Supplemental Equipment and use of the License Areas. Similarly, Tenant shall pay upon demand by Landlord the costs to repair any physical damage to the Building and the License Areas caused by such installation, operation, use, maintenance or removal. Tenant hereby waives and releases the Landlord Parties from any Claims Tenant may have at any time (including but not limited to Claims relating to interruptions in services) arising out of or relating in any way to the installation, operation, use, maintenance, and/or removal of the Supplemental Equipment and/or use of the License Areas. Such waiver and release shall not apply to Claims to the extent caused by Landlord's gross negligence or willful misconduct and not insured or required to be insured by Tenant under this Lease. However, in no event shall Landlord or any member of the Landlord Parties be liable to Tenant for lost profits or consequential or incidental damages of any kind.
- 22.5. <u>Tenant Waiver</u>. Landlord shall not have any obligations with respect to the Supplemental Equipment or License Areas or compliance with any requirements relating thereto, nor shall Landlord be responsible for any damage that may be caused to the Supplemental Equipment or License Areas except to the extent caused by the gross negligence or willful misconduct of Landlord and not insured or required to be insured by Tenant under this Lease. Landlord makes no representation that the Supplemental Equipment or License Areas will be able to operate without interference or disturbance and Tenant agrees that Landlord shall not be liable to Tenant therefor.

- 22.6. <u>Protective Installations</u>. Tenant, at Tenant's sole cost and expense, shall install such fencing and other protective equipment on or about the Supplemental Equipment and License Areas as Landlord may determine.
- 22.7. <u>Damage to Supplemental Equipment/Taxes on Supplemental Equipment.</u>
 Notwithstanding anything in <u>Article 11</u> to the contrary, Tenant shall (i) be solely responsible for any damage caused as a result of and/or to the Supplemental Equipment, (ii) promptly pay any tax, license or permit fees charged pursuant to any requirements in connection with the installation, maintenance or use of the Supplemental Equipment and comply with all precautions and safeguards recommended by all governmental authorities, and (iii) make necessary repairs, replacements or to maintenance of the Supplemental Equipment and License Areas (unless and to the extent Landlord has elected in <u>Section 11.1</u> to repair the Supplemental Equipment) or License Areas.
- 22.8. Landlord's Rights. If any of the conditions set forth in this Article 22 are not complied with by Tenant, or if Tenant's use of the Supplemental Equipment is interfering with the activity or occupancy of any other tenant in the Building, then without limiting Landlord's rights and remedies it may otherwise have under this Lease, Tenant shall, upon written notice from Landlord, have the option either to (i) immediately discontinue its use of the Supplemental Equipment and License Areas, remove the same, and make such repairs and restoration as required under Section 22.10 below, (ii) reposition any Supplemental Equipment to a location designated by Landlord if Landlord elects to permit such repositioning, and make such repairs and restorations as required under Section 22.10 below, or (iii) correct such noncompliance within thirty (30) days after receipt of notice. If Tenant fails to correct noncompliance within thirty (30) days after receipt of notice, then, subject to Section 22.10 below, Tenant shall immediately discontinue its use of the applicable Supplemental Equipment and remove the same and discontinue use of the related License Areas. Tenant acknowledges and agrees that any exercise by Landlord of its rights under this Section 22.9 shall not relieve Tenant of any of its obligations under the
- 22.9. <u>Removal of Supplemental Equipment</u>. Notwithstanding anything in this Lease to the contrary (including without limitation <u>Article 15</u>), upon the expiration of the Term or upon any earlier termination of this Lease, Landlord shall have the option of requiring that Tenant, subject to the control of and direction from Landlord, remove all or any portion of the Supplemental Equipment, repair any damage caused thereby, and restore the License Areas and other facilities of the Building and Project to their condition existing prior to the installation of the Supplemental Equipment.

ARTICLE 23

SIGNS

- 23.1. <u>Full Floors</u>. Subject to Landlord's prior written approval, in its sole discretion, and provided all signs are in keeping with the quality, design and style of the Building and Project, Tenant, if the Premises comprise an entire floor of the Building, at its sole cost and expense, may install identification signage anywhere in the Premises including in the elevator lobby of the Premises, provided that such signs must not be visible from the exterior of the Building.
- 23.2. Multi-Tenant Floors. If other tenants occupy space on the floor on which the Premises is located, Tenant's identifying signage shall be provided by Landlord, at Tenant's cost, and such signage shall be comparable to that used by Landlord for other similar floors in the Building and shall comply with Landlord's Building standard signage program.

23.3. <u>Prohibited Signage and Other Items</u>. Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been separately approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant. Tenant may not install any signs on the exterior or roof of the Project or the Common Areas. Any signs, window coverings, or blinds (even if the same are located behind the Landlord-approved window coverings for the Building), or other items visible from the exterior of the Premises or Building, shall be subject to the prior approval of Landlord, in its sole discretion.

ARTICLE 24

COMPLIANCE WITH LAW

Tenant shall not do anything or suffer anything to be done in or about the Premises or the Project which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated. At its sole cost and expense, Tenant shall promptly comply with all such governmental measures. 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. Tenant shall be responsible, at its sole cost and expense, to make all alterations to the Premises as are required to comply with the governmental rules, regulations, requirements or standards described in this Article 24. 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.

ARTICLE 25

LATE CHARGES

If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the overdue amount plus any reasonable attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid within ten (10) days after the date they are due shall bear interest from the date when due until paid at a rate per annum equal to the lesser of (i) the Interest Rate, and (ii) the highest rate permitted by applicable law.

ARTICLE 26

LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT

26.1. <u>Landlord's Cure</u>. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent, except to the extent, if any, otherwise expressly provided herein. If Tenant shall fail to perform any obligation under this Lease, and such failure shall continue in excess of the time allowed under <u>Section 19.1.2</u>, above, unless a specific time period is otherwise stated in this Lease. Landlord may, but shall not be obligated to, make any such payment or perform any such act on Tenant's part without

waiving its rights based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2. Tenant's Reimbursement. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, upon delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1; (ii) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Lease; and (iii) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so expended. Tenant's obligations under this Section 26.2 shall survive the expiration or sooner termination of the Term.

ARTICLE 27

ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant (except in the case of an emergency) to enter the Premises to (i) inspect them; (ii) show the Premises to prospective purchasers, mortgagees or tenants, or to current or prospective mortgagees, ground or underlying lessors or insurers; (iii) post notices of nonresponsibility; or (iv) alter, improve or repair the Premises or the Building, or for structural alterations, repairs or improvements to the Building or the Building's systems and equipment. Notwithstanding anything to the contrary contained in this Article 27, Landlord may enter the Premises at any time to (A) perform services required of Landlord; (B) take possession due to any breach of this Lease in the manner provided herein; and (C) perform any covenants of Tenant which Tenant fails to perform. Landlord may make any such entries without the abatement of Rent and may take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises by Landlord in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises. No provision of this Lease shall be construed as obligating Landlord to perform any repairs, alterations or decorations except as otherwise expressly agreed to be performed by Landlord herein.

ARTICLE 28

RELOCATION OF PREMISES

INTENTIONALLY OMITTED

ARTICLE 29

MISCELLANEOUS PROVISIONS

29.1. <u>Terms: Captions</u>. The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall

in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

- 29.2. <u>Binding Effect</u>. Subject to all other provisions of this Lease, each of the covenants, conditions and provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective heirs, personal representatives, successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of <u>Article 14</u> of this Lease.
- 29.3. No Air Rights. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Project, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease.
- 29.4. Modification of Lease. Should any current or prospective mortgagee or ground lessor for the Building or Project require a modification of this Lease, which modification will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are reasonably required therefor and to deliver the same to Landlord within ten (10) days following a request therefor. At the request of Landlord or any mortgagee or ground lessor. Tenant agrees to execute a short form of Lease and deliver the same to Landlord within ten (10) days following the request therefor.
- 29.5. Transfer of Landlord's Interest. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Project or Building and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer and such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord, including the return of any Security Deposit, and Tenant shall attorn to such transferee. Tenant further acknowledges that Landlord may assign its interest in this Lease to a mortgage lender as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder.
- 29.6. <u>Prohibition Against Recording.</u> Except as provided in <u>Section 29.4</u> of this Lease, neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant.
- 29.7. <u>Landlord's Title.</u> Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.
- 29.8. <u>Relationship of Parties</u>. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venture or any association between Landlord and Tenant.
- 29.9. <u>Application of Payments</u>. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

- 29.10. <u>Time of Essence</u>. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.
- 29.11. 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.
- 29.12. No Warranty. In executing and delivering this Lease, Tenant has not relied on any representations, including, but not limited to, any representation as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto.
- 29.13. Landlord Exculpation. The liability of Landlord or the Landlord Parties to Tenant for any default by Landlord under this Lease or arising in connection herewith or with Landlord's operation, management, leasing, repair, renovation, alteration or any other matter relating to the Project or the Premises shall be limited solely and exclusively to an amount which is equal to the lesser of (a) the interest of Landlord in the Building or (b) the equity interest Landlord would have in the Building if the Building were encumbered by third-party debt in an amount equal to eighty percent (80%) of the value of the Building (as such value is determined by Landlord), provided that in no event shall such liability extend to any sales or insurance proceeds received by Landlord or the Landlord Parties in connection with the Project, Building or Premises. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 29.13 shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Under no circumstances shall any present or future partner of Landlord (if Landlord is a partnership), or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations under this Lease. Notwithstanding any contrary provision herein, neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.
- 29.14. Entire Agreement. It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease and this Lease and the Exhibits hereto, constitute the parties' entire agreement with respect to the leasing of the Premises and supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. None of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto.
- 29.15. <u>Right to Lease</u>. Landlord reserves the absolute right to effect such other tenancies in the Project as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building or Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Term, occupy any space in the Building or Project.

