

Fill in this information to identify the case:

Debtor Village Roadshow Entertainment Group (BVI) Limited

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

Case number 25-10502

Modified Official Form 410

Proof of Claim

12/24

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

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

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

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

Part 1: Identify the Claim

1. Who is the current creditor?

10100 Santa Monica, Inc.

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor

2. Has this claim been acquired from someone else?

☒ No

☐ Yes. From whom?

3. Where should notices and payments to the creditor be sent?

Where should notices to the creditor be sent?

See summary page

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Contact phone 949-553-1313

Contact email mgreger@allenmatkins.com

Uniform claim identifier (if you use one):

Where should payments to the creditor be sent? (if different)

Contact phone

Contact email

4. Does this claim amend one already filed?

☒ No

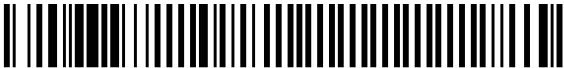
☐ Yes. Claim number on court claims registry (if known)

Filed on MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?

☒ No

☐ Yes. Who made the earlier filing?



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

6. Do you have any number you use to identify the debtor?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____
7. How much is the claim?	\$ <u>2,283,890.41</u> Does this amount include interest or other charges? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>Real property lease and guaranty</u>
9. Is all or part of the claim secured?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. The claim is secured by a lien on property. Nature or property: <input type="checkbox"/> Real estate: If the claim is secured by the debtor's principle residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input type="checkbox"/> Other. Describe: _____ Basis for perfection: _____ Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: \$ _____ Amount of the claim that is secured: \$ _____ Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ _____ Annual Interest Rate (when case was filed) _____ % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable
10. Is this claim based on a lease?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ <u>609,033.51</u>
11. Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____



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

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

☒ No

☐ Yes. Check all that apply:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Amount entitled to priority

\$ _____

☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

\$ _____

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

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

☒ No

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

\$ _____

Part 3: Sign Below

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

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

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

Check the appropriate box:

☒ I am the creditor.

☐ I am the creditor's attorney or authorized agent.

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

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

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

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

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

Executed on date 06/02/2025
MM / DD / YYYY

/s/Paul Rezens
Signature

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

Name Paul Rezens
First name Middle name Last name

Title Senior Vice President

Company 10100 Santa Monica, Inc.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 401 Wilshire Boulevard, Suite 940, Santa Monica, CA, 90401, United States

Contact phone 310.689.1400 Email paul.rezens@heitman.com



Verita (KCC) ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (866) 526-6865 | International (781) 575-2076

Debtor: 25-10502 - Village Roadshow Entertainment Group (BVI) Limited		
District: District of Delaware		
Creditor: 10100 Santa Monica, Inc. c/o Michael Greger; Allen Matkins, et al. 2010 Main Street, Suite 800 Irvine, CA, 92614 United States Phone: 949-553-1313 Phone 2: Fax: Email: mgreger@allenmatkins.com	Has Supporting Documentation: Yes, supporting documentation successfully uploaded Related Document Statement:	
	Has Related Claim: No Related Claim Filed By:	
	Filing Party: Creditor	
Other Names Used with Debtor:	Amends Claim: No Acquired Claim: No	
Basis of Claim: Real property lease and guaranty	Last 4 Digits: No	Uniform Claim Identifier:
Total Amount of Claim: 2,283,890.41	Includes Interest or Charges: Yes	
Has Priority Claim: No	Priority Under:	
Has Secured Claim: No Amount of 503(b)(9): No Based on Lease: Yes, 609,033.51 Subject to Right of Setoff: No	Nature of Secured Amount: Value of Property: Annual Interest Rate: Arrearage Amount: Basis for Perfection: Amount Unsecured:	
Submitted By: Paul Rezens on 02-Jun-2025 5:09:48 p.m. Pacific Time Title: Senior Vice President Company: 10100 Santa Monica, Inc. Optional Signature Address: 401 Wilshire Boulevard, Suite 940 Santa Monica, CA, 90401 United States Telephone Number: 310.689.1400 Email: paul.rezens@heitman.com		

Fill in this information to identify the case:

Debtor 1 Village Roadshow Entertainment Group (BVI) Limited

Debtor 2
(Spouse, if filing)

United States Bankruptcy Court for the: _____ District of _____

Case number 25-10502

Official Form 410

Proof of Claim

12/24

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

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

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

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

Part 1: Identify the Claim

1. Who is the current creditor?

10100 Santa Monica, Inc.

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?

☒ No

☐ Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?

10100 Santa Monica, Inc.
c/o Michael Greger; Allen Matkins, et al.

Name

2010 Main Street, Suite 800

Number Street

Irvine, CA 92614

City

State

ZIP Code

Contact phone 949-553-1313

Contact email mgreger@allenmatkins.com

Where should payments to the creditor be sent? (if different)

Name

Number Street

City

State

ZIP Code

Contact phone _____

Contact email _____

Uniform claim identifier (if you use one):

4. Does this claim amend one already filed?

☒ No

☐ Yes. Claim number on court claims registry (if known) _____

Filed on _____
MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?

☒ No

☐ Yes. Who made the earlier filing? _____

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

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

7. How much is the claim? \$2,283,890.41 Does this amount include interest or other charges?
☐ No
☒ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

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

Real property lease and guaranty.

9. Is all or part of the claim secured? ☒ No
☐ Yes. The claim is secured by a lien on property.

Nature of property:

- ☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☐ Other. Describe: _____

Basis for perfection: _____

Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____

Amount of the claim that is secured: \$ _____

Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %

- ☐ Fixed
☐ Variable

10. Is this claim based on a lease? ☐ No
☒ Yes. Amount necessary to cure any default as of the date of the petition. \$ 609,033.51

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

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

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

☒ No

☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

Amount entitled to priority

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

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

Part 3: Sign Below

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

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

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

Check the appropriate box:

☒ I am the creditor.

☐ I am the creditor's attorney or authorized agent.

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

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

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

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

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

Executed on date

05/29/2025
MM DD YYYY


Signature

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

Name	Paul Rezens		
	First name	Middle name	Last name
Title	Senior Vice President		
Company	10100 Santa Monica, Inc.		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	401 Wilshire Boulevard, Suite 940		
	Number	Street	
	Santa Monica, CA 90401		
	City	State	ZIP Code
Contact phone	310.689.1400	Email	paul.rezens@heitman.com

1 UNITED STATES BANKRUPTCY COURT
2 DISTRICT OF DELAWARE

3 ATTACHMENT TO PROOF OF CLAIM

4 Case No. 25-10502 (TMH)

5 Debtor: Village Roadshow Entertainment Group (BVI) Limited
6 ("Debtor")

7 Claimant: 10100 Santa Monica, Inc. ("Claimant")

8 Claimant asserts the following claims against Debtor and its
9 bankruptcy estate:

10 I. BACKGROUND

11 A. The Lease and Guaranty

12 Claimant is the owner of a building commonly known as 10100
13 Santa Monica Boulevard, Los Angeles, California (the "Building").
14 On or about May 14, 2014, Claimant entered into that certain
15 Office Lease (as amended, the "Lease") with Village Roadshow
16 Entertainment Group USA Inc. ("Tenant") for certain premises
17 within the Building as particularly described in the Lease (the
18 "Premises"). A true and correct copy of the Lease (with
19 applicable amendments) is attached hereto and incorporated herein
20 collectively as Exhibit "1". Contemporaneously with the Lease,
21 Village Roadshow Entertainment Group Limited ("Original
22 Guarantor") executed that certain Guaranty of Lease (the
23 ("Original Guaranty"). On or about April 14, 2017, the Debtor
24 (formerly known as "VREG Holdings (BVI) Limited") assumed
25 Original Guarantor's obligations under the Original Guaranty
26 pursuant to that certain Lease Guaranty Assignment and Assumption
27 (the "Assumption"). True and correct copies of the Original
28 Guaranty and the Assumption are attached hereto as collectively
as Exhibit "2".

20 B. Debtor's Bankruptcy Filing and Rejection of the Lease

21 Debtor and Tenant each filed voluntary petitions for relief
22 under chapter 11 of the Bankruptcy Code before the United States
23 Bankruptcy Court for the District of Delaware (the "Bankruptcy
24 Court") on March 17, 2025 (the "Petition Date"). On April 9,
25 2025, the Bankruptcy Court entered its Order (I) Authorizing the
26 Rejection of Certain Unexpired Leases Effective as of the
27 Petition Date, and (II) Granting Related Relief [Docket 168] (the
28 "Rejection Order") which, among other things, approved Tenant's
rejection of all its obligations under the Lease effective as of
March 17, 2025 (the "Rejection Effective Date").

26 II. CLAIMANT'S AGGREGATE CLAIMS

27 Claimant has claims against Debtor under the Guaranty and
28 Assumption in the aggregate amount of \$594,544.45 for rent,

1 additional rent, and other charges that accrued and remain unpaid
2 under the Lease prior to March 17, 2025, consisting of: (i)
3 \$562,099.83 in base rent, expenses, and tax reimbursements; (ii)
4 \$22,483.99 in late charges; and (iii) \$9,960.63 in accrued
5 default interest.

6 In addition, given Tenant's rejection of its remaining
7 obligations under the Lease under section 365 of the Bankruptcy,
8 Claimant also holds claims against Debtor and its bankruptcy
9 estate under the Guaranty and Assumption in accordance with
10 sections 365(g)(1) and 502(g)(1) of the Bankruptcy Code and
11 applicable law for lease termination/rejection damages that
12 accrued in accordance with the Lease and California law subject
13 to the limitations set forth in section 502(b)(6) of the
14 Bankruptcy Code in the estimated minimum amount of \$1,674,856.90,
15 representing the rent reserved (including base rent and
16 additional rent) under the Lease for the one year period
17 following the Petition Date.

18 Finally, Claimant has claims for \$14,489.06 in unpaid
19 parking charges due prior to March 17, 2025.

20 Given the foregoing, Claimant has aggregate prepetition
21 unsecured claims against Debtor's bankruptcy estate under the
22 Guaranty and Assumption in the amount of \$2,283,890.41 for
23 prepetition rent, additional rent, and other charges that accrued
24 and remain unpaid under the Lease and for damages related to the
25 rejection/termination thereof.

26 III. RESERVATION OF RIGHTS

27 Claimant expressly reserves all rights of recoupment,
28 setoff, or any other similar rights and claims. Claimant
reserves the right to amend, modify, or supplement this Proof of
Claim in any respect, including, but not limited to, the
assertion, by Proof of Claim or other application to this Court,
of a claim or claims for continuing costs, fees, and expenses
(including legal fees and disbursements) arising in relation to
the claims asserted herein or any of the agreements relating to
the claim and the assertion of an administrative expense priority
for any such claim or claims. Each and every document attached
to this Proof of Claim or otherwise referenced in this Proof of
Claim is incorporated by and are a part of this Proof of Claim.
By filing this Proof of Claim, Claimant intends to provide notice
to Debtor: (a) of any and all claims set forth in the exhibits
attached hereto and the documents incorporated herein; and
(b) that Claimant asserts any and all of its rights and remedies
it has at law or under the operative documents, including any and
all cross or counter claims. To the extent it is determined that
any claim herein properly lies against any jointly administered
entity, Claimant hereby gives notice of its intent that this

1 Proof of Claim be deemed filed in any such case against any such
entity. Nothing in this Proof of Claim is intended to limit
2 Claimant's rights against any third party including, or any
rights it may have at law or in equity.

3 All notices regarding this Proof of Claim should be sent to
4 Allen Matkins Leck Gamble Mallory & Natsis LLP, 2010 Main Street,
8th Floor, Irvine, California 92614, Attention Michael S. Greger,
5 Esq., Facsimile Number: (949) 553-8354.

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EXHIBIT 1

10100 SANTA MONICA

OFFICE LEASE

This 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 10100 SANTA MONICA, INC., a Florida not-for-profit corporation ("Landlord"), and VILLAGE ROADSHOW ENTERTAINMENT GROUP USA INC., a Delaware corporation ("Tenant").

SUMMARY OF BASIC LEASE INFORMATION

<u>TERMS OF LEASE</u>		<u>DESCRIPTION</u>
1.	Date:	May 14, 2014
2.	Premises:	
2.1	Building:	That certain twenty-six (26) story office building located at 10100 Santa Monica Boulevard, Los Angeles, California 90067.
2.2	Premises:	Approximately 9,444 rentable (8,257 usable) square feet of space located on the second (2 nd) floor of the Building and commonly known as Suite 200, as further set forth in <u>Exhibit A</u> to the Office Lease.
3.	Lease Term (Article 2):	
3.1	Length of Term:	Approximately ten (10) years.
3.2	Lease Commencement Date:	The earlier of (i) the date Tenant commences to conduct its business from the Premises and (ii) the date upon which the expiration of the "Construction Period," as such term is defined in Section 1.3, of this Lease occurs.
3.3	Lease Expiration Date:	The last day of the one hundred twentieth (120 th) full calendar month of the Lease Term (by way of example only, if the Lease Commencement Date is September 1, 2014 then the Lease Expiration Date shall be August 31, 2024, and if the Lease Commencement Date is September 15, 2014 then the Lease Expiration Date shall be September 30, 2024).
4.	Base Rent (Article 3):	
4.1	Amount Due:	
<u>Lease Year</u>	<u>Annual Base Rent</u>	<u>Monthly Installment of Base Rent</u> <u>Monthly Rental Rate per Rentable Square Foot</u>
1	\$453,312.00	\$37,776.00 \$4.00
2	\$466,911.36	\$38,909.28 \$4.12
3	\$480,510.72	\$40,042.56 \$4.24
4	\$495,243.36	\$41,270.28 \$4.37
5	\$509,976.00	\$42,498.00 \$4.50
6	\$525,841.92	\$43,820.16 \$4.64
7	\$541,707.84	\$45,142.32 \$4.78
8	\$557,573.76	\$46,464.48 \$4.92
9	\$574,572.96	\$47,881.08 \$5.07
10	\$591,572.16	\$49,297.68 \$5.22

- 4.2 Rent Payment Address: 10100 Santa Monica, Inc.
Building Management Office
10100 Santa Monica Boulevard
Suite 180
Los Angeles, California 90067
Attention: Property Manager
5. Base Year
(Article 4):
- 5.1 Operating Base Year: Calendar year 2014.
- 5.2 Tax Base Year: Calendar year 2014.
6. Tenant's Share
(Article 4): 1.5593%.
7. Permitted Use
(Article 5): General office use only consistent with a first-class office building.
8. Security Deposit
(Article 21): \$49,297.68.
9. Parking Pass Ratio
(Article 28): Three (3) unreserved parking passes for every 1,000 rentable square feet of the Premises, which equals twenty-eight (28) unreserved parking passes (of which, up to ten (10) such unreserved parking passes may be converted to reserved parking passes, four (4) of which reserved parking passes shall pertain to spaces located in the Garage and six (6) of which reserved parking passes shall pertain to spaces located in the Parking Annex (as those terms are defined in Section 28.1 below), the exact location of which shall be mutually agreed upon by Landlord and Tenant, subject to availability), subject to the terms of Article 28 of this Lease.
10. Address of Tenant
(Section 29.18): Village Roadshow Entertainment Group USA Inc.
100 N. Crescent Drive, Suite 323
Beverly Hills, CA 90210
Attention: Susan Bracey
- (Prior to Lease Commencement Date)
- and
- Village Roadshow Entertainment Group USA Inc.
10100 Santa Monica Boulevard
Suite 200
Los Angeles, California 90067
Attention: Susan Bracey
- (After Lease Commencement Date)
11. Address of Landlord
(Section 29.18): See Section 29.18 of the Lease.
12. Broker(s)
(Section 29.24): For Landlord:
Hines Interests Limited Partnership
- For Tenant:

- | | |
|---------------------------------------|--|
| | Cushman & Wakefield of California, Inc, |
| 13. Letter of Credit
(Article 30): | \$600,000.00, subject to reduction on the terms
and conditions set forth in Article 30 below. |
| 14. Guarantor
(Section 29.36) | Village Roadshow Entertainment Group
Limited, a British Virgin Island company. |

ARTICLE 1

PREMISES, BUILDING, PROJECT, AND COMMON AREAS

1.1 Premises, Building, Project and Common Areas

1.1.1 The Premises. 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 outline of the Premises is set forth in Exhibit A attached hereto and each floor or floors of the Premises has approximately the number of rentable square feet as set forth in Section 2.2 of the Summary. 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. The parties hereto hereby acknowledge that the purpose of Exhibit A is to show the approximate location of the Premises in the "Building," as that term is defined in Section 1.1.2, below, only, and such Exhibit is not meant to constitute an agreement, representation or warranty as to the construction of the Premises, the precise area thereof or the specific location of the "Common Areas," as that term is defined in Section 1.1.3, below, or the elements thereof or of the accessways to the Premises or the "Project," as that term is defined in Section 1.1.2, below. Except as specifically set forth in this Lease and in the Tenant Work Letter attached hereto as Exhibit B (the "Tenant Work Letter"), Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Premises. 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, except as specifically set forth in this Lease and the Tenant Work Letter.

1.1.2 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 term "Project," as used in this Lease, shall mean (i) the Building and the Common Areas, and (ii) the land (which is improved with landscaping, subterranean parking facilities and other improvements) upon which the Building and the Common Areas are located.

1.1.3 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 manner in which the Common Areas are maintained and operated shall be at the reasonable discretion of Landlord and the use thereof shall be subject to such written, non-discriminatory rules, regulations and restrictions as Landlord may make from time to time, provided that Landlord shall at all times maintain and operate the Common Areas in a manner at least consistent with the standards generally practiced at the "Comparable Buildings," as such term is defined in Section 2.2.2 below. 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, as long as such changes do not change the nature of the Project to something other than a first-class office project or materially adversely affect Tenant's use of the Premises for the Permitted Use, as set forth in Section 7 of the Summary, or Tenant's ingress to or egress from the Project, Building, the Premises or the parking areas servicing the same. Except when and where Tenant's right of access is specifically excluded as the result of (i) an emergency, (ii) a requirement by Applicable Laws, or (iii) a specific provision set forth in this Lease, Tenant shall have the right of access to the Premises, the Building, and the Project parking facility twenty-four (24) hours per day, seven (7) days per week during the "Lease Term," as that term is defined in Section 2.1 of this Lease.

1.2 Stipulation of Rentable Square Feet of Premises and Building. The Premises have been measured by Landlord and Tenant prior to execution of this Lease and, therefore, the parties agree that for purposes of this Lease, the "rentable square feet" of the Premises shall be deemed to be as set forth in Section 2.2 of the Summary. Landlord and Tenant hereby acknowledge and agree that the Base Rent set forth in Section 4 of the Summary was calculated

pursuant to the measurements of the Building and the Premises as set forth in Sections 2.1 and 2.2 of the Summary, and that such measurements shall not be subject to any remeasurement or recalculation during the Lease Term.

1.3 **Construction Period.** The Construction Period shall commence on the date the Premises is delivered, and shall terminate on the date which is one hundred fifty (150) days after the date the Premises is delivered to Tenant. Landlord agrees to deliver possession of the Premises to Tenant, free and clear of all other tenancies or occupancies, upon the mutual execution and delivery of this Lease. The above Construction Period is subject to extension in accordance with the provisions of the Tenant Work Letter attached hereto as **Exhibit B** for "Landlord Caused Delays and "Force Majeure Delays" as those terms are defined in Section 5 of the Tenant Work Letter. Tenant shall have the right to occupy the Premises prior to the Lease Commencement Date, provided that (A) Tenant shall give Landlord at least five (5) days' prior notice of any such occupancy of the Premises, (B) a temporary certificate of occupancy, or its legal equivalent allowing legal occupancy of the Premises, shall have been issued by the appropriate governmental authorities for each such portion to be occupied, and (C) all of the terms and conditions of the Lease shall apply, other than Tenant's obligation to pay Base Rent, as that term is defined in Article 3 below, and Tenant's Share of the Direct Expenses, as those terms are defined in Article 4, below, as though the Lease Commencement Date had occurred (although the Lease Commencement Date shall not actually occur until the occurrence of the same pursuant to the terms of the second sentence of Section 2.1 below) upon such occupancy of a portion of the Premises by Tenant.

ARTICLE 2

LEASE TERM

2.1 **In General.** The terms and provisions of this Lease shall be effective as of the date of this Lease. The term of this Lease (the "**Lease Term**") shall be as set forth in Section 3.1 of the Summary, shall commence on the date set forth in Section 3.2 of the Summary (the "**Lease Commencement Date**"), and shall terminate on the date set forth in Section 3.3 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 Lease Term; provided, however, that (i) the first Lease Year shall commence on the Lease Commencement Date and if the Lease Commencement Date is the first day of a calendar month, then the first Lease Year shall end on the last day of the month immediately preceding the first anniversary of the Lease Commencement Date, and if the Lease Commencement Date is other than the first day of a calendar month, then the first Lease Year shall end on the last day of the eleventh calendar month following the date in which the Lease Commencement Date occurs, (ii) the second and each succeeding Lease Year shall commence on the first day of the next calendar month; and (iii) the last Lease Year shall end on the Lease Expiration Date (even if such last Lease Year consists of less than twelve (12) months). At any time during the Lease Term, Landlord may deliver to Tenant a Notice of Lease Term Dates in the form as set forth in **Exhibit C**, attached hereto, as a confirmation only of the information set forth therein, which Tenant shall execute and return to Landlord within fifteen (15) business days of receipt thereof (provided that if said notice is not factually correct, then Tenant shall make such changes as are necessary to make the notice factually correct and shall thereafter execute and return such notice to Landlord within such fifteen (15) business day period). Once the Notice of Lease Term Dates is executed and delivered by Landlord and Tenant, the same shall be binding upon Landlord and Tenant, unless Tenant makes any changes to the Notice of Lease Term Dates pursuant to the foregoing terms of this Section 2.1, in which event the Notice of Lease Term Dates shall not be binding unless such changes are confirmed in writing by Landlord.

2.2. Option Term.

2.2.1 **Option Right.** Landlord hereby grants the Tenant named in this Lease and any "Permitted Assignee," as such term is defined in Section 14.8, below (collectively, the "**Right Holders**"), one (1) option to extend the 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 such notice, Tenant is not in default under this Lease. Upon the proper exercise of such option to extend, and provided that, at Landlord's option, as of the end of the initial Lease Term, Tenant is not in default under

this Lease, the Lease Term, as it applies to the Premises, shall be extended for a period of five (5) years. The rights contained in this Section 2.2 shall be personal to the Right Holder and may only be exercised by the Right Holder (and not any, sublessee or other transferee of the Right Holder's interest in this Lease).

2.2.2 Option Rent. The annual Rent payable by Tenant during the Option Term (the "Option Rent") shall be equal to the Fair Market Rent (defined below) for the Premises as of the commencement date of the Option Term, provided that the base rent component of the Option Rent, on an annual, per rentable square foot basis, shall in no event be less than Fifty-Five and 68/100 Dollars (\$55.68) on an annual, per rentable square foot basis. Subject to the foregoing, the "Fair Market Rent" shall be equal to the annual rent (including additional rent and considering any "base year" or "expense stop" applicable thereto), taking into account all escalations, at which, as of the commencement of the Option Term, tenants are leasing non-sublease, non-encumbered, non-equity, non-expansion space comparable in size, location and quality to the Premises for a term of five (5) years, in an arm's-length transaction, which comparable space is located in the Building or in Comparable Buildings (defined hereinafter) and which comparable transactions (collectively, the "Comparable Transactions") are entered into within the six (6) month period immediately preceding Landlord's delivery of the "Option Rent Notice" (defined in Section 2.2.3 below), taking into consideration only the following concessions (the "Concessions"): (a) rental abatement concessions, if any, being granted such tenants in connection with such comparable space; and (b) tenant improvements or allowances provided or to be provided for such comparable space, taking into account, and deducting the value of, the existing improvements in the Premises, such value to be based upon the age, condition, design, quality of finishes and layout of the improvements and the extent to which the same can be utilized by Tenant based upon the fact that the precise tenant improvements existing in the Premises are specifically suitable to Tenant; and (c) other reasonable monetary concessions being granted such tenants in connection with such comparable space; provided, however, that in calculating the Option Rent, no consideration shall be given to (i) the fact that Landlord is or is not required to pay a real estate brokerage commission in connection with Tenant's exercise of its right to lease the Premises during the Option Term or in connection with the Comparable Transactions, and (ii) any period of rental abatement, if any, granted to tenants in Comparable Transactions in connection with the design, permitting and construction of tenant improvements in such comparable spaces. If in determining the Option Rent a tenant improvement allowance is granted under item (b) above, Landlord may, at Landlord's sole option, elect any or a portion of the following: (A) to grant some or all of the Concessions to Tenant in the form as described above (i.e., as free rent or as an improvement allowance), and (B) to adjust the rental rate component of the Option Rent to be an effective rental rate which takes into consideration the total dollar value of the Concessions (in which case the Concessions evidenced in the effective rental rate shall not be granted to Tenant). For purposes of this Lease, the term "Comparable Buildings" shall mean those certain projects in Century City, California known as (as of the date of this Lease): Fox Plaza (which has an address of 2121 Avenue of the Stars), Century Plaza Towers (which has an address of 2029 and 2049 Century Park East), and Constellation Place (10250 Constellation Boulevard).

2.2.3 Exercise of Options. The option contained in this Section 2.2 shall be exercised by Tenant, if at all, and only in the following manner: (i) Tenant shall deliver written notice to Landlord not more than fourteen (14) months nor less than twelve (12) months prior to the expiration of the initial 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 Tenant not less than eleven (11) months prior to the expiration of the initial Lease Term, setting forth the Option Rent; and (iii) if Tenant wishes to exercise such option, Tenant shall, on or before the date occurring thirty (30) days after Tenant's receipt of the Option Rent Notice, exercise the option by delivering written notice thereof to Landlord, and upon, and concurrent with, such exercise, Tenant may, at its option, object to the Option Rent contained in the Option Rent Notice, in which case the parties shall follow the procedure, and the Option Rent shall be determined, as set forth in Section 2.2.4 below.

2.2.4 Determination of Option Rent. In the event Tenant timely and appropriately objects to the Option Rent Landlord and Tenant shall attempt to agree upon the Option Rent using their best good-faith efforts. If Landlord and Tenant fail to reach agreement within thirty (30) days following Tenant's objection to the Option Rent (the "Outside Agreement Date"), then each party shall make a separate determination of the Option Rent within five (5) business days, and such determinations shall be submitted concurrently to

arbitration in accordance with Sections 2.2.4.1 through 2.2.4.7 below, but subject to the terms and conditions, when appropriate, of Section 2.2.2 above.

2.2.4.1 Landlord and Tenant shall each appoint one arbitrator who shall by profession be a real estate broker who shall have been active over the ten (10) year period ending on the date of such appointment in the leasing of first-class commercial high-rise properties in the West Los Angeles, California area. The determination of the arbitrators shall be limited solely to the issue area of whether Landlord's or Tenant's submitted Option Rent is the closest to the actual Option Rent as determined by the arbitrators, taking into account the requirements of Section 2.2.2 of this Lease. Each such arbitrator shall be appointed within fifteen (15) days after the Outside Agreement Date. Landlord and Tenant may consult with their selected arbitrators prior to appointment and may select an arbitrator who is favorable to their respective positions (including an arbitrator who has previously represented Landlord and/or Tenant, as applicable). The arbitrators so selected by Landlord and Tenant shall be deemed "Advocate Arbitrators."

2.2.4.2 The two Advocate Arbitrators so appointed shall be specifically requested pursuant to an engagement letter within ten (10) days of the date of the appointment of the last appointed Advocate Arbitrator agree upon and appoint a third arbitrator (the "Neutral Arbitrator") who shall be qualified under the same criteria set forth hereinabove for qualification of the two Advocate Arbitrators except that (i) neither the Landlord or Tenant or either parties' Advocate Arbitrator may, directly or indirectly, consult with the Neutral Arbitrator prior or subsequent to his or her appearance, and (ii) the Neutral Arbitrator cannot be someone who has represented Landlord and/or Tenant during the five (5) year period prior to such appointment. The Neutral Arbitrator shall be retained via an engagement letter jointly prepared by Landlord's counsel and Tenant's counsel.

2.2.4.3 The three arbitrators shall within thirty (30) days of the appointment of the Neutral Arbitrator reach a decision as to Option Rent and determine whether the Landlord's or Tenant's determination of Option Rent as submitted pursuant to this Section 2.2.4 is closest to Option Rent as determined by the arbitrators and simultaneously publish a ruling ("Award") indicating whether Landlord's or Tenant's submitted Option Rent is closest to the Option Rent as determined by the Arbitrators. Following notification of the Award, the Landlord's or Tenant's submitted Option Rent determination, whichever is selected by the arbitrators as being closest to Option Rent shall become the Option Rent.

2.2.4.4 The award issued by the majority of the three (3) arbitrators shall be binding upon Landlord and Tenant.

2.2.4.5 If either Landlord or Tenant fails to appoint an Advocate Arbitrator within fifteen (15) days after the Outside Agreement Date, either party may petition the presiding judge of the Superior Court of Los Angeles County to appoint such Advocate Arbitrator subject to the criteria in Section 2.2.4.1 of this Lease, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such Advocate Arbitrator.

2.2.4.6 If the two Advocate Arbitrators fail to agree upon and appoint a Neutral Arbitrator, then either party may petition the presiding judge of the Superior Court of Los Angeles County to appoint the Neutral Arbitrator, subject to criteria in Section 2.2.4.1 of this Lease, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such arbitrator.

2.2.4.7 The cost of arbitration shall be paid by Landlord and Tenant equally.

ARTICLE 3

BASE RENT

3.1 **In General.** Tenant shall pay, without prior notice or demand, to Landlord or Landlord's agent at the address set forth in Section 4.2 of the Summary, or, at Landlord's option, at such other place as Landlord may from time to time designate in writing, by a check or wire transfer for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent ("Base Rent") as set forth in Section 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 Lease Term, without any setoff or deduction whatsoever. The Base Rent in the amount of Thirty-Seven Thousand Seven Hundred Seventy-Six and No/100 Dollars (\$37,776.00) shall be paid at the time of Tenant's execution of this Lease, which amount shall be applied against fifty percent (50%) of the monthly installments of Base Rent due for the first and second calendar months of the Lease Term. 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 Lease 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.

3.2 **Base Rent Abatement.** Subject to the terms of this Section 3.2, Tenant shall be entitled to an abatement of one-half (1/2) of the monthly installment of Base Rent otherwise due for the Premises for the first (1st) through fourteenth (14th) full calendar months of the Lease Term in an amount equal to (i) Eighteen Thousand Eight Hundred Eighty-Eight and No/100 Dollars (\$18,888.00) during the first twelve (12) months of the Lease Term and (ii) Nineteen Thousand Four Hundred Fifty-Four and 64/100 Dollars (\$19,454.64) during the thirteenth (13th) and fourteenth (14th) months of the Lease Term (the "**Base Rent Abatement**"). Landlord and Tenant hereby acknowledge and agree that the aggregate amount of Base Rent abated pursuant to this Section 3.2 shall in no event exceed Two Hundred Sixty-Five Thousand Five Hundred Sixty-Five and 28/100 Dollars (\$265,565.28). Tenant acknowledges and agrees that the foregoing Base Rent Abatement has been granted to Tenant as additional consideration for entering into this Lease, and for agreeing to pay the Rent and perform the terms and conditions otherwise required under this Lease.

ARTICLE 4

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**" (as defined in Section 4.2.7, below) of (i) the annual "**Operating Expenses**," as that term is defined in Section 4.2.5 of this Lease, which are in excess of the amount of Operating Expenses applicable to the "Operating Base Year," as that term is defined in Section 4.2.1, below, and (ii) the annual "**Tax Expenses**," as that term is defined in Sections 4.2.6 of this Lease, which are in excess of the amount of Tax Expenses applicable to the "Tax Base Year," as that term is defined in Section 4.2.2, below; provided, however, that in no event shall any decrease in either Operating Expenses or Tax Expenses for any Expense Year below Operating Expenses for the Operating Base Year and Tax Expenses for the Tax Base Year, respectively, entitle Tenant to any decrease in Base Rent or any credit against sums due under 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 Landlord and Tenant which survive the expiration of the Lease Term, the obligations of Tenant to pay the Additional Rent attributable to the period of time prior to and including the Lease Expiration Date, as may be extended pursuant to the terms, conditions and covenants of this Lease, or earlier termination of this Lease, and Landlord's obligation to refund to tenant any overpayments of such Additional Rent shall survive the expiration of the Lease Term. Tenant shall not have to pay Tenant's Share of Direct Expenses attributed to any period of time after the Lease Term has ended, except to the extent Tenant continues to occupy the Premises.

4.2 **Definitions of Key Terms Relating to Additional Rent.** As used in this Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1 "**Operating Base Year**" shall mean the period set forth in Section 5.1 of the Summary.

4.2.2 "**Tax Base Year**" shall mean the period set forth in Section 5.2 of the Summary.

4.2.3 "Direct Expenses" shall mean "Operating Expenses" and "Tax Expenses."

4.2.4 "Expense Year" shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires.

4.2.5 "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, 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 are reasonably anticipated to reduce Operating Expenses, and the costs incurred in connection with any governmentally mandated transportation system management program or similar program; (iii) the cost of all insurance carried by Landlord or the property manager of Landlord in connection with the Project; (iv) the cost of landscaping, relamping, 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 the parking areas servicing the Project; (vi) fees and other costs reasonably incurred, 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; (vii) payments under any equipment rental agreements and the fair rental value of any management office space and the cost of furnishings in such 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) subject to item (xiii)(A) below, the cost of operation, repair, maintenance and replacement of all systems and equipment and components thereof of the Building; (xi) subject to item (xiii)(A) below, the cost of janitorial, alarm, security and other services, replacement of wall and floor coverings, ceiling tiles and fixtures in common areas, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing; (xii) amortization over its reasonable useful life (including interest on the unamortized cost at a rate equal to the floating commercial loan rate announced from time to time by Bank of America, a national banking association, or its successor, as its prime rate, plus 2% per annum (the "Amortization 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 to the extent such acquisition costs, prior to amortization, are materially consistent with the costs incurred for such items by landlords of Comparable Buildings, given the scope, size and nature of the Project; (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 to the extent of cost savings reasonably anticipated by Landlord (based on reasonable supporting documentation) at the time of such expenditure to be incurred in connection therewith, or (B) that are required under any governmental law or regulation, except for capital repairs, replacements or other improvements to remedy a condition existing prior to the applicable Lease Commencement Date which an applicable governmental authority, if it had knowledge of such condition prior to the applicable Lease Commencement Date and if such condition was not subject to a variance or a grandfathered/grandmothered code waiver exception, would have then required to be remedied pursuant to then-current applicable Laws, in their form existing as of the applicable Lease Commencement Date; provided, however, that any such permitted capital expenditure shall be amortized (with interest at the Amortization Interest Rate) over the lesser of its reasonable useful life or the period of time in which the savings from such capital expenditure is equal to or greater than the cost of the capital expenditure, as Landlord shall reasonably determine in accordance with standard real estate management and accounting practices consistently applied by Landlord and consistent with standard real estate management and accounting practices used by other first class institutional landlords of the Comparable Buildings; (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 4.2.6, below; and (xv) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Building.

