

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE AGREEMENT ("**Third Amendment**") dated as of _____, 2022 ("**Effective Date**") is entered into by and between the CITY OF ALAMEDA, a charter city and municipal corporation ("**City**" or "**Landlord**") and SAILDRONE, INC., a Delaware corporation ("**Tenant**"), with reference to the following:

RECITALS

A. WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated as of April 2017 for reference purposes only, as amended by that First Amendment dated March 3, 2021, and as further amended by that Second Amendment dated July 27, 2022 (as amended, the "**Lease**"), whereby Tenant leased from Landlord certain premises located at the former Naval Air Station Alameda, comprised of a portion of Building 12, located at 1050 West Tower Avenue, Alameda, California (the "**Premises**"), together with appurtenant parking privileges and use of the Common Areas, as more particularly described in the Lease; and

B. WHEREAS, the current Lease applies only to Building 12 at 1050 West Tower Avenue. Landlord and Tenant wish to extend the terms and conditions of the Lease to also apply to, and include, Building 19 at 2175 Monarch Street.

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

AGREEMENT

1. Recitals. The Recitals set forth above are incorporated herein as though set forth in full herein.

2. Extension of Lease to Building 19. The Lease's coverage shall be extended to Tenant's lease and occupancy of Building 19 at 2175 Monarch Street, and through that extension the Lease shall hereinafter apply to Tenant's lease and occupancy of both Building 12 at 1050 West Tower Avenue and Building 19 at 2175 Monarch Street. This extension of the Lease to Building 19 shall be on the same terms and conditions set forth in the version of the Lease dated July 27, 2022. Upon execution of this Third Amendment, all references in the Lease to the term "Premises" shall refer to the leased portions of Buildings 12 and 19. However, notwithstanding these revisions, the Right of First Negotiation for Purchase set forth in Section 28 of the original Lease Agreement dated April 2017 shall, upon execution of this Third Amendment, continue to apply only to Building 12 and shall not extend nor otherwise apply to Building 19 and Tenant's lease thereof.

3. Base Rent. Base Rent payable by Tenant from September 1, 2022 until the Extension Term Expiration Date shall be as follows:

#1 EXISTING LEASE (B12) BASE RENT AS ESTABLISHED BY 2 nd AMENDMENT		
Base Rent	Months	Monthly Base Rent
\$0.92/SF	1-12	\$101,200.00
\$0.95/SF	13-24	\$104,236.00

\$0.98/SF	25-36	\$107,363.08
\$1.01/SF	37-48	\$110,583.97
\$1.04/SF	49-60	\$113,901.49

#2 ADDITIONAL B19 BASE RENT TO BE ADDED BY 3rd AMENDMENT		
Base Rent	Months	Monthly Base Rent
n/a (Tenant will not take possession of B19 until Month 2)	1	\$0.00
\$1.50/SF	2-12	\$31,312.50
\$1.55/SF	13-24	\$32,261.15
\$1.59/SF	25-36	\$33,228.98
\$1.64/SF	37-48	\$34,225.85
\$1.69/SF	49-60	\$35,252.62

#3 TOTAL REVISED BASE RENT FOR B12 AND B19 (REPLACING EXISTING)		
Base Rent	Months	Monthly Base Rent
\$0.92/SF (B12 only)	1	\$101,200.00
\$2.42/SF (B12 & B19)	2-12	\$132,521.50
\$2.50/SF (B12 & B19)	13-24	\$136,497.15
\$2.57/SF (B12 & B19)	25-36	\$140,592.06
\$2.65/SF (B12 & B19)	37-48	\$144,809.82
\$2.73/SF (B12 & B19)	49-60	\$149,154.11

4. Security Deposit. Additional security deposit shall be due at the time of execution to increase the existing deposit (\$113,901.49) by \$35,252.52 (base rent for B19 in last year of term) for a total deposit of \$149,154.11 (base rent for entire premises B12 and B19 in last year of term)

5. Miscellaneous.

a) This Third Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

b) Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect.

c) In case of any inconsistencies between the provisions of the Lease and this Third Amendment, the provisions of this Third Amendment shall govern and control.

d) As of the Effective Date of this Third Amendment, Tenant represents and warrants to Landlord that: (a) there are no defaults on the part of Landlord under the Lease and there are no events currently existing (or which the passage of time, giving of notice or both, which would exist) which would be deemed a default of Landlord or which would give Tenant the right to cancel or terminate

the Lease, and (b) there are no claims against Landlord, including without limitations, claims of credit, offset or deduction from or against the rent due under the Lease.

e) Capitalized terms used in this Third Amendment shall have the same definitions as set forth in the Lease to the extent that such capitalized terms are defined therein and not redefined in this Third Amendment.