- 29.16. Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease and except as to Tenant's obligations under Articles 5 and 24 of this Lease (collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.
- 29.17. Waiver of Redemption by Tenant. Tenant hereby waives, for Tenant and for all those claiming under Tenant, any and all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.
- 29.18. Notices. All notices, demands, statements, designations, approvals or other communications (collectively, "Notices") given or required to be given by either party to the other hereunder or by law shall be in writing, shall be (A) sent by United States certified or registered mail, postage prepaid, return receipt requested ("Mail"), (B) transmitted by telecopy, if such telecopy is promptly followed by a Notice sent by Mail, (C) delivered by a nationally recognized overnight courier, or (D) delivered personally. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Tenant at the appropriate address set forth in Section 10 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord, or to Landlord at the addresses set forth below, or to such other places as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given (i) three (3) days after the date it is posted if sent by Mail, (ii) the date the telecopy is transmitted, (iii) the date the overnight courier delivery is made or attempted to be made, or (iv) the date personal delivery is made or attempted to be made. If Tenant is notified of the identity and address of Landlord's mortgagee or ground or underlying lessor. Tenant shall give to such mortgagee or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail, and such mortgagee or ground or underlying lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant. As of the date of this Lease, any Notices to Landlord must be sent, transmitted, or delivered, as the case may be, to the following address:

530 6TH STREET, LLC c/o Morlin Management 444 South Flower Street, 5th Floor Los Angeles, CA 90071 Attention: Jock Ebner Facsimile: (213) 402-8400

- 29.19. <u>Joint and Several</u>. If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.
- 29.20. <u>Authority</u>. If Tenant is a corporation, trust or partnership, 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 a corporation, upon demand by Landlord, also deliver to Landlord satisfactory evidence of (i) good standing in Tenant's state of incorporation and (ii) qualification to do business in California.

- 29.21. Attorneys' Fees. In the event that either Landlord or Tenant should bring suit for the possession of the Premises, for the recovery of any sum due under this Lease, or because of the breach of any provision of this Lease or for any other relief against the other, then all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party therein shall be paid by the other party, which obligation on the part of the other party shall be deemed to have accrued on the date of the commencement of such action and shall be enforceable whether or not the action is prosecuted to judgment.
- 29.22. 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, (II) SERVICE OF PROCESS BY ANY MEANS AUTHORIZED BY CALIFORNIA LAW, AND (III) IN THE INTEREST OF SAVING TIME AND EXPENSE, 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.
- 29.23. <u>Submission of Lease</u>. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of, option for or option to lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.
- 29.24. Brokers. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate brokers or agents specified in Section 11 of the Summary (the "Brokers"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of any dealings with any real estate broker or agent, other than the Brokers, occurring by, through, or under the indemnifying party.
- 29.25. <u>Independent Covenants</u>. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord.
- 29.26. Project or Building Name and Signage. Landlord shall have the right at any time to change the name of the Project or Building and to install, affix and maintain any and all signs on the exterior and on the interior of the Project or Building as Landlord may, in Landlord's sole discretion.

desire. Tenant shall not use the name of the Project or Building or use pictures or illustrations of the Project or Building in advertising or other publicity or for any purpose other than as the address of the business to be conducted by Tenant in the Premises, without the prior written consent of Landlord.

- 29.27. Counterparts. This Lease may be executed in counterparts with the same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single lease.
- 29.28. 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, space planning consultants and prospective sublessees, transferees or assignees of Tenant.
- 29.29. 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, the Project or any part thereof and that no representations respecting the condition of the Premises, the Building, the Project or any part thereof have been made by Landlord to Tenant. However, Tenant hereby acknowledges that Landlord is currently renovating or may during the 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 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 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 the License Areas or of Tenant's personal property or improvements (including the Supplemental Equipment) 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.
- 29.30. No Violation. Tenant hereby warrants and represents that neither its execution of nor performance under this Lease shall cause Tenant to be in violation of any agreement, instrument, contract, law, rule or regulation by which Tenant is bound, and Tenant shall protect, defend, indemnify and hold Landlord harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees and costs, arising from Tenant's breach of this warranty and representation.
- 29.31. Construction of Project and Other Improvements. Tenant acknowledges that portions of the Project may be under construction following Tenant's occupancy of the Premises, and that such construction may result in levels of noise, dust, obstruction of access, etc. which are in excess of that present in a fully constructed project. Tenant hereby waives any and all rent offsets or claims of constructive eviction which may arise in connection with such construction.

- 29.32. Option. This Lease shall not become effective as a lease or otherwise until executed and delivered by both Landlord and Tenant. The submission of the Lease to Tenant does not constitute a reservation of or option for the Premises, but when executed by Tenant and delivered to Landlord, the Lease shall constitute an irrevocable offer by Tenant in effect for thirty (30) days to lease the Premises on the terms and conditions herein contained.
- 29.33. No Violation. Landlord and Tenant hereby each warrant and represent that neither their execution of nor performance under this Lease shall cause such party to be in violation of any agreement, instrument, contract, law, rule or regulation by which such party is bound. The individuals executing this Lease on behalf of the respective parties have all legal right, title and authority to do so.

[SIGNATURES ON FOLLOWING PAGE]

"Landlord":

530 6TH STREET, LLC,

a California limited liability company

LaeRoc Partners, Inc., its manager

Kim A. Benjamin President

"Tenant":

OC3 NETWORKS &WEB SOLUTIONS LLC a California limited liability company

BY:

42

Han Mishan, Owner

EXHIBIT A 530 WEST SIXTH STREET OUTLINE OF PREMISES

Exhibit A-1

EXHIBIT B

NOTICE OF LEASE TERM DATES

To: OC3 NETWORKS & WEB SOLUTIONS, LLC 19528 Ventura Boulevard, #433 Tarzana, CA 91356 Attention: Mr. Ilan Mishan

Re: Office Lease dated 01/01/2010 between 530 6TH STREET, LLC, a California limited liability company ("Landlord"), and OC3 Networks and Web Solutions LLC. ("Tenant") concerning Suite 1301 of the office building located at 530 W. 6th Street, Los Angeles, California.

Dear Tenant:

In accordance with the Office Lease (the "Lease"), we wish to advise you and/or confirm as follows:

- 1. The Term shall commence on or has commenced on Jan 1, 2010 for a term of ten years ending on 12/31/2020.
- 2. Rent commenced to accrue on 01/01/2010, in the amount of \$38,673.00 monthly collectively, for space 1301.
- 3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a pro rata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
- 4. Your rent checks should be made payable to 530 6TH STREET, LLC, and mailed to Morlin Management at 444 South Flower Street, 5th Floor, Los Angeles, CA 90071, Attention: Tim Moore.
- 5. The approximate number of rentable square feet within the Premises is 12,245 square feet.
- 6. Tenant's Share as adjusted based upon the exact number of rentable square feet within the Premises is 2.1%.

[SIGNATURES ON NEXT PAGE]

Exhibit B-1

"Landlord":

530 6TH STREET, LLC. a California limited liability company

LaeRoc Partners, Inc., its manager

President

Agreed to and Accepted as of Jan 01, 2010.

"Tenant":

OC3 NETWORKS &WEB SOLUTIONS LLC a California limited liability company

llan Mishan, Owner

Exhibit B-2

EXHIBIT C

RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. In the event of any conflict between the Rules and Regulations and the other provisions of this Lease, the latter shall control.

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

All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises.

Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the vicinity of the Building. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. Landlord will furnish passes to persons for whom Tenant requests same in writing. Tenant shall be responsible for all persons for whom Tenant requests passes and shall be liable to Landlord for all acts of such persons. The Landlord and his agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building or the Project during the continuance thereof by any means it deems appropriate for the safety and protection of life and property.

No furniture, freight or equipment of any kind shall be brought into the Building without prior notice to Landlord. All moving activity into or out of the Building shall be scheduled with Landlord and done only at such time and in such manner as Landlord designates. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building and also the times and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. Any damage to any part of the Building, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility and expense of Tenant.

No furniture, packages, supplies, equipment or merchandise will be received in the Building or carried up or down in the elevators, except between such hours, in such specific elevator and by such personnel as shall be designated by Landlord.

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

No sign, advertisement, notice or handbill shall be exhibited, distributed, painted or affixed by Tenant on any part of the Premises or the Building without the prior written consent of the Landlord. Tenant shall not disturb, solicit, peddle, or canvass any occupant of the Project and shall cooperate with Landlord and its agents of Landlord to prevent same.