Notwithstanding the foregoing, Operating Expenses shall not, however, include:

(A) Costs incurred in connection with the original construction of the Project or in connection with any major change in the Project, such as adding or deleting floors;

(B) Costs of design and construction of tenant improvements to the Premises or the premises of other tenants or other occupants and the amount of any allowances or credits paid to or granted to tenants or other occupants for any such design or construction;

(C) Except as set forth in items (xii) and (xiii) above, depreciation or interest on debt or amortization payments on any mortgage or mortgages, and rental under any ground or underlying leases or lease (except to the extent the same may be made to pay or reimburse, or may be measured by, ad valorem taxes);

(D) Costs of correcting construction defects in the initial design or construction of the Building or the Project;

(E) Legal fees, space planners' fees, marketing costs, real estate brokers' leasing commissions, and advertising and promotional expenses incurred in connection with the original development, subsequent improvement, or original leasing or future leasing of the Building or the Project;

(F) Costs for which Landlord is reimbursed or would have been reimbursed if Landlord had carried the insurance Landlord is required to carry pursuant to this Lease or would have been reimbursed if Landlord had used commercially reasonable efforts to collect such amounts, by any tenant or occupant of the Project or by insurance from its carrier or any tenant's carrier;

(G) Any bad debt loss, rent loss, or reserves for bad debts or rent loss or any reserves of any kind;

(H) Expenses in connection with services (including sub-metered utilities) or other benefits of a type which are not standard for the Building or the Project, and which are not available to Tenant without specific charge therefor, but which are provided to another tenant or occupant of the Building or the Project whether or not such other tenant or occupant is specifically charged therefor by Landlord;

(I) Costs associated with the operation of the business of the partnership or entity which constitutes Landlord, as the same are distinguished from the costs of operation of the Building or the Project, including partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of Tenant or other tenants may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Building or the Project, costs incurred in connection with any disputes between Landlord and its employees (if any) not engaged in the Building or the Project operations, disputes of Landlord with Building or the Project management, or outside fees paid in connection with disputes with other tenants or occupants;

(J) The wages of any employee who does not devote substantially all of his or her employed time to the Project unless such wages and benefits are prorated to reflect time spent on operating and managing the Project vis-à-vis time spent on matters unrelated to operating and managing the Project; provided, that in no event shall Operating Expenses for purposes of this Lease include wages and/or benefits attributable to personnel above the level of Project manager or Project engineer;

(K) Except as set forth in items (xii) and (xiii) above, fines, late charges, liquidated damages, penalties or interest on delinquent payments (interest included on real property taxes as a part of a bonded assessment included in real property taxes shall be included as a part of Tax Expenses (hereafter defined));

(L) amount paid as ground rental or as rental for the Project, if any, by the Landlord;

(M) Any costs in connection with any portion of the ground floor or any mezzanine levels, or any other floor in the Building or the Project devoted primarily to retail operations for the general public, except normal electrical current and other services supplied by Landlord as if such retail premises were offices, provided such tenant pays its appropriate pro rata share of Operating Expenses;

(N) costs, including permit, license and inspection costs, incurred with respect to the installation of tenant improvements made for new tenants or other occupants in the Project or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants of the Project (excluding, however, such costs relating to any common areas of the Project or parking facilities);

(O) costs of capital repairs and alterations, capital improvements and capital equipment, except as set forth in items (xii) and (xiii) above;

(P) any amount paid by Landlord or to the parent organization or a subsidiary or affiliate of the Landlord for supplies and/or services in the Project to the extent the same exceeds the costs of such supplies and/or services rendered by qualified, first-class unaffiliated third parties on a competitive basis;

(Q) any compensation paid to clerks, attendants or other persons in commercial concessions (other than in connection with the Parking Facilities) operated by or on behalf of the Landlord;

(R) rentals and other related expenses incurred in leasing air conditioning systems, elevators or other equipment which if purchased the cost of which would be excluded from Operating Expenses as a capital cost, except equipment not affixed to the Project which is used in providing janitorial or similar services and, further excepting from this exclusion such equipment rented or leased to remedy or ameliorate an emergency condition in the Project;

(S) electric power costs for which any tenant directly contracts with a public service company;

(T) costs, other than those incurred in ordinary maintenance and repair, for sculpture, paintings, fountains or other objects of art;

(U) tax penalties;

(V) fees and reimbursements payable to Landlord (including its parent organization, subsidiaries and/or affiliates) or by Landlord for management of the Project which materially exceed the amount which would normally be paid to a company, in connection with the management of the Comparable Buildings, with a general reputation for excellence and integrity used at "arms length" and which is not, directly or indirectly, affiliated with Landlord ("**Independent Company Test**");

(W) any costs expressly excluded from Operating Expenses elsewhere in this Lease;

(X) rent for any office space occupied by Project management personnel to the extent the size or rental rate of such office space exceeds the size or fair market rental value of office space occupied by management personnel of the Comparable Buildings, with adjustment where appropriate for the size of the applicable project;

(Y) Landlord's general corporate overhead and general and administrative expenses;

(Z) Costs incurred to comply with applicable Law with respect to hazardous material, which was in existence in the Building or on the Project prior to the Lease Commencement Date, and was of such a nature that a federal, state or municipal governmental or quasi-governmental authority, if it had then had knowledge of the presence of such hazardous material, in the state, and under the conditions that it then existed in the Building or on the Project, would have then required the removal, remediation or other action with respect to such hazardous material; and costs incurred with respect to hazardous material,

which hazardous material is brought into the Building or onto the Project after the date hereof by Landlord or any other tenant of the Project or by anyone other than Tenant or Tenant Parties and is of such a nature, at that time, that a federal, state or municipal governmental or quasi-governmental authority, if it had then had knowledge of the presence of such hazardous material, in the state, and under the conditions, that it then exists in the Building or on the Project, would have then required the removal, remediation or other action with respect to such hazardous material;

(AA) In-house legal and/or accounting (as opposed to office building bookkeeping) fees; and

(BB) costs arising from Landlord's charitable or political contributions;

(CC) Any above Building standard cleaning, including, but not limited to construction cleanup or special cleanings associated with parties/events

(DD) any insurance premium resulting from any new categories of insurance not carried by Landlord during the first Lease Year to the extent such categories are not consistent with the categories and limits of insurance carried by landlords of Comparable Buildings; and

(EE) Validated parking (except for commercially reasonable amounts provided by Building management personnel which are comparable in quantity to those provided in the Base Year).

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 (including Operating Expenses for the Operating Base Year) 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 at least one hundred percent (100%) occupied during all or a portion of the Operating Base Year or any Expense Year, with all tenants/occupants paying full rent (as opposed to free rent, half rent, partial rent, and the like), Landlord shall 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 Project 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 Operating 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.

4.2.6 Taxes.

4.2.6.1 "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. For purposes of this Lease, Tax Expenses shall be calculated as if the tenant improvements in the Building were fully constructed and the Project, the Building, and all tenant improvements in the Building were fully assessed for real estate tax purposes, and accordingly, Tax Expenses shall be deemed to be increased appropriately

is not then in default under this Lease and Tenant has paid all amounts required to be paid under the applicable Statement; and further provided that such inspection must be completed within thirty (30) days after Landlord's records are made available to Tenant. Tenant agrees that any records of Landlord reviewed under this Section 4.6 shall constitute confidential information of Landlord, which Tenant shall not disclose, nor permit to be disclosed by Tenant or Tenant's accountant. If, within forty-five (45) days after such inspection, Tenant notifies Landlord in writing that Tenant still disputes such Direct Expenses included in the Statement, then a certification as to the proper amount shall be made, at Tenant's expense, by an independent certified public accountant mutually and reasonably selected by Landlord and Tenant, which certification shall be final and conclusive; provided, however, if the actual amount of Direct Expenses due for that Expense Year, as determined by such certification, is determined to have been overstated by more than five percent (5%), then Landlord shall pay the costs associated with such certification. Tenant's failure (i) to take exception to any Statement within one (1) year after Tenant's receipt of such Statement, (ii) to timely complete its inspection of Landlord's records, or (iii) to timely notify Landlord of any remaining dispute after such inspection shall be deemed to be Tenant's approval of such Statement and Tenant, thereafter, waives the right or ability to dispute the amounts set forth in such Statement, which Statement shall be considered final and binding.

ARTICLE 5

USE OF PREMISES

5.1 **Permitted 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 or the Project to be used for any other purpose or purposes whatsoever without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

5.2 **Prohibited Uses.** The uses prohibited under this Lease shall include, without limitation, use of the Premises or a portion thereof for (i) offices of any agency or bureau of the United States or any state or political subdivision thereof; (ii) offices or agencies of any foreign governmental or political subdivision thereof; (iii) offices of any health care professionals or service organization; (iv) schools or other training facilities which are not ancillary to corporate, executive or professional office use; (v) retail or restaurant uses; (vi) communications firms such as radio and/or television stations, or (vii) an executive suites subleasing business or operation. Tenant shall not allow occupancy density of use of the Premises which is greater than the highest density of the other tenants of the Building. Tenant further covenants and agrees that Tenant 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 provisions of the Rules and Regulations set forth in Exhibit D, attached hereto, 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, without limitation, any such laws, ordinances, regulations or requirements relating to hazardous materials or substances, as those terms are defined by applicable laws now or hereafter in effect. Tenant shall not do or permit anything to be done in or about the Premises which will in any way damage the reputation of the Project or obstruct or interfere with the rights of other tenants or occupants of the Building, or injure or annoy them or use or allow the Premises to be used for any improper, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall comply with all recorded covenants, conditions, and restrictions now or hereafter affecting the Project. Notwithstanding the foregoing, Landlord shall not enter into, or amend, any recorded easements, covenants, conditions, or restrictions affecting the Project after the date of this Lease which would, prevent Tenant from using, or materially interfere with Tenant's use of or access to, the Premises for the Permitted Use, or otherwise unreasonably adversely affect Tenant's rights or obligations under this Lease.

Tenant a bill for such amounts within one (1) year following Landlord's receipt of the bill therefor).

4.4.2 Statement of Estimated Direct Expenses. In addition, Landlord shall use commercially reasonable efforts to give Tenant a yearly expense estimate statement (the "Estimate Statement") which shall, on a line-item basis, set forth Landlord's reasonable good faith estimate (the "Estimate") of what the total amount of Operating Expenses and Tax Expenses for the then-current Expense Year shall be and the estimated excess (the "Estimated Excess") as calculated by comparing the Operating Expenses and Tax Expenses for such Expense Year, which shall be based upon the Estimate, to the amount of Operating Expenses and Tax Expenses for the Operating Base Year and Tax Base Year, respectively. 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 Article 4 (provided that in the event that such failure continues for a period of six (6) months following receipt of notice from Tenant, Tenant may elect to seek specific performance of delivery of the Estimate Statement), nor shall Landlord be prohibited from revising any Estimate Statement or Estimated Excess theretofore delivered to the extent necessary; provided, however, any such subsequent revision shall set forth on a reasonably specific basis any particular expense increase. 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 Section 4.4.2). 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, 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.

4.6 Landlord's Books and Records. Within one (1) year after receipt of a Statement by Tenant, if Tenant disputes the amount of Direct Expenses set forth in the Statement, an independent certified public accountant (which accountant is a member of a nationally or regionally recognized accounting firm and which accountant shall not be compensated on a contingency fee or similar basis related to the result of such audit), designated by Tenant, may, after reasonable notice to Landlord and at reasonable times subject to Landlord's reasonable scheduling requirements, inspect Landlord's records at Landlord's offices; provided that Tenant

the Base Year that results in a decrease in Tax Expenses, the component of Tax Expenses for the Base Year which is attributable to the assessed value of the Building and/or Project under Proposition 13 prior to the Reassessment (without taking into account any Proposition 8 reductions) (the "Base Year Prop 13 Taxes") shall be reduced, if at all, for the purposes of comparison to all subsequent Expense Years (commencing with the Expense Year in which the Reassessment takes place) to an amount equal to the real estate taxes based upon such Reassessment, and, if thereafter, in connection with a subsequent Reassessment, the assessed value of the Building and/or Project under Proposition 13 shall increase, the current Base Year Prop 13 Taxes shall be increased for purposes of comparison to all subsequent Expense Years (commencing with the Expense Year in which such Reassessment takes place) to an amount equal to the lesser of the original Base Year Prop 13 Taxes and an amount equal to the real estate taxes based upon such Reassessment. In addition, notwithstanding the foregoing, the statutory two percent (2.0%) annual maximum allowance increase referenced in item (A) above shall be calculated based on the amount of Tax Expenses actually paid by Landlord, taking into account any reductions received by Landlord under Proposition 8.

4.2.7 "Tenant's Share" shall mean the percentage set forth in Section 6 of the Summary. Tenant's Share was calculated by multiplying the number of rentable square feet of the Premises by 100 and dividing the product by the total rentable square feet in the Building. In the event either the Premises and/or the Building is expanded or reduced, Tenant's Share shall be appropriately adjusted, and, as to the Expense Year in which such change occurs, Tenant's Share for such year shall be determined on the basis of the number of days during such Expense Year that each such Tenant's Share was in effect.

4.3 Intentionally Omitted.

4.4 Calculation and Payment of Additional Rent. If for any Expense Year ending or commencing within the Lease Term, Tenant's Share of Operating Expenses and Tax Expenses for such Expense Year exceeds Tenant's Share of Operating Expenses and Tax Expenses applicable to the Operating Base Year and Tax Base Year, respectively, then Tenant shall pay to Landlord, in the manner set forth in Section 4.4.1, below, and as Additional Rent, an amount equal to the excess (the "Excess").

4.4.1 Statement of Actual Direct Expenses and Payment by Tenant. Landlord shall use commercially reasonable efforts to give to Tenant within one hundred fifty (150) days following the end of each Expense Year, a statement (the "Statement") which shall state, on a line-item by line-item basis, the Operating Expenses and Tax 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 Lease Term, if an Excess is present, Tenant shall pay, within thirty (30) days after Tenant's receipt of the Statement, 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 Section 4.4.2, 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 Article 4 (provided that in the event that such failure continues for a period of six (6) months following receipt of notice from Tenant, Tenant may elect to seek specific performance of delivery of the Statement). Even though the Lease 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 is present, Tenant shall immediately pay to Landlord such amount. If the amount of the Excess for any Expense Year during the Lease Term shall be less than the Estimated Excess paid by Tenant for such Expense Year, then, within thirty (30) days following delivery of the Statement, Landlord shall credit against the Rent next payable by Tenant the amount of the overpayment, unless the Lease Term has expired, in which event Landlord shall pay Tenant the amount of the overpayment within such thirty (30) day period. The provisions of this Section 4.4.1 shall survive the expiration or earlier termination of the Lease Term. Notwithstanding anything herein which may be construed to the contrary, Tenant shall not be responsible for Tenant's Share of any Direct Expenses attributable to any Expense Year which are first billed to Tenant more than eighteen (18) months after the earlier of the expiration of the applicable Expense Year or the Lease Expiration Date, provided that in any event Tenant shall be responsible for Tenant's Share of Direct Expenses levied by any governmental authority or by any public utility companies at any time following any Expense Year or the Lease Expiration Date, as applicable, which are attributable to any Expense Year (provided that Landlord delivers

4.2.6.2 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.

4.2.6.3 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. Except as set forth in Section 4.2.6.4, below, refunds of Tax Expenses 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 Additional Rent under this Article 4 for such Expense Year. If Tax Expenses for any period during the Lease 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 Tax Expenses pursuant to the terms of this Lease. Notwithstanding anything to the contrary contained in this Section 4.2.6 (except as set forth in Section 4.2.6.1, 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. All assessments for Tax Expenses and premiums for insurance coverage which are not specifically charged to Tenant because of what Tenant has done, which can be paid by Landlord in installments, shall be paid by Landlord in the maximum number of installments permitted by law (except to the extent inconsistent with the general practice of the Comparable Buildings) and shall be included as Tax Expenses or Operating Expenses (as applicable) in the year in which the assessment or premium installment is actually paid.

4.2.6.4 Notwithstanding anything to the contrary set forth in this Lease, the amount of Tax Expenses for the Base Year and any Expense Year shall be calculated without taking into account any decreases in real estate taxes obtained in connection with Proposition 8, and, therefore, the Tax Expenses in the Base Year and/or an Expense Year may be greater than those actually incurred by Landlord, but shall, nonetheless, be the Tax Expenses due under this Lease; provided that (i) any costs and expenses incurred by Landlord in securing any Proposition 8 reduction shall not be included in Direct Expenses for purposes of this Lease, and (ii) tax refunds under Proposition 8 shall not be deducted from Tax Expenses, but rather shall be the sole property of Landlord. Landlord and Tenant acknowledge that this Section 4.2.6.4 is not intended to in any way affect (A) the inclusion in Tax Expenses of the statutory two percent (2.0%) annual maximum allowable increase in Tax Expenses (as such statutory increase may be modified by subsequent legislation), or (B) the inclusion or exclusion of Tax Expenses pursuant to the terms of Proposition 13, which shall be governed pursuant to the terms of Sections 4.2.6.1 through 4.2.6.3, above. Notwithstanding the foregoing, upon a reassessment of the Building and/or the Project pursuant to Proposition 13 (a "Reassessment") occurring after

ARTICLE 6

SERVICES AND UTILITIES

6.1 **Standard Tenant Services.** Landlord shall provide the following services on all days (unless otherwise stated below) during the Lease Term, all in a manner and quality consistent with that at the Comparable Buildings.

6.1.1 Subject to limitations imposed by all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating and air conditioning ("HVAC") when necessary for normal comfort for normal office use in the Premises from 8:00 A.M. to 6:00 P.M. Monday through Friday, and on Saturdays from 9:00 A.M. to 1:00 P.M. (collectively, the "Building Hours"), except for the date of observation of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday after Thanksgiving, Christmas Day and, at Landlord's discretion, other locally or nationally recognized holidays (collectively, the "Holidays").

6.1.2 Landlord shall provide adequate electrical wiring and facilities for connection to Tenant's lighting fixtures and incidental use equipment, provided that (i) the connected electrical load of the incidental use equipment does not exceed an average of two and one-half (2.5) watts per usable square foot of the Premises during the Building Hours on a monthly basis, and the electricity so furnished for incidental use equipment will be at a nominal one hundred twenty (120) volts and no electrical circuit for the supply of such incidental use equipment will require a current capacity exceeding twenty (20) amperes, and (ii) the connected electrical load of Tenant's lighting fixtures does not exceed an average of one and one-half (1.5) watts per usable square foot of the Premises during the Building Hours on a monthly basis, and the electricity so furnished for Tenant's lighting will be at a nominal two hundred seventy-seven (277) volts utilizing dual level local switching, which electrical usage shall be subject to applicable laws and regulations, including Title 24. Tenant will design Tenant's electrical system serving any equipment producing nonlinear electrical loads to accommodate such nonlinear electrical loads, including, but not limited to, oversizing neutral conductors, derating transformers and/or providing power-line filters. Engineering plans shall include a calculation of Tenant's fully connected electrical design load with and without demand factors and shall indicate the number of watts of unmetered and submetered loads. Tenant shall bear the cost of replacement of lamps, starters and ballasts for non-Building standard lighting fixtures within the Premises.

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

6.1.4 Landlord shall provide janitorial services to the Premises, except the date of observation of the Holidays, in and about the Premises and window washing services in a manner consistent with the Comparable Buildings.

6.1.5 Landlord shall provide nonexclusive, non-attended automatic passenger elevator service during the Building Hours and shall have one elevator available at all other times.

6.1.6 Landlord shall provide nonexclusive freight elevator service subject to scheduling by Landlord.

6.1.7 Landlord shall provide reasonable access control services for the Building seven (7) days per week, twenty-four (24) hours per day, in a manner consistent with the security procedures and systems used in the Comparable Buildings; provided, however, Landlord shall in no case be liable for personal injury or property damage for any error with regard to the admission to or exclusion from the Building or Project of any person.

6.1.8 Tenant may, at its own expense, install its own security system ("Tenant's Security System") in the Premises; provided, however, that Tenant shall coordinate the installation and operation of Tenant's Security System with Landlord to assure that Tenant's Security System is compatible with Landlord's security system and the Building systems and equipment, and to the extent that Tenant's Security System is not compatible with Landlord's security system and the Building systems and equipment, Tenant shall not be entitled to install or

operate the Tenant's Security System. Tenant shall be solely responsible, at Tenant's sole cost and expense, for the installation, monitoring, operation and removal of Tenant's Security System. Tenant's Security System shall be installed by Tenant in accordance with terms of Article 8 of this Lease.

Tenant shall cooperate fully with Landlord at all times and abide by all regulations and requirements that Landlord may reasonably prescribe for the proper functioning and protection of the HVAC, electrical, mechanical and plumbing systems.

6.2 Overstandard Tenant Use. Tenant shall not, without Landlord's prior written consent, use heat-generating machines, machines other than normal fractional horsepower office machines, or equipment or lighting other than Building standard lights in the Premises, which may affect the temperature otherwise maintained by the air conditioning system or increase the water normally furnished for the Premises by Landlord pursuant to the terms of Section 6.1 of this Lease. If such consent is given, Landlord shall have the right to install supplementary air conditioning units or other facilities in the Premises, including supplementary or additional metering devices, and the reasonable cost thereof, including the cost of installation, operation and maintenance, increased wear and tear on existing equipment and other similar charges, shall be paid by Tenant to Landlord upon billing by Landlord. If Tenant uses water, electricity, heat or air conditioning in excess of that supplied by Landlord pursuant to Section 6.1 of this Lease, or if Tenant shall install and/or operate in the Premises any equipment which shall have an electrical consumption greater than that of normal general office equipment, or which, consistent with the practices of the landlords of the Comparable Buildings, are considered to be high electricity consumption equipment, Tenant shall pay to Landlord, upon billing, the cost of such excess consumption, the reasonable cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord may install devices to separately meter any increased use and in such event Tenant shall pay the increased cost directly to Landlord, on demand, at the rates charged by the public utility company furnishing the same, including the reasonable cost of such additional metering devices. Tenant's use of electricity shall never exceed the capacity of the feeders to the Project or the risers or wiring installation, and subject to the terms of Section 29.33, below, Tenant shall not install or use or permit the installation or use of any computer or electronic data processing equipment in the Premises (other than ordinary office equipment), without the prior written consent of Landlord. If Tenant desires to use HVAC during hours other than those for which Landlord is obligated to supply such utilities pursuant to the terms of Section 6.1 of this Lease, Tenant shall give Landlord such prior notice, if any, as Landlord shall from time to time establish as appropriate, of Tenant's desired use in order to supply such HVAC, and Landlord shall supply such HVAC to Tenant at such hourly cost to Tenant (which shall be treated as Additional Rent) as Landlord shall from time to time establish.

6.3 Interruption of Use. Except to the extent caused by Landlord's breach of this Lease, negligence or willful misconduct (but subject to, and without limitation of, the assumption of risk by Tenant pursuant to Section 10.1 below, the waiver of subrogation provided in Section 10.5 below, and the limitations on liability set forth in Section 29.13 below, and except as provided in Section 19.7.2 of this Lease), Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by breakage, 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 reasonable effort to do so, by any riot or other dangerous condition, emergency, accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause; and, except to the extent caused by Landlord's breach of this Lease, negligence or willful misconduct (but subject to, and without limitation of, the assumption of risk by Tenant pursuant to Section 10.1 below, the waiver of subrogation provided in Section 10.5 below and the limitations on liability set forth in Section 29.13 below, and except as provided in Section 19.7.2 of this Lease), 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, and in no event shall the foregoing terms of this Section 6.3 be construed as permitting Tenant to not comply with the terms of this Lease. 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 untenable.

6.4 **Utility Billing Information.** In the event that the Tenant is permitted to contract directly for the provision of electricity, gas and/or water services to the Premises with the third-party provider thereof (all in Landlord's sole and absolute discretion), Tenant shall promptly, but in no event more than five (5) business days following its receipt of each and every invoice for such items from the applicable provider, provide Landlord with a copy of each such invoice. Tenant acknowledges that pursuant to California Public Resources Code Section 25402.10 and the regulations adopted pursuant thereto (collectively the "Energy Disclosure Requirements"), Landlord may be required to disclose information concerning Tenant's energy usage at the Building to certain third parties, including, without limitation, prospective purchasers, lenders and tenants of the Building (the "Tenant Energy Use Disclosure"). Tenant hereby (A) consents to all such Tenant Energy Use Disclosures, and (B) acknowledges that Landlord shall not be required to notify Tenant of any Tenant Energy Use Disclosure. Further, Tenant hereby releases Landlord from any and all losses, costs, damages, expenses and liabilities relating to, arising out of and/or resulting from any Tenant Energy Use Disclosure. The terms of this Section 6.4 shall survive the expiration or earlier termination of this Lease.

ARTICLE 7

REPAIRS

7.1 **Tenant Repairs.** Tenant shall, at Tenant's own expense, pursuant to the terms of this Lease, including without limitation Article 8 hereof, keep the Premises, including all improvements, fixtures and furnishings therein, all systems and equipment installed by Tenant therein, and the non-structural floor of the Premises, in good order, repair and condition at all times during the Lease 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, if Tenant fails to make such repairs, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the reasonable cost thereof, including a reasonable fee (to be uniformly established for the Building and/or the Project and consistent with that charged at Comparable Buildings) 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 (subject to Section 27 below) 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.

7.2 **Landlord Repairs.** Anything contained in Section 7.1 above to the contrary notwithstanding, subject to Articles 11 and 13 below, at all times during the Lease Term, Landlord shall repair and maintain in good order, condition and repair and in a manner generally consistent with the maintenance and repair standards of Comparable Buildings, the Base Building (as defined in Section 8.2 below) (including, without limitation, foundations, exterior walls, bearing walls, support beams, columns, shafts, elevator cabs and fire stairwells), the exterior windows of the Building, the roof of the Building and, the Common Areas; provided, however, to the extent such Landlord-required maintenance and repairs are required to be performed as a result of the negligence or willful misconduct or omission of any duty by Tenant, its agents, employees or invitees, Tenant shall pay to Landlord as additional rent, the reasonable cost of such maintenance and repairs. Except as provided in Section 19.7.2, there shall be no abatement of rent and, except to the extent resulting from Landlord's breach of this Lease,

negligence or willful misconduct (but subject to, and without limitation of, the assumption of risk by Tenant pursuant to Section 10.1 below, the waiver of subrogation provided in Section 10.5 below, and the limitations on liability set forth in Section 29.13 below), there shall be no liability of Landlord (including any liability for any injury to or interference with Tenant's business) arising from the making of or failure to make any repairs, alterations or improvements in or to any portion of the Project, the Building or the Premises or in or to fixtures, appurtenances and equipment therein.

ARTICLE 8

ADDITIONS AND ALTERATIONS

8.1 **Landlord's Consent to Alterations.** Tenant shall have the right, without Landlord's consent but following five (5) business days prior notice to Landlord, to make strictly cosmetic, non-structural additions and alterations ("**Cosmetic Alterations**") to the Premises that either involve only recarpeting and/or repainting the Premises and do not (i) involve the expenditures of more than Thirty Thousand and 00/100 Dollars (\$30,000) in the aggregate in any Lease Year; and (ii) affect the exterior appearance of the Building or (iii) affect the Base Building. Except in connection with Cosmetic Alterations, Tenant may make improvements, alterations, additions or changes to the Premises (collectively, the "**Alterations**") only upon first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than fifteen (15) days prior to the commencement thereof, and which consent shall not be unreasonably withheld, conditioned or delayed by Landlord, provided it shall be deemed reasonable for Landlord to withhold its consent to (i) 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, and (ii) any Alteration which would affect any existing "ACM," as that term is defined in Section 29.35.1 below, in the Premises or the Building. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter and not the terms of this Article 8.

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 reasonable requirements as Landlord may deem desirable, including, but not limited to, the requirement that Tenant utilize for such purposes only contractors, subcontractors, materials, mechanics and materialmen reasonably approved by Landlord (provided that Tenant shall be required to employ Landlord's designated subcontractor for all fire life-safety work performed in connection with any Alterations, and provided further that such subcontractor shall charge competitive rates), the requirement that upon Landlord's request at the time Landlord grants its consent, Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any early termination of the Lease Term, and the requirement that all Alterations conform in terms of quality and style to the building's standards established by Landlord. 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. Landlord's approval of the plans, specifications and working drawings for Tenant's Alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all Laws. Tenant shall construct such Alterations and perform such repairs in a good and workmanlike manner, in conformance with any and all applicable Laws pursuant to a valid building permit, issued by the City of Los Angeles, all in conformance with Landlord's reasonable 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, the common restrooms and the base building systems which serve the Building generally (as opposed to those systems exclusively serving a particular tenant or occupant of the Building) (including, without limitation, the base building electrical, mechanical, life safety and plumbing systems). 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, subcontractors, services, workmen, labor, materials or equipment that, in Landlord's reasonable judgment, would disturb labor harmony with the workforce or trades to be 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 8182 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 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 pay to Landlord a percentage of the "hard" cost of such work (i.e., exclusive of all "soft" costs, and which percentage shall be uniformly established for the Building and/or the Project and consistent with that charged at Comparable Buildings) sufficient to compensate Landlord for all overhead, general conditions, fees and other 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 or Tenant's contractor 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 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.

8.5 **Landlord's Property.** All Alterations, improvements, fixtures (other than trade fixtures), equipment and/or appurtenances which may be installed or placed in or about the Premises, from time to time, shall be at the sole cost of Tenant and other than Tenant's moveable and other personal property, shall be and become the property of Landlord, except that Tenant may remove any Alterations, fixtures and/or equipment which Tenant can substantiate to Landlord have not been paid for with any Tenant improvement allowance funds provided to Tenant by Landlord, provided Tenant repairs any damage to the Premises and Building caused by such removal and returns the affected portion of the Premises to a building standard tenant improved condition as reasonably determined by Landlord. Furthermore, Landlord may, however, by written notice to Tenant prior to the end of the Lease Term, or given following any earlier termination of this Lease, require Tenant, at Tenant's expense, to remove any "Non-Standard Alterations," as that term is defined below, installed by or on behalf of Tenant within the Premises and replace the same with then existing Building standard tenant improvements, and to repair any damage to the Premises and Building caused by such removal and return the affected portion of the Premises to a building standard tenant improved condition as reasonably determined by Landlord; provided, however, that as to (i) any carpeting in the Premises (provided that the same is not damaged by removal of any Alterations or the Tenant Improvements, except for ordinary wear and tear) or (ii) any Alterations for which Tenant requested a determination by Landlord of whether removal, repair and restoration would be required at the time of Landlord's consent to any particular Alteration prior to installation thereof, and Landlord notified Tenant that removal and restoration would not be required as to such Alteration, Tenant's restoration obligations under this Lease shall not apply, and provided, further, that Tenant shall only be required to remove any Alterations or improvements which constitute Non-Standard Alterations, and in no event shall Tenant be required to remove any Alterations or improvements which were installed prior to Tenant's lease of the Premises (except for any Tenant Improvements required to be removed pursuant to Section 2.3 of the Tenant Work Letter). Notwithstanding the above, in the event that, at the time Tenant requests Landlord's consent to any Alteration, prior to installation thereof, if Tenant also requests in writing a determination of whether Landlord will require restoration and/or removal of the particular Alteration, or portions thereof for which consent is being requested upon expiration or any earlier termination of this Lease, Landlord shall so notify Tenant along with Landlord's consent (if such consent is given). If Tenant fails to complete such removal and/or to repair any damage caused by the removal of any Alterations, and return the affected portion of the Premises to a building standard tenant improved condition as reasonably determined by Landlord, then at Landlord's option, either (A) Tenant shall be deemed to be holding over in the Premises and Rent shall continue to accrue in accordance with the terms of Article 16, below, until such work shall be completed, or (B) 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, fixtures and/or equipment in, on or about the Premises, which obligations of Tenant shall survive the expiration or earlier termination of this Lease. As used in this Lease and the Tenant Work Letter, "Non-Standard Alterations" shall mean any of the following: (a) safes and vaults; (b) decorative water features; (c) specialized flooring (not typically found in general office use); (d) conveyors and dumbwaiters; (e) any Alterations or Tenant Improvements which (i) perforate a floor slab in the Premises or a wall that encloses/encapsulates the Building structure, (ii) require the installation of a raised flooring system, (iii) involve material plumbing connections (such as kitchens and executive bathrooms outside of the Building core), or (iv) require changes to the Base Building; and (f) any other unusual installations not typically found in general use office space, assuming an occupancy density consistent with the Comparable Buildings, or requiring over-standard demolition costs for the removal thereof.

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 ten (10) 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.

ARTICLE 10

INSURANCE

10.1 Indemnification and Waiver. Because Tenant is required to insure all of its Tenant Improvements, Alterations and its furniture, fixtures and equipment and because of the requirements to provide waivers of subrogation, Tenant hereby assumes all risk of damage to Tenant's property in the Premises, subject to the terms, conditions and covenants of the waiver of subrogation set forth below. Tenant hereby assumes all risk of injury to persons in, upon or about the Premises from any cause whatsoever, unless caused by the breach of this Lease by, or the gross negligence or willful misconduct of, the "Landlord Parties," as that term is defined in this Section 10.1. Tenant agrees that Landlord, its partners, members and their respective partners, members, 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 persons in the Premises or property of Tenant in the Premises or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant, except for damage to property which Landlord insures or is required to insure pursuant to the terms, conditions and covenants of this Lease and except for injury to persons or damage to property belonging to third parties to the extent caused by the gross negligence or willful misconduct of the Landlord Parties. 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 violation of any applicable Laws, including, without limitation, any environmental laws, any acts, omissions or negligence of Tenant or of any person claiming by, through or under Tenant, or of the contractors, agents, servants, employees, invitees, guests or licensees of Tenant or any such

person, in, on or about the Project (collectively, "Tenant Parties"), either prior to, during, or after the expiration of the Lease Term, provided that the terms of the foregoing indemnity shall not apply to the breach of this Lease, 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 reasonable 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. Notwithstanding anything to the contrary contained in this Lease, nothing in this Lease shall impose any obligations on Tenant or Landlord to be responsible or liable for, and each hereby releases the other from all liability for, consequential damages other than those consequential damages incurred by Landlord in connection with a holdover of the Premises by Tenant after the expiration or earlier termination of this Lease. Notwithstanding the foregoing, for purposes of this Lease, consequential damages shall not be deemed to include property damage or personal injury damages.

10.2 Landlord's Liability and Fire and Casualty Insurance. Landlord shall carry commercial general liability insurance with respect to the Building during the Lease Term in the same minimum values required by Tenant under this Lease, and shall further carry commercial property insurance and shall insure the Building and the Project during the Lease Term (for the full replacement value) against loss or damage due to fire and other casualties covered within the classification of fire and extended coverage, vandalism coverage and malicious mischief, sprinkler leakage, water damage and special extended coverage. Such coverage shall be in such amounts, from such companies, and on such other terms and conditions, as Landlord may from time to time reasonably determine. Additionally, at the option of Landlord, such insurance coverage may include the risks of earthquakes and/or flood damage, terrorist acts and additional hazards, a rental loss endorsement and one or more loss payee endorsements in favor of the holders of any mortgages or deeds of trust encumbering the interest of Landlord in the Building or the ground or underlying lessors of the Building, or any portion thereof. 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, provided that in no event shall any such rules, orders, regulations, or requirements prohibit Tenant's use of the Premises for the Permitted Use or cause Tenant to incur any additional costs hereunder in connection therewith to the extent Tenant utilizes the Premises for the Permitted Use.

10.3 Tenant's Insurance. Tenant shall maintain the following coverages in the following amounts.

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 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	\$3,000,000 each occurrence
Property Damage Liability	\$3,000,000 annual aggregate
Personal Injury Liability	\$3,000,000 each occurrence
	\$3,000,000 annual aggregate
	0% Insured's participation

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 "Tenant Improvements," as that term is defined in Section 2.1 of the Tenant Work Letter, and any other improvements which exist in the Premises as of the Lease Commencement Date (excluding the Base Building) (the "Original Improvements"), and (iii) all other improvements, alterations and additions to the Premises which do not comprise part of the Base Building. 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.

10.3.3 Worker's Compensation and Employer's Liability or other similar insurance pursuant to all applicable Laws.

10.3.4 Notwithstanding the foregoing, all of the insurance requirements set forth in this Article 10 on the part of Tenant to be observed shall be deemed satisfied if the Premises are covered by a blanket insurance policy insuring all or most of Tenant's facilities (so long as the same provides a locational aggregate which meets the requirements of Sections 10.3.1, 10.3.2 and 10.3.3, above).

10.4 **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, Landlord's lender, and any other party the Landlord so specifies, as an additional insured, including Landlord's managing agent, if any; (ii) 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 permitted 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) contain a cross-liability endorsement or severability of interest clause acceptable to Landlord. Tenant shall notify Landlord as soon as possible, but in any event not less than ten (10) business days prior to the effective date of (a) any cancellation of insurance policies required hereunder, and/or (b) any change that results in a material change in coverage terms or limits of insurance policies required hereunder. Tenant shall deliver certificates evidencing the required policies thereof to Landlord on or before the Lease Commencement Date and at least one (1) day before the expiration dates thereof. In the event Tenant shall fail to procure such insurance, or to deliver such certificate, Landlord may, at its option, after delivering not less than three (3) business days' prior written notice to Tenant, procure such policies for the account of Tenant, unless Tenant provides the same with such three (3) business day period, and the actual and reasonable cost thereof shall be paid to Landlord within five (5) days after delivery to Tenant of bills therefor.

10.5 **Subrogation.** 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 loss is the result of a risk insurable under policies of property damage insurance. Notwithstanding anything to the contrary in this Lease, 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.

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

generally required by landlords of the Comparable Buildings and in no event may Landlord increase the amounts of the insurance required to be carried by Tenant hereunder more than once during the initial Lease Term and each Option Term.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.1 Repair of Damage to Premises by Landlord. To the extent that Landlord does not have actual knowledge of the same, Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises, Base Building, 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 applicable 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, the Parking Facilities (as defined in Article 28 below) and any common restrooms serving the Premises shall not be materially impaired. If this Lease does not terminate pursuant to Section 11.2 of this Lease or for any other reason, Tenant shall, at its sole cost and expense, repair any injury or damage to the Tenant Improvements and the Original Improvements installed in the Premises and shall return such Tenant Improvements and Original Improvements to their original condition. Prior to the commencement of construction, if this Lease does not terminate pursuant to Section 11.2 of this Lease or for any other reason, Tenant shall submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall have the right to reasonably approve 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 Rent, during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied by Tenant as a result thereof. 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 (provided that in no event shall such Rent re-commence until such time as Landlord has restored the Base Building and the Common Areas necessary for occupancy of the Premises to a commercially reasonable condition).