f) Tenant hereby represents to Landlord that Tenant has dealt with no broker in connection with this Third Amendment. Tenant agrees to defend, indemnify and hold Landlord harmless from any and all claims of any brokers claiming to have represented Tenant in this Third Amendment. Landlord hereby represents to Tenant that Landlord has dealt with no broker in connection with this Third Amendment, other than Cushman & Wakefield. Landlord agrees to defend, indemnify and hold Tenant harmless from all claims of any brokers claiming to have represented Landlord in connection with this Third Amendment.

g) In accordance with Civil Code Section 1938, Landlord hereby discloses that the Premises has not undergone inspection by a Certified Access Specialist for purposes of determining whether the property has or does not meet all applicable construction related accessibility standards pursuant to Civil Code Section 55.53. A Certified Access Specialist (CASp) can inspect the subject Premises and determine whether the subject Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit a tenant from obtaining a CASp inspection of the subject Premises for the occupancy or potential occupancy of the tenant, if requested by the 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. The forgoing notwithstanding, the parties agree that Tenant shall be solely responsible for the payment of all fees for the CASp inspection. The cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises shall be at Tenant's expense.

h) If Tenant is a corporation, partnership, trust, association or other entity, Tenant and each person executing this Third Amendment on behalf of Tenant does hereby covenant and warrant that (a) Tenant is duly incorporated or otherwise established or formed and validly existing under the laws of the state or county of incorporation, establishment or formation, (b) Tenant has and is duly qualified to do business in California, (c) Tenant has full corporate, partnership, trust, association or other power and authority to enter into this Third Amendment and to perform all of Tenant's obligations hereunder, and (d) each person (and all of the persons if more than one signs) signing this Third Amendment on behalf of Tenant is duly and validly authorized to do so. At execution hereof and upon Landlord's request, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord confirming the foregoing representations and warranties.

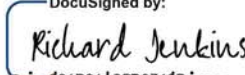
i) Tenant hereby represents to Landlord that Tenant is currently in compliance with and shall at all times through and including the Third Extended Term Expiration Date remain in compliance with the regulations of the Office of Foreign Asset Control of the Department of the Treasury and any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental actions relating thereto.

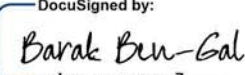
j) This Third Amendment may be executed in multiple counterparts each of which is deemed an original but together constitutes one and the same instrument. This Third Amendment may be transmitted in "pdf format and each party has the right to rely upon a pdf counterpart of this Third Amendment signed by the other party to the same extent as if such party had received an original counterpart.

Signatures on following page

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this First Amendment as of the Effective Date set forth above.

TENANT:
SAILDRONE, INC.
a Delaware corporation

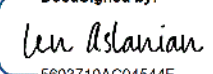
DocuSigned by:

By: Richard Jenkins
Name: Richard Jenkins
Its: CEO

DocuSigned by:

By: Barak Ben-Gal
Name: Barak Ben-Gal
Its: CFO

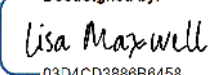
LANDLORD:
CITY OF ALAMEDA
a Municipal corporation

Nancy Bronstein
Interim City Manager

Approved as to Form:

DocuSigned by:

5603710AC04544F...
Assistant City Attorney

Recommended for Approval:

DocuSigned by:

03D4CD3886B6458...
Community Development Director



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/21/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis Towers Watson Northeast, Inc. dba Willis Towers Watson Northeast Insurance Services, Inc. 811 Louisiana St, Suite 2200 Houston, TX 77002	CONTACT NAME Deborah Lusby	
	PHONE (A/C, NO, EXT): 713-625-1093	FAX (A/C, NO):
	E-MAIL ADDRESS: Deborah.Lusby@WTWco.com	
INSURED Saildrone, Inc. 1050 W Tower Ave Alameda, CA 94501	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Liberty Mutual Insurance Company (50%)	NAIC # 23043
	INSURER B: Navigators Insurance Company (50%)	NAIC # 42307
	INSURER C: Great American Insurance Company (100%)	NAIC # 26832
	INSURER D: American Longshore Mutual Assoc, Ltd (100%)	NAIC # N/A
	INSURER E:	
INSURER F:		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A/B	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ In Rem ☒ MGL, MEL, H&M, P&I, Equipment GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:			3HABI1IW004	09/01/2021	09/01/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			3HABI1IW004	09/01/2021	09/01/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	☐ UMBRELLA LIAB ☒ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION \$			3HABI1IW004	09/01/2021	09/01/2022	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WC-WC425684006 USL&H-ALMA137405	09/01/2021	09/01/2022	☒ PER STATUTE ☐ OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 \$
							\$