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

Tenant shall not overload the floor of the Premises, nor mark, drive nails or screws, or drill into the partitions, woodwork or drywall or in any way deface the Premises or any part thereof without Landlord's prior written consent. Tenant shall not purchase spring water, ice, towel, linen, maintenance or other like services from any person or persons not approved by Landlord.

Except for dry or gel cell batteries used in connection with Tenant's UPS System, Tenant shall not use or keep in or on the Premises, the Building, or the Project any kerosene, gasoline, explosive material, corrosive material capable of emitting toxic fumes, or other inflammable or combustible fluid chemical, substitute or material. Tenant shall provide material safety data sheets for any Hazardous Material used or kept on the Premises.

Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Project by reason of noise, odors, or vibrations, or interfere with other tenants or those having business therein, whether by the use of any musical instrument, radio, phonograph, or in any other way. Tenant shall not throw anything out of doors, windows or skylights or down passageways.

Tenant shall not bring into or keep within the Project, the Building or the Premises any animals, birds, aquariums, or, except in areas designated by Landlord, bicycles or other vehicles.

No cooking shall be done or permitted on the Premises, nor shall the Premises be used for the storage of merchandise, for lodging or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters' laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages for employees and visitors, provided that such use is in accordance with all applicable federal, state, county and city laws, codes, ordinances, rules and regulations.

The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the use of the Premises provided for in the Summary. Tenant shall not occupy or permit any portion of the Premises to be occupied as an office for a messenger-type operation or dispatch office, public stenographer or typist, or for the manufacture or sale of liquor, narcotics, or tobacco in any form, or as a medical office, or as a barber or manicure shop, or as an employment bureau without the express prior written consent of Landlord. Tenant shall not engage or pay any employees on

the Premises except those actually working for such tenant on the Premises nor advertise for laborers giving an address at the Premises.

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

Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, courts, halls, stairways, elevators, vestibules or any Common Areas for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises.

Tenant shall use reasonable best efforts to participate in recycling programs undertaken by Landlord.

Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in Los Angeles, California without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate. If the Premises is or becomes infested with vermin as a result of the use or any misuse or neglect of the Premises by Tenant, its agents, servants, employees, contractors, visitors or licensees, Tenant shall forthwith, at Tenant's expense, cause the Premises to be exterminated from time to time to the satisfaction of Landlord and shall employ such licensed exterminators as shall be approved in writing in advance by Landlord.

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

Any persons employed by Tenant to do janitorial work shall be subject to the prior written approval of Landlord, and while in the Building and outside of the Premises, shall be subject to and under the control and direction of the Building manager (but not as an agent or servant of such manager or of Landlord), and Tenant shall be responsible for all acts of such persons.

No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord, and no curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises other than Landlord standard drapes. All electrical ceiling fixtures hung in the Premises or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and a warm white bulb color approved in advance in writing by Landlord. Neither the interior nor exterior of any windows shall be coated or otherwise sunscreened without the prior written consent of Landlord. Tenant shall be responsible for any damage to the window film on the exterior windows of the Premises and shall promptly repair any such damage at Tenant's sole cost and expense. Tenant shall keep its window coverings closed during any period of the day when the sun is shining directly on the windows of the Premises. Prior to leaving the Premises for the day, Tenant shall draw or lower window coverings and extinguish all lights. Tenant shall abide by Landlord's regulations concerning the opening and closing of window coverings which are attached to the windows in the Premises, if any, which have a view of any interior portion of the Building or Building Common Areas.

The sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills.

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

Tenant must comply with the City of Los Angeles "NO-SMOKING" Ordinance No. 159498. If Tenant is required under the ordinance to adopt a written smoking policy, a copy of said policy shall be on file in the office of the Building. Additionally, Tenant must provide at least one area within the Premises in which its employees, invitees and visitors may smoke.

Tenant hereby acknowledges that Landlord shall have no obligation to provide guard service or other security measures for the benefit of the Premises, the Building or the Project. Tenant hereby assumes all responsibility for the protection of Tenant and its agents, employees, contractors, invitees and guests, and the property thereof, from acts of third parties, including keeping doors locked and other means of entry to the Premises closed, whether or not Landlord, at its option, elects to provide security protection for the Project or any portion thereof. Tenant further assumes the risk that any safety and security devices, services and programs which Landlord elects, in its sole discretion, to provide may not be effective, or may malfunction or be circumvented by an unauthorized third party, and Tenant shall, in addition to its other insurance obligations under this Lease, obtain its own insurance coverage to the extent Tenant desires protection against losses related to such occurrences. Tenant shall cooperate in any reasonable safety or security program developed by Landlord or required by law.

All office equipment of any electrical or mechanical nature shall be placed by Tenant in the Premises in settings approved by Landlord, to absorb or prevent any vibration, noise and annoyance.

Tenant shall not use in any space or in the public halls of the Building, any hand trucks except those equipped with rubber tires and rubber side guards.

No auction, liquidation, fire sale, going-out-of-business or bankruptcy sale shall be conducted in the Premises without the prior written consent of Landlord.

No tenant shall use or permit the use of any portion of the Premises for living quarters, sleeping apartments or lodging rooms.

Tenant shall not purchase spring water, towels, janitorial or maintenance or other similar services from any company or persons not approved by Landlord. Landlord shall approve a sufficient number of sources of such services to provide Tenant with a reasonable selection, but only in such instances and to such extent as Landlord in its judgment shall consider consistent with the security and proper operation of the Building.

Tenant shall install and maintain, at Tenant's sole cost and expense, an adequate, visibly marked and properly operational fire extinguisher next to any duplicating or photocopying machines or similar heat producing equipment, which may or may not contain combustible material, in the Premises.

Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, Building, the Common Areas and the Project, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Landlord may waive any one or more

of these Rules and Regulations for the benefit of any particular tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Project. Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises.

EXHIBIT D

FORM OF TENANT'S ESTOPPEL CERTIFICATE

The undersigned as Tenant under that certain Office Lease (the "Lease") made and entered into as of 01/01/2010 by and between 530 6TH STREET, LLC, a California limited liability company as Landlord, and the undersigned as Tenant, for Premises on the second (2nd) floor of the office building located at 530 West 6^{th} Street, Los Angeles, California 90014, certifies as follows:

- 1. Attached hereto as $\underline{\text{Exhibit } A}$ is a true and correct copy of the Lease and all amendments and modifications thereto. The documents contained in $\underline{\text{Exhibit } A}$ represent the entire agreement between the parties as to the Premises and the project of which the Premises are a part.
- The undersigned currently occupies the Premises described in the Lease, the Term commenced on 01/01/2010, and the Term expires on 12/31/2020, and the undersigned has no option to terminate or cancel the Lease or to purchase all or any part of the Premises, the Building and/or the Project.
 - 3. Base Rent became payable on first of each month.
- 4. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in $\underline{\text{Exhibit A}}$.
- 5. Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto accept as follows:
- 6. Tenant shall not modify the documents contained in $\underline{\text{Exhibit A}}$ without the prior written consent of Landlord's mortgagee.
- 7. All monthly installments of Base Rent, all Additional Rent and all monthly installments of estimated Additional Rent have been paid when due through ______. The current monthly installment of Base Rent is \$
- 8. All conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied and Landlord is not in default thereunder. In addition, the undersigned has not delivered any notice to Landlord regarding a default by Landlord thereunder.
- 9. No rental has been paid more than thirty (30) days in advance and no security has been deposited with Landlord except as provided in the Lease.
- 10. As of the date hereof, there are no existing defenses or offsets, to the undersigned's knowledge, claims or any basis for a claim that the undersigned has against Landlord.
- 11. If Tenant is a corporation or partnership, each individual executing this Estoppel Certificate on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Estoppel Certificate and that each person signing on behalf of Tenant is authorized to do so.
- 12. There are no actions pending against the undersigned or any guarantor of the Lease under the bankruptcy or similar laws of the United States or any state.

Exhibit E-1

- Other than in compliance with all applicable laws and incidental to the ordinary course of the use of the Premises, the undersigned has not used or stored any hazardous substances in the Premises.
- To the undersigned's knowledge, all tenant improvement work to be performed by Landlord under the Lease has been completed in accordance with the Lease and has been accepted by the undersigned and all reimbursements and allowances due to the undersigned under the Lease in connection with any tenant improvement work have been paid in full.

The undersigned acknowledges that this Estoppel Certificate may be delivered to Landlord or to a prospective mortgagee or prospective purchaser, and acknowledges that said prospective mortgagee or prospective purchaser will be relying upon the statements contained herein in making the loan or acquiring the property of which the Premises are a part and that receipt by it of this certificate is a condition of making such loan or acquiring such property.

OC3 NETWORKS &WEB SOLUTIONS LLC a California limited liability company

Han Mishan, Owner

ASSIGNMENT AND ASSUMPTION AGREEMENT (Suites 302G, 602, 801, 805, 901, 904, 1003, 1301, Cages 9 & 10)

This Assignment and Assumption Agreement ("Agreement") is made as of December 7, 2010, by and between OC3 Networks & Web Solutions, LLC, a California limited liability company ("Assignor") and Quadranet, Inc., a California corporation ("Assignee") and approved by 530 6th Street, LLC, a California limited liability company ("Landlord").