11.2 Landlord's Option to Repair. Notwithstanding the terms, conditions and covenants of Section 11.1 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 forty-five (45) days after the date of discovery of the damage, such notice to include a termination date giving Tenant ninety (90) days to vacate the Premises, but Landlord may so elect only if the Building or Project shall be damaged by fire 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 two hundred seventy (270) days after the date of discovery of the damage (when such repairs are made without the payment of overtime or other premiums) and Landlord elects to terminate the leases of all other tenants of the Project similarly affected by the damage and destruction for which Landlord has termination rights; (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 and Landlord elects to terminate the leases of all other tenants of the Project similarly affected by the damage and destruction; (iii) except for deductible amounts, the damage is not fully covered by Landlord's insurance policies and Landlord elects not to commence rebuilding or reconstructing within one (1) year from the date of such damage and destruction and elects to terminate the leases of all other tenants of the Project similarly affected by the damage and destruction; or (iv) the damage occurs during the last twelve (12) months of the Lease Term. If Landlord does not elect to terminate this Lease pursuant to Landlord's termination right as provided above, and (a) the repairs will require an interruption of

Tenant's use of all or a portion of the Premises or any portion of the Common Areas necessary for occupancy of the Premises (including, without limitation the Parking Facilities) for a period in excess of two hundred seventy (270) days after the date of the discovery of the damage, or (b) the Premises, the Building or any portion of the Common Areas necessary for occupancy of the Premises (including, without limitation the Parking Facilities, provided that Landlord shall be entitled to provide Tenant with replacement parking in close proximity to the Building) is destroyed or damaged to any substantial extent during the last twelve (12) months of the Lease Term (as the same may be extended), then Tenant may elect, no earlier than forty-five (45) days after the date of the damage and not later than ninety (90) days after the date of such damage, to terminate this Lease by notice to Landlord effective as of the date specified in the notice, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days following Tenant's delivery of such notice. At any time, from time to time, after the date occurring forty-five (45) days after the date of the damage, Tenant may request that Landlord provide Tenant with its reasonable opinion of the date of completion of the repairs, and Landlord shall respond to such request within five (5) business days. If Tenant terminates this Lease pursuant to its termination rights set forth in this Section 11.2, then 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 10.3.2(ii) and (iii) of this Lease above. It is hereby understood that if Landlord is obligated to or elects to repair or restore as herein provided, Landlord shall be obligated to make repairs or restoration only of those portions of the Building and the Premises which were originally provided at Landlord's expense, and the repair and restoration of items not provided at Landlord's expense shall be the obligation of Tenant.

11.3 Waiver of Statutory Provisions. The terms, conditions and covenants 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.

ARTICLE 12

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 or payment of Rent by Tenant 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 or Tenant's knowledge of such preceding breach at the time of acceptance or payment 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 Lease Term or of Tenant's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit, or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment. Tenant's payment of any Rent hereunder shall not constitute a waiver by Tenant of any breach or default by Landlord under this Lease nor shall Landlord's payment of monies due Tenant hereunder constitute a waiver by Landlord of any breach or default by Tenant under this Lease.

ARTICLE 13

CONDEMNATION

If the whole or any material 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, but Landlord may only terminate this Lease upon the foregoing terms if Landlord terminates the leases of all other tenants of the Building similarly affected by the taking. If more than twenty-five percent (25%) of the rentable square feet of the Premises is taken, or if access to, or parking for, the Premises is substantially impaired (without replacement parking provided in close proximity to the Building), 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 Lease 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, such claim is payable separately to Tenant or is otherwise separately identifiable. Notwithstanding anything in this Article 13 to the contrary, Landlord and Tenant shall each be entitled to receive fifty percent (50%) of the "bonus value" of the leasehold estate in connection therewith, which bonus value shall be equal to the difference between the Rent payable under this Lease and the sum established by the condemning authority as the award for compensation for the leasehold. All Rent shall be apportioned as of the date of such termination. 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. 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 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 ten (10) business 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 the executed or proposed documentation effectuating the proposed Transfer, including all operative documents to evidence such Transfer and all agreements incidental or related to such Transfer, provided that Landlord shall have the right to require Tenant to utilize Landlord's standard consent to Transfer

documents in connection with the documentation of Landlord's consent to such Transfer, and provided further that the terms of the proposed Transfer shall provide that such proposed Transferee shall not be permitted to further assign or sublease its interest in the Subject Space and/or Lease, (iv) subject to Section 14.2.4 below, current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, and any other information reasonably required by Landlord which will enable Landlord to determine the financial responsibility 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 stating the information set forth in items (a) through (d) in Article 17, below. 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, reasonable attorneys', accountants', architects', engineers' and consultants' fees) incurred by Landlord, within thirty (30) days after written request by Landlord, provided that such fees, in the aggregate, shall not exceed Two Thousand Dollars (\$2,000.00) for a Transfer in the ordinary course of business.

14.2 Landlord's Consent. Landlord shall not unreasonably withhold, condition or delay its consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice, and Landlord shall give or reasonably withhold its consent within ten (10) business days after Landlord's receipt of 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;

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;

14.2.6 The terms of the proposed Transfer will allow the Transferee to exercise a right of renewal, right of expansion, right of first offer, or other similar right held by Tenant (or will allow the Transferee to occupy space leased by Tenant pursuant to any such right); or

14.2.7 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, and Landlord has space comparable in size in the Project to lease to such Transferee or (ii) is negotiating with Landlord (which for purposes of this item (ii) and (iii), below, shall be evidenced by the transmittal of one or more letters of intent, draft proposals or lease documents by Tenant to Landlord or Landlord to Tenant) to lease space in the Project at such time, or (iii) has negotiated with Landlord during the three (3)-month period immediately preceding the Transfer Notice.

If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (and does not exercise any recapture rights Landlord may have under Section 14.4 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 Section 14.1 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 (other than a transfer pursuant to Section 14.8 below), 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, actually received by Tenant from such Transferee in any particular calendar month. "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 following (collectively, the "Subleasing Costs"): (i) the costs of any reasonable changes, improvements, alterations made to the Premises and/or any space planning allowance, tenant improvement allowance, moving allowance, free rent and other economic concessions paid or alterations and improvements to the Premises made or paid for by Tenant in connection with the Transfer (provided that alteration and improvement costs may be included in Subleasing Costs to the extent such alterations or improvements are approved by Landlord pursuant to Article 8 above); (ii) any reasonable brokerage commissions in connection with the Transfer; (iii) any reasonable advertising and/or marketing costs incurred by Tenant in connection with the Transfer; (iv) any reasonable attorneys' fees and Landlord review fees (including legal fees) paid by Tenant in connection with the Transfer; and (v) any costs to buy-out or takeover the previous lease of a Transferee; and (vi) the aggregate amount of Base Rent and Additional Rent paid by Tenant with respect to the Subject Space during the Downtime Period (defined below). The "Downtime Period" shall be the period commencing on the later of (a) the date Tenant contracts with a reputable broker to market the Subject Space for sublease (as evidenced by reasonably satisfactory evidence provided to Landlord), and (b) the date Tenant vacates the Subject Space, and ending on the date of the commencement of the term of the Transfer. In no event shall the Downtime Period exceed nine (9) months. The Transfer Premium shall not apply to any assignment or sublease to a Permitted Non-Transferee pursuant to Section 14.8 below. "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. Under no circumstances shall Landlord be paid any Transfer Premium until Tenant has recovered all Subleasing Costs for the Subject Space, it being understood that if in any year the gross revenues, less the deductions set forth and included in Subleasing Costs, are less than such Subleasing Costs, the amount of the excess Subleasing Costs shall be carried over to the next year and then deducted from gross revenues actually received by Tenant with the procedure repeated until a Transfer Premium is achieved.

14.4 Landlord's Option as to Subject Space. Notwithstanding anything to the contrary contained in this Article 14, except as to transfers to any of the Permitted Assignees, Landlord shall have the option, by giving written notice to Tenant within ten (10) business days after receipt of any Transfer Notice, to recapture the Subject Space for the term of the proposed Transfer as stated in the Transfer Notice. Tenant shall have the right, upon notice delivered to Landlord within five (5) business days after Tenant's receipt of any recapture notice, to rescind the proposed Transfer, in which event Landlord's recapture shall be deemed null and void and Tenant's lease of the Subject Space shall remain in full force and effect. Such recapture notice shall (unless the proposed Transfer is rescinded by Tenant as provided herein) 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 through the term of the proposed Transfer as stated in the Transfer Notice (or at Landlord's option, shall cause the Transfer to be made to Landlord

or its agent for the term of the proposed Transfer, in which case the parties shall execute the Transfer documentation promptly thereafter). In the event of a recapture by Landlord, if Tenant does not rescind the proposed Transfer as provided herein and 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 Section 14.4, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of this Article 14.

14.5 Effect of Transfer. In the event of any Transfer, (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) consent thereto (if given by Landlord) shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) Tenant shall deliver to Landlord, promptly after execution, an 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. In no event shall any Transferee assign, sublease or otherwise encumber its interest in this Lease or further sublet any portion of the Subject Space, or otherwise suffer or permit any portion of the Subject Space to be used or occupied by others. Landlord or its authorized representatives shall have the right at all reasonable times on reasonable prior notice 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 five percent (5%), Tenant shall pay Landlord's costs of such audit.

14.6 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 more than fifty percent (50%) of the partners, or transfer of more than fifty percent (50%) 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 an aggregate of more than 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 an aggregate of more than fifty percent (50%) of the value of the unencumbered assets of Tenant within a twelve (12)-month period.

14.7 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 cancelled and repossess the Subject Space by any lawful means, or (ii) require that such Transferee 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, 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.

14.8 **Non-Transfers.** Notwithstanding any provision to the contrary contained in this Lease, (A) 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 as of the date of this Lease), (B) an assignment of this Lease to an entity which acquires all or substantially all of the stock or assets of Tenant, or (C) an assignment of this Lease to an entity which is the resulting entity of a merger, restructure or consolidation of Tenant during the Lease Term or (D) an assignment or subletting of all or a portion of the Premises to Guarantor, shall not be deemed a Transfer under Article 14 of this Lease (any such assignee or sublessee described in items (A) through (D) of this Section 14.8 hereinafter referred to as a "Permitted Non-Transferee" and any such assignee described in items (A) through (D) of this Section 14.8 hereinafter referred to as a "Permitted Assignee"), provided that (i) Tenant notifies Landlord in writing of any such assignment or sublease at least ten (10) business days prior to the effective date of such assignment or sublease (unless prohibited by applicable Laws, in which case Tenant shall deliver written notice of such assignment or sublease no later than ten (10) business days after the effective date thereof) and promptly supplies Landlord with any documents or information reasonably requested by Landlord regarding such assignment or sublease or such Permitted Non-Transferee (including, without limitation, the operative assignment or sublease agreements), (ii) such Permitted Non-Transferee has a tangible net worth computed in accordance with generally accepted accounting principles consistently applied (and excluding goodwill, organization costs and other intangible assets) that is sufficient to meet the obligations of Tenant under this Lease or the applicable sublease, as the case may be, and is at least sufficient to meet the obligations of such Permitted Non-Transferee under such Transfer, (iii) such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (iv) such assignment or sublease shall be subject and subordinate to all of the terms and provisions of this Lease, and (v) such assignment or sublease does not cause Landlord to be in default under any existing lease at the Building. Notwithstanding the foregoing, in no event shall any such assignment or sublease permitted under this Section 14.8 relieve Tenant (or its successors and assigns) of its obligations under this Lease. "Control", as used in this Section 14.8, shall mean (I) the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or (II) possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) of the voting interest in, any person or entity, or (III) possession, direct or indirect, of the power to cause the direction of the management and policies of a person or entity.

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 Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless 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.** Subject to the terms of Section 8.5 of this Lease, upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear and repairs which are specifically made the responsibility of Landlord hereunder excepted. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, any Non-Standard Alterations designated by Landlord for removal in accordance with the terms of Section 8.5 of this Lease or Section 2.3 of the Tenant Work Letter, as applicable, and such items of furniture, equipment, business and trade fixtures, free-standing cabinet work, movable partitions, cabling installed at or by the request of Tenant that is not contained in protective conduit or metal raceway and other articles of personal

property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Lease Term 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 for the first sixty (60) days Rent shall be payable at a monthly rate equal one hundred twenty-five percent (125%) of the Rent applicable during the last rental period of the Lease Term under this Lease. Following the expiration of such 60-day period, Tenant shall pay Rent at a monthly rate equal to one hundred fifty percent (150%) of the Rent applicable during the last rental period of the Lease Term under this Lease. Such month-to-month tenancy shall be subject to every other applicable term, covenant and agreement contained herein. For purposes of this Article 16, a holding over shall include Tenant's remaining in the Premises after the expiration or earlier termination of the Lease Term, as required pursuant to the terms of Section 8.5, above, to remove any Non-Standard Alterations subject to the terms of Section 8.5 of this Lease and the Tenant Work Letter) located within the Premises and replace the same with Building standard tenant improvements. 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 E, attached hereto (or such other form as may be required by any prospective mortgagee or purchaser of the Project, or any portion thereof or any assignee or sublessee), stating (a) that this Lease is unmodified and is in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and setting forth such modifications), (b) the dates to which Rent and other sums payable hereunder have been paid, (c) either that, to the knowledge of Tenant no default exists hereunder or, specifying each such default of which Tenant has knowledge and (d) any other information reasonably requested by Landlord or Landlord's current or prospective mortgagee. Any such certificate may be relied upon by any current 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 Lease Term, to the extent Tenant is not publicly traded, Landlord may require Tenant, and to the extent applicable, any guarantor(s), to provide Landlord with a current financial statement and financial statements of the two (2) years prior to the financial statement year in the form customarily prepared by Tenant. Notwithstanding anything in this Article 17 to the contrary, Landlord's requests for financial statements under this Article 17 shall be limited to those instances whereby (i) Landlord is in the process of refinancing or selling the Building, (ii) Tenant is in monetary default under this Lease, (iii) any event described in Section 19.1.3 below (but without regard to the sixty (60) day period for vacation, set aside or stay described in Section 19.1.3) has occurred, or (iv) in connection with Tenant's delivery of a Transfer Notice. Such statements shall be delivered by Tenant and such guarantor(s) to Landlord within fifteen (15) days after Landlord's written request therefor and be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant or such guarantor(s), shall be audited by an independent certified public

accountant with copies of the auditor's statement, reflecting Tenant's or such guarantor(s)', as applicable, then-current financial condition.

ARTICLE 18

SUBORDINATION

This Lease shall be 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. Landlord's delivery to Tenant of commercially reasonable non-disturbance agreement(s) (the "Nondisturbance Agreement") in favor of Tenant from any future ground lessors, mortgage holders or lien holders of Landlord who come into existence following the date hereof but prior to the expiration of the Lease Term shall be in consideration of, and a condition precedent to, Tenant's agreement to be bound by the terms of this Article 18; provided, however, Landlord's failure to obtain the same shall not be deemed a default by Landlord hereunder. Notwithstanding the foregoing, following the full execution and delivery of this Lease, Landlord shall use its commercially reasonable efforts to obtain a subordination, non-disturbance and attornment agreement in favor of Tenant from the currently existing mortgagee of the Project holding a first deed of trust (the "Lender"), using the Lender's standard subordination, non-disturbance and attornment agreement form; provided, however, Landlord's failure to obtain the same shall not be deemed a default by Landlord hereunder, nor shall Tenant's receipt of the same be deemed a condition precedent to the effectiveness of this Lease. 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, 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 is not in default of this Lease. Landlord's interest herein may be assigned as security at any time to any lienholder. Tenant shall, within ten (10) business 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. Except as may be otherwise expressly set forth in a Nondisturbance Agreement, Tenant waives the provisions of any current or future applicable Laws which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale.

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, which failure is not cured within five (5) business days after notice from Landlord that the same was not paid when due; or

19.1.2 Except as specifically set forth in this Sections 19.1, 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 thirty (30) 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 thirty (30) 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 failure as soon as possible; or

19.1.3 To the extent permitted by law, a general assignment by Tenant or any guarantor of this 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 of all or a substantial portion of the Premises by Tenant while there is an uncured event of default; 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 three (3) business days after notice from Landlord.

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

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, except as required by applicable Laws.

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:

(A) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(B) 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

(C) The worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(D) 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

(E) 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 Paragraphs 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 25 of this Lease, but in no case greater than the maximum amount of such interest permitted by law. As used in Paragraph 19.2.1(iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

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

19.2.3 Landlord 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 Intentionally Omitted.

19.4 Subleases of Tenant. Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19, 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.

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

19.6 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.

19.7 Default by Landlord.

19.7.1 General. Notwithstanding anything to the contrary set forth in this Lease, Landlord shall not be in default in the performance of any obligation required to be performed by Landlord pursuant to this Lease unless Landlord fails to perform such obligation within thirty (30) days after the receipt of notice from Tenant specifying in detail Landlord's failure to perform; provided, however, if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be in default under this Lease if it shall commence such performance within such thirty (30) day period and thereafter diligently pursue the same to completion. Upon any such default by Landlord under this Lease, Tenant may, except as otherwise specifically provided in this Lease to the contrary, exercise any of its rights provided at law or in equity.

19.7.2 Abatement of Rent. In the event that Tenant is prevented from using, and does not use, the Premises or any portion thereof, as a result of (i) any repair, maintenance or alteration performed by Landlord, or which Landlord failed to perform, after the Lease Commencement Date and required by this Lease, which substantially interferes with Tenant's use of or ingress to or egress from the Building, Project, or Premises or the Parking Facilities; (ii) any failure to provide services, utilities or ingress to and egress from the Building, Project (including the Parking Facilities), or Premises as required by this Lease; or (iii) the presence of hazardous materials not brought on the Premises by Tenant Parties (any such set of

circumstances as set forth in items (i) through (iv), above, to be known as an "Abatement Event"), then Tenant shall give Landlord notice of such Abatement Event, and if such Abatement Event continues for three (3) consecutive business days after Landlord's receipt of any such notice, or occurs for ten (10) non-consecutive business days in a twelve (12) month period (provided Landlord is sent a notice pursuant to Section 29.18 of this Lease of each of such Abatement Event) (in either of such events, the "Eligibility Period"), then the Base Rent and Tenant's Share of Direct Expenses shall be abated or reduced, as the case may be, after expiration of the Eligibility Period for such time that Tenant continues to be so prevented from using, and does not use, the Premises, or a portion thereof, in the proportion that the rentable area of the portion of the Premises that Tenant is prevented from using, and does not use ("Unusable Area"), bears to the total rentable area of the Premises; provided, however, in the event that Tenant is prevented from using, and does not use, the Unusable Area for a period of time in excess of the Eligibility Period and the remaining portion of the Premises is not sufficient to allow Tenant to effectively conduct its business therein, and if Tenant does not conduct its business from such remaining portion, then for such time during which Tenant is so prevented from effectively conducting its business therein, the Base Rent and Tenant's Share of Direct Expenses for the entire Premises shall be abated for such time as Tenant continues to be so prevented from using, and does not use, the Premises. If, however, Tenant reoccupies any portion of the Premises during such period, the Rent allocable to such reoccupied portion, based on the proportion that the rentable area of such reoccupied portion of the Premises bears to the total rentable area of the Premises, shall be payable by Tenant from the date Tenant reoccupies such portion of the Premises. Such right to abate Base Rent and Tenant's Share of Direct Expenses shall be Tenant's sole and exclusive remedy at law or in equity for an Abatement Event; provided, however, that (a) nothing in this Section 19.7.2, shall impair Tenant's rights under Section 19.7.1, above, and (b) if Landlord has not cured such Abatement Event within two hundred seventy (270) days after receipt of notice from Tenant, Tenant shall have the right to terminate this Lease during the first five (5) business days of each calendar month following the end of such 270-day period until such time as Landlord has cured the Abatement Event, which right may be exercised only by delivery of notice to Landlord (the "Abatement Event Termination Notice") during such five (5) business-day period, and shall be effective as of a date set forth in the Abatement Event Termination Notice (the "Abatement Event Termination Date"), which Abatement Event Termination Date shall not be less than thirty (30) days, and not more than one (1) year, following the delivery of the Abatement Event Termination Notice. Notwithstanding anything contained in this Section 19.7.2 to the contrary, Tenant's Abatement Event Termination Notice shall be null and void (but only in connection with the first notice sent by Tenant with respect to each separate Abatement Event) if Landlord cures such Abatement Event within such thirty (30) day period following receipt of the Abatement Event Termination Notice. Except as provided in this Section 19.7.2, nothing contained herein shall be interpreted to mean that Tenant is excused from paying Rent due hereunder. To the extent Tenant is entitled to abatement without regard to the Eligibility Period, because of an event covered by Articles 11 (Damage and Destruction) or 13 (Condemnation) of this Lease, then the Eligibility Period shall not be applicable.

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 Lease 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 or for the payment of any amount that Landlord may reasonably spend or may become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage that Landlord may suffer by reason of Tenant's default and Tenant shall, upon demand therefor, restore the Security Deposit to its original amount within five (5) days after written notice from Landlord. 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 Lease Term. 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

SUBSTITUTION OF OTHER PREMISES

Landlord shall have the right to move Tenant, upon one hundred twenty (120) days' prior written notice of the date of such move, to other space in the Building which (a) is reasonably comparable to the Premises in size, design, layout and improvements (including, without limitation, configuration of improvements), and (b) is located on the second (2nd) floor of the Building or above, and on the north facing side of the Building with the same or more number of north facing offices and conference rooms as the Premises, and all terms hereof shall apply to the new space with equal force. In such event, Landlord shall (i) give Tenant not less than one hundred twenty (120) days' prior notice, (ii) provide Tenant, at Landlord's sole cost and expense, a reasonable allowance for stationery and business cards, (iii) provide Tenant, at Landlord's sole cost and expense, with (A) tenant improvements at least equal in quality to those in the Premises, including, but not limited to, cabling and IT infrastructure, and any alterations which may have been installed by Tenant and Landlord and (B) deliver substitute office space with a layout which is not substantially and materially different from that of the Premises, as then improved, and (iv) commence and complete the move of Tenant's effects to the new space over a single weekend, at Landlord's sole cost and expense, in such manner as to inconvenience Tenant as little as reasonably practicable. Simultaneously with such relocation of the Premises, the parties shall immediately execute an amendment to this Lease stating the relocation of the Premises. In no event shall Tenant's Rent be increased unless Tenant requests a space larger than the Premises in connection with the relocation. Unless otherwise agreed to by Tenant, in no event shall the substitute premises contain fewer usable square feet than the Premises.

ARTICLE 23

SIGNS

23.1 **Full Floors.** 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. Tenant shall have the right, at its sole cost and expense, to install a clear, full height, glass side light at the suite entry door of the Premises in accordance with **Exhibit I** (attached). Tenant shall construct the side light in accordance with all the terms and conditions contained in this Lease (including the Work Letter) and, as part of the Construction Drawings (as defined in Section 3.1 of the Work Letter), shall submit the plans for the side light, which plans shall also depict Tenant's logo and the location thereof. Tenant shall have the right to display its (non-illuminated) logo in a manner which is visible to the common lobby and corridor (but in no event physically on the glass side light) subject to Landlord's consent, which shall not be unreasonably withheld or delayed. In connection therewith, in no event shall Tenant's sidelight include a name or logo which relates to an entity which is of a character or reputation, or is associated with a political

faction or orientation, which is inconsistent with the first class quality of the Project, or which would reasonably offend a landlord of the Comparable Buildings.

23.3 **Building Directory.** Tenant shall be entitled to display Tenant's name and location and the names of up to ten (10) of Tenant's (or its permitted subtenant's or occupant's) employees in the Premises in the Building directory, provided that if the Building directory is electronic, then Tenant shall not be limited to ten (10) listings therein.

23.4 **Prohibited Signage and Other Items.** Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been separately approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant. Tenant may not install any signs on the exterior or roof of the 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 (collectively, the "Laws"). At its sole cost and expense, subject to Landlord's obligations expressly set forth below in this Article 24, Tenant shall promptly comply with all such applicable Laws. 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, subject to Landlord's obligations expressly set forth below in this Article 24, 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. Notwithstanding the foregoing to the contrary, at Landlord's sole cost and expense, except to the extent includable as part of Operating Expenses by the terms of Section 4.2.5 above, Landlord shall be responsible for making all alterations and improvements required by applicable Laws with respect to the items which are Landlord's responsibility to repair and maintain pursuant to Section 7.2 of this Lease (i.e., the structural portions of the Building, the exterior windows of the Building, the roof of the Building, the Base Building components and the Common Areas of the Building and Project); provided, however, that Tenant shall reimburse Landlord, within thirty (30) days after invoice, for the costs of any such improvements and alterations and other compliance costs to the extent necessitated by or resulting from (i) any Alterations or Tenant Improvements installed by or on behalf of Tenant (except that Tenant will not be obligated to pay for the cost of any modifications to the structural portions of the Building or modifications to the Base Building or any Common Areas, unless such required modifications are triggered or caused by the initial Tenant Improvements or Alterations), and/or (ii) Tenant's specific manner of use of the Premises (as distinguished from general office use). 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. For purposes of Section 1938 of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Premises have not undergone inspection by a Certified Access Specialist (CASP).

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) business days after receipt of written notice that the amount was not paid when due, then Tenant shall pay to Landlord a late charge equal to four percent (4%) 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) business 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 annual "Bank Prime Loan" rate cited in the Federal Reserve Statistical Release Publication G.13(415), published on the first Tuesday of each calendar month (or such other comparable index as Landlord and Tenant shall reasonably agree upon if such rate ceases to be published) plus four (4) percentage points, and (ii) the highest rate permitted by applicable Laws.

ARTICLE 26

LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT

26.1 Landlord's Cure. 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 constitutes a default under the Lease and continues in excess of the time allowed under Section 19.1.2, above, then upon an additional three (3) days notice from Landlord, 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, within thirty (30) days following 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 which are Tenant's responsibility pursuant to Article 10 of this Lease; and (iii) if Tenant is in default of its obligations under this Lease, sums equal to all reasonable 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 to the extent arising from or relating to such default, including, without limitation, all reasonable legal fees and other amounts so reasonably expended. Tenant's obligations under this Section 26.2 shall survive the expiration or sooner termination of the Lease Term.

ARTICLE 27

ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon not less than twenty-four (24) hours' prior 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 (only during the last nine (9) months of the Lease Term), 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, including janitorial service; (B) take possession due to any default by Tenant under this Lease in the manner provided herein; and (C) subject to the terms of Section 26.1 above, perform any covenants of Tenant which Tenant fails to perform. Landlord may make any such entries without the abatement of Rent (except as specifically set forth in Section 19.7.2 of this Lease) and may take such reasonable steps as required to accomplish the stated purposes; provided, however, that except for emergencies and to the extent otherwise required in connection with Landlord's compliance with Applicable Laws, Landlord shall use commercially reasonable efforts in connection with any such entry not to materially interfere with Tenant's use of the Premises. Subject to Section 19.7.2, 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

TENANT PARKING

28.1 **Tenant Parking Passes.** Tenant shall have the right, but not the obligation, to rent from Landlord, commencing on the Lease Commencement Date, up to the number and type of parking passes set forth in Section 9 of the Summary (the "**Allotted Passes**"), on a monthly basis throughout the Lease Term, which Allotted Passes shall pertain to the Project's subterranean garage (the "**Garage**") and/or the parking annex facility (the "**Parking Annex**," together with the Garage, the "**Parking Facilities**"). Tenant may change the number and type of parking passes rented pursuant to this Article 28 upon at least thirty (30) days prior written notice to Landlord, provided that in no event shall Tenant be entitled to rent more than the amount and type of Allotted Passes. Tenant shall pay to Landlord for automobile parking passes on a monthly basis the prevailing rate charged from time to time at the location of such parking passes. In addition, Tenant shall be responsible for the full amount of any taxes imposed by any governmental authority in connection with the renting of the Allotted Passes by Tenant or the use of the Parking Facilities by Tenant. Tenant's continued right to use the Allotted Passes is conditioned upon Tenant abiding by all rules and regulations which are reasonably and non-discriminatorily prescribed from time to time for the orderly operation and use of the Parking Facilities where the parking passes are located, including any sticker or other identification system established by Landlord, Tenant's cooperation in seeing that Tenant's employees, subtenants and assignees (including Permitted Non-Transferee's) and visitors also comply with such rules and regulations. In addition, Tenant shall comply with all applicable governmental resolutions, laws, rules and regulations enacted by the City of Los Angeles.

28.2 **Other Terms.** Landlord specifically reserves the right to change the size, configuration, design, layout and all other aspects of the Parking Facilities at any time (provided that Tenant's parking rights are not materially impaired thereby) and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent under this Lease, from time to time, close-off or restrict access to the Parking Facilities for purposes of permitting or facilitating any such construction, alteration or improvements, provided that Landlord shall provide Tenant with replacement parking in close proximity to the Building. Landlord may delegate its responsibilities hereunder to a parking operator in which case such parking operator shall have all the rights of control attributed hereby to the Landlord. The parking passes rented by Tenant pursuant to this Article 28 are provided to Tenant solely for use by Tenant's own personnel and such passes may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval. Tenant may validate visitor parking by such method or methods as the Landlord may establish, at the validation rate from time to time generally applicable to visitor parking.

28.3 **Parking Procedures.** The parking passes initially will not be separately identified; however Landlord reserves the right in its sole and absolute discretion to separately identify by signs or other markings the area to which Tenant's parking passes relate. Landlord shall have no obligation to monitor the use of such Parking Facilities, nor shall Landlord be responsible for any loss or damage to any vehicle or other property or for any injury to any person. Tenant's parking passes shall be used only for parking of automobiles no larger than full size passenger automobiles, sport utility vehicles or pick-up trucks only during the hours that Tenant and/or its personnel are conducting business operations from the Premises; provided, however, occasional overnight parking associated with Tenant's or its personnel's conduct of business from the Premises shall be permitted, subject to Tenant's and/or its personnel's compliance with Landlord's rules related to such overnight parking. Tenant shall comply with all reasonable, non-discriminatory rules and regulations which may be adopted by Landlord from time to time with respect to parking and/or the parking facilities servicing the Project. Tenant shall not at any time use more parking spaces than the number of parking passes allocated to Tenant or park its vehicles or the vehicles of others in any portion of the Parking Facilities not designated by Landlord as a non-exclusive parking area. Tenant shall not have the exclusive

right to use any specific parking space. If Landlord grants to any other tenant the exclusive right to use any particular parking space(s), Tenant shall not use such spaces. All trucks (other than pick-up trucks) and delivery vehicles shall be (i) parked at the designated areas of the surface parking lot (which designated areas are subject to change by Landlord at any time), (ii) loaded and unloaded in a manner which does not interfere with the businesses of other occupants of the Project, and (iii) permitted to remain on the Project only so long as is reasonably necessary to complete loading and unloading. In the event Landlord elects in its sole and absolute discretion or is required by any law to limit or control parking, whether by validation of parking tickets or any other method of assessment, Tenant agrees to participate in such validation or assessment program under such reasonable rules and regulations as are from time to time established by Landlord.

ARTICLE 29

MISCELLANEOUS PROVISIONS

29.1 **Terms; Captions.** 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 **Binding Effect.** 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 Article 14 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 twenty (20) 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 twenty (20) 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 not accrued as of the date of the transfer 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 which first accrue or arise after the date of the transfer, 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 **Prohibition Against Recording.** Except as provided in Section 29.4 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 **Landlord's Title.** Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.

29.8 **Relationship of Parties.** Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant.

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

29.10 **Time of Essence.** 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, the Landlord Parties, Heitman Capital Management Corporation or Heitman Properties Ltd. 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 interest of Landlord in the Building, including rental or sales proceeds therefrom and any available condemnation or insurance proceeds related to damage or destruction or condemnation of the Building, or any portion thereof. 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 constitutes 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 **Right to Lease.** 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 Lease 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, acts of war, acts of terrorism, 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, and except as to any amounts to be paid by Landlord pursuant to 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 (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 addresses:

10100 Santa Monica, Inc.
Building Management Office
10100 Santa Monica Boulevard
Suite 180
Los Angeles, California 90067
Attention: Property Manager

and

Allen Matkins Leck Gamble Mallory & Natis LLP
1901 Avenue of the Stars, Suite 1800
Los Angeles, California 90067
Attention: John M. Tipton, Esq.

29.19 **Joint and Several.** If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.

29.20 **Authority; Tenant Representation.** If Tenant is a corporation, trust, partnership or limited liability company, 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, upon demand by Landlord, also deliver to Landlord satisfactory evidence of (i) good standing in Tenant's state of formation and (ii) qualification to do business in California. Tenant hereby represents to Landlord that neither Tenant nor any member, parent or subsidiary of Tenant, or their respective officers, directors, or employees (collectively, **Tenant Individuals**"), to Tenant's current actual knowledge, appears on any of the following lists (collectively, "**Government Lists**") maintained by the United States government:

29.20.1 The two (2) lists maintained by the United States Department of Commerce (Denied Persons and Entities; the Denied Persons list can be found at <http://www.bxa.doc.gov/DPL/Default.shtml>; the Entity List can be found at <http://www.bxa.doc.gov/EntityList/Default.htm>);

29.20.2 The list maintained by the United States Department of Treasury (Specially Designated Nationals and Blocked Persons, which can be found at <http://www.ustrcas.gov/ofac/t11sdn.pdf>);

29.20.3 The two (2) lists maintained by the United States Department of State (Terrorist Organizations and Debarred Parties; the State Department List of Terrorists can be found at <http://www.state.gov/sct/rls/ls/2001/6531.htm>; the List of Debarred Parties can be found at <http://www.pundit.org/debar059.htm>); and

29.20.4 Any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the rules and regulations of the Office of Foreign Assets Control, United States Department of Treasury, or by any other government or agency thereof.

Should any Tenant Individuals appear on any Government Lists at any time during the Lease Term or any applicable Option Term, Landlord shall be entitled to terminate this Lease by written notice to Tenant effective as of the date specified in such notice.

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', experts' and arbitrators' fees and costs, 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 **Submission of Lease.** Submission of this instrument for examination or signature by Tenant or Landlord does not constitute a reservation of, option for or option to lease, and it is not effective as a lease or otherwise until full 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 12 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. Landlord shall be solely responsible for the payment of all commissions due to the Brokers in connection with this Lease pursuant to a separate written agreement with the Brokers.

29.25 Independent Covenants. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord, except as specifically set forth in this Lease to the contrary.

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, and space planning consultants.

29.29 Transportation Management. Tenant shall fully comply with all present or future programs intended to manage parking, transportation or traffic in and around the Building, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities.

29.30 Building Renovations. It is specifically understood and agreed that Landlord has made no representation or warranty to Tenant and has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises, Building, or any part thereof and that no representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant except as specifically set forth herein or in the Tenant Work Letter. However, Tenant hereby acknowledges that Landlord is currently renovating or may during the Lease Term renovate, improve, alter, or modify (collectively, the "Renovations") the Project, the Building and/or the Premises including without limitation the parking structure, common areas, systems and equipment, roof, and structural portions of the same as long as such Renovations do not change the nature of the Project to something other than a first-class office project or materially and adversely affect Tenant's use of the Premises for the Permitted Use, Tenant's ingress or egress from the Project, Building, the Premises or the parking areas servicing the same, which Renovations may include, without limitation, (i) installing sprinklers in the 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 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 (except as otherwise set forth in Section 19.7 of this Lease). Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the Renovations or Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions, provided that the foregoing shall not limit Landlord's liability for personal injury or property damage to the extent caused by Landlord's breach of this Lease, gross negligence or willful misconduct (but subject to, and without limitation of, the assumption of risk by Tenant pursuant to Section 10.1 above, the waiver of subrogation provided in Section 10.5 above, and the limitations on liability set forth in Section 29.13 above). Notwithstanding anything in this Section 29.30 to the contrary, Landlord shall use commercially reasonable efforts to perform all Renovations in a manner, whenever reasonably possible, to minimize any material, adverse or unreasonable interference with Tenant's business operations.

