

ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT
AND
CONSENT TO ASSIGNMENT

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT AND CONSENT TO ASSIGNMENT ("Assignment") is made as of the 1st day of June, 2025, conditioned upon the consent of the CITY OF WATSONVILLE, a charter city and municipal corporation ("City"), by and between Expolmaging Inc., a California corporation ("Assignor"), and Central Coast Energy Services, Inc., a California Nonprofit Corporation ("Assignee").

RECITALS

A. The City, as City, and Assignor, as Tenant, executed a lease dated as of October 1, 2021 ("Lease"), a copy of which is attached and incorporated by reference as Exhibit A, pursuant to which City leased to Tenant and Tenant leased from City that certain property described on attached Exhibit B and incorporated by reference for a term of four (4) years, commencing on October 1, 2021 and ending on September 30, 2025, subject to earlier termination as provided in the Lease.

B. Assignor desires to assign the Lease to Assignee, and Assignee desires to accept the assignment of the Lease from the Assignor and assume obligations under the Lease.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, Assignor and Assignee agree as follows:

Section 1. Assignment. Assignor assigns and transfers to Assignee all right, title, and interest in the Lease and Assignee accepts from Assignor all right, title, and interest, subject to the terms and conditions set forth in this Assignment.

Section 2. Assumption of Lease Obligations. Assignee assumes and agrees to perform and fulfill all the terms, covenants, conditions, and obligations required to be performed and fulfilled by Assignor as tenant under the Lease, including the making of all payments due to or payable on behalf of City under the Lease as they become due and payable.

Section 3. Assignor's Covenants.

(a) Assignor covenants that the copy of the Lease attached as Exhibit A is a true and accurate copy of the Lease as currently in effect and that there exists no other agreement affecting Assignor's tenancy under the Lease.

(b) Assignor covenants that the Lease is in full effect and no default exists under the Lease, nor any acts or events which, with the passage of time or the giving of notice or both, could become defaults.

Section 4. Litigation Costs. If any litigation between Assignor and Assignee arises out of this Assignment or concerning the meaning or interpretation of this Assignment, the losing party shall pay the prevailing party's costs and expenses of this litigation, including, without limitation, reasonable attorney's fees.

Section 5. Indemnification. Assignor indemnifies Assignee from and against any loss, cost, or expense, including attorney's fees and court costs relating to the failure of Assignor to fulfill Assignor's obligations under the Lease, and accruing with respect to the period on or prior to the

date of this Assignment. Assignee indemnifies Assignor from and against any loss, cost, or expense, including attorney's fees and court costs relating to the failure of Assignee to fulfill Assignee's obligations under the Lease, and accruing with respect to the period subsequent to the date of this Assignment.

Section 6. Successors and Assigns. This Assignment shall be binding on and inure to the benefit of the parties to it, their heirs, executors, administrators, successors in interest, and assigns.

Section 7. Governing Law. This Assignment shall be governed by and construed in accordance with California law.

Section 8. Counterparts. This Assignment 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 document.

Section 9. Independent Counsel. All parties acknowledge that they have been urged to seek independent tax and legal counsel with respect to the meaning and effect of this Assignment.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first above written.

ASSIGNOR:

EXPOIMAGING, INC.,
a California corporation

In Process
DocuSigned by:
By: Erik Sowder 5/12/2025 | 1:32 PM PDT
Name: Erik Sowder
Its: President and CEO

APPROVED AS TO FORM:
By: John Baker 5/12/2025 | 1:31 PM PDT
Name: John Baker, Tenant Attorney

ASSIGNEE:

CENTRAL COAST ENERGY SERVICES, INC.,
a California Nonprofit Corporation

DocuSigned by:
By: Dennis Osmer 5/12/2025 | 1:27 PM PDT
Name: Dennis Osmer
Its: CEO

CONSENT OF CITY

The undersigned on behalf of City, as landlord under the Lease, consents to this Assignment of the Lease to Assignee, provided, however, that notwithstanding this Assignment and the undersigned's consent to this Assignment, Assignor shall remain primarily obligated as Tenant under the Lease and the undersigned does not waive or relinquish any rights under the Lease against the Assignor or Assignee.

“City”

CITY OF WATSONILLE

A municipal corporation

Tamara Vides, City Manager

ATTEST:

Irwin I. Ortiz, City Clerk

APPROVED AS TO FORM:

Samantha Zutler, City Attorney

In Process

EXHIBIT A
LEASE AGREEMENT

In Process

EXHIBIT B

LEGAL DESCRIPTION OF LEASEHOLD PROPERTY

In Process