- A. Pursuant to that certain Asset Purchase Agreement, dated December 15, 2009, ("Asset Agreement") by and among Assignor and Assignee, Assignor has agreed to transfer and assign unto Assignee all of Assignor's right, title and interest in and to the Facility Leases on Schedule 1 hereto, and Assignee has agree to assume all obligations of Assignor arising from and related to the Facility Leases.
- B. Capitalized terms used but not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Facility Leases.

AGREEMENT

Now therefore, in consideration of the forgoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. Assignment of Facility Leases. Assignor currently occupies Suites 302G, 602, 801, 805, 901, 904, 1003 and 1301 for a combined total of 34,175 rentable square feet, along with Cages 9 and 10 (collectively the "Premises"). For value received, Assignor hereby transfers and assigns to Assignee all of its right, title and interest in or related to the Facility Leases listed on Schedule 1, including all of Assignor's right, title and interest in the security deposits currently held by Landlord in the amounts set forth thereon which Assignor hereby agrees shall be transferred to Landlord for the account of Assignee and shall be held thereby as security for the faithful performance by Assignee of all of its obligations under the Leases. This Assignment shall be deemed to be effective retroactively as of the effective date of the Asset Agreement ("Effective Date").
- 2. <u>Assumption of Obligations</u>. As of the Effective Date, Assignee assumes and agrees to fully pay, perform and discharge all obligations, covenants, liabilities and conditions, as and when same may become due and payable and/or performable in accordance with the respective terms of each Facility Lease. Assignor hereby acknowledges that it shall remain responsible to fully pay, perform and discharge, as and when the same may become due, all of the obligations, covenants, liabilities and conditions under the Leases regardless of this assignment Agreement and nothing herein shall be deemed to release Assignor from any such duty. The obligations, liabilities, indemnities and releases, if any, contained in the Asset Agreement shall govern any dispute between the parties as to the scope and timing of obligations contained in this Agreement.
- 3. <u>Landlord Consent</u>. Landlord hereby consents to the assignment of the Leases from Assignor to Assignee and the assumption of all obligations thereunder by Assignee from and after the Effective Date pursuant to Section 14.2 of the Leases and subject to Landlord's receipt of (i) a fully executed original of this Assignment, (ii) Assignee's proof of insurance in the form and amounts required in Section 10.3 of the Leases; and (iii) evidence of the acquisition, merger or assignment of all assets, liabilities and interests in Assignor to Assignee.

Landlord's consent to this Assignment is given without prejudice to Landlord's rights under the Leases, and this Assignment shall not be deemed to be consent to or authorization for any further assignment or subletting or sharing of possession or occupancy of the Premises under the Leases.

SCHEDULE 1 FACILITY LEASES 530 W. 6TH STREET, LOS ANGELES, CA

The "Facility Leases" shall be defined to include all of the following:

1. <u>Telecommunications Office Lease</u>, dated July 1, 2004, between Telecom Center LA, LLC, predecessor in interest to Landlord, and Tenant for occupancy of 1,152 square feet in <u>Suite 302</u>, and Cage G, and 180 square feet at <u>Suite 1003</u> in the Building, and concurrently therewith execution of one Telecommunications Conduit Agreement (1"innerduct Riser A) and one Telecommunications Device Agreement (6 cu. ft of rooftop space) of even date therewith which lease and agreements were scheduled to terminate on June 30, 2007.

First Amendment thereto, dated August 22, 2007, between Landlord and Tenant, to increase premises to include 3,387 square feet at <u>Suite 602</u> in the Building, and extend the lease term and concurrent agreement terms to December 31, 2015.

Second Amendment thereto, dated January 2, 2008, between Landlord and Tenant, to increase the premises to include 6,419 square feet at <u>Suite 901</u> in the Building, and to relinquish possession of 180 square feet at <u>Suite 1003</u>.

Third Amendment thereto, dated November 2, 2008, between Landlord and Tenant, to increase the premises to include 6,989 square feet at <u>Suite 801</u> in the Building, and relinquish possession of 1,152 square feet at <u>Suite 302G</u>.

Fourth Amendment thereto, dated December 1, 2010, between Landlord and Assignee as successor in interest to Tenant, to add back the 1,152 square feet at <u>Suite 302G</u>.

Telecommunications Office Lease, dated December 8, 2005, between 530 6th Street, LLC ("Landlord") and OC3 Networks & Web Solutions LLC, a California limited liability company ("Tenant") for occupancy of 3,387 feet in <u>Suite 805</u> of the building located at 530 W. 6th Street, Los Angeles, CA ("Building") which lease terminates on December 31, 2015.

First Amendment thereto, dated November 11, 2008, between Landlord and Tenant, to increase the premises to include 416 square feet at <u>Suite 904</u>, and add back to the premises 180 square feet at Suite 1003 in the Building*.

- 3. <u>Telecommunications Office Lease</u>, dated January 1, 2010, between Landlord and Tenant, for 12,245 square feet at <u>Suite 1301</u> in the Building, which lease terminates on December 31, 2020.
- 4. <u>License Agreement for Use of Colocation Space</u>, dated June 7, 2004, between Telecom Center LA, LLC, predecessor in interest to Landlord ("Licensor") and Tenant ("Licensee") for Cabinet C-10 Full in NAC, with scheduled termination on June 5, 2007.

First Amendment thereto, dated August 22, 2007, between Licensor and Licensee to extend the term of the license agreement to December 31, 2015.

Second Amendment thereto, dated March 8, 2009, between Licensor and Licensee to add additional rights to place an antenna on the roof of the Building.

Security Deposits on Hand:

Suite 3026 \$3,456; Suite 901 \$4,578; Suite 801 \$30,402.15; If of H Suite 805 \$80,454.50; Suite 1301 \$45,000 I ENGLY WILL PRY \$10,000 Per MONTH STRITING JANUARY UNITE PAID

- Retention of Rights. Assignor shall not be released from any obligations under the Leases and shall remain liable to Landlord for the performance of all Tenant's obligations, including, but not limited to, the payment of any Base Rent, Additional Rent, Insurance, Taxes, and Operating Expenses as defined in the Leases (hereafter "CAM Charges") through the expiration of their respective terms. By consenting to this Assignment, Landlord does not waive or release Assignor from liability for the faithful performance of the obligations contained in the Lease for the balance of each term, or any of Landlord's rights or remedies thereunder. The acceptance of rents by Landlord from Assignee or anyone else liable under the Leases shall not be deemed a waiver by Landlord of any provisions of the Leases and this consent is conditioned upon Assignor remaining liable, jointly and severally with Assignee, for all obligations and liabilities under each Lease. Notwithstanding the foregoing, in the event Assignee defaults in the performance of its obligations under any Lease and in this Assignment, including, but not limited to, ceasing its operations or abandoning the Premises, Assignor shall have the right to reoccupy the Premises for the purposes of mitigating its continuing liability to Landlord and may conduct its business in compliance with the Permitted Use for the Premises as established under the Lease at issue.
- 5. <u>Binding Effect</u>. The assignment and assumption of liabilities and obligations contained in this Agreement shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.
- 6. <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.
- 7. <u>No Amendment</u>. This Agreement shall not serve to amend or modify in any way the terms of the Facility Leases other than to modify the name of the Tenant for purposes of Landlord's records and to effectuate the assignment and assumption in the manner provided for in paragraphs 1 and 2 above. All terms and conditions of the Facility Leases shall remain in full force and effect and the parties hereto hereby reaffirm their obligations thereunder.
- 8. <u>Notices</u>. Notices for Landlord, Assignor, Assignee and Guarantors shall be sent as follows:

Landlord: 530 6th Street, LLC

c/o Morlin Management

444 South Flower Street, 5th Floor

Los Angeles, CA 90071 Attention: Jock Ebner Facsimile: (213) 402-8400

Assignor: OC3 NETWORKS & WEB SOLUTIONS, LLC

19528 Ventura Boulevard, #433

Tarzana, CA 91356 Attention: Mr. Ilan Mishan Facsimile:

Assignee: QUADRANET, INC.

19528 Ventura Boulevard, #433

Tarzana, CA 91356 Attention: Mr. Ilan Mishan Facsimile:

SIGNATURES TO FOLLOW ON NEXT PAGE

above. ASSIGNOR: LANDLORD: OC3 NETWORKS &WEB SOLUTIONS, LLC, 530 6TH STREET, LLC, a California limited liability company a California limited liability company LaeRoc Partners, Inc., Ву: its Manager llan Mishan, Authorized Member By: Kim/A. Benjamin ASSIGNEE: Rresident QUADRANET, INC., a California corporation

Ilan Mishan, Authorized Officer

The parties have executed and delivered this Agreement as of the date first set forth

FIRST AMENDMENT TO TELECOMMUNICATIONS OFFICE LEASE

#1301

This FIRST AMENDMENT TO TELECOMMUNICATIONS OFFICE LEASE ("First Amendment") is made and entered into effective as of June 1, 2013, by and between 530 6th ST. LLC, a California limited liability company ("Landlord") and Quadranet, Inc., a California corporation, ("Tenant").