29.31 The Other Improvements. If portions of the Project or property adjacent to the Project (collectively, the "Other Improvements") are 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 Other Improvements to provide (i) for reciprocal rights of access and/or use of the Project and the Other Improvements, (ii) for the common management, operation, maintenance, improvement and/or repair of all or any portion of the Project and the Other Improvements, (iii) for the allocation of a portion of the Direct Expenses to the Other Improvements and the operating expenses and taxes for the Other Improvements to the Project, and (iv) for the use or improvement of the Other Improvements and/or the Project in connection with the improvement, construction, and/or excavation of the Other Improvements and/or 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.

29.32 No Violation. Landlord and Tenant each hereby warrants and represents to the other that neither its execution of nor performance under this Lease shall cause Landlord or Tenant, as applicable, to be in violation of any agreement, instrument, contract, law, rule or regulation by which Landlord or Tenant, as applicable, is bound, and Landlord and Tenant shall each protect, defend, indemnify and hold the other party harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees and costs, arising from Landlord's or Tenant's breach, as applicable, of this warranty and representation.

29.33 Communications and Computer Lines. Tenant may install, maintain, replace, remove or use any communications or computer wires and cables (collectively, the "Lines") at the Project in or serving the Premises, provided that (i) Tenant shall obtain Landlord's prior written consent, use an experienced and qualified contractor reasonably approved in writing by Landlord, and comply with all of the other provisions of Articles 7 and 8 of this Lease, (ii) an acceptable amount of space for additional Lines shall be maintained for existing and future occupants of the Project, as determined in Landlord's reasonable opinion, (iii) the Lines therefor (including riser cables) shall be appropriately insulated to prevent excessive electromagnetic fields or radiation, and shall be surrounded by a protective conduit reasonably acceptable to Landlord, (iv) any new or existing Lines servicing the Premises shall comply with all applicable governmental laws and regulations, (v) as a condition to permitting the installation of new Lines, Landlord may, in its reasonable discretion, require that Tenant remove existing Lines located in or serving the Premises and repair any damage in connection with such removal, and (vi) Tenant shall pay all reasonable costs in connection therewith, including any fees charged by Landlord for Tenant's use of the Building's telecommunications capacity in excess of Tenant's pro rata share thereof. Landlord reserves the right to require that Tenant remove any Lines located in or serving the Premises which are installed in violation of these provisions, or which are at any time in violation of any laws or represent a dangerous or potentially dangerous condition. Landlord reserves the right, upon notice to Tenant prior to the expiration or earlier termination of this Lease, to require that Tenant, at Tenant's sole cost and expense, remove any Lines located in or serving the Premises prior to the expiration or earlier termination of this Lease.

29.34 Office and Communications Services

29.34.1 The Provider. Landlord has advised Tenant that certain office and communications services may be offered to tenants of the Building by a concessionaire under contract to Landlord ("**Provider**"). Tenant shall be permitted to contract with Provider for the provision of any or all of such services on such terms and conditions as Tenant and Provider may agree.

29.34.2 Other Terms. Tenant acknowledges and agrees that: (i) Landlord has made no warranty or representation to Tenant with respect to the availability of any such services, or the quality, reliability or suitability thereof; (ii) the Provider is not acting as the agent or representative of Landlord in the provision of such services, and Landlord shall have no liability or responsibility for any failure or inadequacy of such services, or any equipment or facilities used in the furnishing thereof, or any act or omission of Provider, or its agents, employees, representatives, officers or contractors; (iii) Landlord shall have no responsibility or liability for the installation, alteration, repair, maintenance, furnishing, operation, adjustment or removal of any such services, equipment or facilities; and (iv) any contract or other agreement between Tenant and Provider shall be independent of this Lease, the obligations of Tenant hereunder, and the rights of Landlord hereunder, and, without limiting the foregoing, no default or failure of Provider with respect to any such services, equipment or facilities, or under any contract or agreement relating thereto, shall have any effect on this Lease or give to Tenant any offset or defense to the full and timely performance of its obligations hereunder, or entitle Tenant to any abatement of rent or additional rent or any other payment required to be made by Tenant hereunder, or constitute any accrual or constructive eviction of Tenant, or otherwise give rise to any other claim of any nature against Landlord.

29.35 Existence of Asbestos

29.35.1 Pursuant to the provisions of Exhibit E, attached hereto (the "**ACM Notice**"), a copy of which Tenant acknowledges that it has read, Landlord has notified Tenant of the presence of asbestos containing material ("**ACM**") in or about portions of the Premises and other portions of the Building.

29.35.2 Landlord has established, and shall maintain during the Lease Term, an ACM operations and maintenance program (the "**ACM Operations and Maintenance Program**") with respect to the existence of ACM in the Building. Tenant shall comply with all requirements of the ACM Notice and Landlord's ACM Operations and Maintenance Program. In addition, during the Lease Term, Tenant shall comply with all disclosure, notification (with respect to its employees, contractors, subtenants and others) and other matters relating to the existence of ACM in or about the Project or the Premises imposed on employers and tenants by applicable federal, state or local laws.

29.36 Guaranty. This Lease is subject to and conditioned upon Tenant delivering to Landlord, concurrently with Tenant's execution and delivery of this Lease, a guaranty in the form attached hereto as Exhibit G, which guaranty shall be fully executed by and binding upon the Guarantor (the "**Guaranty**").

ARTICLE 30

LETTER OF CREDIT

30.1 Delivery of Letter of Credit. Tenant shall deliver to Landlord, concurrently with Tenant's execution of this Lease, an unconditional, clean, irrevocable letter of credit (the "**L-C**") in the amount set forth in Section 13 of the Summary, above (the "**L-C Amount**"), which L-C shall be issued by a money-center, solvent and nationally recognized bank (a bank which accepts deposits, maintains accounts, has a local Los Angeles, California office which will negotiate a letter of credit, and whose deposits are insured by the FDIC) reasonably acceptable to Landlord (such approved, issuing bank being referred to herein as the "**Bank**"), which Bank must have a short term Fitch Rating which is not less than "F1", and a long term Fitch Rating which is not less than "A" (or in the event such Fitch Ratings are no longer available, a comparable rating from Standard and Poor's Professional Rating Service or Moody's Professional Rating Service) (collectively, the "**Bank's Credit Rating Threshold**"), and which L-C shall be in the form of Exhibit H, attached hereto. Tenant shall pay all expenses, points and/or fees incurred by Tenant

in obtaining the L-C. The L-C shall (i) be "callable" at sight, irrevocable and unconditional, (ii) be maintained in effect, whether through renewal or extension, for the period commencing on the date of this Lease and continuing until the date (the "L-C Expiration Date") that is no less than one hundred twenty (120) days after the expiration of the Lease Term, and Tenant shall deliver a new L-C or certificate of renewal or extension to Landlord at least forty-five (45) days prior to the expiration of the L-C then held by Landlord, without any action whatsoever on the part of Landlord, (iii) be fully assignable by Landlord, its successors and assigns, (iv) permit partial draws and multiple presentations and drawings, and (v) be otherwise subject to the Uniform Customs and Practices for Documentary Credits (1993-Rev), International Chamber of Commerce Publication #500, or the International Standby Practices-ISP 98, International Chamber of Commerce Publication #590. Landlord, or its then managing agent, shall have the right to draw down an amount up to the face amount of the L-C if any of the following shall have occurred or be applicable: (A) such amount is past due to Landlord under the terms and conditions of this Lease (beyond all applicable notice and cure periods, provided that Landlord shall have the right to immediately draw on the L-C without providing prior notice or an opportunity to cure if either item (B), (C), or (D) below has occurred), or (B) Tenant has filed a voluntary petition under the U. S. Bankruptcy Code or any state bankruptcy code (collectively, "Bankruptcy Code"), or (C) an involuntary petition has been filed against Tenant under the Bankruptcy Code, or (D) the Lease has been rejected, or is deemed rejected, under Section 365 of the U.S. Bankruptcy Code, following the filing of a voluntary petition by Tenant under the Bankruptcy Code, or the filing of an involuntary petition against Tenant under the Bankruptcy Code, or (E) the Bank has notified Landlord that the L-C will not be renewed or extended through the L-C Expiration Date, or (F) Tenant is placed into receivership or conservatorship, or becomes subject to similar proceedings under Federal or State law, or (G) Tenant executes an assignment for the benefit of creditors, or (H) if (1) any of the Bank's Fitch Ratings (or other comparable ratings to the extent the Fitch Ratings are no longer available) have been reduced below the Bank's Credit Rating Threshold, or (2) there is otherwise a material adverse change in the financial condition of the Bank, and Tenant has failed to provide Landlord with a replacement letter of credit, conforming in all respects to the requirements of this Article 30 (including, but not limited to, the requirements placed on the issuing Bank more particularly set forth in this Section 30.1 above), in the amount of the applicable L-C Amount, within ten (10) days following Landlord's written demand therefor (with no other notice or cure or grace period being applicable thereto, notwithstanding anything in this Lease to the contrary) (each of the foregoing being an "L-C Draw Event"). The L-C shall be honored by the Bank regardless of whether Tenant disputes Landlord's right to draw upon the L-C. In addition, in the event the Bank is placed into receivership or conservatorship by the Federal Deposit Insurance Corporation or any successor or similar entity, then, effective as of the date such receivership or conservatorship occurs, said L-C shall be deemed to fail to meet the requirements of this Article 30, and, within ten (10) business days following Landlord's notice to Tenant of such receivership or conservatorship (the "L-C FDIC Replacement Notice"), Tenant shall replace such L-C with a substitute letter of credit from a different issuer (which issuer shall meet or exceed the Bank's Credit Rating Threshold and shall otherwise be acceptable to Landlord in its reasonable discretion) and that complies in all respects with the requirements of this Article 30. If Tenant fails to replace such L-C with such conforming, substitute letter of credit pursuant to the terms and conditions of this Section 30.1, then, notwithstanding anything in this Lease to the contrary, Landlord shall have the right to declare Tenant in default of this Lease for which there shall be no notice or grace or cure periods being applicable thereto (other than the aforesaid ten (10) business day period). Tenant shall be responsible for the payment of any and all reasonable costs incurred with the review of any replacement L-C (including without limitation Landlord's reasonable attorneys' fees), which replacement is required pursuant to this Section or is otherwise requested by Tenant. In the event of an assignment by Tenant of its interest in this Lease (and irrespective of whether Landlord's consent is required for such assignment), the acceptance of any replacement or substitute letter of credit by Landlord from the assignee shall be subject to Landlord's prior written approval, in Landlord's sole and absolute discretion, and the reasonable attorney's fees incurred by Landlord in connection with such determination shall be payable by Tenant to Landlord within ten (10) business days of billing.

30.2 Application of L-C. Tenant hereby acknowledges and agrees that Landlord is entering into this Lease in material reliance upon the ability of Landlord to draw upon the L-C upon the occurrence of any L-C Draw Event. In the event of any L-C Draw Event, Landlord may, but without obligation to do so, and without notice to Tenant (except in connection with an L-C Draw Event under Section 30.1(H) above), draw upon the L-C, in part or in whole, to cure

any such L-C Draw Event and/or to compensate Landlord for any and all damages of any kind or nature sustained or which Landlord reasonably estimates that it will sustain resulting from Tenant's breach or default of the Lease or other L-C Draw Event and/or to compensate Landlord for any and all damages arising out of, or incurred in connection with, the termination of this Lease, including, without limitation, those specifically identified in Section 1951.2 of the California Civil Code. The use, application or retention of the L-C, or any portion thereof, by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by any applicable law, it being intended that Landlord shall not first be required to proceed against the L-C, and such L-C shall not operate as a limitation on any recovery to which Landlord may otherwise be entitled. Tenant agrees not to interfere in any way with payment to Landlord of the proceeds of the L-C, either prior to or following a "draw" by Landlord of any portion of the L-C, regardless of whether any dispute exists between Tenant and Landlord as to Landlord's right to draw upon the L-C. No condition or term of this Lease shall be deemed to render the L-C conditional to justify the issuer of the L-C in failing to honor a drawing upon such L-C in a timely manner. Tenant agrees and acknowledges that (i) the L-C constitutes a separate and independent contract between Landlord and the Bank, (ii) Tenant is not a third party beneficiary of such contract, (iii) Tenant has no property interest whatsoever in the L-C or the proceeds thereof, and (iv) in the event Tenant becomes a debtor under any chapter of the Bankruptcy Code, Tenant is placed into receivership or conservatorship, and/or there is an event of a receivership, conservatorship or a bankruptcy filing by, or on behalf of, Tenant, neither Tenant, any trustee, nor Tenant's bankruptcy estate shall have any right to restrict or limit Landlord's claim and/or rights to the L-C and/or the proceeds thereof by application of Section 502(b)(6) of the U. S. Bankruptcy Code or otherwise.

30.3 Maintenance of L-C by Tenant.

30.3.1 In General. If, as a result of any drawing by Landlord of all or any portion of the L-C, the amount of the L-C shall be less than the L-C Amount, Tenant shall, within ten (10) business days thereafter, provide Landlord with additional letter(s) of credit in an amount equal to the deficiency, and any such additional letter(s) of credit shall comply with all of the provisions of this Article 30. Tenant further covenants and warrants that it will neither assign nor encumber the L-C or any part thereof and that neither Landlord nor its successors or assigns will be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance. Without limiting the generality of the foregoing, if the L-C expires earlier than the L-C Expiration Date, Landlord will accept a renewal thereof (such renewal letter of credit to be in effect and delivered to Landlord, as applicable, not later than forty-five (45) days prior to the expiration of the L-C), which shall be irrevocable and automatically renewable as above provided through the L-C Expiration Date upon the same terms as the expiring L-C or such other terms as may be acceptable to Landlord in its sole discretion. However, if the L-C is not timely renewed, or if Tenant fails to maintain the L-C in the amount and in accordance with the terms set forth in this Article 30, Landlord shall have the right to present the L-C to the Bank in accordance with the terms of this Article 30, and the proceeds of the L-C may be applied by Landlord against any Rent payable by Tenant under this Lease that is not paid when due after the expiration of all applicable notice and cure periods (provided that Landlord shall have the right to immediately draw on the L-C without providing prior notice or an opportunity to cure if either item (B), (C), or (D) in Section 30.1 above have occurred) and/or to pay for all losses and damages that Landlord has suffered or that Landlord reasonably estimates that it will suffer as a result of any breach or default by Tenant under this Lease. In the event Landlord elects to exercise its rights under the foregoing, (I) any unused proceeds shall constitute the property of Landlord (and not Tenant's property or, in the event of a receivership, conservatorship, or a bankruptcy filing by, or on behalf of, Tenant, property of such receivership, conservatorship or Tenant's bankruptcy estate) and need not be segregated from Landlord's other assets, and (II) Landlord agrees to pay to Tenant within thirty (30) days after the L-C Expiration Date the amount of any proceeds of the L-C received by Landlord and not applied against any Rent payable by Tenant under this Lease that was not paid when due after the expiration of all applicable notice and cure periods (provided that Landlord shall have the right to immediately draw on the L-C without providing prior notice or an opportunity to cure if either item (B), (C), or (D) in Section 30.1 above have occurred) or used to pay for any losses and/or damages suffered by Landlord (or reasonably estimated by Landlord that it will suffer) as a result of any breach or default by Tenant under this Lease; provided, however, that if prior to the L-C Expiration Date a voluntary petition is filed by Tenant, or an involuntary petition is filed against Tenant by any of Tenant's creditors, under the Bankruptcy Code, then Landlord shall not be

obligated to make such payment in the amount of the unused L-C proceeds until either all preference issues relating to payments under this Lease have been resolved in such bankruptcy or reorganization case or such bankruptcy or reorganization case has been dismissed.

30.4 Transfer and Encumbrance. The L-C shall also provide that Landlord may, at any time and without notice to Tenant and without first obtaining Tenant's consent thereto, transfer (one or more times) all or any portion of its interest in and to the L-C to another party, person or entity, regardless of whether or not such transfer is from or as a part of the assignment by Landlord of its rights and interests in and to this Lease. In the event of a transfer of Landlord's interest in under this Lease, Landlord shall transfer the L-C, in whole or in part, to the transferee and thereupon Landlord shall, without any further agreement between the parties, be released by Tenant from all liability therefor, and it is agreed that the provisions hereof shall apply to every transfer or assignment of the whole of said L-C to a new landlord. In connection with any such transfer of the L-C by Landlord in connection with an assignment by Landlord of its rights and interests in and to the Lease, Tenant shall, at Tenant's sole cost and expense for the first such transfer during the initial Lease Term, execute and submit to the Bank such applications, documents and instruments as may be necessary to effectuate such transfer and, in connection with the first such transfer during the initial Lease Term, Tenant shall be responsible for paying the Bank's transfer and processing fees in connection therewith; provided that, Landlord shall have the right (in its sole discretion), but not the obligation, to pay such fees on behalf of Tenant, in which case Tenant shall reimburse Landlord within ten (10) days after Tenant's receipt of an invoice from Landlord therefor.

30.5 L-C Not a Security Deposit. Landlord and Tenant (1) acknowledge and agree that in no event or circumstance shall the L-C or any renewal thereof or substitute therefor or any proceeds thereof be deemed to be or treated as a "security deposit" under any law applicable to security deposits in the commercial context, including, but not limited to, Section 1950.7 of the California Civil Code, as such Section now exists or as it may be hereafter amended or succeeded (the "Security Deposit Laws"), (2) acknowledge and agree that the L-C (including any renewal thereof or substitute therefor or any proceeds thereof) is not intended to serve as a security deposit, and the Security Deposit Laws shall have no applicability or relevancy thereto, and (3) waive any and all rights, duties and obligations that any such party may now, or in the future will, have relating to or arising from the Security Deposit Laws. Tenant hereby irrevocably waives and relinquishes the provisions of Section 1950.7 of the California Civil Code and any successor statute, and all other provisions of law, now or hereafter in effect, which (x) establish the time frame by which a landlord must refund a security deposit under a lease, and/or (y) provide that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant or to clean the premises, it being agreed that Landlord may, in addition, claim those sums specified in this Article 30 and/or those sums reasonably necessary to (a) compensate Landlord for any loss or damage caused by Tenant's breach of this Lease, including any damages Landlord suffers following termination of this Lease, and/or (b) compensate Landlord for any and all damages arising out of, or incurred in connection with, the termination of this Lease, including, without limitation, those specifically identified in Section 1951.2 of the California Civil Code.

30.6 Non-Interference By Tenant. Tenant agrees not to interfere in any way with any payment to Landlord of the proceeds of the L-C, either prior to or following a "draw" by Landlord of all or any portion of the L-C, regardless of whether any dispute exists between Tenant and Landlord as to Landlord's right to draw down all or any portion of the L-C. No condition or term of this Lease shall be deemed to render the L-C conditional and thereby afford the Bank a justification for failing to honor a drawing upon such L-C in a timely manner. Tenant shall not request or instruct the Bank of any L-C to refrain from paying sight draft(s) drawn under such L-C.

30.7 Waiver of Certain Relief. Tenant unconditionally and irrevocably waives (and as an independent covenant hereunder, covenants not to assert) any right to claim or obtain any of the following relief in connection with the L-C:

30.7.1.1 A temporary restraining order, temporary injunction, permanent injunction, or other order that would prevent, restrain or restrict the presentment of sight drafts drawn under any L-C or the Bank's honoring or payment of sight draft(s); or

30.7.1.2 Any attachment, garnishment, or levy in any manner upon either the proceeds of any L-C or the obligations of the Bank (either before or after the presentment to the Bank of sight drafts drawn under such L-C) based on any theory whatever.

30.8 **Remedy for Improper Drafts.** Tenant's sole remedy in connection with the improper presentment or payment of sight drafts drawn under any L-C shall be the right to obtain from Landlord a refund of the amount of any sight draft(s) that were improperly presented or the proceeds of which were misapplied, together with interest at the Interest Rate and reasonable actual out-of-pocket attorneys' fees, provided that at the time of such refund, Tenant increases the amount of such L-C to the amount (if any) then required under the applicable provisions of this Lease. Tenant acknowledges that the presentment of sight drafts drawn under any L-C, or the Bank's payment of sight drafts drawn under such L-C, could not under any circumstances cause Tenant injury that could not be remedied by an award of money damages, and that the recovery of money damages would be an adequate remedy therefor. In the event Tenant shall be entitled to a refund as aforesaid and Landlord shall fail to make such payment within ten (10) business days after demand, Tenant shall have the right to deduct the amount thereof together with interest thereon at the Interest Rate from the next installment(s) of Base Rent.

30.9 **Reduction of L-C Amount.** Provided that Tenant is not then in default under this Lease, the L-C Amount shall be reduced as follows:

Date of Reduction	Amount of Reduction	Remaining L-C Amount
First Day of Third Lease Year	\$120,000.00	\$480,000.00
First Day of Fourth Lease Year	\$120,000.00	\$360,000.00
First Day of Fifth Lease Year	\$120,000.00	\$240,000.00
First Day of Sixth Lease Year	\$120,000.00	\$120,000.00
First Day of Seventh Lease Year	\$120,000.00	\$0.00

Notwithstanding the foregoing, if Tenant is in default under this Lease as of the applicable Date of Reduction, then the L-C shall not be reduced hereunder until and unless Tenant cures such default within the applicable notice and cure period set forth in this Lease. Within ten (10) business days following the applicable Date of Reduction, provided that Tenant is then entitled to reduce the L-C Amount, Tenant shall tender to Landlord a replacement L-C or certificate of amendment to the existing L-C conforming in all respects to the requirements of Article 30, in the then applicable Remaining L-C Amount set forth in the schedule above. Notwithstanding the foregoing, if, more than three (3) times during the Lease Term, Tenant has been in monetary or material non-monetary default under this Lease at any time and Tenant has failed to cure such default within any applicable notice and cure period set forth in this Lease, then Tenant shall have no right to reduce the L-C as described herein.

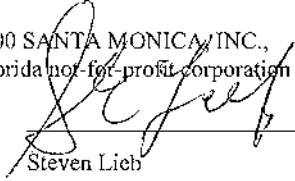
[SIGNATURES FOLLOW ON NEXT PAGE]

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

"Landlord":

10100 SANTA MONICA, INC.,
a Florida not-for-profit corporation

By: _____


Steven Lieb

Its: Vice President

"Tenant":

VILLAGE ROADSHOW ENTERTAINMENT GROUP USA INC.,
a Delaware corporation

By: _____


Its: _____

By: _____


Its: C.E.O.

EXHIBIT A

10100 SANTA MONICA
OUTLINE OF PREMISES

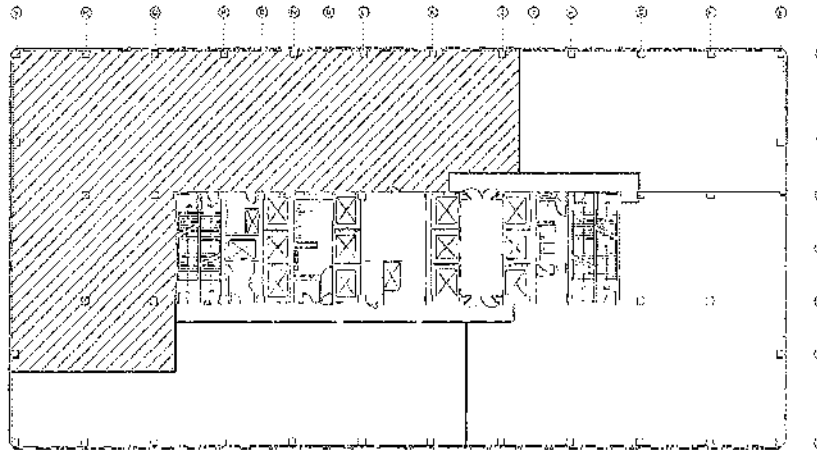


EXHIBIT B

10100 SANTA MONICA

TENANT WORK LETTER

This Tenant Work Letter shall set forth the terms and conditions relating to the construction of the Premises. This Tenant Work Letter is essentially organized chronologically and addresses the issues of the construction of the Premises, in sequence, as such issues will arise during the actual construction of the Premises. All references in this Tenant Work Letter to Articles or Sections of "this Lease" shall mean the relevant portions of Articles 1 through 29 of the Office Lease to which this Tenant Work Letter is attached as Exhibit B, and all references in this Tenant Work Letter to Sections of "this Tenant Work Letter" shall mean the relevant portions of Sections 1 through 5 of this Tenant Work Letter.

SECTION 1

DELIVERY OF THE PREMISES AND BASE BUILDING; DEMISING WORK;
DISCOVERY OF ACM

1.1 Delivery of Premises and Base Building. Upon the full execution and delivery of this Lease by Landlord and Tenant, Landlord shall deliver the Premises and "Base Building," as that term is defined below, to Tenant, and Tenant shall accept the Premises and Base Building from Landlord in their presently existing, "as-is" condition. Tenant shall have the right to utilize the improvements located within the Premises and permanently affixed thereto as of the date hereof. For purposes of this Tenant Work Letter, the "Base Building" shall consist of the "Base Building" (as that term is defined in Section 8.2 of the Lease), together with those portions of the Premises which were in existence prior to the construction of the tenant improvements in the Premises for the prior tenant of the Premises. Notwithstanding the foregoing, Landlord shall take such action as shall be required, at Landlord's sole cost and expense and without application of the Tenant Improvement Allowance, to cause the Base Building to be in good condition and working order and repair and in compliance with applicable Laws for unoccupied space as of the date of this Lease, to the extent required to allow Tenant, subject to Tenant's construction of the Tenant Improvements in accordance with applicable Laws, to obtain a certificate of occupancy or its legal equivalent allowing the legal occupancy of the Premises for general office space. In addition, Landlord shall be responsible, at Landlord's sole cost and expense and without application of the Tenant Improvement Allowance, for any modifications to the Base Building or any Common Areas required to correct any currently existing non-compliance of such items with applicable Laws to the extent such compliance work is triggered by and required in connection with the construction of the Tenant Improvements, unless such required modifications are triggered or caused by Tenant Improvements that are not customary or typical for an ordinary office use tenant. Landlord shall, at Landlord's sole cost and expense (which shall not be deemed an Operating Expense), repair or replace any failed or inoperable portion of the existing VAV boxes in the Premises during the first eighteen (18) months of the initial Lease Term ("Landlord's VAV Box Warranty"), provided that the need to repair or replace was not caused by the misuse, misconduct, damage, destruction, omissions, and/or negligence (collectively, "Tenant Damage") of Tenant, its subtenants, or any "Tenant Party", as that term is defined in Section 10.1 of the Lease above, or by any modifications, Alterations or improvements (including the Tenant Improvements) constructed by or on behalf of Tenant. Landlord's VAV Box Warranty shall not be deemed to require Landlord to replace, as opposed to repair, any portion of the existing VAV boxes, unless prudent commercial property management practices dictate replacement rather than repair of the VAV box in question. To the extent repairs which Landlord is required to make pursuant to this Section 1.1 are necessitated in part by Tenant Damage, then Tenant shall reimburse Landlord for the cost of such repair. In addition, following the full execution and delivery of this Lease, Landlord shall use commercially reasonable efforts, based on the recommendations of Landlord's third party sound engineers, to reduce the level of noise which is audible in the office located in the northwest corner of the Premises, and which is emanating from the water pump located in the Garage. The parties acknowledge and agree that it shall not be deemed "commercially reasonable" for Landlord to replace the water pump, or to take any action other than sound attenuation measures.

1.2 Demising Work. Landlord and Tenant hereby acknowledge and agree that, as of the date hereof, the Premises comprises a portion of a larger, undemised space. Tenant shall be

solely responsible for the performance of the Demising Work (as defined hereinbelow) as part of the Tenant Improvements (including the requirement for Landlord's approval of any plans for the Demising Work as part of Landlord's approval of the Construction Documents (as that term is defined in Section 2.2.1.1 below), provided, however, Landlord and Tenant shall each be responsible for fifty percent (50%) of the costs of performing the Demising Work. For purposes of this Tenant Work Letter, the "**Demising Work**" shall consist of the work necessary to cause the Premises to be separately demised from the remainder of the floor by the construction of new, Building-standard demising walls as shown on the plan attached hereto as Schedule 1 (the exact location of which shall be reasonably approved by Landlord and Tenant). Such Demising Work shall include, without limitation, (i) the separation of all mechanical, electrical, plumbing ("MEP") and HVAC systems affected thereby and any necessary balancing of the HVAC in the Premises, (ii) the closure of the ceilings on both sides of the demising walls, (iii) the performance of all work required to ensure that all HVAC, fire sprinklers and fire/life safety systems, lights and outlets on each side of the demising walls shall be fully operational and in compliance with Code (as that term is defined in Section 2.2.1.5 of this Tenant Work Letter below), (iv) the installation of studs, acoustical insulation and dry wall ready for finish on both sides of the demising walls and any necessary penetrations, fire dampers and sound traps, and (v) the painting and/or finishing of both sides of the demising walls. Following the completion of the Demising Work, Tenant shall not be obligated to perform any additional demising work pertaining to the areas of the second (2nd) floor of the Building located outside of the Premises.

1.3 Discovery of ACM after Commencement of the Tenant Improvements. In the event that Tenant or Landlord, as applicable, encounters what it believes to be ACM in any portion of the Premises during the performance of the Tenant Improvements (and/or the Demising Work, if applicable) therein, Tenant shall notify Landlord and Landlord shall promptly, at Landlord's sole cost and expense, cause a licensed and qualified hygienist to test such area and determine if an ACM condition exists in violation of applicable Laws. If ACM is found to exist in violation of applicable Laws, Landlord and Tenant understand and agree that Tenant shall immediately cease the performance of the Tenant Improvements (or Demising Work, as applicable), Tenant's Contractor and Tenant's Agents shall vacate such Premises, and Landlord shall promptly commence, at its sole cost and expense, the requisite demolition (in accordance with the plans for such demolition reasonably approved by Tenant) and the remediation of such ACM condition in accordance with applicable Laws.

SECTION 2

TENANT IMPROVEMENTS

2.1 Tenant Improvement Allowance. Tenant shall be entitled to a one-time tenant improvement allowance (the "**Tenant Improvement Allowance**") in the amount of the sum of (i) Four Hundred Seventy-Two Thousand Two Hundred and 00/100 Dollars (\$472,200.00) (i.e., \$50.00 per rentable square foot of the Premises) and (ii) fifty percent (50%) of the total costs of the Demising Work, for the costs relating to the initial design and construction of Tenant's improvements, which are permanently affixed to the Premises (the "**Tenant Improvements**") and the performance of the Demising Work.

2.2 Disbursement of the Tenant Improvement Allowance.

2.2.1 Tenant Improvement Allowance Items. Except as otherwise set forth in this Tenant Work Letter, the Tenant Improvement Allowance shall be disbursed by Landlord only for the following items and costs (collectively the "**Tenant Improvement Allowance Items**"):

2.2.1.1 Payment of the fees of the "**Architect**" and the "**Engineers**," as those terms are defined in Section 3.1 of this Tenant Work Letter, which fees shall, notwithstanding anything to the contrary contained in this Tenant Work Letter, not exceed an aggregate amount equal to \$3.50 per usable square foot of the Premises, and payment of the fees incurred by, and the cost of documents and materials supplied by, Landlord and Landlord's consultants in connection with the preparation and review of the "**Construction Drawings**," as that term is defined in Section 3.1 of this Tenant Work Letter;

2.2.1.2 The payment of plan check, permit and license fees relating to construction of the Tenant Improvements;

2.2.1.3 The cost of construction of the Tenant Improvements, including, without limitation, testing and inspection costs, freight elevator usage, hoisting and trash removal costs, and contractors' fees and general conditions (provided, however, that a reasonable amount of freight elevator usage, utilities and parking during normal Building Hours shall be provided without charge during the construction of the Tenant Improvements for use by "Tenant's Agents," as such term is defined below);

2.2.1.4 The cost of any changes in the Base Building when such changes are required by the Construction Drawings (including if such changes are due to the fact that such work is prepared on an unoccupied basis), such cost to include all direct architectural and/or engineering fees and expenses incurred in connection therewith;

2.2.1.5 The cost of any changes to the Construction Drawings or Tenant Improvements required by all applicable building codes (the "Code");

2.2.1.6 The cost of the "Coordination Fee," as that term is defined in Section 4.2.2 of this Tenant Work Letter;

2.2.1.7 The costs of the Demising Work;

2.2.1.8 Sales and use taxes; and

2.2.1.9 All other costs to be expended by Landlord in connection with the construction of the Tenant Improvements.

2.2.2 Disbursement of Tenant Improvement Allowance. During the construction of the Tenant Improvements, Landlord shall make monthly disbursements of the Tenant Improvement Allowance for Tenant Improvement Allowance Items for the benefit of Tenant and shall authorize the release of monies for the benefit of Tenant as follows.

2.2.2.1 Monthly Disbursements. On or before the day of each calendar month, as determined by Landlord, during the construction of the Tenant Improvements (or such other date as Landlord may designate), Tenant shall deliver to Landlord: (i) a request for payment of the "Contractor," as that term is defined in Section 4.1 of this Tenant Work Letter, approved by Tenant, in a form to be provided by Landlord, showing the schedule, by trade, of percentage of completion of the Tenant Improvements in the Premises, detailing the portion of the work completed and the portion not completed; (ii) invoices from all of "Tenant's Agents," as that term is defined in Section 4.1.2 of this Tenant Work Letter, and from the "Architect" and the "Engineers", as those terms are defined in Section 3.1 of this Tenant Work Letter, for labor rendered with respect to, and materials delivered to, the Premises; (iii) executed mechanic's lien releases from all of Tenant's Agents, the Architect and the Engineers which shall comply with the appropriate provisions, as reasonably determined by Landlord, of California Civil Code Sections 8132, 8134, 8136, and 8138, as applicable; and (iv) all other information reasonably requested by Landlord. Tenant's request for payment shall be deemed Tenant's acceptance and approval of the work furnished and/or the materials supplied as set forth in Tenant's payment request. Thereafter, Landlord shall deliver a check to Tenant made jointly payable to Contractor and Tenant in payment of the lesser of: (A) the amounts so requested by Tenant, as set forth in this Section 2.2.2.1, above, less a ten percent (10%) retention (the aggregate amount of such retentions to be known as the "Final Retention"), and (B) the balance of any remaining available portion of the Tenant Improvement Allowance (not including the Final Retention), provided that Landlord does not dispute any request for payment based on non-compliance of any work with the "Approved Working Drawings," as that term is defined in Section 3.4 below, or due to any substandard work, or for any other material and reasonable objection to the work. Landlord's payment of such amounts shall not be deemed Landlord's approval or acceptance of the work furnished or materials supplied as set forth in Tenant's payment request.

2.2.2.2 Final Retention. Subject to the provisions of this Tenant Work Letter, a check for the Final Retention payable jointly to Tenant and Contractor shall be delivered by Landlord to Tenant following the completion of construction of the Premises, provided that (i) Tenant delivers to Landlord properly executed mechanics lien releases in compliance with both California Civil Code Section 8134 and either Section 8136 or Section 8138, (ii) Landlord has determined that no substandard work exists which adversely affects the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other

systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant's use of such other tenant's leased premises in the Building and (iii) Architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Tenant Improvements in the Premises has been substantially completed.

2.2.2.3 Other Terms. Landlord shall only be obligated to make disbursements from the Tenant Improvement Allowance to the extent costs are incurred by Tenant for Tenant Improvement Allowance Items. All Tenant Improvement Allowance Items for which the Tenant Improvement Allowance has been made available shall be deemed Landlord's property under the terms of this Lease.

2.3 Removal of Non-Standard Alterations. If so directed by Landlord prior to the end of the Lease Term, Tenant, at its sole cost and expense, shall remove from the Premises any Tenant Improvements which constitute Non-Standard Alterations designated by Landlord, and shall replace the same with Building standard tenant improvements. Such removal and replacement of Non-Standard Alterations shall be performed promptly and shall be completed by Tenant on or before the end of the Lease Term if notice of removal is given at least thirty (30) days prior to the end of the Lease Term, and if Tenant fails to remove and/or replace any Tenant Improvements which constitute Non-Standard Alterations, Landlord may do so and Tenant shall reimburse Landlord for the cost of such removal and/or replacement. Notwithstanding the above, in the event that, at the time Tenant requests Landlord's consent to the Final Space Plan or Final Working Drawings, if Tenant also requests in writing a determination of whether any particular Tenant Improvements, or portions thereof for which consent is being requested constitute Non-Standard Alterations, and will be required to be removed and/or replaced upon expiration or any earlier termination of this Lease, Landlord shall so notify Tenant along with Landlord's consent (if such consent is given).