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (ACORD 101, Additional Remarks Schedule, maybe attached if more space is required)

- * Additional Insured: CGL policy includes an endorsement specifically naming Certificate Holder as Additional Insured where required by written contract but only as respects Insured's rented premises located at: (1) 1050 W Tower Ave (Bldg 12), Alameda, CA 94501; 111,000 sf; and (2) 1150 W Tower Ave (Bldg 400), Alameda, CA 94501; 64,356 sf.
- * Alternate Employer: WC and USL&H policies include automatic Alternate Employer provisions that provide Alternate Employer status to Certificate Holder where required by written contract.
- * Waiver of Subrogation: CGL package, Auto, Excess, WC, USL&H policies include automatic Waiver of Subrogation provisions that provide Waiver of Subrogation to Certificate Holder where required by written contract.
- * Loss Payee: CGL package, Auto and Excess policies include automatic Loss Payee provisions that provide Loss Payee status to Certificate Holder where required by written contract.
- * Primary: CGL package, Auto and Excess policies are primary over any insurance carried by Certificate Holder.
- * 30-Day Notice of Cancellation: Provided by Producer to Certificate Holder for CGL/Marine Package policy where required by written contract.

LC 7/27/2022

CERTIFICATE HOLDER

CANCELLATION

RiverRock Real Estate Group, Inc. as agent for City of Alameda 950 W Mall Square, Suite 239 Alameda, CA 94501	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
AUTHORIZED REPRESENTATIVE Deborah Lusby	Deborah Lusby



Marine Package Policy

VI. Endorsements, Notices & Disclosures

Additional Insured Endorsement for RiverRock Real Estate Group, Inc.

In consideration of premium charged and as respects only Section 6, Marine General Liability, it is understood and agreed that in connection with Insured's 110,000 square foot rented premises at 1050 W Tower Ave (Building 12), Alameda, California, and to the 64,356 square foot rented premises at 1150 W Tower Ave (Building 400), Alameda, California, the below entity is added as an Additional Insured. Further, this Policy will discharge any liability that it would bear if each of the Insureds named herein were separately insured.

However, the insurance afforded to such Additional Insured only applies to the extent permitted by law. If coverage provided to the Additional Insured is required by a contract or agreement, the insurance afforded to such Additional Insured will not be broader than that which you are required by the contract or agreement to provide for such Additional Insured, and the most we will pay on behalf of the Additional Insured is the amount of insurance: (1) required by the contract or agreement; or (2) available under the applicable limits of insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable limits of insurance shown in the Declarations.

RiverRock Real Estate Group, Inc.
940 W Mall Square, Suite 239
Alameda, California 94501

ALL OTHER TERMS, CONDITIONS, RATES AND VALUATIONS REMAIN UNCHANGED



EVIDENCE OF PROPERTY INSURANCE

 DATE (MM/DD/YYYY)
12/07/2020

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Willis Towers Watson Northeast, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA		PHONE (A/C, No, Ext): 1-877-945-7378		COMPANY Federal Insurance Company 15 Mountain View Rd Warren, NJ 07059	
FAX (A/C, No): 1-888-467-2378		E-MAIL ADDRESS: certificates@willis.com			
CODE:		SUB CODE:			
AGENCY CUSTOMER ID #:		LOAN NUMBER		POLICY NUMBER 3605-02-63 ECE	
INSURED Saildrone, Inc. 1050 W Tower Ave Alameda, CA 94501		EFFECTIVE DATE 09/01/2020		EXPIRATION DATE 09/01/2021	
				☐ CONTINUED UNTIL TERMINATED IF CHECKED	
THIS REPLACES PRIOR EVIDENCE DATED:					

PROPERTY INFORMATION

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

 PERILS INSURED ☐ BASIC ☐ BROAD ☒ SPECIAL ☐

COVERAGE / PERILS / FORMS

AMOUNT OF INSURANCE

DEDUCTIBLE

Building	1,040,000	10,000
Personal Property	7,280,000	10,000
Business Income with Extra Expense	1,040,000	24 Hours

REMARKS (Including Special Conditions)

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS City of Alameda c/o RiverRock Real Estate Group 950 W. Mall Sq STE239 Alameda, CA 94501	☐ ADDITIONAL INSURED	☐ LENDER'S LOSS PAYABLE	☐ LOSS PAYEE
	☐ MORTGAGEE		
	LOAN #		
	AUTHORIZED REPRESENTATIVE 		

ACORD 27 (2016/03)

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SR ID: 20415380

BATCH: 1907152

CERT: W18910675