RECUTALS

- A. Landlord and Tenant now desire to amend that certain Telecommunications Office Lease dated January 1, 2010 ("Lease"), pursuant to which Landlord leased to Tenant's predecessor in interest, OC3 Networks & Web Solutions LLC, approximately 12,245 rentable square feet of space, designated as "Suite 1301" ("Premises") on the 13th floor of the property and Jocated at 530 West Sixth Street, Los Angeles, California (the "Building"). Tenant also licenses the use of Cabinets C9 and C10 ("Cabinets") in the Building pursuant to that certain License Agreement, between Landlord and Tenant dated June 7, 2004 ("License"). All defined term used herein shall have the meanings ascribed in the Lease unless otherwise defined herein.
- B. Tenant now desires to extend the term of the Lease and License under the terms and conditions set forth in this First Amendment.

WITNESSETU:

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

1. Recitals. The foregoing recitals are hereby incorporated by reference herein.

- 2. Extended Term. Tenant shall remain in possession of the Premises in accordance with the terms of the Lease through June 30, 2022, unless sooner terminated as provided for in the Lease ("Extended Term"). During the Extended Term, Tenant's Share shall be and remain 2.1%. Tenant's License for use of the Cabinets shall concurrently be extended through June 30, 2022.
- Base Monthly Rental Payment. The Base Monthly Rent for the Premises is currently \$40,208.54 (\$3.28 per rentable square foot). Base Monthly Rent for the Premises shall increase 3% per year on January 1 of each Lease Year, commencing on January 1, 2014 through the Extended Term. Notwithstanding the forgoing, on the condition that Tenant shall not have materially breached the Lease through the Extended Term, Base Monthly Rent shall be abated for the Premises for the following three months: June 1, 2013: January 1, 2014; and January 1. 2015 (collectively "Abated Rent"), subject to Landlord's right to collect such Abated Rent if Tenant is in material default under the Lease at any time during the Extended Term.

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- Cabinet Rental Payment. The Cabinets shall be rented to Tenant pursuant to the 4. terms of the License for \$2,000 per month combined, commencing on July 1, 2013 through the Extended Term.
- Improvements. Tenant shall have the right to add 120 AMPS of 480 3 phase 5, power to the Premises at its sole cost and expense, subject to Section 6.1.3 of the Lease.
- No Broker. Tenant represents to Landlord that it has not engaged any broker or 6, other professional to represent it in connection with any aspect of this First Amendment and Tenant knows of no other real estate broker or agent who is entitled to a commission except for Morlin Asset Management, LP in connection with this First Amendment. Tenant hereby agrees to indemnify, defend and hold harmless Landford from any and all claims, demands, losses, liabilities, lawsuits, costs and expenses (including without limitation, reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be due and owing to any broker claiming to represent Tenant in the negotiation and execution of this First Amendment.
- Reaffirmation of Rights and Obligations. Except for the terms of this First 7. Amendment, all the terms and conditions of the Lease and License shall remain unmodified and in full force and effect and the parties shall continue to be governed by the respective terms of these agreements subject only to the modifications set forth herein.

IN WITNESS WHEREOF, Landlord and Tenant have caused this First Amendment to be executed the day and date first above written.

LANDLORD:

TENANT:

530 W. 6th STREET, LLC,

a California limited liability company

QUADRANET, INC.

a California corporation

Han Misham, President

SECOND AMENDMENT TO TELECOMMUNICATIONS OFFICE LEASE

This SECOND AMENDMENT TO TELECOMMUNICATIONS OFFICE LEASE ("Second Amendment") is made and entered into as of June 11, 2021 (the "Effective Date") by and between 530 6th Street, LLC, a California limited liability company ("Landlord"), QuadraNet, Inc., a California corporation (successor-in-interest to OC3 Networks & Web Solutions, LLC a California limited liability company) ("Initial Tenant") and QuadraNet Enterprises, LLC, a Delaware limited liability company ("Tenant," together with Initial Tenant, the "QuadraNet Parties").

RECITALS:

WHEREAS, Landlord and Initial Tenant entered into the following lease agreements: that certain Telecommunications Office Lease (designated as Suite 302G) dated July 1, 2004, as amended on August 22, 2007 by a First Amendment to Lease and Conduit Agreement, as amended on January 2, 2008 by a Second Amendment to Lease and Conduit Agreement, as amended on November 2, 2009 by a Third Amendment to Lease and Conduit Agreement, as amended on December 1, 2010 by a Fourth Amendment to Lease and Conduit Agreement, as amended on June 1, 2013 by a Fifth Amendment to Lease and Conduit Agreement and as amended on March 18, 2019 by a Sixth Amendment to Lease and Conduit Agreement (the "Suite 302G Lease"); that certain Telecommunications Office Lease (designated as Suite 805) dated December 8, 2005, as amended on November 11, 2008 by a First Amendment to Lease and Conduit Agreement (the "Suite 805 Lease"); and that certain Telecommunications Office Lease (designated as Suite 1301) dated January 1, 2010, as amended on June 1, 2013 by a First Amendment to Telecommunications Office Lease (the "Suite 1301 Lease") for premises more particularly described in the Suite 1301 Lease (the "Suite 1301 Premises"); each with respect to premises more particularly described in the Suite 302G Lease, the Suite 805 Lease and the Suite 1301 Lease respectively, and located at 530 W. 6th Street (the "Building") and collectively termed the "Current Premises," totaling approximately 36,953 rentable square feet (the Suite 302G Lease, the Suite 805 Lease and the Suite 1301 Lease, collectively referred to herein as the "Leases"). All capitalized terms used, but not otherwise defined in this Second Amendment shall have the meanings ascribed to them in the Leases;

WHEREAS, a portion of the Current Premises is leased to Initial Tenant under the Leases as office space, solely for office use under office rental rates. The office space presently consists of approximately 2,616 rentable square feet in the office space portion of Suite 901, approximately 748 rentable square feet in Suite 903 on the ninth floor, approximately 416 rentable square feet in Suite 904 on the ninth floor, each as reflected in the Suite 302G Lease, and approximately 180 rentable square feet in Suite 1003 on the tenth floor, as reflected in the Suite 805 Lease, totaling approximately 3,960 rentable square feet (collectively, the "Current Office Space"). The data center space presently consists of approximately 1,152 rentable square feet in Suite 302G on the third floor, approximately 2,030 rentable square feet in Suite 302 ABH 993 the 3third floor, approximately 3,387 rentable square feet in Suite 602 on the sixth floor, Page 1 of 12

approximately 6,989 rentable square feet in Suite 801 on the eighth floor, approximately 3,803 rentable square feet in Suite 901 on the ninth floor, each as reflected in the Suite 302G Lease; approximately 3,387 rentable square feet in Suite 805 on the eighth floor as reflected in the Suite 805 Lease, and approximately 12,245 rentable square feet on the thirteenth floor as reflected in the Suite 1301 Lease, totaling approximately 32,993 rentable square feet (collectively, the "Current Data Center Space");

WHEREAS, Landlord and the QuadraNet Parties desire to decrease the Current Data Center Space by removing approximately 1,152 rentable square feet located on the third floor described as Suite 302G, removing approximately 3,387 rentable square feet data center space on the sixth floor described as Suite 602, and removing approximately 3,387 rentable square feet of data center space on the eighth floor described as Suite 805 (hereinafter referred to as the "Relinquished Data Center Space") so that the total data center space, solely for data center use under data center space rates shall be approximately 25,067 rentable square feet (the "Reduced Data Center Space"). Landlord and the QuadraNet Parties desire to decrease the Current Office Space by removing approximately 180 rentable square feet of office space on the tenth floor described as Suite 1003 (hereinafter referred to as the "Relinguished Office Space") so that the total office space, solely for office use under office rental rates, shall be approximately 3,780 rentable square feet (the "Reduced Office Space"). The total premises under the Leases, as amended, shall consist of approximately 16,602 rentable square feet leased pursuant to the Suite 302G Lease (the "Reduced Suite 302G Premises") and approximately 12,245 rentable square feet leased pursuant to the Suite 1301 Lease (the Suite 1301 Premises), for a total of approximately 28,847 rentable square feet. (the "Reduced Premises"); and

WHEREAS, Initial Tenant represents and warrants that Initial Tenant transferred all of its assets and liabilities to Tenant on or about May 15, 2018 (the "<u>Transfer Date</u>") and that Tenant has accepted the assignment of Initial Tenant's assets and liabilities and has agreed to assume all of the obligations of Tenant under the Suite 1301 Lease arising from and after the Transfer Date; and

WHEREAS, Landlord and the QuadraNet Parties now desire to amend the Suite 1301 Lease to, *inter alia*, acknowledge the assignment of the Suite 1301 Lease from Initial Tenant to Tenant on the terms and conditions set forth below.