SECTION 3

CONSTRUCTION DRAWINGS

3.1 Selection of Architect/Construction Drawings. Tenant shall retain the architect/space planner approved by Landlord (the "Architect"), which approval shall not be unreasonably withheld, conditioned or delayed, to prepare the "Construction Drawings," as that term is defined in this Section 3.1. Landlord hereby preapproves AECOM as Architect. Tenant shall retain the engineering consultants reasonably designated by Landlord (the "Engineers") to prepare all plans and engineering working drawings relating to the structural, mechanical, electrical, plumbing, HVAC, lifesafety, and sprinkler work in the Premises if required, which work is not part of the Base Building, provided such Engineers shall charge competitive rates. The plans and drawings to be prepared by Architect and the Engineers hereunder shall be known collectively as the "Construction Drawings." All Construction Drawings shall comply with the drawing format and specifications reasonably determined by Landlord, and shall be subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Tenant and Architect shall verify, in the field, the dimensions and conditions as shown on the relevant portions of the base building plans, and Tenant and Architect shall be solely responsible for the same, and Landlord shall have no responsibility in connection therewith. Landlord's review of the Construction Drawings as set forth in this Section 3, shall be for its sole purpose and shall not imply Landlord's review of the same, or obligate Landlord to review the same, for quality, design, Code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed by Landlord or its space planner, architect, engineers and consultants, and notwithstanding any advice or assistance which may be rendered to Tenant by Landlord or Landlord's space planner, architect, engineers, and consultants, Landlord shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings, and Tenant's waiver and indemnity set forth in this Lease shall specifically apply to the Construction Drawings. Each time Landlord is granted the right to review, consent or approve the Construction Drawings (collectively, "Consent"), such Consent shall not be unreasonably withheld or delayed unless a Design Problem (as defined in Section 3.3 below) exists, in which event such Consent may be withheld in Landlord's sole discretion ("Landlord's Consent Standard").

3.2 Final Space Plan. Tenant shall supply Landlord with four (4) copies signed by Tenant of its final space plan for the Premises before any architectural working drawings or

engineering drawings have been commenced. The final space plan (the "**Final Space Plan**") shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein. Landlord may request clarification or more specific drawings for special use items not included in the Final Space Plan. Landlord shall advise Tenant within three (3) business days after Landlord's receipt of the Final Space Plan for the Premises if the same is unsatisfactory or incomplete in any respect. If Tenant is so advised, Tenant shall promptly cause the Final Space Plan to be revised to correct any deficiencies or other matters Landlord may reasonably require. Landlord's failure to approve or disapprove the Final Space Plans within such three (3) business day period shall be deemed to be Landlord's approval thereof (unless no reasonably prudent landlord would have approved of them). This process shall continue until such Final Space Plans are approved.

3.3 **Final Working Drawings.** After the Final Space Plan has been approved by Landlord, Tenant shall supply the Engineers with a complete listing of standard and non-standard equipment and specifications, including, without limitation, B.T.U. calculations, electrical requirements and special electrical receptacle requirements for the Premises, to enable the Engineers and the Architect to complete the "**Final Working Drawings**" (as that term is defined below) in the manner as set forth below. Upon the approval of the Final Space Plan by Landlord and Tenant, Tenant shall promptly cause the Architect and the Engineers to complete the architectural and engineering drawings for the Premises, and Architect shall compile a fully coordinated set of architectural, structural, mechanical, electrical and plumbing working drawings in a form which is complete to allow subcontractors to bid on the work and to obtain all applicable permits (collectively, the "**Final Working Drawings**") and shall submit the same to Landlord for Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed unless a Design Problem (defined below) exists. Tenant shall supply Landlord with four (4) copies signed by Tenant of such Final Working Drawings. Landlord shall advise Tenant within five (5) business days after Landlord's receipt of the Final Working Drawings for the Premises if the same is unsatisfactory or incomplete in any respect. Landlord's failure to approve or disapprove the Final Working Drawings within such five (5) business day period shall be deemed to be Landlord's approval thereof (unless no reasonably prudent landlord would have approved of them). If Tenant is so advised, Tenant shall immediately revise the Final Working Drawings in accordance with such review and any disapproval of Landlord in connection therewith. In addition, if the Final Working Drawings or any amendment thereof or supplement thereto shall require alterations in the Base Building (as contrasted with the Tenant Improvements), and if Landlord in its sole and exclusive discretion agrees to any such alterations, and notifies Tenant of the need and cost for such alterations, then Tenant shall pay the cost of such required changes upon receipt of bills therefor. Tenant shall pay all reasonable direct architectural and/or engineering fees in connection therewith, plus a reasonable, non-discriminatory fee (consistent with that charged by landlords at Comparable Buildings) sufficient to compensate Landlord for all overhead, general conditions, fees and other costs and expenses arising from Landlord's involvement with such work. A "**Design Problem**" is defined as, and will be deemed to exist if such Tenant Improvements or applicable Construction Drawings will (i) adversely affect the exterior appearance of the Building; (ii) adversely affect the Building structure; (iii) adversely affect the Building systems in a non-de minimus manner; (iv) unreasonably interfere with any other occupant's normal and customary office operation; or (v) fail to comply with applicable Laws

3.4 **Approved Working Drawings.** The Final Working Drawings shall be approved by Landlord (the "**Approved Working Drawings**") prior to the commencement of construction of the Premises by Tenant, which approval shall not be unreasonably withheld, conditioned or delayed unless a Design Problem (defined below) exists. Tenant may submit the Final Working Drawings to the appropriate municipal authorities for all applicable building permits at its sole risk, cost and expense prior to approval by Landlord of the Final Working Drawings (provided that Landlord's right of disapproval shall not be affected thereby, and Tenant shall be required to resubmit the Final Working Drawings in the form approved by Landlord if Landlord disapproves any portion of the initially submitted Final Working Drawings). Tenant hereby agrees that neither Landlord nor Landlord's consultants shall be responsible for obtaining any building permit or certificate of occupancy for the Premises and that obtaining the same shall be Tenant's responsibility; provided, however, that Landlord shall cooperate with Tenant in executing permit applications and performing other ministerial acts reasonably necessary to enable Tenant to obtain any such permit or certificate of occupancy. No material changes, modifications or

3.4.4
1.1.4

alterations in the Approved Working Drawings may be made without the prior written consent of Landlord, which consent may not be unreasonably withheld.

SECTION 4

CONSTRUCTION OF THE TENANT IMPROVEMENTS

4.1 Tenant's Selection of Contractors.

4.1.1 The Contractor. A general contractor approved by Landlord ("Contractor") which approval shall not be unreasonably withheld, conditioned or delayed, shall be retained by Tenant to construct the Tenant Improvements. Landlord hereby preapproves Corporate Contractors, Clune, HBC and CalPac.

4.1.2 Tenant's Agents. All subcontractors, laborers, materialmen, and suppliers used by Tenant (such subcontractors, laborers, materialmen, and suppliers, and the Contractor to be known collectively as "Tenant's Agents") must be approved in writing by Landlord, which approval shall not be unreasonably withheld or delayed, provided that Tenant shall be required to employ Landlord's designated subcontractor for all fire life-safety work performed in connection with the construction of the Tenant Improvements (provided such subcontractor shall charge competitive rates). If Landlord does not approve any of Tenant's proposed subcontractors, laborers, materialmen or suppliers, Tenant shall submit other proposed subcontractors, laborers, materialmen or suppliers for Landlord's written approval.

4.2 Construction of Tenant Improvements by Tenant's Agents.

4.2.1 Construction Contract; Cost Budget. Upon request, Tenant shall provide Landlord with a copy of the executed construction contract and general conditions with Contractor (the "Contract") for Landlord's information only. Prior to the commencement of the construction of the Tenant Improvements, and after Tenant has accepted all bids for the Tenant Improvements, Tenant shall provide Landlord with a detailed breakdown, by trade, of the final costs to be incurred or which have been incurred, as set forth more particularly in Sections 2.2.1.1 through 2.2.1.9, above, in connection with the design and construction of the Tenant Improvements to be performed by or at the direction of Tenant or the Contractor, which costs form a basis for the amount of the Contract (the "Final Costs"). Based on such Final Costs, Landlord shall determine the Over-Allowance Amount (as that term is defined below). In connection with each of Landlord's monthly disbursements of the Tenant Improvement Allowance, Tenant shall concurrently pay a percentage of each amount requested by the Contractor or otherwise to be disbursed under this Tenant Work Letter directly to the appropriate person or entity, which percentage shall be equal to the amount of the Over-Allowance Amount divided by the amount of the Final Costs, and such payment by Tenant shall be a condition to Landlord's obligation to pay any amounts of the Tenant Improvement Allowance. For purposes hereof, the "Over-Allowance Amount" shall be equal to the difference, if any, between (i) the amount of the Final Costs and (ii) the amount of the Tenant Improvement Allowance (less any portion thereof already disbursed by Landlord, or in the process of being disbursed by Landlord, on or before the commencement of construction of the Tenant Improvements). In the event that, after the Final Costs have been delivered by Tenant to Landlord, any revisions, changes, or substitutions shall be made to the Final Working Drawings or the costs relating to the design and construction of the Tenant Improvements, or the Final Costs shall change for any reason, the above amounts shall be adjusted as equitable to reflect any additional or reduced costs which arise in connection therewith. In the event that Tenant fails to timely pay the Over-Allowance Amount as provided in this Section 4.2.1, then Landlord may, at its option, upon five (5) business days prior written notice, cause the cessation of work in the Premises until Tenant makes payment of the applicable portion of the Over-Allowance Amount then due (and such failure to pay such payment within such five (5) business day period shall be treated as a Tenant default in accordance with the terms of Section 6.4 below). Tenant shall provide Landlord with updated construction schedules and budgets on a regular basis during the course of construction of the Tenant Improvements, and in any event within fifteen (15) days after request by Landlord.

4.2.2 Tenant's Agents.

4.2.2.1 Landlord's General Conditions for Tenant's Agents and Tenant Improvement Work. Tenant's and Tenant's Agent's construction of the Tenant Improvements

shall comply with the following: (i) the Tenant Improvements shall be constructed in strict accordance with the Approved Working Drawings; (ii) Tenant's Agents shall submit schedules of all work relating to the Tenant's Improvements to Contractor and Contractor shall, within five (5) business days of receipt thereof, inform Tenant's Agents of any changes which are necessary thereto, and Tenant's Agents shall adhere to such corrected schedule; and (iii) Tenant shall abide by all reasonable, non-discriminatory rules made by Landlord's Building manager with respect to the use of freight, loading dock and service elevators, storage of materials, coordination of work with the contractors of other tenants, and any other matter in connection with this Tenant Work Letter, including, without limitation, the construction of the Tenant Improvements. Tenant shall pay a logistical coordination fee (the "Coordination Fee") to Landlord in an amount equal to the product of (i) two percent (2%) and (ii) the actual "hard costs" of the Tenant Improvements (exclusive of all "soft costs"), which Coordination Fee shall be for services relating to the coordination of the construction of the Tenant Improvements. Tenant shall not use (and upon notice from Landlord shall cease using) contractors, subcontractors, services, workmen, labor, materials or equipment that, in Landlord's reasonable judgment, would disturb labor harmony with the workforce or trades to be engaged in performing other work, labor or services in or about the Building or the Common Areas.

4.2.2.2 Indemnity. Tenant's indemnity of Landlord as set forth in this Lease shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to any act or omission of Tenant or Tenant's Agents, or anyone directly or indirectly employed by any of them, or in connection with Tenant's non-payment of any amount arising out of the Tenant Improvements and/or Tenant's disapproval of all or any portion of any request for payment. Such indemnity by Tenant, as set forth in this Lease, shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to Landlord's performance of any ministerial acts reasonably necessary (i) to permit Tenant to complete the Tenant Improvements, and (ii) to enable Tenant to obtain any building permit or certificate of occupancy for the Premises.

4.2.2.3 Requirements of Tenant's Agents. Tenant shall use commercially reasonable efforts to have each of Tenant's Agents guarantee to Tenant and for the benefit of Landlord that the portion of the Tenant Improvements for which it is responsible shall be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of completion thereof. Tenant shall use commercially reasonable efforts to have each of Tenant's Agents be responsible for the replacement or repair, without additional charge, of all work done or furnished in accordance with its contract that shall become defective within one (1) year after the later to occur of (i) completion of the work performed by such contractor or subcontractors and (ii) the Lease Commencement Date. The correction of such work shall include, without additional charge, all additional expenses and damages incurred in connection with such removal or replacement of all or any part of the Tenant Improvements, and/or the Building and/or common areas that may be damaged or disturbed thereby. All such warranties or guarantees as to materials or workmanship of or with respect to the Tenant Improvements shall be contained in the Contract or subcontract and shall be written such that such guarantees or warranties shall inure to the benefit of both Landlord and Tenant, as their respective interests may appear, and can be directly enforced by either. Tenant covenants to give to Landlord any assignment or other assurances which may be necessary to effect such right of direct enforcement.

4.2.2.4 Insurance Requirements.

4.2.2.4.1 General Coverages. All of Tenant's Agents shall carry worker's compensation insurance covering all of their respective employees, and shall also carry public liability insurance, including property damage, all with limits, in form and with companies as are required to be carried by Tenant as set forth in this Lease.

4.2.2.4.2 Special Coverages. Tenant shall carry "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of the Tenant Improvements, and such other insurance as Landlord may require, it being understood and agreed that the Tenant Improvements shall be insured by Tenant pursuant to this Lease immediately upon completion thereof. Such insurance shall be in amounts and shall include such extended coverage endorsements as may be reasonably required by Landlord including, but not limited to, the requirement that all of Tenant's Agents shall carry excess liability and Products and Completed Operation Coverage insurance, each in amounts not less than \$500,000

per incident, \$1,000,000 in aggregate, and in form and with companies as are required to be carried by Tenant as set forth in this Lease.

4.2.2.4.3 General Terms. Certificates for all insurance carried pursuant to this Section 4.2.2.4 shall be delivered to Landlord before the commencement of construction of the Tenant Improvements and before the Contractor's equipment is moved onto the site. Tenant shall notify Landlord as soon as possible, but in any event not less than ten (10) business days prior to the effective date of (a) any cancellation of insurance policies required hereunder, and/or (b) any change that results in a material change in coverage terms or limits of insurance policies required hereunder. In the event that the Tenant Improvements are damaged by any cause during the course of the construction thereof, Tenant shall immediately repair the same at Tenant's sole cost and expense. Tenant's Agents shall maintain all of the foregoing insurance coverage in force until the Tenant Improvements are fully completed and accepted by Landlord, except for any Products and Completed Operation Coverage insurance required by Landlord, which is to be maintained for ten (10) years following completion of the work and acceptance by Landlord and Tenant. All policies carried under this Section 4.2.2.4 shall insure Landlord and Tenant, as their interests may appear, as well as Contractor and Tenant's Agents. All insurance, except Workers' Compensation, maintained by Tenant's Agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance as respects the owner and that any other insurance maintained by owner is excess and noncontributing with the insurance required hereunder. The requirements for the foregoing insurance shall not derogate from the provisions for indemnification of Landlord by Tenant under Section 4.2.2.2 of this Tenant Work Letter.

4.2.3 Governmental Compliance. The Tenant Improvements shall comply in all respects with the following: (i) the Code and other state, federal, city or quasi-governmental laws, codes, ordinances and regulations, as each may apply according to the rulings of the controlling public official, agent or other person; (ii) applicable standards of the American Insurance Association (formerly, the National Board of Fire Underwriters) and the National Electrical Code; and (iii) building material manufacturer's specifications.

4.2.4 Inspection by Landlord. Landlord shall have the right to inspect the Tenant Improvements at all reasonable times, provided however, that Landlord's failure to inspect the Tenant Improvements shall in no event constitute a waiver of any of Landlord's rights hereunder nor shall Landlord's inspection of the Tenant Improvements constitute Landlord's approval of the same. Should Landlord reasonably disapprove any portion of the Tenant Improvements, Landlord shall notify Tenant in writing of such disapproval and shall specify the items disapproved. Any defects or deviations in, and/or disapproval by Landlord of, the Tenant Improvements shall be rectified by Tenant at no expense to Landlord, provided however, that in the event Landlord determines that a defect or deviation exists or disapproves of any matter in connection with any portion of the Tenant Improvements and such defect, deviation or matter might adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning or life-safety systems of the Building, the structure or exterior appearance of the Building or any other tenant's use of such other tenant's leased premises, Landlord may, take such action as Landlord deems reasonably necessary, at Tenant's expense and without incurring any liability on Landlord's part, to correct any such defect, deviation and/or matter, including, without limitation, causing the cessation of performance of the construction of the Tenant Improvements until such time as the defect, deviation and/or matter is corrected to Landlord's satisfaction.

4.2.5 Meetings. Commencing upon the commencement of construction of the Tenant Improvements, Tenant shall hold weekly meetings at a reasonable time, with the Architect and the Contractor regarding the progress of the preparation of Construction Drawings and the construction of the Tenant Improvements, which meetings shall be held at a location mutually agreed upon by Landlord and Tenant, and Landlord and/or its agents shall receive prior notice of, and shall have the right to attend, all such meetings, and, upon Landlord's request, certain of Tenant's Agents shall attend such meetings. In addition, minutes shall be taken at all such meetings, a copy of which minutes shall be promptly delivered to Landlord. One such meeting each month shall include the review of Contractor's current request for payment.

4.3 Notice of Completion; Copy of Record Set of Plans. Within ten (10) days after completion of construction of the Tenant Improvements, Tenant shall cause a Notice of Completion to be recorded in the office of the Recorder of the county in which the Building is

located in accordance with Section 8182 of the Civil Code of the State of California or any successor statute, and shall furnish a copy thereof to Landlord upon such recordation. If Tenant fails to do so, Landlord may execute and file the same on behalf of Tenant as Tenant's agent for such purpose, at Tenant's sole cost and expense. At the conclusion of construction, (i) Tenant shall cause the Architect and Contractor (A) to update the Approved Working Drawings as necessary to reflect all changes made to the Approved Working Drawings during the course of construction, (B) to certify to the best of their knowledge that the "record-set" of as-built drawings are true and correct, which certification shall survive the expiration or termination of this Lease, and (C) to deliver to Landlord two (2) sets of copies of such record set of drawings within ninety (90) days following issuance of a certificate of occupancy for the Premises, and (ii) Tenant shall deliver to Landlord a copy of all warranties, guaranties, and operating manuals and information relating to the improvements, equipment, and systems in the Premises.

SECTION 5

LANDLORD DELAY; FORCE MAJEURE

5.1 Landlord Caused Delay and Force Majeure Delay. As used in this Lease, "Landlord Caused Delay" shall mean any actual delay resulting from the acts or omissions of Landlord including, but not limited to, (i) failure of Landlord to timely approve or disapprove any Construction Drawings; (ii) unreasonable and material interference by Landlord, its agents or contractors with the completion of the Tenant Improvements; (iii) delays caused by Landlord's performance of any ACM testing or remediation pursuant to Section 1.3 above, and subject to the cooperation obligations set forth in Section 1.2 above, or (iv) delays due to the acts or failures to act of Landlord, its agents or contractors with respect to payment of the Tenant Improvement Allowance and/or any cessation of work upon the Tenant Improvements as a result thereof. The term "Force Majeure Delay" shall mean only an actual delay resulting from strikes, fire, wind, damage or destruction to the Building, explosion, casualty, flood, hurricane, tornado, the elements, acts of God or the public enemy, sabotage, war, terrorism, invasion, insurrection, rebellion, civil unrest, riots, or earthquakes.

5.2 Determination of Landlord Caused Delay or Force Majeure Delay. If Tenant contends that a Landlord Caused Delay or Force Majeure Delay has occurred, Tenant shall notify Landlord in writing of the date upon which such Landlord Caused Delay or Force Majeure Delay. The date upon which such Landlord Caused Delay or Force Majeure Delay ends shall be referred to in this Section 5.2 as the "Termination Date". If any actions, inaction or circumstances described in such notice (the "Delay Notice") are not cured by Landlord within one (1) business day after receipt of the Delay Notice, and if such actions, inaction or circumstances otherwise qualify as a Landlord Caused Delay or if a qualified Force Majeure Delay has occurred, then a Landlord Caused Delay or Force Majeure Delay, as applicable shall be deemed to have occurred commencing as of the date of Landlord's receipt of the Delay Notice and ending as of the Termination Date.

SECTION 6

MISCELLANEOUS

6.1 Tenant's Representative. Tenant has designated Matthew Velkes as its sole representative with respect to the matters set forth in this Tenant Work Letter, who shall have full authority and responsibility to act on behalf of the Tenant as required in this Tenant Work Letter.

6.2 Landlord's Representative. Landlord has designated Michelle Olenick as its sole representatives with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Tenant Work Letter.

6.3 Time of the Essence in This Tenant Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days. If any item requiring approval is timely disapproved by Landlord, the procedure for preparation of the document and approval thereof shall be repeated until the document is approved by Landlord.

6.4 Tenant's Lease Default. Notwithstanding any provision to the contrary contained in this Lease, if an event of default as described in the Lease or this Tenant Work Letter has occurred at any time on or before the Substantial Completion of the Premises, then (i) in addition to all other rights and remedies granted to Landlord pursuant to this Lease, Landlord shall have the right to withhold payment of all or any portion of the Tenant Improvement Allowance and/or Landlord may cause Contractor to cease the construction of the Premises (in which case, Tenant shall be responsible for any delay in the substantial completion of the Premises caused by such work stoppage), and (ii) all other obligations of Landlord under the terms of this Tenant Work Letter shall be forgiven until such time as such default is cured pursuant to the terms of this Lease (in which case, Tenant shall be responsible for any delay in the substantial completion of the Premises caused by such inaction by Landlord).

SCHEDULE 1
DEMISING WALLS

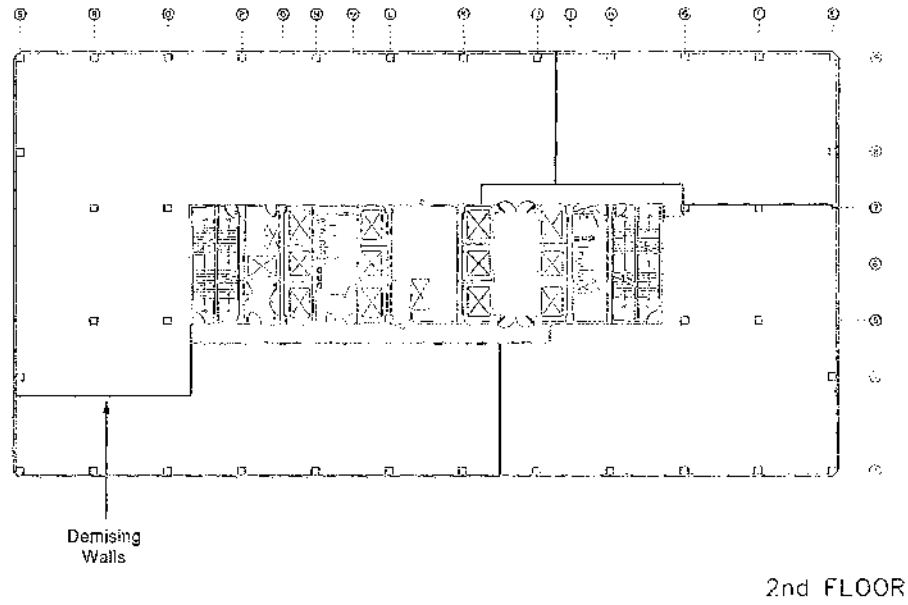


EXHIBIT C

10100 SANTA MONICA

NOTICE OF LEASE TERM DATES

To: _____

Re: Office Lease dated _____, 20__ between _____, a
_____ ("Landlord"), and _____, a
_____ ("Tenant") concerning Suite _____ on floor(s)
_____ of the office building located at _____,
_____, California.

Gentlemen:

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

1. The Lease Term shall commence on or has commenced on _____ for a term of _____ ending on _____.
2. Rent commenced to accrue on _____, in the amount of _____.
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 _____ at _____.

"Landlord":

a _____

By: _____
Its: _____

Agreed to and Accepted
as of _____, 20__.

"Tenant":

a _____

By: _____
Its: _____

EXHIBIT D

10100 SANTA MONICA

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, provided that Landlord shall enforce the Rules and Regulations on a non-discriminatory basis. In the event of any conflict between the Rules and Regulations and the other provisions of this Lease, the latter shall control.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two 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.

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

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building, the Garage and the loading dock gates during such hours as are customary for the Comparable Buildings. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when having 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. 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.

4. 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.

5. 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.

6. The requirements of Tenant will be attended to only upon applicant on 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.

7. 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.

8. 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.

9. 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.

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

11. Tenant shall not use or keep in or on the Premises, the Building, or the Project any kerosene, gasoline, explosive material, corrosive material, material capable of emitting toxic fumes, or other inflammable or combustible fluid, chemical, substance or material. Tenant shall provide material safety data sheets for any Hazardous Material used or kept on the Premises. Tenant shall not use or keep in or on the Premises, the Building, or the Project any firearms.

12. Tenant shall not without the prior written consent of Landlord use any method of heating or air conditioning other than that supplied by Landlord.

13. 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 unreasonably 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.

14. Tenant shall not bring into or keep within the Project, the Building or the Premises any animals (other than seeing eye dogs), birds, aquariums, or, except in areas designated by Landlord, bicycles or other vehicles (other than vehicles in the parking areas).

15. 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.

16. 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.

17. 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.

18. Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, courts, halls, stairways, elevators, vestibules, any Common Areas, or the Garage 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 must comply with the City of Los Angeles "NO-SMOKING" Ordinance No. 1.59498 and California Labor Code Section 6404.5. 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.

19. Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to ensure the most effective operation of the Building's heating and air conditioning system, and shall refrain from attempting to adjust any controls.

20. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the Comparable Buildings without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entryways 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.

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

22. 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 person.

23. 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 bulb color approved in advance in writing by Landlord. Neither the interior nor exterior of any windows shall be coated or otherwise unscreened 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.

24. 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.

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

26. 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 thereto, 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. The parties acknowledge and agree that the foregoing terms of this section, shall not limit Landlord's liability for personal injury or property damage to the extent caused by the breach, gross negligence or willful misconduct of Landlord, its agents, employees or contractors or Tenant's rights pursuant to Section 19.7.2 of the Lease (but subject to, and without limitation of, the assumption of risk by Tenant pursuant to Section 10.1 of this Lease, the waiver of subrogation provided in Section 10.5 of this Lease, and the limitations on liability set forth in Section 29.13 of this Lease).

27. 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.

28. 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.

29. 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.

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

31. Tenant shall not purchase spring water, ice, towel, linen, janitorial or maintenance or other like services from any person 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.

32. 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 reasonable, good faith 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.

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EXHIBIT E

10100 SANTA MONICA

FORM OF TENANT ESTOPPEL CERTIFICATE

The undersigned as Tenant under that certain Office Lease dated _____ (the "Lease") between 10100 Santa Monica Inc., a Florida not-for-profit corporation, as landlord, and the undersigned, as tenant, for Premises on the _____ (____) floor of the Office Building located at 10100 Santa Monica Boulevard, Los Angeles, California 90067 certifies as follows:

1. True, correct and complete copies of the Lease and all amendments, modifications and supplements thereto are attached hereto and the Lease, as so amended, modified and supplemented, is in full force and effect, and represents the entire agreement between Tenant and Landlord with respect to the Premises and the Property. There are no amendments, modifications or supplements to the Lease, whether oral or written, except as follows (include the date of such amendment, modification or supplement): _____

_____.

2. The undersigned has commenced occupancy of the Premises described in the Lease, currently occupies the Premises, and the Lease Commencement Date occurred on _____, 20____.

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

4. Base Rent became payable on _____.

5. In accordance with the Lease, Rent commenced to accrue on _____, 20____.

6. The Lease Term expires on _____.

7. The Lease provides for an option to extend the term of the Lease for _____ years. Except as expressly provided in the Lease, and other documents attached hereto, Tenant does not have any right or option to renew or extend the term of the Lease, to lease other space at the Property, nor any preferential right to purchase all or any part of the Premises or the Property.

8. To Tenant's actual knowledge, 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. All space and improvements leased by Tenant have been completed and furnished in accordance with the provisions of the Lease, and Tenant has accepted and taken possession of the Premises.

9. There are no offsets or credits against rentals payable under the Lease and no free periods or rental concessions have been granted to Tenant, except as follows: _____
_____.

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

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

13. Tenant represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this estoppel certificate and that each person signing on behalf of Tenant is authorized to do so.

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

“Tenant”

By: _____

Name: _____

Its: _____

EXHIBIT F

10100 SANTA MONICA BOULEVARD

CALIFORNIA ASBESTOS NOTICE

In 1988, California enacted Legislation (specifically, Chapter 10.4 of the Health and Safety Code, Section 25915 et seq.) requiring landlords and tenants of commercial buildings constructed prior to 1979 to notify certain people, including each other and their respective employees working within such building, of any knowledge they may have regarding any asbestos-containing construction materials ("ACM") in the Building. This notification is being given to provide the information required under this Legislation in order to help you avoid any unintentional contact with ACM, to assure that appropriate precautionary measure are taken before disturbing any ACM, and to assist you in making appropriate disclosures to your employees and others.

1. **Background Information.** Structural steel fireproofing and other building materials containing asbestos were widely used in construction from the 1950's through the mid-1970's. This Building was built before 1979 and certain asbestos-containing materials are located in the Building.
2. **ACM Survey and Operations Plan.** We have engaged qualified ACM consultants to survey the property for ACM and to assist in implementing an ACM management plan that includes, among other things, periodic reinspection and surveillance, air monitoring, information and training programs for building engineering and maintenance staff, cleaning procedures, emergency fiber release procedures, work procedures and other measures to minimize potential fiber releases. A description of the current Operations and Management Plans prepared for the Building (the "O&M Plans") is set forth on Schedule I attached hereto. Our ACM consultant has certified to us that the O&M Plans fully comply with the disclosure requirements of Health and Safety Code Section 25915.1.
3. **Information Regarding Exposure.** We have no reason to believe, based upon the O&M Plans, that the ACM in the Building is currently in a condition to release asbestos fibers which would pose a significant health hazard to the Building's occupants; this should remain so if such ACM is properly handled and remains undisturbed. You should take into consideration that our knowledge as to the absence of health risks is based solely upon general information and the information contained in the O&M Plans, and that we have no special knowledge concerning potential health risks resulting from exposure to ACM in the Building. We are therefore required by the above-mentioned legislation to encourage you to contact the County Departments of Health Services, the Federal or State Occupational Safety and Health Administration, or other public agencies if you wish to obtain a better understanding of the potential impacts resulting from exposure to ACM.
4. **Notification Procedures for Construction Activities.** Because any tenant alterations or other work at the property could disturb ACM and possibly release asbestos fibers into the air, we must require that you obtain our written approval prior to beginning such projects. This includes not only major alterations, but also such activities as drilling or boring holes, installing electrical, telecommunications or computer lines, sanding floors or walls, removing ceiling tiles or other work which might disturb ACM. In many cases, such activities will not affect ACM, but you are required to notify the Property Management Office in advance at the address set forth on Schedule I, and receive approval, in each and every case. The Property Management Office will make available such instructions as may be required. Any such work shall not be attempted by an individual or contractor who is not qualified to handle ACM. In the areas specified in Schedule I, you must avoid touching or disturbing the ACM in any way. If you observe any activity which has the potential to disturb ACM, you should report the same to the property manager immediately.
5. **Building Safety Rules Pertaining to ACM.** In connection with the foregoing, we have adopted the following policies (which shall be considered rules under tenant leases):

- (1) The owner, and representatives of the owner, including, without limitation, the owner's ACM consultant, are entitled **upon reasonable prior notice, except in emergencies (in which event no prior notice is required)**, to enter into the premises of any tenant to inspect for ACM, perform air tests and abatement; and
 - (2) Any tenant, contractor, or other party must obtain our prior written approval before performing any alterations on any tenant space, or performing an other work at the property that might disturb ACM or involve exposure to asbestos fibers as described above.
6. **Further Information.** Further information concerning ACM handling procedures in general can be found in the Building's Asbestos Surveys, located in the Building office. At this time, we are unaware of specific handling restrictions or procedures which might be necessary in any particular situation to avoid exposure to the ACM in the Building. We are therefore required by the above-mentioned legislation to encourage you to contact local, state or federal public health agencies if you wish to obtain further information regarding handling procedures and restrictions.

SCHEDULE 1
TO
NOTICE CONCERNING ASBESTOS

BUILDING: 10100 Santa Monica
PROPERTY MANAGER: Michelle Olenick
ADDRESS OF BUILDING OFFICE: 10100 Santa Monica Boulevard
Suite 180
Los Angeles, CA 90067
Telephone: (310) 552-0705

SPECIFIC LOCATIONS WHERE ACM MAY BE PRESENT IN ANY QUANTITY

1. Sprayed-on fireproofing on the structural steel and overspray on the ceiling above the suspended ceilings.
2. Floor tiles and associated mastic.
3. Drywall joint compound.
4. Thermal systems insulation.

ASBESTOS SURVEYS, AIR MONITORING RESULTS, AND THE BUILDING'S ASBESTOS MANAGEMENT PLAN ARE AVAILABLE THROUGH THE PROPERTY MANAGER DURING NORMAL BUSINESS HOURS, MONDAY THROUGH FRIDAY EXCEPT LEGAL HOLIDAYS.

SCHEDULE 1
TO
NOTICE
CONCERNING
ASBESTOS

-1-

EXHIBIT G

10100 SANTA MONICA BOULEVARD

FORM OF GUARANTY OF LEASE

THIS GUARANTY OF LEASE (this "**Guaranty**") is made as of [], by Village Roadshow Entertainment Group Limited, a British Virgin Island company ("**Guarantor**"), whose address is as set forth in Section 10 hereof, in favor of 10100 SANTA MONICA, INC., a Florida not-for-profit corporation ("**Landlord**"), whose address is set forth in the Lease (defined below).

WHEREAS, Landlord and Village Roadshow Entertainment Group USA Inc., a Delaware corporation ("**Tenant**") desire to enter into that certain Office Lease dated of an even date herewith (the "**Lease**") concerning the premises on the second (2nd) floor of the office building located at 10100 Santa Monica Boulevard, in the City of Los Angeles, County of Los Angeles, State of California;

WHEREAS, Guarantor has a financial interest in the Tenant; and

WHEREAS, Landlord would not execute the Lease if Guarantor did not execute and deliver to Landlord this Guaranty.

NOW, THEREFORE, for and in consideration of the execution of the foregoing Lease by Landlord and as a material inducement to Landlord to execute said Lease, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the prompt payment by Tenant of all rentals and all other sums payable by Tenant under said Lease and the faithful and prompt performance by Tenant of each and every one of the terms, conditions and covenants of said Lease to be kept and performed by Tenant, and further agrees as follows:

1. It is specifically agreed and understood that the terms, covenants and conditions of the Lease may be altered, affected, modified, amended, compromised, released or otherwise changed by agreement between Landlord and Tenant, or by course of conduct and Guarantor does guaranty and promise to perform all of the obligations of Tenant under the Lease as so altered, affected, modified, amended, compromised, released or changed and the Lease may be assigned by or with the consent of Landlord or any assignee of Landlord without consent or notice to Guarantor and that this Guaranty shall thereupon and thereafter guaranty the performance of said Lease as so changed, modified, amended, compromised, released, altered or assigned.

2. This Guaranty shall not be released, modified or affected by failure or delay on the part of Landlord to enforce any of the rights or remedies of Landlord under the Lease, whether pursuant to the terms thereof or at law or in equity, or by any release of any person liable under the terms of the Lease (including, without limitation, Tenant) from any liability with respect to Guarantor's obligations hereunder.

3. Guarantor's liability under this Guaranty shall continue until all rents due under the Lease have been paid in full in cash and until all other obligations to Landlord have been satisfied. If all or any portion of Tenant's obligations under the Lease is paid or performed by Tenant, the obligations of Guarantor hereunder shall continue and remain in full force and effect in the event that all or any part of such payment(s) or performance(s) is avoided or recovered directly or indirectly from Landlord as a preference, fraudulent transfer or otherwise.

4. Guarantor warrants and represents to Landlord that Guarantor now has and will continue to have full and complete access to any and all information concerning the Lease, the value of the assets owned or to be acquired by Tenant, Tenant's financial status and its ability to pay and perform the obligations owed to Landlord under the Lease. Guarantor further warrants and represents that Guarantor has reviewed and approved copies of the Lease and is fully informed of the remedies Landlord may pursue, with or without notice to Tenant, in the event of default under the Lease. So long as any of Guarantor's obligations hereunder remain unsatisfied or owing to Landlord, Guarantor shall keep fully informed as to all aspects of Tenant's financial condition and the performance of said obligations.