WITNESSETH:

NOW THEREFORE, in consideration of the foregoing Recitals, and the mutual promises, covenants and conditions set forth below, and other valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, Landlord and Tenant hereby acknowledge and agree that the Suite 1301 Lease (also referred to herein as the "Lease") is hereby amended as follows:

1. <u>Recitals:</u> The foregoing recitals are hereby incorporated by reference as covenants and provisions of this Second Amendment and not merely as recitals.

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2. [Intentionally Deleted]

3. Acknowledgement of Assignment: On or about the Transfer Date, Initial Tenant transferred all of its assets and liabilities in all of its locations, including but not limited to, the Suite 1301 Lease (collectively, the "Transferred Assets and Liabilities"), to Tenant and Tenant has accepted such assignment and has agreed to assume all of the tenant obligations under the Suite 1301 Lease, to the extent such obligations arise on or after the Transfer Date. Tenant hereby warrants and represents that it has accepted the assignment of the Transferred Assets and Liabilities, including without limitation, the Suite 1301 Lease, from Initial Tenant, and has agreed to assume all of the tenant obligations under the Suite 1301 Lease. Landlord hereby acknowledges and accepts the transfer from Initial Tenant to Tenant. Tenant agrees that Tenant shall provide financials and a fully-executed assignment document on or before July 1, 2021 that reflects the assignment of the Suite 1301 Lease.

4. [Intentionally Deleted]

- 5. Tenant Improvements/Condition and Use: Tenant shall be provided with a Tenant Improvement Allowance of up to \$100,000.00 for the exclusive and sole use of installing two (2) 20 ton CRAC units, an exhaust fan and relocation of a 10 ton CRAC unit to provide cooling for UPS units in the Suite 1301 Premises. New CRAC units shall have automatic water shut off valves, condensate pans and leak detection devices. Tenant shall submit proposal for new CRAC units to Landlord for Landlord's approval with such approval not to be unreasonably withheld. Landlord will reimburse Tenant up to \$100,000.00 of the cost of such new CRAC units upon sufficient proof of payment by Tenant and final sign off on all permits and/or other documentation required by the City related to the installation of the same. Landlord will provide Title 24 credits (if required) of 40 tons on a best efforts basis with no representation or warranty for Suite 1301. Upon installation of the new CRAC units, all portable units except one portable 12 ton unit will be removed from the Suite 1301 Premises. Tenant shall install a shutdown relay and electrical outlet for this 12 ton portable unit at Tenant's sole cost and expense. Other than installation of the two new CRAC units, Tenant shall accept the Suite 1301 Premises in an "as is" condition without any agreements, representations, understandings or obligations on the part of Landlord to perform any alterations, repairs or improvement.
- 6. <u>Term</u>: The term of the Suite 1301 Lease for the Suite 1301 Premises shall be extended from July 1, 2022 to June 30, 2029.
- 7. <u>Monthly Base Rent</u>: Effective January 1, 2022, the Base Rent for the Suite 1301 Premises shall be \$59,265.00 per month. The monthly Base Rent shall increase annually by two 99314938 6

and one-half percent (2.5%), commencing on January 1, 2023, and on each January 1st thereafter until January 1, 2029.

- 8. Additional Rent: Tenant shall pay Tenant's share of the annual Direct Expenses respectively allocated to the Tenants of the building, to the extent such Direct Expenses allocated to the Tenants of the Building are in excess of Tenant's share of Direct Expenses applicable to the Base Year. The Base Year for purposes of calculating increases in Direct Expenses over Base Year Direct Expenses shall be adjusted from calendar year 2010 to calendar year 2020. Tenant shall receive an annual cap of seven percent (7%) on operating expense categories as referenced in Paragraph 4.2.4 as follows: 4.2.4 iv Landscaping only, 4.2.4 xi Janitorial only, 4.2.4 vi Management Fee only, and Administrative Expenses. Landlord shall provide Tenant with an Estimate Statement as specified in Paragraph 4.4.3 of the Suite 1301 Lease. Except as otherwise specified herein, no other Direct Expenses set forth in Paragraph 4.2.4 shall be subject to an annual cap.
- 9. Standard Tenant Services: Notwithstanding the provisions of Paragraph 6.1.3 of the Suite 1301 Lease and Paragraph 5 of the First Amendment to the Suite 1301 Lease, electrical service to the Suite 1301 Premises shall be provided utilizing existing electrical panels which will tie into the Building's bus duct system to obtain an electrical supply for the Suite 1301 Premises providing up to 1,200 amps of 480 volts, three phase wiring. All other terms and conditions as specified in Paragraph 6.1.3 of the Suite 1301 Lease shall remain in full force and effect. For purposes of clarification, Tenant understands and acknowledges that Tenant has been, and will continue to be, responsible for paying all metered electricity used in the Suite 1301 Premises plus the Landlord's standard administrative fee of 5%.

Tenant's provision of up to 1,200 amps of electrical supply shall be allocated as follows:

<u>Suite 1301</u> – Up to 480 amps for each panel distributed through two (2) 600 amp panels located on the thirteenth floor and up to 240 amps distributed through one (1) 300 amp panel located on the thirteenth floor to supply power for Tenant space. Breakers shall be adjusted to reflect the allocated amps of electrical supply per panel as referenced herein.

Tenant shall not be permitted to change the allocations set forth herein after the Effective Date, without the prior written consent of Landlord, in Landlord's sole and unfettered discretion.

Landlord shall provide a summary of meters monitoring Tenant's electricity usage in each suite and shall allow Tenant to access Landlord's online electricity metering system, solely for the Reduced Premises, to enable Tenant to track its electricity usage.

HVAC Units: Notwithstanding the provisions of Paragraph 6.1.1 and 22.1.1 of the Suite 99314938_6

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1301 Lease, HVAC units providing service in the Suite 1301 Premises shall be as follows:

<u>Suite 1301</u> – Tenant has a total of twenty-six (26) units in Suite 1301. Tenant has two (2) 30 ton CRAC units and one (1) 20 ton CRAC unit on the Building condenser system. The balance of the units are connected to separate condensing units on the roof and consist of eleven (11) 5 ton HVAC units and three (3) 10 ton CRAC units. An additional nine (9) portable HVAC units are located in the space.

Tenant shall provide a list and location of the CRAC units and HVAC units (including whether CRAC units have condensate pans, water shut off valves and leak detection devices) in the Suite 1301 Premises.

Tenant has undertaken its own investigation and analysis and is satisfied that the foregoing HVAC units are adequate, satisfactory and sufficient for Tenant's use of the Suite 1301 Premises. Landlord makes no warranties or representation that the foregoing HVAC is adequate, satisfactory and/or sufficient for Tenant's use of the Suite 1301 Premises and has no responsibility and/or liability should the HVAC not be adequate, satisfactory and/or sufficient for Tenant's use of the Suite 1301 Premises now or at any time in the future.

Emergency Generator Access: Notwithstanding the provisions of Paragraph 6.2 of the Suite 1301 Lease, Tenant may elect to reserve no more than 960 amps of emergency power. Breakers shall be adjusted to reflect the number of allocated Emergency Generator amps referenced herein.

Tenant shall not be permitted to change the allocations set forth herein after the Effective Date without the prior written consent of Landlord, in Landlord's sole and unfettered discretion.

- 10. <u>Condenser Water</u>: Notwithstanding the Provisions of Paragraph 6.3 of the Suite 1301 Lease, Tenant shall not be required to pay a Condenser Water Maintenance Fee. Any and all costs incurred by Landlord to maintain the condenser water system shall be included in the Direct Expenses of the Building and Tenant shall pay its pro-rata share of such Direct Expenses over Base Year expenses as further set forth in the Suite 1301 Lease.
- 11. <u>Cabinets & Conduits</u>: The cabinets referenced in Paragraph 4 of the First Amendment to the Suite 1301 Lease are addressed in the Third Amendment to License Agreement dated June 7, 2004.
- 12. <u>Deferred Rent</u>: Landlord hereby agrees that the outstanding deferred rent in the amount of One Hundred Sixty Thousand Five Hundred Sixty Six and 87/100ths Dollars (\$160,566.87) that is due and payable by Tenant to Landlord, related to the impact of COVID-19, as specified in that certain "Rent Deferment Agreement," dated April 15, 2020, as amended June 30, 2020, and which is currently in effect between Landlord and

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Initial Tenant, is hereby waived and the Rent Deferment Agreement is terminated as of the Effective Date, and shall be of no further force and effect.

- 13. Option Term: From and after the Effective Date, the Suite 1301 Lease shall be subject to the terms and conditions outlined below:
 - a. Option Right. Landlord hereby grants Tenant and its "Permitted Transferees", as that term is defined in Section 14.8 of the Suite 1301 Lease (collectively, the "Original Tenant"), one (1) option to extend (the "Extension Option") the Suite 1301 Lease Term for a period of five (5) years (the "Option Term"), which option shall be exercisable only by written notice delivered by Tenant to Landlord as provided below; provided that, as of the date of delivery of any such notice, no Event of Default has occurred and is continuing beyond any applicable notice and grace periods and Tenant has not previously been in default beyond any applicable notice and grace periods under this Lease more than once in any twelve (12) month period.