5. Guarantor hereby covenants and agrees with Landlord that if a default (beyond all applicable notice and cure periods) shall at any time occur in the payment of any sums due under the Lease by Tenant or in the performance of any other obligation of Tenant under the Lease, Guarantor shall and will forthwith upon demand pay such sums and any arrears thereof, to Landlord in legal currency of the United States of America for payment of public and private debts, and take all other actions necessary to cure such default and perform such obligations of Tenant, provided that Landlord shall have the right to immediately demand such sums and any arrears thereof from Guarantor, without providing prior notice or an opportunity to cure if (A) Tenant has filed a voluntary petition under the U.S. Bankruptcy Code or any state bankruptcy code (collectively, "**Bankruptcy Code**"), or (B) an involuntary petition has been filed against Tenant under the Bankruptcy Code, or (C) the Lease has been rejected, or is deemed rejected, under Section 365 of the U.S. Bankruptcy Code, following the filing of a voluntary petition by Tenant under the Bankruptcy Code, or the filing of an involuntary petition against Tenant under the Bankruptcy Code.

6. The liability of Guarantor under this Guaranty is a guaranty of payment and performance and not of collectibility, and is not conditioned or contingent upon the genuineness, validity, regularity or enforceability of the Lease or the pursuit by Landlord of any remedies which it now has or may hereafter have with respect thereto, at law, in equity or otherwise.

7. Guarantor hereby waives and agrees not to assert or take advantage of to the extent permitted by law: (i) all notices to Guarantor, to Tenant, or to any other person, including, but not limited to, notices of the acceptance of this Guaranty or the creation, renewal, extension, assignment, modification or accrual of any of the obligations owed to Landlord under the Lease and, except to the extent set forth in Section 9 hereof, enforcement of any right or remedy with respect thereto, and notice of any other matters relating thereto; (ii) notice of acceptance of this Guaranty; (iii) demand of payment, presentation and protest; (iv) any right to require Landlord to apply to any default any security deposit or other security it may hold under the Lease; (v) any statute of limitations affecting Guarantor's liability hereunder or the enforcement thereof; (vi) any right or defense that may arise by reason of the incapability, lack of authority, death or disability of Tenant or any other person; (vii) all principles or provisions of law which conflict with the terms of this Guaranty, and (viii) any other rights and defenses that are or may become available to Guarantor by reason of Sections 2787 through 2855, inclusive, of the California Civil Code. Guarantor further agrees that Landlord may enforce this Guaranty upon the occurrence of a default under the Lease (beyond all applicable notice and cure periods, provided that Landlord shall have the right to immediately enforce this Guaranty, without providing prior notice or an opportunity to cure if any of items (A), (B), or (C) in Section 5 above has occurred), notwithstanding any dispute between Landlord and Tenant with respect to the existence of said default or performance of the obligations under the Lease or any counterclaim, set-off or other claim which Tenant may allege against Landlord with respect thereto. Moreover, Guarantor agrees that Guarantor's obligations shall not be affected by any circumstances which constitute a legal or equitable discharge of a guarantor or surety.

8. Guarantor agrees that Landlord may enforce this Guaranty without the necessity of proceeding against Tenant or any other guarantor. Guarantor hereby waives the right to require Landlord to proceed against Tenant, to proceed against any other guarantor to exercise any right or remedy under the Lease or to pursue any other remedy or to enforce any other right.

9. (a) Guarantor agrees that nothing contained herein shall prevent Landlord from suing on the Lease or from exercising any rights available to it thereunder and that the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of Guarantor. Without limiting the generality of the foregoing, Guarantor hereby expressly waives any and all benefits under California Civil Code § § 2809, 2810, 2819, 2845, 2847, 2848, 2849, and 2850.

(b) Guarantor agrees that Guarantor shall have no right of subrogation against Tenant or any right of contribution against any other guarantor unless and until all amounts due under the Lease have been paid in full and all other obligations under the Lease have been satisfied. Guarantor further agrees that, to the extent the waiver of Guarantor's rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation Guarantor may have against Tenant shall be junior and subordinate to any rights Landlord may have against Tenant, and any rights of

contribution Guarantor may have against any other guarantor shall be junior and subordinate to any rights Landlord may have against any other guarantor.

(c) The obligations of Guarantor under this Guaranty shall not be altered, limited or affected by any case, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of Tenant or any defense which Tenant may have by reason of order, decree or decision of any court or administrative body resulting from any such case. Landlord shall have the sole right to accept or reject any plan on behalf of Guarantor proposed in such case and to take any other action which Guarantor would be entitled to take, including, without limitation, the decision to file or not file a claim. Guarantor acknowledges and agrees that any payment which accrues with respect to Tenant's obligations under the Lease (including, without limitation, the payment of rent) after the commencement of any such proceeding (or, if any such payment ceases to accrue by operation of law by reason of the commencement of such proceeding, such payment as would have accrued if said proceedings had not been commenced) shall be included in Guarantor's obligations hereunder because it is the intention of the parties that said obligations should be determined without regard to any rule or law or order which may relieve Tenant of any of its obligations under the Lease. Guarantor hereby permits any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person to pay Landlord, or allow the claim of Landlord in respect of, any such payment accruing after the date on which such proceeding is commenced. Guarantor hereby assigns to Landlord Guarantor's right to receive any payments from any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person by way of dividend, adequate protection payment or otherwise.

10. Guarantor acknowledges and agrees that Tenant shall be deemed Guarantor's agent for service of process. Any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this Guaranty or pursuant to any applicable law or requirement of public authority, shall be in writing (whether or not so stated elsewhere in this Guaranty) and shall be deemed to have been properly given, rendered or made only if (A) sent by United States certified or registered mail, postage prepaid, return receipt requested ("Mail"), (B) delivered by a nationally recognized overnight courier, or (C) delivered personally, addressed, in the case of Landlord, to its address specified for delivery of notices under the Lease, or in the case of Guarantor, at the address specified by Tenant for delivery of notices under the Lease, and shall be deemed to have been given, rendered or made (i) three (3) days after the date it is posted if sent by Mail, (ii) the date the overnight courier delivery is made, or (iii) the date personal delivery is made or attempted to be made. By giving notice as provided above, either party may designate a different address for notices, statements, demands, consents, approvals or other communications intended for it.

11. Guarantor represents and warrants to Landlord as follows:

(a) No consent of any other person, including, without limitation, any creditors of Guarantor, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by Guarantor in connection with this Guaranty or the execution, delivery, performance, validity or enforceability of this Guaranty and all obligations required hereunder. This Guaranty has been duly executed and delivered by Guarantor, and constitutes the legally valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms.

(b) The execution, delivery and performance of this Guaranty will not violate any provision of any existing law or regulation binding on Guarantor, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on Guarantor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which Guarantor is a party or by which Guarantor or any of Guarantor's assets may be bound, and will not result in, or require, the creation or imposition of any lien on any of Guarantor's property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract, or other agreement, instrument or undertaking.

12. The obligations of Tenant under the Lease to execute and deliver estoppel statements, as therein provided, shall be deemed to also require Guarantor to do and provide the same relative to Guarantor.

13. This Guaranty shall be binding upon Guarantor, Guarantor's heirs, representatives, administrators, executors, successors and assigns and shall inure to the benefit of and shall be enforceable by Landlord, its successors, endorsees and assigns. Any married person executing this Guaranty agrees that recourse may be had against community assets and against his separate property for the satisfaction of all obligations herein guaranteed. As used herein, the singular shall include the plural, and the masculine shall include the feminine and neuter and vice versa, if the context so requires.

14. The term "**Landlord**" whenever used herein refers to and means the Landlord specifically named in the Lease and also any assignee of said Landlord, whether by outright assignment or by assignment for security, and also any successor to the interest of said Landlord or of any assignee in the Lease or any part thereof, whether by assignment or otherwise. So long as the Landlord's interest in or to the Premises (as that term is used in the Lease) or the rents, issues and profits therefrom, or in, to or under the Lease, are subject to any mortgage or deed of trust or assignment for security, no acquisition by Guarantor of the Landlord's interest in the Premises or under the Lease shall affect the continuing obligations of Guarantor under this Guaranty, which obligations shall continue in full force and effect for the benefit of the mortgagee, beneficiary, trustee or assignee under such mortgage, deed of trust or assignment, or any purchaser at sale by judicial foreclosure or under private power of sale, and of the successors and assigns of any such mortgagee, beneficiary, trustee, assignee or purchaser.

15. The term "**Tenant**" whenever used herein refers to and means the Tenant in the Lease specifically named and also any assignee or sublessee of said Lease and also any successor to the interests of said Tenant, assignee or sublessee of such Lease or any part thereof, whether by assignment, sublease or otherwise.

16. In the event of any dispute or litigation regarding the enforcement or validity of this Guaranty, the non-prevailing party shall be obligated to pay all charges, costs and expenses (including, without limitation, attorneys' fees) incurred by the prevailing party, whether or not any action or proceeding is commenced regarding such dispute and whether or not such litigation is prosecuted to judgment.

17. This Guaranty shall be governed by and construed in accordance with the laws of the State of California, and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the courts of California.

18. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

19. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.

20. No failure or delay on the part of Landlord to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or any acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

21. This Guaranty shall constitute the entire agreement between Guarantor and the Landlord with respect to the subject matter hereof. No provision of this Guaranty or right of Landlord hereunder may be waived nor may Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Landlord.

22. The liability of Guarantor and all rights, powers and remedies of Landlord hereunder and under any other agreement now or at any time hereafter in force between Landlord and Guarantor relating to the Lease shall be cumulative and not alternative and such

rights, powers and remedies shall be in addition to all rights, powers and remedies given to Landlord by law.

23. By accepting this Guaranty, Landlord agrees to comply with all of the terms and provisions hereof which are applicable to Landlord.

[signatures on next page]

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

"Guarantor":

VILLAGE ROADSHOW ENTERTAINMENT GROUP
LIMITED,
a British Virgin Island company

By: _____

Its: _____

By: _____

Its: _____

EXHIBIT H

10100 SANTA MONICA BOULEVARD

FORM OF LETTER OF CREDIT

**(Letterhead of a money center bank
acceptable to the Landlord)**

FAX NO. [() -]
SWIFT: [Insert No., if any]

[Insert Bank Name And Address]

DATE OF ISSUE: _____

BENEFICIARY:

APPLICANT:

[Insert Applicant Name And Address]

10100 Santa Monica, Inc.
Building Management Office
10100 Santa Monica Boulevard
Suite 180
Los Angeles, California 90067
Attention: Property Manager

LETTER OF CREDIT NO. _____

EXPIRATION DATE:
_____ AT OUR COUNTERS

AMOUNT AVAILABLE:
USD \$600,000.00
(U.S. DOLLARS SIX HUNDRED
THOUSAND AND 00/100)

LADIES AND GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____ IN YOUR FAVOR FOR THE ACCOUNT OF [Insert Tenant's Name], A [Insert Entity Type], UP TO THE AGGREGATE AMOUNT OF USD [Insert Dollar Amount] ([Insert Dollar Amount] U.S. DOLLARS) EFFECTIVE IMMEDIATELY AND EXPIRING ON _____ (Expiration Date) AVAILABLE BY PAYMENT UPON PRESENTATION OF YOUR DRAFT AT SIGHT DRAWN ON [Insert Bank Name] WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENT(S):

1. THE ORIGINAL OF THIS IRREVOCABLE STANDBY LETTER OF CREDIT AND AMENDMENT(S), IF ANY.
2. BENEFICIARY'S SIGNED STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED REPRESENTATIVE OF [Insert Landlord's Name], A [Insert Entity Type] ("LANDLORD") STATING THE FOLLOWING:

"THE UNDERSIGNED HEREBY CERTIFIES THAT THE LANDLORD, EITHER (A) UNDER THE LEASE (DEFINED BELOW), OR (B) AS A RESULT OF THE TERMINATION OF SUCH LEASE, HAS THE RIGHT TO DRAW DOWN THE AMOUNT OF USD _____ IN ACCORDANCE WITH THE TERMS OF THAT CERTAIN OFFICE LEASE DATED [Insert Lease Date], AS AMENDED (COLLECTIVELY, THE "LEASE"), OR SUCH AMOUNT CONSTITUTES DAMAGES OWING BY THE TENANT TO BENEFICIARY RESULTING FROM THE BREACH OF SUCH LEASE BY THE TENANT THEREUNDER, OR THE TERMINATION OF SUCH LEASE, AND SUCH AMOUNT REMAINS UNPAID AT THE TIME OF THIS DRAWING."

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT WE HAVE RECEIVED A WRITTEN NOTICE OF [Insert Bank Name]'S ELECTION NOT TO EXTEND ITS STANDBY LETTER OF CREDIT NO. _____ AND HAVE NOT RECEIVED A REPLACEMENT LETTER OF CREDIT WITHIN AT LEAST FORTY-FIVE (45) DAYS PRIOR TO THE PRESENT EXPIRATION DATE."

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW DOWN THE FULL AMOUNT OF LETTER OF CREDIT NO. _____ AS THE RESULT OF THE FILING OF A VOLUNTARY PETITION UNDER THE U.S. BANKRUPTCY CODE OR A STATE BANKRUPTCY CODE BY THE TENANT UNDER THAT CERTAIN OFFICE LEASE DATED [Insert Lease Date], AS AMENDED (COLLECTIVELY, THE "LEASE"), WHICH FILING HAS NOT BEEN DISMISSED AT THE TIME OF THIS DRAWING."

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW DOWN THE FULL AMOUNT OF LETTER OF CREDIT NO. _____ AS THE RESULT OF AN INVOLUNTARY PETITION HAVING BEEN FILED UNDER THE U.S. BANKRUPTCY CODE OR A STATE BANKRUPTCY CODE AGAINST THE TENANT UNDER THAT CERTAIN OFFICE LEASE DATED [Insert Lease Date], AS AMENDED (COLLECTIVELY, THE "LEASE"), WHICH FILING HAS NOT BEEN DISMISSED AT THE TIME OF THIS DRAWING."

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW DOWN THE FULL AMOUNT OF LETTER OF CREDIT NO. _____ AS THE RESULT OF THE REJECTION, OR DEEMED REJECTION, OF THAT CERTAIN OFFICE LEASE DATED [Insert Lease Date], AS AMENDED, UNDER SECTION 365 OF THE U.S. BANKRUPTCY CODE."

SPECIAL CONDITIONS:

PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS MAY BE MADE UNDER THIS STANDBY LETTER OF CREDIT, PROVIDED, HOWEVER, THAT EACH SUCH DEMAND THAT IS PAID BY US SHALL REDUCE THE AMOUNT AVAILABLE UNDER THIS STANDBY LETTER OF CREDIT.

ALL INFORMATION REQUIRED WHETHER INDICATED BY BLANKS, BRACKETS OR OTHERWISE, MUST BE COMPLETED AT THE TIME OF DRAWING. [Please Provide The Required Forms For Review, And Attach As Schedules To The Letter Of Credit.]

ALL SIGNATURES MUST BE MANUALLY EXECUTED IN ORIGINALS.

ALL BANKING CHARGES ARE FOR THE APPLICANT'S ACCOUNT.

IT IS A CONDITION OF THIS STANDBY LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR A PERIOD OF ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST FORTY-FIVE (45) DAYS PRIOR TO THE EXPIRATION DATE WE SEND YOU NOTICE BY NATIONALLY RECOGNIZED OVERNIGHT COURIER SERVICE THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD. SAID NOTICE WILL BE SENT TO THE ADDRESS INDICATED ABOVE, UNLESS A CHANGE OF ADDRESS IS OTHERWISE NOTIFIED BY YOU TO US IN WRITING BY RECEIPTED MAIL OR COURIER. ANY NOTICE TO US WILL BE DEEMED EFFECTIVE ONLY UPON ACTUAL RECEIPT BY US AT OUR DESIGNATED OFFICE. IN NO EVENT, AND WITHOUT FURTHER NOTICE FROM OURSELVES,

SHALL THE EXPIRATION DATE BE EXTENDED BEYOND A FINAL EXPIRATION DATE OF ____ (120 days from the Lease Expiration Date).

THIS LETTER OF CREDIT MAY BE TRANSFERRED SUCCESSIVELY IN WHOLE OR IN PART ONLY UP TO THE THEN AVAILABLE AMOUNT IN FAVOR OF A NOMINATED TRANSFEREE ("TRANSFEREE"), ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE IS IN COMPLIANCE WITH ALL APPLICABLE U.S. LAWS AND REGULATIONS. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINAL AMENDMENT(S) IF ANY, MUST BE SURRENDERED TO US TOGETHER WITH OUR TRANSFER FORM (AVAILABLE UPON REQUEST) AND PAYMENT OF OUR CUSTOMARY TRANSFER FEES, WHICH FEES SHALL BE PAYABLE BY APPLICANT (PROVIDED THAT BENEFICIARY MAY, BUT SHALL NOT BE OBLIGATED TO, PAY SUCH FEES TO US ON BEHALF OF APPLICANT, AND SEEK REIMBURSEMENT THEREOF FROM APPLICANT). IN CASE OF ANY TRANSFER UNDER THIS LETTER OF CREDIT, THE DRAFT AND ANY REQUIRED STATEMENT MUST BE EXECUTED BY THE TRANSFEREE AND WHERE THE BENEFICIARY'S NAME APPEARS WITHIN THIS STANDBY LETTER OF CREDIT, THE TRANSFEREE'S NAME IS AUTOMATICALLY SUBSTITUTED THEREFOR.

ALL DRAFTS REQUIRED UNDER THIS STANDBY LETTER OF CREDIT MUST BE MARKED: "DRAWN UNDER [Insert Bank Name] STANDBY LETTER OF CREDIT NO. ____."

WE HEREBY AGREE WITH YOU THAT IF DRAFTS ARE PRESENTED TO [Insert Bank Name] UNDER THIS LETTER OF CREDIT AT OR PRIOR TO [Insert Time - (e.g., 11:00 AM)], ON A BUSINESS DAY, AND PROVIDED THAT SUCH DRAFTS PRESENTED CONFORM TO THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE INITIATED BY US IN IMMEDIATELY AVAILABLE FUNDS BY OUR CLOSE OF BUSINESS ON THE SUCCEEDING BUSINESS DAY. IF DRAFTS ARE PRESENTED TO [Insert Bank Name] UNDER THIS LETTER OF CREDIT AFTER [Insert Time - (e.g., 11:00 AM)], ON A BUSINESS DAY, AND PROVIDED THAT SUCH DRAFTS CONFORM WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE INITIATED BY US IN IMMEDIATELY AVAILABLE FUNDS BY OUR CLOSE OF BUSINESS ON THE SECOND SUCCEEDING BUSINESS DAY. AS USED IN THIS LETTER OF CREDIT, "BUSINESS DAY" SHALL MEAN ANY DAY OTHER THAN A SATURDAY, SUNDAY OR A DAY ON WHICH BANKING INSTITUTIONS IN THE STATE OF CALIFORNIA ARE AUTHORIZED OR REQUIRED BY LAW TO CLOSE. IF THE EXPIRATION DATE FOR THIS LETTER OF CREDIT SHALL EVER FALL ON A DAY WHICH IS NOT A BUSINESS DAY THEN SUCH EXPIRATION DATE SHALL AUTOMATICALLY BE EXTENDED TO THE DATE WHICH IS THE NEXT BUSINESS DAY.

PRESENTATION OF A DRAFT UNDER THIS LETTER OF CREDIT MAY BE MADE ON OR PRIOR TO THE THEN CURRENT EXPIRATION DATE HEREOF BY HAND DELIVERY, COURIER SERVICE, OVERNIGHT MAIL, OR FACSIMILE. PRESENTATION BY FACSIMILE TRANSMISSION SHALL BE BY TRANSMISSION OF THE ABOVE REQUIRED SIGHT DRAFT DRAWN ON US TOGETHER WITH THIS LETTER OF CREDIT TO OUR FACSIMILE NUMBER, [Insert Fax Number - (____) ____-____], ATTENTION: [Insert Appropriate Recipient], WITH TELEPHONIC CONFIRMATION OF OUR RECEIPT OF SUCH FACSIMILE TRANSMISSION AT OUR TELEPHONE NUMBER [Insert Telephone Number - (____) ____-____] OR TO SUCH OTHER FACSIMILE OR TELEPHONE NUMBERS, AS TO WHICH YOU HAVE RECEIVED WRITTEN NOTICE FROM US AS BEING THE APPLICABLE SUCH NUMBER. WE AGREE TO NOTIFY YOU IN WRITING, BY NATIONALLY RECOGNIZED OVERNIGHT COURIER SERVICE, OF ANY CHANGE IN SUCH DIRECTION. ANY FACSIMILE PRESENTATION PURSUANT TO THIS PARAGRAPH SHALL ALSO STATE THEREON THAT THE ORIGINAL OF SUCH SIGHT DRAFT AND LETTER OF CREDIT ARE BEING REMITTED, FOR DELIVERY ON THE NEXT BUSINESS DAY, TO [Insert Bank Name] AT THE APPLICABLE ADDRESS FOR PRESENTMENT PURSUANT TO THE PARAGRAPH FOLLOWING THIS ONE.

WE HEREBY ENGAGE WITH YOU THAT ALL DOCUMENT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS STANDBY LETTER OF CREDIT WILL

BE DULY HONORED IF DRAWN AND PRESENTED FOR PAYMENT AT OUR OFFICE
LOCATED AT [Insert Bank Name], [Insert Bank Address], ATTN: [Insert Appropriate
Recipient], ON OR BEFORE THE EXPIRATION DATE OF THIS CREDIT, (Expiration
Date) .

IN THE EVENT THAT THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT IS
LOST, STOLEN, MUTILATED, OR OTHERWISE DESTROYED, WE HEREBY AGREE TO
ISSUE A DUPLICATE ORIGINAL HEREOF UPON RECEIPT OF A WRITTEN REQUEST
FROM YOU AND A CERTIFICATION BY YOU (PURPORTEDLY SIGNED BY YOUR
AUTHORIZED REPRESENTATIVE) OF THE LOSS, THEFT, MUTILATION, OR OTHER
DESTRUCTION OF THE ORIGINAL HEREOF.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS STANDBY
LETTER OF CREDIT IS SUBJECT TO THE "INTERNATIONAL STANDBY PRACTICES"
(ISP 98) INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 590).

Very truly yours,

(Name of Issuing Bank)

By: _____

GUARANTY OF LEASE

THIS GUARANTY OF LEASE (this "**Guaranty**") is made as of May 14, 2014, by Village Roadshow Entertainment Group Limited, a British Virgin Island company ("**Guarantor**"), whose address is as set forth in Section 10 hereof, in favor of 10100 SANTA MONICA, INC., a Florida not-for-profit corporation ("**Landlord**"), whose address is set forth in the Lease (defined below).

WHEREAS, Landlord and Village Roadshow Entertainment Group USA Inc., a Delaware corporation ("**Tenant**") desire to enter into that certain Office Lease dated of an even date herewith (the "**Lease**") concerning the premises on the second (2nd) floor of the office building located at 10100 Santa Monica Boulevard, in the City of Los Angeles, County of Los Angeles, State of California;

WHEREAS, Guarantor has a financial interest in the Tenant; and

WHEREAS, Landlord would not execute the Lease if Guarantor did not execute and deliver to Landlord this Guaranty.

NOW, THEREFORE, for and in consideration of the execution of the foregoing Lease by Landlord and as a material inducement to Landlord to execute said Lease, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the prompt payment by Tenant of all rentals and all other sums payable by Tenant under said Lease and the faithful and prompt performance by Tenant of each and every one of the terms, conditions and covenants of said Lease to be kept and performed by Tenant, and further agrees as follows:

1. It is specifically agreed and understood that the terms, covenants and conditions of the Lease may be altered, affected, modified, amended, compromised, released or otherwise changed by agreement between Landlord and Tenant, or by course of conduct and Guarantor does guaranty and promise to perform all of the obligations of Tenant under the Lease as so altered, affected, modified, amended, compromised, released or changed and the Lease may be assigned by or with the consent of Landlord or any assignee of Landlord without consent or notice to Guarantor and that this Guaranty shall thereupon and thereafter guaranty the performance of said Lease as so changed, modified, amended, compromised, released, altered or assigned.

2. This Guaranty shall not be released, modified or affected by failure or delay on the part of Landlord to enforce any of the rights or remedies of Landlord under the Lease, whether pursuant to the terms thereof or at law or in equity, or by any release of any person liable under the terms of the Lease (including, without limitation, Tenant) from any liability with respect to Guarantor's obligations hereunder.

3. Guarantor's liability under this Guaranty shall continue until all rents due under the Lease have been paid in full in cash and until all other obligations to Landlord have been satisfied. If all or any portion of Tenant's obligations under the Lease is paid or performed by Tenant, the obligations of Guarantor hereunder shall continue and remain in full force and effect in the event that all or any part of such payment(s) or performance(s) is avoided or recovered directly or indirectly from Landlord as a preference, fraudulent transfer or otherwise.

4. Guarantor warrants and represents to Landlord that Guarantor now has and will continue to have full and complete access to any and all information concerning the Lease, the value of the assets owned or to be acquired by Tenant, Tenant's financial status and its ability to pay and perform the obligations owed to Landlord under the Lease. Guarantor further warrants and represents that Guarantor has reviewed and approved copies of the Lease and is fully informed of the remedies Landlord may pursue, with or without notice to Tenant, in the event of default under the Lease. So long as any of Guarantor's obligations hereunder remain unsatisfied or owing to Landlord, Guarantor shall keep fully informed as to all aspects of Tenant's financial condition and the performance of said obligations.

5. Guarantor hereby covenants and agrees with Landlord that if a default (beyond all applicable notice and cure periods) shall at any time occur in the payment of any sums due under the Lease by Tenant or in the performance of any other obligation of Tenant under the Lease, Guarantor shall and will forthwith upon demand pay such sums and any arrears thereof, to

Landlord in legal currency of the United States of America for payment of public and private debts, and take all other actions necessary to cure such default and perform such obligations of Tenant, provided that Landlord shall have the right to immediately demand such sums and any arrears thereof from Guarantor, without providing prior notice or an opportunity to cure if (A) Tenant has filed a voluntary petition under the U.S. Bankruptcy Code or any state bankruptcy code (collectively, "**Bankruptcy Code**"), or (B) an involuntary petition has been filed against Tenant under the Bankruptcy Code, or (C) the Lease has been rejected, or is deemed rejected, under Section 365 of the U.S. Bankruptcy Code, following the filing of a voluntary petition by Tenant under the Bankruptcy Code, or the filing of an involuntary petition against Tenant under the Bankruptcy Code.

6. The liability of Guarantor under this Guaranty is a guaranty of payment and performance and not of collectibility, and is not conditioned or contingent upon the genuineness, validity, regularity or enforceability of the Lease or the pursuit by Landlord of any remedies which it now has or may hereafter have with respect thereto, at law, in equity or otherwise.

7. Guarantor hereby waives and agrees not to assert or take advantage of to the extent permitted by law: (i) all notices to Guarantor, to Tenant, or to any other person, including, but not limited to, notices of the acceptance of this Guaranty or the creation, renewal, extension, assignment, modification or accrual of any of the obligations owed to Landlord under the Lease and, except to the extent set forth in Section 9 hereof, enforcement of any right or remedy with respect thereto, and notice of any other matters relating thereto; (ii) notice of acceptance of this Guaranty; (iii) demand of payment, presentation and protest; (iv) any right to require Landlord to apply to any default any security deposit or other security it may hold under the Lease; (v) any statute of limitations affecting Guarantor's liability hereunder or the enforcement thereof; (vi) any right or defense that may arise by reason of the incapability, lack of authority, death or disability of Tenant or any other person; (vii) all principles or provisions of law which conflict with the terms of this Guaranty, and (viii) any other rights and defenses that are or may become available to Guarantor by reason of Sections 2787 through 2855, inclusive, of the California Civil Code. Guarantor further agrees that Landlord may enforce this Guaranty upon the occurrence of a default under the Lease (beyond all applicable notice and cure periods, provided that Landlord shall have the right to immediately enforce this Guaranty, without providing prior notice or an opportunity to cure if any of items (A), (B), or (C) in Section 5 above has occurred), notwithstanding any dispute between Landlord and Tenant with respect to the existence of said default or performance of the obligations under the Lease or any counterclaim, set-off or other claim which Tenant may allege against Landlord with respect thereto. Moreover, Guarantor agrees that Guarantor's obligations shall not be affected by any circumstances which constitute a legal or equitable discharge of a guarantor or surety.

8. Guarantor agrees that Landlord may enforce this Guaranty without the necessity of proceeding against Tenant or any other guarantor. Guarantor hereby waives the right to require Landlord to proceed against Tenant, to proceed against any other guarantor to exercise any right or remedy under the Lease or to pursue any other remedy or to enforce any other right.

9. (a) Guarantor agrees that nothing contained herein shall prevent Landlord from suing on the Lease or from exercising any rights available to it thereunder and that the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of Guarantor. Without limiting the generality of the foregoing, Guarantor hereby expressly waives any and all benefits under California Civil Code § § 2809, 2810, 2819, 2845, 2847, 2848, 2849, and 2850.

(b) Guarantor agrees that Guarantor shall have no right of subrogation against Tenant or any right of contribution against any other guarantor unless and until all amounts due under the Lease have been paid in full and all other obligations under the Lease have been satisfied. Guarantor further agrees that, to the extent the waiver of Guarantor's rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation Guarantor may have against Tenant shall be junior and subordinate to any rights Landlord may have against Tenant, and any rights of contribution Guarantor may have against any other guarantor shall be junior and subordinate to any rights Landlord may have against any other guarantor.

(c) The obligations of Guarantor under this Guaranty shall not be altered, limited or affected by any case, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of Tenant or any defense which Tenant

may have by reason of order, decree or decision of any court or administrative body resulting from any such case. Landlord shall have the sole right to accept or reject any plan on behalf of Guarantor proposed in such case and to take any other action which Guarantor would be entitled to take, including, without limitation, the decision to file or not file a claim. Guarantor acknowledges and agrees that any payment which accrues with respect to Tenant's obligations under the Lease (including, without limitation, the payment of rent) after the commencement of any such proceeding (or, if any such payment ceases to accrue by operation of law by reason of the commencement of such proceeding, such payment as would have accrued if said proceedings had not been commenced) shall be included in Guarantor's obligations hereunder because it is the intention of the parties that said obligations should be determined without regard to any rule or law or order which may relieve Tenant of any of its obligations under the Lease. Guarantor hereby permits any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person to pay Landlord, or allow the claim of Landlord in respect of, any such payment accruing after the date on which such proceeding is commenced. Guarantor hereby assigns to Landlord Guarantor's right to receive any payments from any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person by way of dividend, adequate protection payment or otherwise.

10. Guarantor acknowledges and agrees that Tenant shall be deemed Guarantor's agent for service of process. Any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this Guaranty or pursuant to any applicable law or requirement of public authority, shall be in writing (whether or not so stated elsewhere in this Guaranty) and shall be deemed to have been properly given, rendered or made only if (A) sent by United States certified or registered mail, postage prepaid, return receipt requested ("Mail"), (B) delivered by a nationally recognized overnight courier, or (C) delivered personally, addressed, in the case of Landlord, to its address specified for delivery of notices under the Lease, or in the case of Guarantor, at the address specified by Tenant for delivery of notices under the Lease, and shall be deemed to have been given, rendered or made (i) three (3) days after the date it is posted if sent by Mail, (ii) the date the overnight courier delivery is made, or (iii) the date personal delivery is made or attempted to be made. By giving notice as provided above, either party may designate a different address for notices, statements, demands, consents, approvals or other communications intended for it.

11. Guarantor represents and warrants to Landlord as follows:

(a) No consent of any other person, including, without limitation, any creditors of Guarantor, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by Guarantor in connection with this Guaranty or the execution, delivery, performance, validity or enforceability of this Guaranty and all obligations required hereunder. This Guaranty has been duly executed and delivered by Guarantor, and constitutes the legally valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms.

(b) The execution, delivery and performance of this Guaranty will not violate any provision of any existing law or regulation binding on Guarantor, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on Guarantor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which Guarantor is a party or by which Guarantor or any of Guarantor's assets may be bound, and will not result in, or require, the creation or imposition of any lien on any of Guarantor's property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract, or other agreement, instrument or undertaking.

12. The obligations of Tenant under the Lease to execute and deliver estoppel statements, as therein provided, shall be deemed to also require Guarantor to do and provide the same relative to Guarantor.

13. This Guaranty shall be binding upon Guarantor, Guarantor's heirs, representatives, administrators, executors, successors and assigns and shall inure to the benefit of and shall be enforceable by Landlord, its successors, endorses and assigns. Any married person executing this Guaranty agrees that recourse may be had against community assets and against his separate property for the satisfaction of all obligations herein guaranteed. As used herein, the singular shall include the plural, and the masculine shall include the feminine and neuter and vice versa, if the context so requires.

14. The term "**Landlord**" whenever used herein refers to and means the Landlord specifically named in the Lease and also any assignee of said Landlord, whether by outright assignment or by assignment for security, and also any successor to the interest of said Landlord or of any assignee in the Lease or any part thereof, whether by assignment or otherwise. So long as the Landlord's interest in or to the Premises (as that term is used in the Lease) or the rents, issues and profits therefrom, or in, to or under the Lease, are subject to any mortgage or deed of trust or assignment for security, no acquisition by Guarantor of the Landlord's interest in the Premises or under the Lease shall affect the continuing obligations of Guarantor under this Guaranty, which obligations shall continue in full force and effect for the benefit of the mortgagee, beneficiary, trustee or assignee under such mortgage, deed of trust or assignment, or any purchaser at sale by judicial foreclosure or under private power of sale, and of the successors and assigns of any such mortgagee, beneficiary, trustee, assignee or purchaser.

15. The term "**Tenant**" whenever used herein refers to and means the Tenant in the Lease specifically named and also any assignee or sublessee of said Lease and also any successor to the interests of said Tenant, assignee or sublessee of such Lease or any part thereof, whether by assignment, sublease or otherwise.

16. In the event of any dispute or litigation regarding the enforcement or validity of this Guaranty, the non-prevailing party shall be obligated to pay all charges, costs and expenses (including, without limitation, attorneys' fees) incurred by the prevailing party, whether or not any action or proceeding is commenced regarding such dispute and whether or not such litigation is prosecuted to judgment.

17. This Guaranty shall be governed by and construed in accordance with the laws of the State of California, and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the courts of California.

18. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

19. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.

20. No failure or delay on the part of Landlord to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or any acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

21. This Guaranty shall constitute the entire agreement between Guarantor and the Landlord with respect to the subject matter hereof. No provision of this Guaranty or right of Landlord hereunder may be waived nor may Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Landlord.

22. The liability of Guarantor and all rights, powers and remedies of Landlord hereunder and under any other agreement now or at any time hereafter in force between Landlord and Guarantor relating to the Lease shall be cumulative and not alternative and such rights, powers and remedies shall be in addition to all rights, powers and remedies given to Landlord by law.

23. By accepting this Guaranty, Landlord agrees to comply with all of the terms and provisions hereof which are applicable to Landlord.

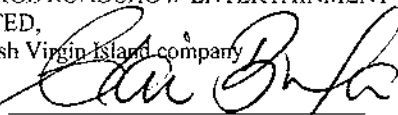
[signatures on next page]

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

"Guarantor":

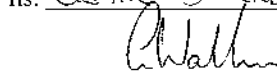
VILLAGE ROADSHOW ENTERTAINMENT GROUP
LIMITED,
a British Virgin Island company

By:



Its: CLAIRE BURKE, DIRECTOR

By:



Its: GARETH WATKINS, DIRECTOR

FIRST AMENDMENT TO OFFICE LEASE

This FIRST AMENDMENT TO OFFICE LEASE (this "**First Amendment**") is made and entered into as of the 20th day of November, 2019, by and between 10100 SANTA MONICA, INC., a Florida not-for-profit corporation ("**Landlord**"), and VILLAGE ROADSHOW ENTERTAINMENT GROUP USA INC., a Delaware corporation ("**Tenant**").

R E C I T A L S :

A. Landlord and Tenant entered into that certain Office Lease dated May 14, 2014 (the "**Original Lease**"), as amended by that certain Notice of Lease Term Dates dated September 5, 2014 (the "**Notice of Lease Term**"), whereby Landlord leases to Tenant and Tenant leases from Landlord those certain premises, commonly known as Suite 200, comprising approximately 9,444 rentable square feet of space (the "**Existing Premises**") and located on the second (2nd) floor of that certain building (the "**Building**") located at 10100 Santa Monica Boulevard, Los Angeles, California. The Original Lease and the Notice of Lease Term are collectively referred to herein as the "**Lease**".

B. Landlord and Tenant desire (i) to expand the Existing Premises to include that certain space, commonly known as Suite 275, consisting of approximately 6,281 rentable square feet of space, located on the second (2nd) floor of the Building (the "**Expansion Premises**"), as delineated on Exhibit A attached hereto and made a part hereof, and (ii) to make other modifications to the Lease, and in connection therewith, Landlord and Tenant desire to amend the Lease as hereinafter provided.

A G R E E M E N T :

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 hereby agree as follows:

1. **Capitalized Terms.** All capitalized terms when used herein shall have the same meaning as is given such terms in the Lease unless expressly superseded by the terms of this First Amendment.

2. **Modification of Premises.** Effective as of December 1, 2019 (the "**Expansion Commencement Date**"), Tenant shall lease from Landlord and Landlord shall lease to Tenant the Expansion Premises in accordance with the terms of this First Amendment. From and after the Expansion Commencement Date, the Existing Premises and the Expansion Premises shall collectively be deemed the "Premises". For purposes of the Lease, as hereby amended, the "rentable square feet" of the Existing Premises and the Expansion Premises shall be deemed as set forth in Recitals A and B above.

3. **Expansion Term.** Tenant's lease of the Expansion Premises shall commence on the Expansion Commencement Date and shall expire coterminously with Tenant's lease of the

Existing Premises on the Lease Expiration Date (i.e., August 31, 2024) (the period commencing on the Expansion Commencement Date and ending on the Lease Expiration Date shall be referred to herein as the "**Expansion Term**"). For purposes of this First Amendment, the term "**Lease Month**" shall mean each consecutive monthly period during the Expansion Term.

4. **Base Rent.** During the Lease Term, Tenant shall continue to pay to Landlord monthly installments of Base Rent for the Existing Premises in accordance with the terms of the Lease. Commencing on the Expansion Commencement Date and continuing throughout the remainder of the Expansion Term, Tenant shall pay to Landlord monthly installments of Base Rent for the Expansion Premises (i.e., in addition to the Base Rent payable for the Existing Premises under the Lease) in accordance with the terms of Section 3.1 of the Lease, provided that the monthly amount of the Base Rent for the Expansion Premises during such period shall be as follows:

<u>Period During Expansion Term</u>	<u>Annual Base Rent</u>	<u>Monthly Installment of Base Rent</u>	<u>Monthly Base Rent Rate per Rentable Square Foot of Expansion Premises</u>
Lease Months 1–12	\$410,777.40	\$34,231.45	\$5.45
Lease Months 13–24	\$425,098.08	\$35,424.84	\$5.64
Lease Months 25–36	\$440,172.48	\$36,681.04	\$5.84
Lease Months 37–48	\$455,246.88	\$37,937.24	\$6.04
Lease Month 49 – Lease Expiration Date	N/A	\$39,256.25	\$6.25

Concurrently with Tenant's execution of this First Amendment, Tenant shall pay to Landlord the Base Rent payable for the Expansion Premises for the first full month of the Expansion Term in the amount of Thirty-Four Thousand Two Hundred Thirty-One and 45/100 Dollars (\$34,231.45).

5. **Base Rent Abatement.**

5.1. **Expansion Premises.** Provided that Tenant is not then in material default of the Lease (as amended), beyond the applicable notice and cure period provided in the Lease (as amended), Tenant shall be entitled to receive an abatement of fifty percent (50%) of the monthly installment of Base Rent (the "**Expansion Base Rent Abatement**") otherwise attributable to the Expansion Premises for the two (2) month period from Lease Months 2 through 3 (i.e., January 1, 2020 through February 29, 2020) (the "**Expansion Abatement Period**"). Landlord and Tenant acknowledge that the aggregate amount of the Expansion Base Rent Abatement shall be Thirty-Four Thousand Two Hundred Thirty-One and 45/100 Dollars (\$34,231.45).

5.2. **In General.** Tenant acknowledges and agrees that the foregoing Expansion Base Rent Abatement has been granted to Tenant as additional consideration for Tenant's agreement to enter into this First Amendment, and for agreeing to pay the rent and perform the terms and conditions otherwise required under the Lease, as amended. If the Lease (as amended) is terminated for any reason other than in connection with a default by Landlord, casualty or condemnation, then Landlord may at its option, elect, in addition to any other remedies Landlord may have under the Lease, as amended, that the dollar amount of any unapplied portion of the Expansion Base Rent Abatement as of such termination shall be converted to a credit to be applied to the Base Rent applicable to the Expansion Premises at the end of the Expansion Term and Tenant shall immediately be obligated to begin paying Base Rent for the Expansion Premises in full.

6. **Operating Expenses and Property Taxes.**

6.1. **Existing Premises.** For the duration of the Lease Term, Tenant shall continue to be obligated to pay to Landlord Tenant's Share of the annual Operating Expenses and Tax Expenses in connection with the Existing Premises which arise or accrue during such period in accordance with the terms of the Lease.

6.2. **Expansion Premises.** Notwithstanding any provision to the contrary set forth in the Lease, with respect to the Expansion Term, Tenant shall be obligated to pay to Landlord Tenant's Share of the annual Operating Expenses and Tax Expenses in connection with the Expansion Premises which arise or accrue during such period in accordance with the terms of the Lease (i.e., in addition to the Additional Rent payable for the Existing Premises under the Lease); provided, however, that (i) Tenant's Share for the Expansion Premises shall equal 1.0371%; (ii) the Operating Base Year for the Expansion Premises shall be the calendar year 2020; and (iii) the Tax Base Year for the Expansion Premises shall be the calendar year 2020.

7. **Condition of Premises; Improvement Allowance.**

7.1. **Condition of Premises.** Landlord and Tenant acknowledge that Tenant has been occupying the Existing Premises pursuant to the Lease and is fully aware of the condition of the Existing Premises and the Expansion Premises, and, except as expressly set forth in Section 7.2 below, Tenant shall continue to accept the Existing Premises, and shall accept the Expansion Premises, each in its presently existing, "as is" condition, and Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Existing Premises or the Expansion Premises. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Existing Premises, Expansion Premises, the Building, or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business. Landlord shall deliver the Base Building HVAC, electrical, mechanical, plumbing and other Base Building systems in or serving the Expansion Premises in good working order. Notwithstanding any term or provision contained in this Section 7 to the contrary, no provision contained herein shall be construed as limiting any ongoing repair and maintenance obligation of Landlord with respect to the Building under the Lease.

7.2. Expansion Improvement Allowance.

7.2.1 In General. Notwithstanding the foregoing, subject to the terms of this Section 7.2, below, commencing on the Expansion Commencement Date, Tenant shall be entitled to a one-time tenant improvement allowance in the total amount of One Hundred Seventy-Nine Thousand Eight and 50/100 Dollars (\$179,008.50) (i.e., \$28.50 per rentable square foot of the Expansion Premises) in the aggregate (the "**Expansion Improvement Allowance**"), for the costs relating to the design and construction of Tenant's improvements, which are permanently affixed to the Expansion Premises (the "**Expansion Improvements**"), provided that, upon prior written notice to Landlord, Tenant may apply up to Twenty-Six Thousand Eight Hundred Fifty-One and 28/100 Dollars (\$26,851.28) (i.e., 15% of the Expansion Improvement Allowance) of the Expansion Improvement Allowance (i) towards the cost incurred and paid by Tenant for built-in or movable furniture, cabling, computer equipment and phone equipment in the Premises (collectively, "**FF&E**") and/or (ii) as an abatement of Base Rent otherwise next coming due. Except as otherwise provided in this Section 7.2 below, Tenant shall perform the Expansion Improvements and installation of FF&E at its sole cost and expense and in accordance with the terms of Articles 8 and 9 of the Original Lease (including, without limitation, subject to Landlord's prior written consent and pursuant to plans approved by Landlord). Tenant can contract for and incur expenses for the Expansion Improvements at any time after the execution of this First Amendment, but, in no event shall Landlord be obligated to make disbursements of or apply Base Rent abatements in connection with the Expansion Improvement Allowance prior to the Expansion Commencement Date. Landlord shall not be obligated to make disbursements of the Expansion Improvement Allowance pursuant to this First Amendment for costs that are unrelated to the Expansion Improvements or FF&E nor for any Expansion Improvements or FF&E in a total amount which exceeds the Expansion Improvement Allowance (less any amounts applied as Base Rent abatement as provided above). Notwithstanding any provision to the contrary contained in this Section 7.2, commencing as of the Expansion Commencement Date, to the extent any portion of the Expansion Improvement Allowance is unused (or not applied as a Base Rent abatement in accordance with this Section 7.2) by Tenant as of December 31, 2020, then the remaining balance thereof shall revert to Landlord, and Tenant shall have no right to use such amount for any remaining improvements or alterations, nor as a rent credit or a cash allowance or for any other purpose. Further, in connection with any Expansion Improvements paid for with the Expansion Improvement Allowance, Landlord shall be entitled to a Coordination Fee not to exceed two percent (2%) of the used Expansion Improvement Allowance; provided, however, that Landlord shall not be entitled to any coordination fee or other type of landlord supervision fee on any portion of the costs of any Expansion Improvements performed by Tenant to the extent in excess of the Expansion Improvement Allowance.

7.2.2 Disbursement of Expansion Improvement Allowance. Subject to the provisions of Section 7.2.1 above, following the completion of the Expansion Improvements, from time to time as requested by Tenant, Landlord shall deliver a check made payable to Tenant in payment of the applicable portion of the Expansion Improvement Allowance, provided that (i) if applicable, Tenant's architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Expansion Improvements or installation of FF&E has been completed; (ii) Tenant delivers to Landlord properly executed unconditional mechanic's lien releases as reasonably required by Landlord; (iii) Landlord has determined that no materially substandard work exists which adversely affects the mechanical, electrical, plumbing, heating,

ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant's use of such other tenant's leased premises in the Building; and (iv) Tenant delivers to Landlord all invoices, marked by Tenant as having been paid, from all general contractors, subcontractors, laborers, materialmen, and suppliers used by Tenant for labor rendered and materials delivered to the Expansion Premises in connection with the Expansion Improvements.

7.2.3 **ACM.** Pursuant to the provisions of the "ACM Notice" attached hereto as **Exhibit B**, a copy of which Tenant acknowledges that it has read, Landlord has notified Tenant of the presence of asbestos containing material ("ACM") in or about portions of the Expansion Premises and other portions of the Building. Landlord has established, and shall maintain during the Expansion Term, an ACM operations and maintenance program (the "ACM Operations and Maintenance Program") with respect to the existence of ACM in the Building. Tenant shall comply with all requirements of the ACM Notice and Landlord's ACM Operations and Maintenance Program. In addition, during the Expansion Term, Tenant shall comply with all disclosure, notification (with respect to its employees, contractors, subtenants and others) and other matters relating to the existence of ACM in or about the Project or the Expansion Premises imposed on employers and tenants by applicable federal, state or local laws.

8. **Security Deposit.** Landlord and Tenant acknowledge that, in accordance with Article 21 of the Lease, Tenant has previously delivered the sum of Forty-Nine Thousand Two Hundred Ninety-Seven and 68/100 Dollars (\$49,297.68) to Landlord as security for the faithful performance by Tenant of the terms, covenants and conditions of the Lease. Concurrently with Tenant's execution of this First Amendment, Tenant shall deposit with Landlord an amount equal to Thirty-Nine Thousand Two Hundred Fifty-Six and 25/100 Dollars (\$39,256.25) to be held by Landlord as an addition to the Security Deposit currently held by Landlord as security for the faithful performance by Tenant of the terms, covenants and conditions of the Lease, as hereby amended. Accordingly, effective as of the date hereof, notwithstanding any provision to the contrary contained in the Lease, the Security Deposit to be held by Landlord pursuant to the Lease, as amended hereby, shall equal Eighty-Eight Thousand Five Hundred Fifty-Three and 93/100 Dollars (\$88,553.93).

9. **Expansion Parking Privileges.** Notwithstanding any provision to the contrary contained in the Lease, commencing on the Expansion Commencement Date, in addition to the Allotted Passes (as defined in Section 28.1 of the Lease) allocated to Tenant under the Lease in connection with Tenant's lease of the Existing Premises, Tenant shall have the right (but not the obligation) to rent up to a total of nineteen (19) unreserved parking passes (the "Expansion Parking Privileges") (i.e., three (3) parking passes per each 1,000 rentable square feet of the Expansion Premises), in connection with Tenant's lease of the Expansion Premises, of which, four (4) of such unreserved parking passes may be converted to reserved parking passes pertaining to spaces located in the Garage and/or the Parking Annex, subject to availability (as determined by Landlord in its sole discretion) and the exact location of which shall be determined by Landlord in its sole discretion. All of the Expansion Parking Privileges shall pertain to the Parking Facilities (as defined in Section 28.1 of the Lease). Tenant may increase and/or decrease the number of Expansion Parking Privileges rented from time to time upon the delivery of not less than thirty (30) days prior written notice to Landlord; provided, however, with respect to Tenant's lease of the Expansion Premises, in no event shall Tenant rent more than the total amount and type of

Expansion Parking Privileges specified in this Section 9. Tenant shall rent all Expansion Parking Privileges on a monthly basis throughout the Term, at Landlord's prevailing rates for the location and type of such Expansion Parking Privileges. Tenant's rights and obligations with respect to such Expansion Parking Privileges shall otherwise be pursuant to the terms of Article 28 of the Lease.

10. **Option to Extend.** Landlord and Tenant acknowledge that notwithstanding anything to the contrary set forth in the Lease, the option to extend set forth in Section 2.2 of the Original Lease shall apply to the Expansion Premises (and, if applicable, any First Offer Space leased by Tenant pursuant to Section 11 below for a term expiring coterminously with the Existing Premises on the Lease Expiration Date (a "**Coterminous First Offer Space**")), provided that Tenant shall be required to exercise such option to extend, if at all, with respect to the entire Premises (i.e., the Existing Premises and the Expansion Premises and, if applicable, any Coterminous First Offer Space).

11. **Right of First Offer.** Landlord hereby grants to the originally named Tenant hereunder (the "**Original Tenant**") a one-time right of first offer with respect to the space commonly known as Suite 250 containing a deemed square footage of 3,554 rentable square feet, as more particularly shown on Exhibit C (the "**First Offer Space**"). Notwithstanding the foregoing, such first offer right of Tenant shall commence only following the expiration or earlier termination of the existing lease (including renewals (and irrespective of whether any such renewal is pursuant to an express written provision in such tenant's lease or whether such renewal is effectuated by a lease amendment or a new lease)) of the First Offer Space. Tenant's right of first offer shall be on the terms and conditions set forth in this Section 11. Landlord shall notify Tenant (the "**First Offer Notice**") when the First Offer Space becomes available for lease to third parties. Pursuant to such First Offer Notice, Landlord shall offer to lease to Tenant the then available First Offer Space for the Rent and other economic terms (including commencement date and lease term) upon which Landlord is willing to lease the First Offer Space to Tenant. If Tenant wishes to exercise Tenant's right of first offer with respect to the First Offer Space, then within five (5) business days of receipt of the First Offer Notice by Tenant, Tenant shall deliver notice to Landlord (the "**First Offer Exercise Notice**") irrevocably exercising its right of first offer with respect to the entire (not partial) First Offer Space on the terms contained in such First Offer Notice. If Tenant does not deliver the First Offer Exercise Notice to Landlord within the five (5) business day period, then Landlord shall be free to lease the First Offer Space to anyone to whom Landlord desires on any terms Landlord desires. If Tenant timely exercises Tenant's right to lease the First Offer Space as set forth herein, Landlord and Tenant shall promptly thereafter execute a lease amendment for such First Offer Space upon the terms and conditions as set forth in the First Offer Notice and this Section 11; provided, however, an otherwise valid exercise of the such right of first offer shall be fully effective whether or not a lease amendment is executed. The rights contained in this Section 11 shall be personal to the Original Tenant, and may only be exercised by the Original Tenant (and not any assignee, sublessee or other transferee of the Original Tenant's interest in this Lease) if the Original Tenant occupies the entire Premises. The right of first offer granted herein shall terminate upon the failure by Tenant to exercise its right of first offer with respect to the First Offer Space as offered by Landlord. The right of first offer granted herein shall terminate as to the First Offer Space and thereafter shall be of no further force or effect on the date that is one (1) year prior to the Lease Expiration Date, it being acknowledged by Tenant that such right of first offer shall be ineffective as to the First Offer Space when it is expected that the lease

of the First Offer Space will not commence on or before the date that is one (1) year prior to the Lease Expiration Date. Tenant shall not have the right to lease First Offer Space, as provided in this Section 11, if, as of the date of the attempted exercise of any right of first offer by Tenant, or as of the scheduled date of delivery of such First Offer Space to Tenant, Tenant is in default under this Lease beyond any applicable notice and cure period set forth in this Lease.

12. **Certified Access Specialist.** For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Existing Premises and the Expansion Premises have not undergone inspection by a Certified Access Specialist (CASP). As required by Section 1938(e) of the California Civil Code, Landlord hereby states as follows: "A Certified Access Specialist (CASP) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of the foregoing, Landlord and Tenant hereby agree as follows: (a) any CASp inspection requested by Tenant shall be conducted, at Tenant's sole cost and expense, by a CASp designated by Landlord; and (b) Tenant, at its sole cost and expense, shall be responsible for making any improvements, alterations or repairs within the Premises to correct violations of construction-related accessibility standards; and, if anything done by or for Tenant in its use or occupancy of the Premises shall require any improvements or repairs to the Project (outside the Premises) to correct violations of construction-related accessibility standards, then Tenant shall, at Landlord's option, either (i) perform such improvements, alterations or repairs at Tenant's sole cost and expense, or (ii) reimburse Landlord upon demand, as Additional Rent, for the out-of-pocket cost to Landlord of performing such improvements, alterations, or repairs

13. **Authority; Tenant Representation.** If Tenant is a corporation, trust, partnership or limited liability company, 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 First Amendment and that each person signing on behalf of Tenant is authorized to do so. Within ten (10) business days after demand by Landlord, Tenant shall deliver to Landlord satisfactory evidence of (i) good standing in Tenant's state of formation, (ii) qualification to do business in California, and (iii) evidence of such authority of each individual executing this First Amendment on behalf of Tenant. Tenant hereby represents to Landlord that neither Tenant nor any of the entities or individuals constituting Tenant, or which may own or control Tenant or which may be owned or controlled by Tenant (collectively, "**Tenant Individuals**"), to Tenant's current actual knowledge, appears on any of the following lists (collectively, "**Government Lists**") maintained by the United States government:

13.1. The two (2) lists maintained by the United States Department of Commerce (Denied Persons and Entities; the Denied Persons list can be found at <http://www.bxa.doc.gov/DPL/Default.shtm>; the Entity List can be found at <http://www.bxa.doc.gov/Entitled/Default.htm>);

13.2. The list maintained by the United States Department of Treasury (Specially Designated Nationals and Blocked Persons, which can be found at <http://www.ustrcas.gov/ofac/t111sdn.pdf>);

13.3. The two (2) lists maintained by the United States Department of State (Terrorist Organizations and Debarred Parties; the State Department List of Terrorists can be found at <http://www.state.gov/s/ct/rls/fs/2001/6531.htm>; the List of Debarred Parties can be found at <http://www.pmdtc.org/debar059.htm>); and

13.4. Any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the rules and regulations of the Office of Foreign Assets Control, United States Department of Treasury, or by any other government or agency thereof.

At any time and from time to time during the Term, Tenant shall deliver to Landlord, within ten (10) days after receipt of a written request therefor, a written certification or such other evidence reasonably acceptable to Landlord confirming the representation made by Tenant under this Section 12 is true and correct. Should any Tenant Individuals appear on any Government Lists at any time, Landlord shall be entitled to terminate the Lease, as amended, by written notice to Tenant effective as of the date specified in such notice.

14. **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 First Amendment other than Hines Interests Limited Partnership (as broker for Landlord) and Savills Inc. (as broker for Tenant) (collectively, the "**Brokers**"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this First Amendment. Landlord shall be responsible for all commissions owed to the Brokers in connection with this First Amendment pursuant to separate written agreements between Landlord and each of the Brokers. Each party agrees to indemnify and defend the other party against and hold the other party harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, and 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 the indemnifying party's dealings with any real estate broker or agent, other than the Brokers. The terms of this Section 13 shall survive the expiration or earlier termination of the term of the Lease, as hereby amended.

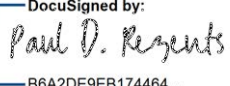
15. **Conflict; No Further Modification.** In the event of any conflict between the Lease and this First Amendment, the terms and provisions of this First Amendment shall prevail. Except as set forth in this First Amendment, all of the terms and provisions of the Lease shall apply with respect to the Existing Premises and the Expansion Premises, and shall remain unmodified and in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

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

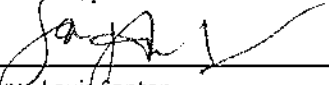
"LANDLORD":


10100 SANTA MONICA, INC.,
a Florida corporation

By: 
Paul Rezens
Its: Vice President

"TENANT":

VILLAGE ROADSHOW ENTERTAINMENT GROUP USA INC.,
a Delaware corporation

By: 
Name: Louis Santor
Its: Chief Operating Officer


By: 
Name: Kevin P. Berg
Its: Secretary and General Counsel

REAFFIRMATION OF GUARANTY

By its execution of this First Amendment to Office Lease, the undersigned (formerly known as VREG HOLDINGS (BVI) LIMITED), Guarantor under the above-modified Lease, hereby consents to the foregoing modifications of the Lease and hereby reaffirms its obligations pursuant to that certain Guaranty of Lease, dated as of May 14, 2014, by VILLAGE ROADSHOW ENTERTAINMENT GROUP LIMITED, a British Virgin Island company (the "**Original Guarantor**"), as assigned by Original Guarantor to Guarantor pursuant to the Lease Guaranty Assignment and Assumption dated as of April 14, 2017, with respect to the Lease, as modified hereby.

"GUARANTOR":

VILLAGE ROADSHOW
ENTERTAINMENT (BVI) LIMITED,
a BVI business company incorporated with
limited liability under the laws of the British
Virgin Islands with company number
1530195

By: 
Name: James P. Moore
Its: Chairman and Director

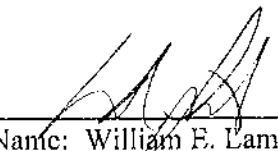
By: 
Name: William E. Lambert
Its: Director

EXHIBIT A**10100 SANTA MONICA BOULEVARD****OUTLINE OF EXPANSION PREMISES**

The floor plan which follows is intended solely to identify the general location of the Expansion Premises, and should not be used for any other purpose. All areas, dimensions and locations are approximate, and any physical conditions indicated may not exist as shown.

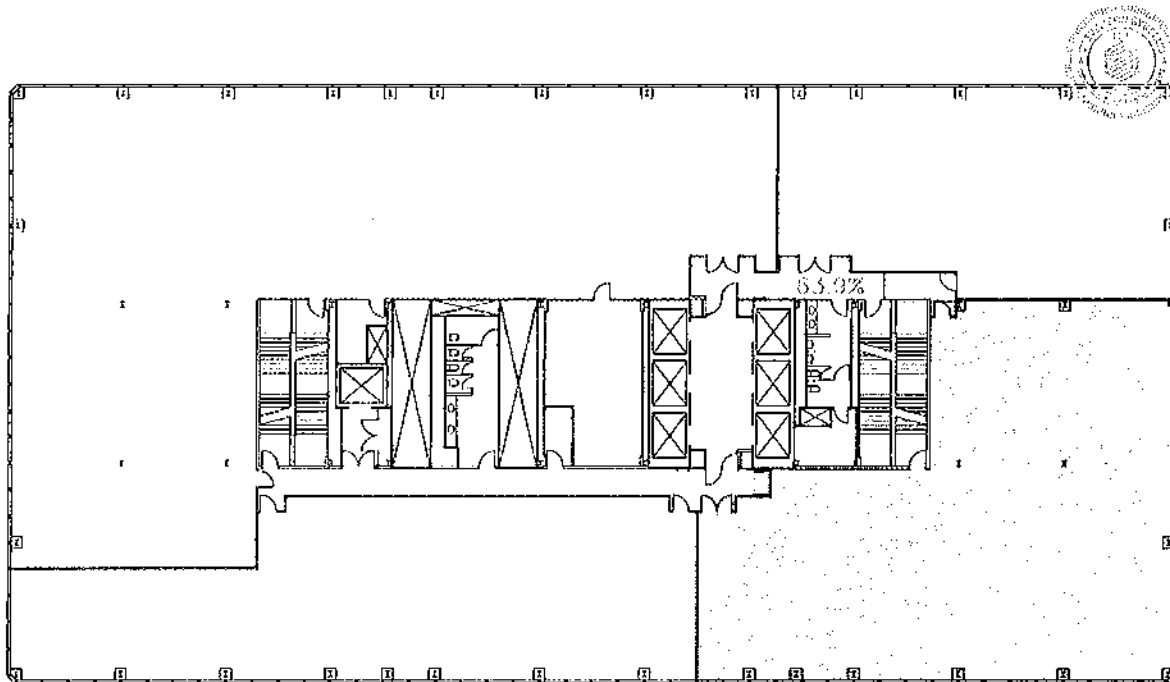


EXHIBIT B**10100 SANTA MONICA BOULEVARD****CALIFORNIA ASBESTOS NOTICE**

In 1988, California enacted Legislation (specifically, Chapter 10.4 of the Health and Safety Code, Section 25915 et seq.) requiring landlords and tenants of commercial buildings constructed prior to 1979 to notify certain people, including each other and their respective employees working within such building, of any knowledge they may have regarding any asbestos-containing construction materials ("ACM") in the Building. This notification is being given to provide the information required under this Legislation in order to help you avoid any unintentional contact with ACM, to assure that appropriate precautionary measure are taken before disturbing any ACM, and to assist you in making appropriate disclosures to your employees and others.

1. **Background Information.** Structural steel fireproofing and other building materials containing asbestos were widely used in construction from the 1950's through the mid-1970's. This Building was built before 1979 and certain asbestos-containing materials are located in the Building.
2. **ACM Survey and Operations Plan.** We have engaged qualified ACM consultants to survey the property for ACM and to assist in implementing an ACM management plan that includes, among other things, periodic reinspection and surveillance, air monitoring, information and training programs for building engineering and maintenance staff, cleaning procedures, emergency fiber release procedures, work procedures and other measures to minimize potential fiber releases. A description of the current Operations and Management Plans prepared for the Building (the "O&M Plans") is set forth on Schedule I attached hereto. Our ACM consultant has certified to us that the O&M Plans fully comply with the disclosure requirements of Health and Safety Code Section 25915.1.
3. **Information Regarding Exposure.** We have no reason to believe, based upon the O&M Plans, that the ACM in the Building is currently in a condition to release asbestos fibers which would pose a significant health hazard to the Building's occupants; this should remain so if such ACM is properly handled and remains undisturbed. You should take into consideration that our knowledge as to the absence of health risks is based solely upon general information and the information contained in the O&M Plans, and that we have no special knowledge concerning potential health risks resulting from exposure to ACM in the Building. We are therefore required by the above-mentioned legislation to encourage you to contact the County Departments of Health Services, the Federal or State Occupational Safety and Health Administration, or other public agencies if you wish to obtain a better understanding of the potential impacts resulting from exposure to ACM.
4. **Notification Procedures for Construction Activities.** Because any tenant alterations or other work at the property could disturb ACM and possibly release asbestos fibers into the air, we must require that you obtain our written approval prior to beginning such projects. This includes not only major alterations, but also such activities as drilling or boring holes, installing electrical, telecommunications or computer lines, sanding floors or walls,

removing ceiling tiles or other work which might disturb ACM. In many cases, such activities will not affect ACM, but you are required to notify the Property Management Office in advance at the address set forth on Schedule 1, and receive approval, in each and every case. The Property Management Office will make available such instructions as may be required. Any such work shall not be attempted by an individual or contractor who is not qualified to handle ACM. In the areas specified in Schedule 1, you must avoid touching or disturbing the ACM in any way. If you observe any activity which has the potential to disturb ACM, you should report the same to the property manager immediately.

5. **Building Safety Rules Pertaining to ACM.** In connection with the foregoing, we have adopted the following policies (which shall be considered rules under tenant leases):
 - (1) The owner, and representatives of the owner, including, without limitation, the owner's ACM consultant, are entitled **upon reasonable prior notice, except in emergencies (in which event no prior notice is required)**, to enter into the premises of any tenant to inspect for ACM, perform air tests and abatement; and
 - (2) Any tenant, contractor, or other party must obtain our prior written approval before performing any alterations on any tenant space, or performing any other work at the property that might disturb ACM or involve exposure to asbestos fibers as described above.
6. **Further Information.** Further information concerning ACM handling procedures in general can be found in the Building's Asbestos Surveys, located in the Building office. At this time, we are unaware of specific handling restrictions or procedures which might be necessary in any particular situation to avoid exposure to the ACM in the Building. We are therefore required by the above-mentioned legislation to encourage you to contact local, state or federal public health agencies if you wish to obtain further information regarding handling procedures and restrictions.

SCHEDULE 1
TO
NOTICE CONCERNING ASBESTOS

BUILDING: 10100 Santa Monica

PROPERTY MANAGER: Michelle Olenick

ADDRESS OF BUILDING OFFICE: 10100 Santa Monica Boulevard
Suite 180
Los Angeles, CA 90067
Telephone: (310) 552-0705

SPECIFIC LOCATIONS WHERE ACM MAY BE PRESENT IN ANY QUANTITY

1. Sprayed-on fireproofing on the structural steel and overspray on the ceiling above the suspended ceilings.
2. Floor tiles and associated mastic.
3. Drywall joint compound.
4. Thermal systems insulation.

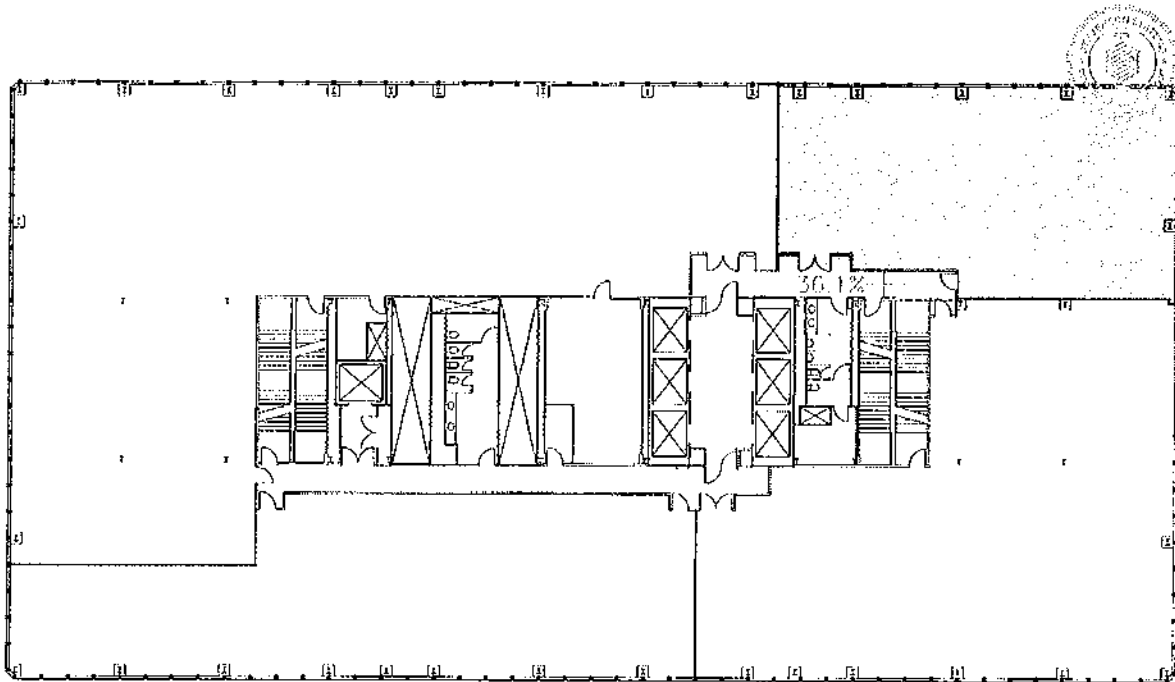
ASBESTOS SURVEYS, AIR MONITORING RESULTS, AND THE BUILDING'S ASBESTOS MANAGEMENT PLAN ARE AVAILABLE THROUGH THE PROPERTY MANAGER DURING NORMAL BUSINESS HOURS, MONDAY THROUGH FRIDAY EXCEPT LEGAL HOLIDAYS.

EXHIBIT C

10100 SANTA MONICA BOULEVARD

OUTLINE OF FIRST OFFER SPACE

The floor plan which follows is intended solely to identify the general location of the First Offer Space, and should not be used for any other purpose. All areas, dimensions and locations are approximate, and any physical conditions indicated may not exist as shown.



SECOND AMENDMENT TO OFFICE LEASE

This SECOND AMENDMENT TO OFFICE LEASE (this "**Second Amendment**") is made and entered into as of the 13th day of May, 2022, by and between 10100 SANTA MONICA, INC., a Florida not-for-profit corporation ("**Landlord**"), and VILLAGE ROADSHOW ENTERTAINMENT GROUP USA INC., a Delaware corporation ("**Tenant**").

RECITALS:

A. Landlord and Tenant entered into that certain Office Lease dated May 14, 2014 (the "**Original Lease**"), as amended by that certain Notice of Lease Term Dates dated September 5, 2014 (the "**Notice of Lease Term**"), and that certain First Amendment to Office Lease dated November 20, 2019 (the "**First Amendment**"), whereby Landlord leases to Tenant and Tenant leases from Landlord those certain premises (the "**Existing Premises**"), comprised of (a) that certain space commonly known as Suite 200, comprising approximately 9,444 rentable square feet of space (subject to re-measurement pursuant to Section 3 below) (the "**Suite 200 Premises**"), and (b) that certain space, commonly known as Suite 275, consisting of approximately 6,281 rentable square feet of space (the "**Suite 275 Premises**"), located on the second (2nd) floor of that certain building (the "**Building**") located at 10100 Santa Monica Boulevard, Los Angeles, California. The Original Lease, the Notice of Lease Term and the First Amendment are collectively referred to herein as the "**Lease**".

B. Landlord and Tenant desire (i) to expand the Existing Premises to include that certain space, commonly known as Suite 225, consisting of approximately 4,797 rentable square feet of space, located on the second (2nd) floor of the Building (the "**Second Amendment Expansion Premises**"), as delineated on Exhibit A attached hereto and made a part hereof, and (ii) to make other modifications to the Lease, and in connection therewith, Landlord and Tenant desire to amend the Lease as hereinafter provided.

AGREEMENT:

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 hereby agree as follows:

1. **Capitalized Terms.** All capitalized terms when used herein shall have the same meaning as is given such terms in the Lease unless expressly superseded by the terms of this Second Amendment.

2. **Lease Term.** Landlord and Tenant hereby acknowledge and agree that the Lease Term is scheduled to expire on August 31, 2024. Notwithstanding the foregoing or anything in the Lease to the contrary, the Lease Term is hereby extended and shall expire (unless sooner terminated as provided in the Lease) on August 31, 2027 (the "**New Lease Expiration Date**"). The period of the Lease Term commencing on September 1, 2024 and continuing through and including the New Lease Expiration Date shall be referred to herein as the "**Existing Premises Renewal Term**").

3. **Remeasurement of Suite 200 Premises and Building.** Landlord and Tenant hereby acknowledge and agree that the Suite 200 Premises and the Building have been remeasured and that, notwithstanding any contrary provision contained in the Lease, with respect to the Existing Premises, effective as of September 1, 2024, the Suite 200 Premises shall be deemed to contain 9,957 rentable square feet of space, the Suite 275 Premises shall continue to be deemed to contain the rentable square feet set forth in Recital A above, and the Building shall be deemed to contain 645,031 rentable square feet of space. The rentable square footage of the Existing Premises shall hereafter not be subject to remeasurement or modification during the Existing Premises Renewal Term.

4. **Modification of Premises.** Effective as of September 1, 2022 (the "Second Amendment Expansion Commencement Date") and continuing through and including the New Lease Expiration Date, Tenant shall lease from Landlord and Landlord shall lease to Tenant the Second Amendment Expansion Premises in accordance with the terms of this Second Amendment. From and after the Second Amendment Expansion Commencement Date, the Existing Premises and the Second Amendment Expansion Premises shall collectively be deemed the "Premises". For purposes of the Lease, as hereby amended, the "rentable square feet" of the Second Amendment Expansion Premises shall be deemed as set forth in Recital B above. The period of the Lease Term commencing on the Second Amendment Expansion Commencement Date and continuing through and including the New Lease Expiration Date shall be referred to herein as the "Second Amendment Expansion Term".