Upon the proper exercise of any such Extension Option; provided that as of the end of the Suite 1301 Lease Term set forth herein, Tenant is not in default under this Lease beyond any applicable notice and grace periods and Tenant has not previously been in default beyond any applicable notice and grace periods under this Lease more than once in any twelve (12) month period during the Suite 1301 Lease Term, the Suite 1301 Lease Term shall be extended for a period of five (5) years from July 1, 2029 to June 30, 2034. The rights contained in this Section 13a. shall be personal to the Original Tenant (as defined above) and may only be exercised by the Original Tenant (and not any assignee, sublessee or other transferee of Tenant's interest in the Suite 1301 Lease for which the consent of Landlord was required).

b. Option Rent. The "Rent," as that term is defined in Section 4.1 of the Suite 1301 Lease, payable by Tenant during the Option Term (the "Option Rent") shall be equal to the greater of (i) the "Fair Rental Value" for the Suite 1301 Premises as of the commencement of the Option Term, and (ii) the Rent payable by Tenant for the period immediately prior to the end of the Suite 1301 Lease Term plus two and one-half percent (2.5%). The "Fair Rental Value" shall mean the rent (including the obligation to directly pay electrical and janitorial expenses and including additional rent and considering any "base year" or "expense stop" applicable thereto), including all escalations, at which tenants using their premises predominantly for telecommunications oriented purposes (including without limitation the One Wilshire and 611 Wilshire buildings located in Los Angeles, California), as of the commencement of the applicable Option Term, are leasing non-sublease, non-encumbered, non-equity space comparable in size, location and quality to the Suite 1301 Premises for a term of five (5) years, which comparable space is located in the Building or if Landlord elects in its sole and unfettered discretion, in comparable buildings in the downtown Los Angeles office market.

- Exercise of Option. The applicable option contained in Section 13a. hereof shall c. be exercised by Tenant, if at all, in the following manner: (i) Tenant shall deliver written notice to Landlord not more than eighteen (18) months nor less than twelve (12) months prior to the expiration of the current Suite 1301 Lease Term stating that Tenant is interested in exercising its option; (ii) Landlord, after receipt of Tenant's notice, shall deliver notice (the "Option Rent Notice") to the Tenant not less than ten (10) months prior to the expiration of the initial Suite 1301 Lease Term setting forth the Option Rent; and (iii) if Tenant wishes to exercise such option, Tenant shall, on or before the date (the "Exercise Date") which is the earlier of (A) the date occurring nine (9) months prior to the expiration of the current Suite 1301 Lease Term and (B) the date occurring thirty (30) days after Tenant's receipt of the Option Rent Notice, exercise the option by delivering written notice ("Exercise Notice") thereof to Landlord. Tenant's failure to deliver the Exercise Notice on or before Exercise Date, shall be deeded to constitute Tenant's waiver of its Extension Option hereunder.
- d. <u>Determination of Option Rent</u>. Tenant shall have no right to object to the Option Rent provided by Landlord, and if Tenant disagrees with Landlord's determination of the Option Rent but Landlord and Tenant are unable to resolve such disagreements as to the Option Rent prior to the Exercise Date, then either (i) Tenant shall accept Landlord's determination of the Option Rent by exercising its option to extend the Suite 1301 Lease Term by delivering Tenant's Exercise Notice to Landlord on or before the Exercise Date, or (ii) Tenant shall be deemed to have relinquished its option to extend the Suite 1301 Lease Term, in which event Tenant's option to extend the Suite 1301 Lease Term shall be null and void as of the Exercise Date, and Landlord and Tenant shall have no further liability to the other under this Section 13.
- 14. <u>Supplemental Equipment</u>: Tenant shall provide a floor plan with location of the UPS units, CRAC units, HVAC units, and server cabinets within the Suite 1301 Premises by December 31, 2021.
- 15. <u>CASP Inspection Disclosure</u>: In accordance with CA Civil Code Section 1938, Landlord hereby discloses that the Suite 1301 Premises have not undergone inspection by a "Certified Access Specialist" (as defined in CA Civil Code Section 55.52) for purposes of determining whether the Suite 1301 Premises or the Building meets, or does not meet, all applicable construction related accessibility standards pursuant to CA Civil Code Section 55.53. Tenant acknowledges and agrees that nothing contained in California Civil Code Section 1938 requires that the Suite 1301 Premises be inspected by a Certified Access Specialist.

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not

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prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

Any inspection shall be subject to Landlord's prior written consent. All costs of any report of such inspection, and of any necessary repairs or alterations pursuant to such report shall be the sole obligation of Tenant and Landlord shall have no responsibility for any such repairs or alterations, if such inspection is requested by Tenant. If a CASp inspection is requested by Landlord, all costs of any report of such inspection, and of any necessary repairs or alterations pursuant to such report shall be the sole obligation of Landlord.

- 16. <u>Tenant's Percentage Share</u>: Tenant's total percentage share for the purpose of calculating increases in Direct Expenses shall be 7.48%.
- 17. <u>Security Deposit</u>: Notwithstanding any other provisions in the Leases regarding Security Deposits, upon termination of the Suite 805 Lease on December 31, 2021, the Suite 805 Security Deposit in the amount of \$60,966.00 shall be applied to the 1301 Lease to increase the Security Deposit from \$45,000.00 to \$105,966.00.
- 18. <u>Assignment and Subletting</u> As of the Effective Date, Paragraph 14.8 of the Suite 1301 Lease shall be deleted and replaced with the following:

Notwithstanding anything to the contrary contained in this Lease; provided that no monetary default beyond all applicable grace and cure periods has occurred and is continuing, Tenant shall have the right to Transfer this Lease without Landlord's prior written consent, and without being subject to Landlord's recapture rights hereunder (each, a "Permitted Transfer"), to any person or entity that, by way of a bona fide, armslength transaction with legitimate business purposes not intended as a subterfuge by Tenant to avoid its obligations under this Lease, (i) controls, is controlled by, or is under common control with Tenant, (ii) acquires all or substantially all of Tenant's assets, or (iii) is a successor to Tenant as the result of any merger, consolidation, combination or other corporate restructuring that results in a change of control of Tenant, whether or not Tenant is the surviving entity (each of the above described successors referred to herein as a "Permitted Transferee"); provided that (x) Tenant shall notify Landlord in writing at least five (5) days prior to the effectiveness of such Transfer to a Permitted Transferee, and (y) that such Permitted Transferee has a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles ("Net Worth") (as evidenced by such transferee's year to date financial statements for the then current year, together with its most recent complete annual financial statements) equal to the greater of (a) the Net Worth of Tenant immediately prior to the effectiveness of the Transfer or (b) the Net Worth of Tenant as of the Effective Date; and provided further that Tenant shall include in its notice to Landlord, its year-to-date financial statements 99314938_6

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together with its financial statements from the prior two (2) years. For purposes of this Section 14.8 of this Lease, without limitation, Tenant's disposition of (A) its tangible assets during the twelve (12) months prior to any otherwise Permitted Transfer in a manner that is inconsistent with its ordinary course of business activities, or (B) more than 50% of its tangible assets during the three (3) months prior to the effective date of an otherwise Permitted Transfer, shall automatically and without further evidence, be deemed a "subterfuge" by Tenant in an attempt to avoid its obligations under this Lease.

19. <u>Brokers</u>: Tenant represents and warrants that it is not represented in this transaction by any real estate brokerage firm or individual broker. Tenant has had no contact, dealings or communications with any other real estate brokerage firm or agent or other person who can claim a right to a commission or finder's fee in connection with the negotiation of this amendment on behalf of Tenant and that no real estate commission or finder's fees are payable in connection with any such representation concerning this Second Amendment on behalf of Tenant. Tenant shall indemnify, defend and hold Landlord harmless from all expenses, claims, damages (including reasonable attorney fees and costs) incurred by Landlord as a result of a breach of this warranty.

20. Notices:

a. Address for Landlord is:

530 6th Street, LLC c/o Morlin Asset Management, LP 701 North Brand Boulevard, Suite 810 Glendale, CA 91203

b. Address for Tenant is:

QuadraNet Enterprises, LLC c/o QuadraNet, Inc. 530 W. 6th Street, Suite 904 Los Angeles, CA 90014 Attn: Ilan Mishan

21. <u>Confidentiality</u>: Tenant agrees that all communications, whether oral or written information, relating to or connected with the Suite 1301 Premises, Building, Project, and/or the Suite 1301 Lease (collectively, all of the foregoing are referred to as "Protected Information") shall be kept strictly confidential by Tenant (the "Confidentiality Obligation"). No Protected Information may be disclosed to any person other than any of the following, who have first been informed of this Confidentiality Obligation and agreed to be bound by it and maintain the confidentiality of all protected information: (i) any director, officer, or employee of Tenant who needs to know such Protected Information for the performance of his or her duties for Tenant; (ii) Tenant's

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auditors, accountants, and attorneys. To the extent required by subpoena, judicial or administrative process upon Tenant or a director, officer or employee of Tenant, Tenant may make such disclosure as expressly required by law, after prompt notice to Landlord in time for Landlord to appear and oppose disclosure, with Tenant's reasonable cooperation, in Landlord's taking steps to resist or narrow such disclosure and to verify or obtain an order to confirm that the Protected Information will be accorded confidential treatment in any such disclosure. Tenant shall not directly or indirectly communicate with any tenants or potential tenants of the Building, any governmental authority or any competitor of Landlord regarding the Protected Information. Tenant acknowledges and agrees that the covenants of Lease contained in this section are a material part of the consideration for Landlord's agreeing to enter into this Second Amendment.