5. **Base Rent.**

5.1. **Existing Premises.** Prior to September 1, 2024, Tenant shall continue to pay to Landlord monthly installments of Base Rent for the Existing Premises in accordance with the terms of the Lease. Notwithstanding anything to the contrary in the Lease, commencing on September 1, 2024, and continuing throughout the remainder of the Existing Premises Renewal Term, Tenant shall pay to Landlord monthly installments of Base Rent for the Existing Premises in accordance with the terms of Section 3.1 of the Original Lease, provided that the monthly amount of the Base Rent for the Existing Premises during such period shall be as follows:

Period During Existing Premises Renewal Term	Annual Base Rent	Monthly Installment of Base Rent	Monthly Base Rent Rate per Rentable Square Foot of Existing Premises
September 1, 2024 – August 31, 2025*	\$1,252,924.08	\$104,410.34	\$6.43
September 1, 2025 – August 31, 2026	\$1,295,792.40	\$107,982.70	\$6.65
September 1, 2026 – August 31, 2027	\$1,342,557.84	\$111,879.82	\$6.89

*Subject to Section 6.1 below.

5.2. **Second Amendment Expansion Premises.** Commencing on the Second Amendment Expansion Commencement Date and continuing throughout the remainder of the Second Amendment Expansion Term, Tenant shall pay to Landlord monthly installments of Base Rent for the Second Amendment Expansion Premises (i.e., in addition to the Base Rent payable for the Existing Premises under the Lease, as hereby amended) in accordance with the terms of Section 3.1 of the Original Lease, provided that the monthly amount of the Base Rent for the Second Amendment Expansion Premises during such period shall be as follows:

<u>Period During Second Amendment Expansion Term</u>	<u>Annual Base Rent</u>	<u>Monthly Installment of Base Rent</u>	<u>Monthly Base Rent Rate per Rentable Square Foot of Second Amendment Expansion Premises</u>
September 1, 2022 – August 31, 2023*	\$345,384.00	\$28,782.00	\$6.00
September 1, 2023 – August 31, 2024	\$357,472.44	\$29,789.37	\$6.21
September 1, 2024 – August 31, 2025	\$370,136.52	\$30,844.71	\$6.43
September 1, 2025 – August 31, 2026	\$382,800.60	\$31,900.05	\$6.65
September 1, 2026 – August 31, 2027	\$396,615.96	\$33,051.33	\$6.89

*Subject to Section 6.2 below.

Concurrently with Tenant's execution of this Second Amendment, Tenant shall pay to Landlord the Base Rent payable for the Second Amendment Expansion Premises for the third (3rd) full month of the Second Amendment Expansion Term (i.e., November 2022) in the amount of Twenty-Eight Thousand Seven Hundred Eighty-Two and No/100 Dollars (\$28,782.00).

6. **Second Amendment Base Rent Abatement.** Provided that Tenant is not then in material default of the Lease (as amended), beyond the applicable notice and cure period provided in the Lease, Tenant shall be entitled to receive (i) an abatement of one hundred percent (100%) of the monthly installment of Base Rent (the "**Existing Base Rent Abatement**") otherwise attributable to the Existing Premises for the first full calendar month of the Existing Premises Renewal Term (i.e., September 1, 2024 – September 30, 2024) (the "**Existing Abatement Period**") (it being acknowledged and agreed that the aggregate amount of the Existing Base Rent Abatement shall be One Hundred Four Thousand Four Hundred Ten and 34/100 Dollars (\$104,410.34)), and (ii) an abatement of one hundred percent (100%) of the monthly installments of Base Rent (the "**Second Amendment Expansion Base Rent Abatement**") otherwise attributable to the Second Amendment Expansion Premises for the initial two (2) full calendar months of the Second Amendment Expansion Term (i.e., September 1, 2022 – October 31, 2022)

(the "**Second Amendment Expansion Abatement Period**") (it being acknowledged and agreed that the aggregate amount of the Second Amendment Expansion Base Rent Abatement shall be Fifty-Seven Thousand Five Hundred Sixty-Four and No/100 Dollars (\$57,564.00)). The Existing Base Rent Abatement and the Second Amendment Expansion Base Rent Abatement shall collectively be referred to herein as the "**Second Amendment Base Rent Abatement**," and Landlord and Tenant acknowledge that the aggregate amount of the Second Amendment Base Rent Abatement shall be One Hundred Sixty-One Thousand Nine Hundred Seventy-Four and 34/100 Dollars (\$161,974.34). Notwithstanding the foregoing in this Section 6 above, Tenant hereby elects to apply all of the Second Amendment Base Rent Abatement (i.e., \$161,974.34) into an increase to the Second Amendment Improvement Allowance (as that term is defined in Section 8.2.1 below) in lieu of applying the same towards Tenant's monthly installments of Base Rent (the "**Converted Amount**"). Accordingly, Tenant shall not be entitled to any Second Amendment Base Rent Abatement during the Second Amendment Expansion Abatement Period or the Existing Abatement Period.

7. Operating Expenses and Property Taxes.

7.1. **Existing Premises.** With respect to the period of the Lease Term prior to September 1, 2024, Tenant shall continue to be obligated to pay to Landlord Tenant's Share of the annual Operating Expenses and Tax Expenses in connection with the Existing Premises which arise or accrue during such period in accordance with the terms of the Lease. Notwithstanding anything to the contrary set forth in the Lease, with respect to the Existing Premises Renewal Term, Tenant shall be obligated to pay to Landlord Tenant's Share of the annual Operating Expenses and Tax Expenses in connection with the Existing Premises which arise or accrue during such period in accordance with the terms of the Lease; provided, however, that (i) Tenant's Share for the Existing Premises shall equal 2.5174%; (ii) the Operating Base Year for the Existing Premises shall be the calendar year 2025; and (iii) the Tax Base Year for the Existing Premises shall be the calendar year 2025.

7.2. **Second Amendment Expansion Premises.** Notwithstanding any provision to the contrary set forth in the Lease, with respect to the Second Amendment Expansion Term, Tenant shall be obligated to pay to Landlord Tenant's Share of the annual Operating Expenses and Tax Expenses in connection with the Second Amendment Expansion Premises which arise or accrue during such period in accordance with the terms of the Lease (i.e., in addition to the Additional Rent payable for the Existing Premises under the Lease (as amended)); provided, however, that (i) Tenant's Share for the Second Amendment Expansion Premises shall equal 0.7437%; (ii) the Operating Base Year for the Second Amendment Expansion Premises shall be the calendar year 2022; and (iii) the Tax Base Year for the Second Amendment Expansion Premises shall be the calendar year 2022.

8. Condition of Premises; Improvement Allowance.

8.1. **Condition of Premises.** Landlord and Tenant acknowledge that Tenant has been occupying the Existing Premises pursuant to the Lease and is fully aware of the condition of the Existing Premises and the Second Amendment Expansion Premises, and, except as expressly set forth in Section 8.2 below, Tenant shall continue to accept the Existing Premises, and shall accept the Second Amendment Expansion Premises, each in its presently existing, "as is"

condition, and Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Existing Premises or the Second Amendment Expansion Premises. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Existing Premises, Second Amendment Expansion Premises, the Building, or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business. Landlord shall deliver the Base Building HVAC, electrical, mechanical, plumbing and other Base Building systems in or serving the Second Amendment Expansion Premises in good working order. Notwithstanding any term or provision contained in this Section 8 to the contrary, no provision contained herein shall be construed as limiting any ongoing repair and maintenance obligation of Landlord with respect to the Building under the Lease.

8.2. Second Amendment Improvement Allowance.

8.2.1 In General. Notwithstanding the foregoing, subject to the terms of this Section 8.2, below, commencing on the Second Amendment Expansion Commencement Date, Tenant shall be entitled to (a) a one-time tenant improvement allowance in the total amount of Four Hundred Seventy-Eight Thousand Four Hundred Forty-Three and 50/100 Dollars (\$478,443.50) (i.e., \$40.50 per rentable square foot of the Second Amendment Expansion Premises and \$17.50 per rentable square foot of the Existing Premises) in the aggregate, and (b) the unused amount of the Expansion Improvement Allowance granted to Tenant pursuant to Section 7.2 of the First Amendment in the amount of Fifty-Two Thousand Eighteen and No/100 Dollars (\$52,018.00) (notwithstanding the fact that Tenant's right to use such Expansion Improvement Allowance has expired by the terms of the First Amendment) (collectively, the "**Second Amendment Improvement Allowance**") (which Second Amendment Improvement Allowance shall be increased by the Converted Amount pursuant to Section 6 of this Second Amendment above, such that the total Second Amendment Improvement Allowance, as increased by the Converted Amount, shall equal \$692,435.84), for the costs relating to the design and construction of Tenant's improvements, which are permanently affixed to the Second Amendment Expansion Premises and/or the Existing Premises (the "**Second Amendment Improvements**"), provided that, upon prior written notice to Landlord (which may be by email to the Building's property manager) following the completion of the Second Amendment Improvements, Tenant may apply any unused portion of the Second Amendment Improvement Allowance as an abatement of Base Rent otherwise coming due following the Second Amendment Expansion Commencement Date and continuing through the 2023 calendar year (as designated in such written (or email) notice). Tenant shall be responsible for removing any demising walls between the Existing Premises and Second Amendment Expansion Premises, as well as connecting any HVAC/electrical systems between the Existing Premises and Second Amendment Expansion Premises, and for performing all work necessary for the same to be in compliance with Applicable Laws and building codes (including, without limitation, with respect to exiting requirements), as part of the Second Amendment Improvements, at its sole cost and expense (subject to application of the Second Amendment Improvement Allowance). Except as otherwise provided in this Section 8.2 below, Tenant shall perform the Second Amendment Improvements at its sole cost and expense and in accordance with the terms of Articles 8 and 9 of the Original Lease (including, without limitation, subject to Landlord's prior written consent and pursuant to plans approved by Landlord). Tenant can contract for and incur expenses for the Second Amendment Improvements at any time after the execution of this Second Amendment, but, in no event shall Landlord be obligated to make

disbursements of or apply Base Rent abatements in connection with the Second Amendment Improvement Allowance prior to the Second Amendment Expansion Commencement Date. Landlord shall not be obligated to make disbursements of the Second Amendment Improvement Allowance pursuant to this Second Amendment for costs that are unrelated to the Second Amendment Improvements nor for any Second Amendment Improvements in a total amount which exceeds the Second Amendment Improvement Allowance (less any amounts applied as Base Rent abatement as provided above). Notwithstanding any provision to the contrary contained in this Section 8.2, commencing as of the Second Amendment Expansion Commencement Date, to the extent any portion of the Second Amendment Improvement Allowance is unused (or not applied as a Base Rent abatement in accordance with this Section 8.2) by Tenant as of December 31, 2023, then the remaining balance thereof shall revert to Landlord, and Tenant shall have no right to use such amount for any remaining improvements or alterations, nor as a rent credit or a cash allowance or for any other purpose. Further, in connection with any Second Amendment Improvements paid for with the Second Amendment Improvement Allowance, Landlord shall be entitled to a Coordination Fee not to exceed one percent (1%) of the used Second Amendment Improvement Allowance; provided, however, that Landlord shall not be entitled to any coordination fee or other type of landlord supervision fee on any portion of the costs of any Second Amendment Improvements performed by Tenant to the extent in excess of the Second Amendment Improvement Allowance.

8.2.2 Disbursement of Second Amendment Improvement Allowance.

Subject to the provisions of Section 8.2.1 above, following the completion of the Second Amendment Improvements, from time to time as requested by Tenant, Landlord shall deliver a check made payable to Tenant in payment of the applicable portion of the Second Amendment Improvement Allowance, provided that (i) if applicable, Tenant's architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Second Amendment Improvements has been completed; (ii) Tenant delivers to Landlord properly executed unconditional mechanic's lien releases as reasonably required by Landlord; (iii) Landlord has determined that no materially substandard work exists which adversely affects the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant's use of such other tenant's leased premises in the Building; and (iv) Tenant delivers to Landlord all invoices, marked by Tenant as having been paid, from all general contractors, subcontractors, laborers, materialmen, and suppliers used by Tenant for labor rendered and materials delivered to the Existing Premises and/or Second Amendment Expansion Premises in connection with the Second Amendment Improvements.

8.2.3 Tenant's Entry Into the Second Amendment Expansion Premises Prior to the Second Amendment Expansion Commencement Date.

Landlord shall allow Tenant access to the Second Amendment Expansion Premises as early as June 1, 2022 for the sole purpose of performing the Second Amendment Improvements in the Second Amendment Expansion Premises (and not for the commencement of business). Prior to Tenant's entry into the Premises as permitted by the terms of this Section 8.2.3, Tenant shall submit a schedule to Landlord, for its approval, which schedule shall detail the timing and purpose of Tenant's entry. Tenant shall hold Landlord harmless from and indemnify, protect and defend Landlord against any loss or damage to the Building or Second Amendment Expansion Premises and against injury to any persons caused by Tenant's actions pursuant to this Section 8.2.3.

8.2.4 **ACM.** Pursuant to the provisions of the "ACM Notice" attached hereto as **Exhibit B**, a copy of which Tenant acknowledges that it has read, Landlord has notified Tenant of the presence of asbestos containing material ("ACM") in or about portions of the Second Amendment Expansion Premises and other portions of the Building. Landlord has established, and shall maintain during the Second Amendment Expansion Term, an ACM operations and maintenance program (the "**ACM Operations and Maintenance Program**") with respect to the existence of ACM in the Building. Tenant shall comply with all requirements of the ACM Notice and Landlord's ACM Operations and Maintenance Program. In addition, during the Second Amendment Expansion Term, Tenant shall comply with all disclosure, notification (with respect to its employees, contractors, subtenants and others) and other matters relating to the existence of ACM in or about the Project or the Second Amendment Expansion Premises imposed on employers and tenants by applicable federal, state or local laws.

9. **Security Deposit.** Landlord and Tenant acknowledge that, in accordance with Article 21 of the Original Lease and Section 8 of the First Amendment, Tenant has previously delivered the sum of Eighty-Eight Thousand Five Hundred Fifty-Three and 93/100 Dollars (\$88,553.93) to Landlord as security for the faithful performance by Tenant of the terms, covenants and conditions of the Lease. Concurrently with Tenant's execution of this Second Amendment, Tenant shall deposit with Landlord an amount equal to Thirty-Three Thousand Fifty-One and 33/100 Dollars (\$33,051.33) to be held by Landlord as an addition to the Security Deposit currently held by Landlord as security for the faithful performance by Tenant of the terms, covenants and conditions of the Lease, as hereby amended. Accordingly, effective as of the date hereof, notwithstanding any provision to the contrary contained in the Lease, the Security Deposit to be held by Landlord pursuant to the Lease, as amended hereby, shall equal One Hundred Twenty-One Thousand Six Hundred Five and 26/100 Dollars (\$121,605.26).

10. **Second Amendment Expansion Parking Privileges.** Notwithstanding any provision to the contrary contained in the Lease, commencing on the Second Amendment Expansion Commencement Date, in addition to the Allotted Passes (as defined in Section 28.1 of the Original Lease) (i.e., up to 28 unreserved parking passes, of which up to 10 such unreserved parking passes may be converted to reserved parking passes) and the Expansion Parking Privileges (as defined in Section 9 of the First Amendment) (i.e., up to 19 unreserved parking passes, of which up to 4 may be converted to reserved parking passes) allocated to Tenant under the Lease in connection with Tenant's lease of the Existing Premises, Tenant shall have the right (but not the obligation) to rent up to a total of sixteen (16) unreserved parking passes (the "**Second Amendment Expansion Parking Privileges**"), in connection with Tenant's lease of the Second Amendment Expansion Premises, of which, five (5) of such unreserved parking passes may be converted to reserved parking passes pertaining to spaces located in the Garage and/or the Parking Annex, subject to availability (as determined by Landlord in its sole discretion) and the exact location of which shall be determined by Landlord in its sole discretion. All of the Second Amendment Expansion Parking Privileges shall pertain to the Parking Facilities (as defined in Section 28.1 of the Original Lease). Tenant may increase and/or decrease the number of Second Amendment Expansion Parking Privileges rented from time to time upon the delivery of not less than thirty (30) days prior written notice to Landlord; provided, however, with respect to Tenant's lease of the Second Amendment Expansion Premises, in no event shall Tenant rent more than the total amount and type of Second Amendment Expansion Parking Privileges specified in this Section 10. Tenant shall rent all Second Amendment Expansion Parking Privileges on a monthly

basis throughout the Lease Term, at Landlord's prevailing rates for the location and type of such Second Amendment Expansion Parking Privileges. Tenant's rights and obligations with respect to such Second Amendment Expansion Parking Privileges shall otherwise be pursuant to the terms of Article 28 of the Original Lease.

11. **Option to Extend.** Landlord and Tenant acknowledge that notwithstanding anything to the contrary set forth in the Lease, the option to extend set forth in Section 2.2 of the Original Lease shall continue to apply to the Lease, as hereby amended, with respect to the Existing Premises and the Second Amendment Expansion Premises (and, if applicable, any First Offer Space leased by Tenant pursuant to Section 11 of the First Amendment, as amended by Section 12, below for a term expiring coterminously with the Premises on the New Lease Expiration Date (a "Coterminous First Offer Space")), provided that (i) Tenant shall be required to exercise such option to extend, if at all, with respect to the entire Premises (i.e., the Existing Premises and the Second Amendment Expansion Premises and, if applicable, any Coterminous First Offer Space), (ii) all references to the initial Lease Term in Section 2.2 of the Original Lease shall be deemed to mean the Lease Term, as hereby amended to expire on the New Lease Expiration Date, and (iii) the reference to "Fifty-Five and 68/100 Dollars (\$55.68)" in Section 2.2.2 of the Original Lease shall be deleted in its entirety and replaced with "Eighty-Two and 68/100 Dollars (\$82.68)".

12. **Right of First Offer.** Landlord and Tenant acknowledge that notwithstanding anything to the contrary set forth in the Lease, the right of first offer set forth in Section 11 of the First Amendment shall continue to apply to the Lease, as amended hereby, provided that all references therein to the Lease Expiration Date shall be deemed to mean the New Lease Expiration Date.

13. **Certified Access Specialist.** For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Existing Premises and the Second Amendment Expansion Premises have not undergone inspection by a Certified Access Specialist (CASP). As required by Section 1938(e) of the California Civil Code, Landlord hereby states as follows: "A Certified Access Specialist (CASP) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of the foregoing, Landlord and Tenant hereby agree as follows: (a) any CASp inspection requested by Tenant shall be conducted, at Tenant's sole cost and expense, by a CASp designated by Landlord; and (b) Tenant, at its sole cost and expense, shall be responsible for making any improvements, alterations or repairs within the Premises to correct violations of construction-related accessibility standards; and, if anything done by or for Tenant in its use or occupancy of the Premises shall require any improvements or repairs to the Project (outside the Premises) to correct violations of construction-related accessibility standards, then Tenant shall, at Landlord's option, either (i) perform such improvements, alterations or repairs at Tenant's sole

cost and expense, or (ii) reimburse Landlord upon demand, as Additional Rent, for the out-of-pocket cost to Landlord of performing such improvements, alterations, or repairs.

14. **Authority; Tenant Representation.** If Tenant is a corporation, trust, partnership or limited liability company, 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 Second Amendment and that each person signing on behalf of Tenant is authorized to do so. Within ten (10) business days after demand by Landlord, Tenant shall deliver to Landlord satisfactory evidence of (i) good standing in Tenant's state of formation, (ii) qualification to do business in California, and (iii) evidence of such authority of each individual executing this Second Amendment on behalf of Tenant. Tenant hereby represents to Landlord that neither Tenant nor any of the entities or individuals constituting Tenant, or which may own or control Tenant or which may be owned or controlled by Tenant (collectively, "**Tenant Individuals**"), to Tenant's current actual knowledge, appears on any of the following lists (collectively, "**Government Lists**") maintained by the United States government:

14.1. The two (2) lists maintained by the United States Department of Commerce (Denied Persons and Entities; the Denied Persons list can be found at <https://www.bis.doc.gov/index.php/the-denied-persons-list>; the Entity List can be found at <http://www.bis.doc.gov/entities/default.htm>);

14.2. The list maintained by the United States Department of Treasury (Specially Designated Nationals and Blocked Persons, which can be found at <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>);

14.3. The two (2) lists maintained by the United States Department of State (Terrorist Organizations and Debarred Parties; the State Department List of Terrorists can be found at <https://www.state.gov/j/ct/rls/other/des/123085.htm>; the List of Debarred Parties can be found at https://www.pmddtc.state.gov/ddtc_public?id=ddtc_kb_article_page&sys_id=7188dac6db3cd30044f9ff621f961914); and

14.4. Any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the rules and regulations of the Office of Foreign Assets Control, United States Department of Treasury, or by any other government or agency thereof.

At any time and from time to time during the Lease Term, Tenant shall deliver to Landlord, within ten (10) days after receipt of a written request therefor, a written certification or such other evidence reasonably acceptable to Landlord confirming the representation made by Tenant under this Section 14 is true and correct. Should any Tenant Individuals appear on any Government Lists at any time, Landlord shall be entitled to terminate the Lease, as amended, by written notice to Tenant effective as of the date specified in such notice.

15. **Counterparts.** This Second Amendment 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 document.

16. **Signatures.** The parties hereto consent and agree that this Second Amendment may be signed and/or transmitted by e-mail of a .pdf document or using electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party's handwritten signature. The parties further consent and agree that (1) to the extent a party signs this Second Amendment using electronic signature technology, by clicking "SIGN", such party is signing this Second Amendment electronically, and (2) the electronic signatures appearing on this Second Amendment shall be treated, for purposes of validity, enforceability and admissibility, the same as handwritten signatures.


17. **Conflict; No Further Modification.** In the event of any conflict between the Lease and this Second Amendment, the terms and provisions of this Second Amendment shall prevail. Except as set forth in this Second Amendment, all of the terms and provisions of the Lease shall apply with respect to the Existing Premises and the Second Amendment Expansion Premises, and shall remain unmodified and in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

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

"LANDLORD":

10100 SANTA MONICA, INC.,
a Florida corporation

By: 
B6A2DE9EB174464...
Paul Rezents
Its: Senior Vice President

"TENANT":

VILLAGE ROADSHOW ENTERTAINMENT GROUP USA INC.,
a Delaware corporation

By: 
Name: Louis Santor
Its: Chief Operating Officer

By: 
Name: Robert Corzo
Its: Chief Financial Officer

REAFFIRMATION OF GUARANTY

By its execution of this Second Amendment to Office Lease, the undersigned (formerly known as VREG HOLDINGS (BVI) LIMITED), Guarantor under the above-modified Lease, hereby consents to the foregoing modifications of the Lease and hereby reaffirms its obligations pursuant to that certain Guaranty of Lease, dated as of May 14, 2014, by VILLAGE ROADSHOW ENTERTAINMENT GROUP LIMITED, a British Virgin Island company (the "**Original Guarantor**"), as assigned by Original Guarantor to Guarantor pursuant to the Lease Guaranty Assignment and Assumption dated as of April 14, 2017, with respect to the Lease, as modified hereby.

"GUARANTOR":

VILLAGE ROADSHOW
ENTERTAINMENT (BVI) LIMITED,
a BVI business company incorporated with
limited liability under the laws of the British
Virgin Islands with company number
1530195

By: 

Name: Louis Santor
Its: Chief Operating Officer

By: 

Name: Kevin Berg
Its: Corporate Secretary & General Counsel

EXHIBIT A

10100 SANTA MONICA BOULEVARD

OUTLINE OF SECOND AMENDMENT EXPANSION PREMISES

The floor plan which follows is intended solely to identify the general location of the Second Amendment Expansion Premises, and should not be used for any other purpose. All areas, dimensions and locations are approximate, and any physical conditions indicated may not exist as shown.



SUITE 225

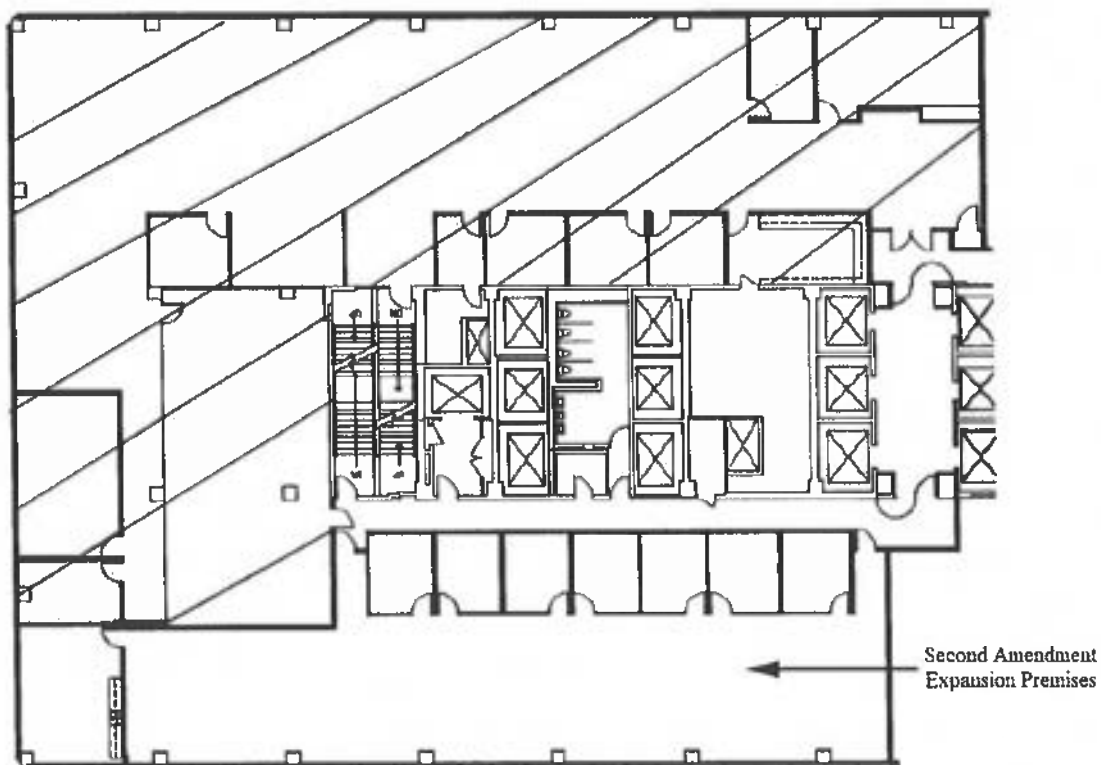


EXHIBIT B**10100 SANTA MONICA BOULEVARD****CALIFORNIA ASBESTOS NOTICE**

In 1988, California enacted Legislation (specifically, Chapter 10.4 of the Health and Safety Code, Section 25915 et seq.) requiring landlords and tenants of commercial buildings constructed prior to 1979 to notify certain people, including each other and their respective employees working within such building, of any knowledge they may have regarding any asbestos-containing construction materials ("ACM") in the Building. This notification is being given to provide the information required under this Legislation in order to help you avoid any unintentional contact with ACM, to assure that appropriate precautionary measure are taken before disturbing any ACM, and to assist you in making appropriate disclosures to your employees and others.

1. **Background Information.** Structural steel fireproofing and other building materials containing asbestos were widely used in construction from the 1950's through the mid-1970's. This Building was built before 1979 and certain asbestos-containing materials are located in the Building.
2. **ACM Survey and Operations Plan.** We have engaged qualified ACM consultants to survey the property for ACM and to assist in implementing an ACM management plan that includes, among other things, periodic reinspection and surveillance, air monitoring, information and training programs for building engineering and maintenance staff, cleaning procedures, emergency fiber release procedures, work procedures and other measures to minimize potential fiber releases. A description of the current Operations and Management Plans prepared for the Building (the "O&M Plans") is set forth on Schedule I attached hereto. Our ACM consultant has certified to us that the O&M Plans fully comply with the disclosure requirements of Health and Safety Code Section 25915.1.
3. **Information Regarding Exposure.** We have no reason to believe, based upon the O&M Plans, that the ACM in the Building is currently in a condition to release asbestos fibers which would pose a significant health hazard to the Building's occupants; this should remain so if such ACM is properly handled and remains undisturbed. You should take into consideration that our knowledge as to the absence of health risks is based solely upon general information and the information contained in the O&M Plans, and that we have no special knowledge concerning potential health risks resulting from exposure to ACM in the Building. We are therefore required by the above-mentioned legislation to encourage you to contact the County Departments of Health Services, the Federal or State Occupational Safety and Health Administration, or other public agencies if you wish to obtain a better understanding of the potential impacts resulting from exposure to ACM.
4. **Notification Procedures for Construction Activities.** Because any tenant alterations or other work at the property could disturb ACM and possibly release asbestos fibers into the air, we must require that you obtain our written approval prior to beginning such projects. This includes not only major alterations, but also such activities as drilling or boring holes, installing electrical, telecommunications or computer lines, sanding floors or walls,

removing ceiling tiles or other work which might disturb ACM. In many cases, such activities will not affect ACM, but you are required to notify the Property Management Office in advance at the address set forth on Schedule 1, and receive approval, in each and every case. The Property Management Office will make available such instructions as may be required. Any such work shall not be attempted by an individual or contractor who is not qualified to handle ACM. In the areas specified in Schedule 1, you must avoid touching or disturbing the ACM in any way. If you observe any activity which has the potential to disturb ACM, you should report the same to the property manager immediately.

5. Building Safety Rules Pertaining to ACM. In connection with the foregoing, we have adopted the following policies (which shall be considered rules under tenant leases):

- (1) The owner, and representatives of the owner, including, without limitation, the owner's ACM consultant, are entitled **upon reasonable prior notice, except in emergencies (in which event no prior notice is required)**, to enter into the premises of any tenant to inspect for ACM, perform air tests and abatement; and
- (2) Any tenant, contractor, or other party must obtain our prior written approval before performing any alterations on any tenant space, or performing any other work at the property that might disturb ACM or involve exposure to asbestos fibers as described above.

6. Further Information. Further information concerning ACM handling procedures in general can be found in the Building's Asbestos Surveys, located in the Building office. At this time, we are unaware of specific handling restrictions or procedures which might be necessary in any particular situation to avoid exposure to the ACM in the Building. We are therefore required by the above-mentioned legislation to encourage you to contact local, state or federal public health agencies if you wish to obtain further information regarding handling procedures and restrictions.

SCHEDULE 1
TO
NOTICE CONCERNING ASBESTOS

BUILDING: 10100 Santa Monica

PROPERTY MANAGER: Michelle Olenick

ADDRESS OF BUILDING OFFICE: 10100 Santa Monica Boulevard
Suite 180
Los Angeles, CA 90067
Telephone: (310) 552-0705

SPECIFIC LOCATIONS WHERE ACM MAY BE PRESENT IN ANY QUANTITY

1. Sprayed-on fireproofing on the structural steel and overspray on the ceiling above the suspended ceilings.
2. Floor tiles and associated mastic.
3. Drywall joint compound.
4. Thermal systems insulation.

ASBESTOS SURVEYS, AIR MONITORING RESULTS, AND THE BUILDING'S ASBESTOS MANAGEMENT PLAN ARE AVAILABLE THROUGH THE PROPERTY MANAGER DURING NORMAL BUSINESS HOURS, MONDAY THROUGH FRIDAY EXCEPT LEGAL HOLIDAYS.

SCHEDULE 1
TO
NOTICE
CONCERNING
ASBESTOS

EXHIBIT 2

LEASE GUARANTY ASSIGNMENT AND ASSUMPTION

This LEASE GUARANTY ASSIGNMENT AND ASSUMPTION (this "Assignment"), is entered into as of April 14, 2017 by and among VILLAGE ROADSHOW ENTERTAINMENT GROUP LIMITED, a BVI business company incorporated with limited liability in the British Virgin Islands with company number 1410212 ("Existing Guarantor"), and VREG HOLDINGS (BVI) LIMITED, a BVI business company incorporated with limited liability under the laws of the British Virgin Islands with company number 1530195 ("New Guarantor"), in favor of 10100 SANTA MONICA, INC., a Florida not-for-profit corporation ("Landlord").

PRELIMINARY STATEMENTS

WHEREAS, VILLAGE ROADSHOW ENTERTAINMENT GROUP USA INC., a Delaware corporation ("Tenant"), and Landlord entered into an Office Lease dated as of May 14, 2014 ("Lease"), concerning the premises on the second (2nd) floor of the office building located at 10100 Santa Monica Boulevard, in the City of Los Angeles, County of Los Angeles, State of California;

WHEREAS, Existing Guarantor has executed and delivered to Landlord that certain Guaranty of Lease, dated as of May 14, 2014 (the "Original Guaranty"), pursuant to which Existing Guarantor has guaranteed the obligations of Tenant under the Lease (as defined in the Original Guaranty);

WHEREAS, the New Guarantor is restructuring its capital structure and entering into related transactions in connection therewith, including the assignment and assumption of guaranties held by the Existing Guarantor;

WHEREAS, New Guarantor has a financial interest in Tenant.

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

Section 1. Definitions. Capitalized terms used but not defined in this Assignment shall have the meanings ascribed to such terms in the Original Guaranty.

Section 2. Assignment. Existing Guarantor hereby assigns, transfers and conveys to New Guarantor all of Existing Guarantor's right, title and interest in the Original Guaranty and all of Existing Guarantor's obligations and liabilities of any nature (whether direct or indirect, known or unknown, contingent or otherwise, and whether arising before or after the effectiveness hereof) under and pursuant to the Original Guaranty.

Section 3. Assumption. New Guarantor hereby accepts the foregoing assignment, transfer and conveyance of all of Existing Guarantor's right, title, interest, obligations and liabilities in, to and under the Original Guaranty and (a) agrees and confirms for the benefit of Landlord that, from and after the date hereof, New Guarantor shall be a party to the Original

Guaranty as the "Guarantor" thereunder, and (b) hereby assumes and agrees to be bound by all the terms of, and to undertake all of the obligations of the Existing Guarantor contained in, the Original Guaranty (whether direct or indirect, known or unknown, contingent or otherwise, and whether arising before or after the effectiveness hereof), as if New Guarantor was the Existing Guarantor under the Original Guaranty from the effectiveness of such Original Guaranty.

Section 4. Affirmation of Guaranty. New Guarantor hereby affirms, as its own obligation, the guaranty given by "Guarantor" under the Original Guaranty and, as more fully set forth in the Original Guaranty, hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the prompt payment by Tenant of all rentals and all other sums payable by Tenant under the Lease and the faithful and prompt performance by Tenant of each and every one of the terms, conditions and covenants of said Lease to be kept and performed by Tenant.

Section 5. Representations by New Guarantor. New Guarantor represents, warrants and covenants to Landlord that (a) New Guarantor has the power and authority to enter into this Agreement and to perform its obligations hereunder and under the Original Guaranty as assigned and assumed pursuant hereto, and (b) each of the representations and warranties of "Guarantor" under the Original Guaranty are true and correct as of the date hereof, after giving effect to the Assignment and the Assumption.

Section 6. Consent and Agreement of Landlord and Tenant.

(a) Landlord acknowledges and consents to the Assignment and the Assumption. Landlord further acknowledges and agrees that from and after the date hereof (i) the New Guarantor shall be deemed the "Guarantor" under the Original Guaranty and each reference to "Guarantor" therein shall mean and refer to New Guarantor, and (ii) Existing Guarantor is released from all obligations and liabilities of "Guarantor" under the Original Guaranty.

(b) Tenant acknowledges and consents to the Assignment and the Assumption. Tenant further acknowledges and agrees that the Assignment and the Assumption shall have no effect on Tenant's liabilities under the Original Guaranty, which is hereby reaffirmed in all respects.

Section 7. Entire Agreement. This Assignment contains the entire agreement of the parties regarding the subject matter hereof. The Original Guaranty, as assigned and assumed pursuant hereto, shall continue in full force and effect, as amended by (or as a consequence of) this Assignment.

Section 8. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of California as more fully set forth in the Original Guaranty.

Section 9. Counterparts; Electronic Execution and Delivery. This Assignment may be executed and delivered by facsimile or other electronic transmission (in .pdf format) and in any number of counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Guaranty Assignment and Assumption as of the date first above written.

**VILLAGE ROADSHOW
ENTERTAINMENT GROUP LIMITED**
威秀娱乐集团有限公司,
Existing Guarantor

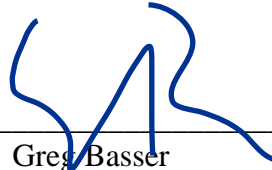
By 
Name: Clair Burke
Title: Director

VREG HOLDINGS (BVI) LIMITED,
New Guarantor

By 
Name: Clair Burke
Title: Director

**VILLAGE ROADSHOW
ENTERTAINMENT GROUP USA INC.,**
Tenant

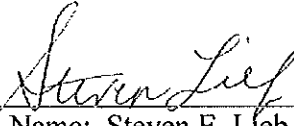
By



Name: Greg Basser

Title: Chief Executive Officer, Secretary
& Treasurer

10100 SANTA MONICA, INC.,
Landlord

By 
Name: Steven E. Lieb
Title: Vice President