22. Release of Landlord: As additional consideration for Landlord's consent to this Second Amendment, Tenant, on its own behalf and for all officers, directors, employees managers, shareholders, members or other interest holders and agents (collectively "Tenant Parties") hereby jointly and severally, unconditionally and irrevocably releases and forever discharges Landlord and its respective successors, assigns, agents, managers, members, directors, officers, employees and attorneys, (collectively, "Released Parties") from any and all possible claims, demands, actions, fees, costs, expenses and liabilities whatsoever, known or unknown, at law or in equity, originating in whole or in part, on or before the date of this Second Amendment (collectively "Claims"), which Tenant or any Tenant Parties may now or hereafter have against said Released Parties, and irrespective of whether any such Claim arises out of contract, tort, violation of laws, regulations or otherwise, arising out of or relating to the Suite 1301 Lease or the Suite 1301 Premises including, without limitation, any contracting for, charging, taking, reserving, collecting or receiving rent in excess of that provided for in the Suite 1301 Lease, any damage to any Tenant Parties' personal property, any injury suffered by any Tenant Parties in the Suite 1301 Premises or on the Property and any loss, cost or damage of any kind or character arising out of or in any way connected with or in any way resulting from the acts, actions or omissions of Released Parties. Tenant hereby represents and warrants that it is the current legal and beneficial owner of all Claims, if any, released hereby and it has not assigned, pledged or contracted to assign or pledge any such Claims to any other person. Tenant's release of Landlord shall include Claims described in Section 1542 of the Civil Code of the State of California of which either party or both is not presently aware, which section provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release which, if known by him or her must have materially affected his or her settlement with the debtor."

23. [Intentionally Deleted]

24. Reaffirmation of Rights and Obligations: Except as expressly modified by the foregoing provisions of this Second Amendment, all the terms, provisions and conditions of the Suite 1301 Lease, as amended, are hereby reaffirmed and remain unmodified and in full Page 10 of 12

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force and effect, and the parties shall continue to be governed by such terms, provisions and conditions subject only to this Second Amendment.

25. <u>Miscellaneous</u>:

- a. This Second Amendment, together with the provisions of the Suite 1301 Lease as modified as of the Effective Date, sets forth the entire agreement between the parties with respect to the matters related to the Suite 1301 Lease. There have been no additional oral or written representations or agreements related to the Suite 1301 Lease. Under no circumstances shall Tenant be entitled to any Rent abatement, improvement allowance, leasehold improvements, or other work to the Suite 1301 Premises, or any similar economic incentives that may have been provided Tenant in connection with entering into the Suite 1301 Lease, unless specifically set forth in this Second Amendment.
- b. In the case of any inconsistency between the provisions of the Suite 1301 Lease and this Second Amendment, the provisions of this Second Amendment shall govern and control.
- c. Submission of this Second Amendment by Landlord is not an offer to enter into this Second Amendment but rather a solicitation for such an offer by Tenant. Landlord shall not be bound by this Second Amendment until Landlord has executed and delivered the same to Tenant. This Second Amendment may be executed and delivered in counterparts and by electronic (E-Mail) means, and shall when thus executed and delivered by both parties be one agreement, any counterpart of which may be used in lieu of the original.

[Remainder of This Page Intentionally Left Blank; Signatures on Next Page Following]

IN WITNESS WHEREOF, the parties have executed this Second Amendment as of the Effective Date.

LANDLORD:

 $530\,6^{TH}$ Street, LLC, a California limited liability company

By: Laeroc Partners, Inc., its Manager

By

Name: _

Title:

refori of MANAgen

INITIAL TENANT:

QuadraNet, Inc., a California corporation

By:

Name

Title:

TENANT:

QuadraNet Enterprises, LLC, a Delaware limited liability company

By:

Name

Title:

EXHIBIT 2

THREE (3) DAY NOTICE TO PAY RENT OR SURRENDER POSSESSION

(Section 1161.1 of the California Code of Civil Procedure)

TO: Quadranet, Inc., a California corporation; and All in Possession;

RE: That Telecommunications Office Lease (Suite 1301) bearing date of January 1, 2010 (as amended by that First Amendment to Lease dated June 1, 2013, and that Second Amendment to Lease dated June 11, 2021, the "Lease"), respecting that certain real property located at 530 West 6th Street, Los Angeles, CA 90014 (the "Premises")

You have defaulted in the payment of rental charges due under the Lease. The Landlord, 530 6th Street, LLC, a California limited liability company ("Landlord"), reasonably estimates, under Section 1161.1 of the California *Code of Civil Procedure*, that the total of the rent due under the Lease for the months of January (\$140,508.43) and February (\$140,149.09) 2025 is the sum of \$280,657.52.

THE FOREGOING AMOUNT IS WITHOUT WAIVER OF APPLICABLE LATE FEES AND INTEREST WHICH ARE RESERVED FOR A SEPARATE ACTION.

Landlord demands that, within three (3) days, you either pay the total sum of \$280,657.52 or vacate the Premises. Such payment must be personally delivered to Landlord, c/o Morlin Asset Management, LP, 701 N. Brand Blvd., Suite 810, Glendale, CA 91203, (213) 627-4365, at any time between 9:00 a.m. and 5:00 p.m., Monday through Friday, and if no one is present, by sliding it under the door. If you fail or refuse to pay Landlord the total sum of \$280,657.52 within such three (3) days, Landlord elects to declare a forfeiture of the Lease and the Lease will terminate under Section 1951.2 of the California *Civil Code*.

If you fail or refuse to pay the total sum of \$280,657.52 or to return possession of the Premises to Landlord within three (3) days, Landlord will institute, without further notice or demand, legal action to: (1) terminate the Lease; (2) recover possession of the Premises; (3) recover statutory damages of up to \$600.00; and (4) recover attorneys' fees and other costs incurred in this legal action.

Landlord will accept any partial payment made by you under Sub-Section 1161.1 (b) and (c) of the California <u>Code of Civil Procedure</u>. If you make a partial payment after the service of this Notice, Landlord may accept the partial payment and may file, without further notice or demand, the legal action described in the preceding paragraph. Any payments after the notice period has elapsed may or may not be accepted, at the discretion of the Landlord. If Landlord does not intend to accept a payment that has been sent to a lock box, Landlord will return the payment as soon as Landlord becomes aware of it. The fact that your check has been deposited does not mean that Landlord was aware of it and intended to accept it.

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If you make a partial payment after the service of the legal action described in the preceding paragraph, Landlord may accept the partial payment and may amend the legal action to reflect the partial payment without delaying that action from proceeding.

Dated: February 6, 2025 "Landlord"

530 6th Street, LLC, a California limited Liability Company

By: Morlin Asset Management, LP, its property manager

Jock Ebner

EXHIBIT 3

PROOF OF SERVICE

JACLYN HAN by the methods	ed, being at least 18 years of age, declare under penalty of perjury, that on (date) ICOX , I served a THREE DAY NOTICE TO PAY RENT OR QUIT indicated below on the following named Resident(s) or Occupant(s): NET, INC. AND ALL OTHERS IN POSSESSION
	BY PERSONALLY DELIVERING a copy of the Notice to the Resident(s) or Occupant(s) named above at the following address:
 a c b	BY LEAVING a copy of the Notice for the Resident(s) or Occupant(s) named bove with a person of suitable age and discretion at the residence or usual place of business of the Resident(s) or Occupant(s), said Resident(s) or Occupant(s) being absent therefrom. Said residence or usual place of business being at the following address:
	AND MAILING an individual copy to each Resident or Occupant by depositing aid copies in the United States Mail, in a sealed envelope with first class postage or paid and addressed to the Resident(s) or Occupant(s) named above at their place of residence or occupancy which is at the following address:
 d c r	BY POSTING a copy of said Notice for each of the Resident(s) or Occupant(s) named above in a conspicuous place, there being no person of suitable age or discretion to be found at any known place of residence or known place of business of the Resident(s) or Occupant(s). Said notice was posted at their usual place of esidence or occupancy which is at the following address: O.W. 6TH STREET, SUITE 1301, LOS ANGELES, CA 90014
s p p	AND MAILING an individual copy to each Resident or Occupant by depositing aid copies in the United States Mail, in a sealed envelope with first class postage or paid and addressed to the Resident(s) or Occupant(s) named above at their place of residence or occupancy which is at the following address: O W. 6TH STREET, SUITE 1301, LOS ANGELES, CA 90014
I declare true and correct.	under penalty of perjury of the laws of the State of California that the forgoing is
	d this 6TH day of FEBRUARY , 20 25 , County of ES , State of California. Signature of Server JACLYN HANCOX Print Name