

Transaction No. ZFN-3341930

WHEN RECORDED, RETURN TO:

Zions Bancorporation, N.A.
Attn: ELO File Room
2200 South 3270 West
West Valley City, UT 84119

13995084 B: 11361 P: 7598 Total Pages: 14
08/04/2022 08:09 AM By: aallen Fees: \$40.00
Rashelle Hobbs, Recorder, Salt Lake County, Utah
Return To: COTTONWOOD TITLE INSURANCE AGENCY, INC.
1996 EAST 6400 SOUTH SUITE 120 SALT LAKE CITY, UT 84121

Mail Code: UT SLSC 1880

PIN 34-07-301-002
CTIA 148357-ETM

**SUBORDINATION, NON-DISTURBANCE AND
ATTORNMEN T AGREEMENT AND ESTOPPEL CERTIFICATE**

This Subordination, Non-Disturbance and Attornment Agreement and Estoppel Certificate ("Agreement") is made and executed as of the 3 day of August, 2022, by and between Zions Bancorporation, N.A., dba Zions First National Bank ("Lender"), Highline Office GCP, L.C., a Utah limited liability company ("Landlord"), and Pelion, Inc., a Utah corporation ("Tenant").

RECITALS

A. Tenant and Landlord have entered into a Lease Agreement dated December 20, 2021 (together with any and all amendments, modifications and extensions now existing or hereafter entered into, and including all guarantees of the lease, the "Lease"), whereby Tenant has agreed to lease the real property described in the Lease as the leased or demised premises, which leased or demised premises are located in Salt Lake County, State of Utah, together with the improvements now or hereafter located on the leased or demised premises, and are more particularly described in Exhibit A attached hereto and incorporated into this Agreement by this reference (the "Property").

B. The Lease is guaranteed by Blake G. Modersitzki, an individual, and Sandra Modersitzki, an individual (individually and collectively, "Lease Guarantor"), under that certain Amended and Restated Lease Guaranty dated May 1, 2021, executed by Lease Guarantor. Lease Guarantor shall consent to this Agreement by executing the Consent of Lease Guarantor attached hereto as Exhibit B and incorporated herein by this reference.

C. On the condition that the Lease and all of Tenant's rights in the Property (the "Lease Rights") be subordinated as provided below, and that Tenant enter into this Agreement, Lender has agreed to make a construction and term loan (the "Loan") in the principal amount of Thirty-Five Million Nine Hundred Thousand Dollars (\$35,900,000.00) to provide construction and term financing for Landlord. In connection with the Loan, Landlord has or will be executing a Construction and Term Loan Agreement (the "Loan Agreement"), a Promissory Note (the "Note"), a Construction and Term Loan Trust Deed, Assignment of Rents, Security Agreement and Fixture Filing (the "Trust Deed"), an Assignment of Leases (the "Assignment of Leases"), and

any and all other documents required by Lender to evidence and/or secure Landlord's obligations under the Loan (collectively, the "Loan Documents").

D. The Loan Documents securing the Loan also secure any and all obligations of Landlord to Lender arising now or in the future under or in connection with any interest rate derivative transactions, including without limitation, rate swaps, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, forward transactions, currency swap transactions, cross-currency rate swap transactions, currency options or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures, including without limitation, any interest rate hedging transactions under any ISDA Master Agreement and Schedule thereto to be entered into between Landlord and Lender, and all Confirmations (as such term is defined in such ISDA Master Agreement) between Landlord and Lender executed in connection therewith, together with all renewals of, extensions of, modifications of, consolidations of, and substitutions for any of the foregoing (individually and collectively, "Interest Rate Hedging Transaction").

AGREEMENT

In exchange for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, Lender, Landlord, and Tenant agree as follows:

1. **Estoppel Certificate.** Tenant and Landlord hereby certify to and agree with Lender that, as of the date of this Agreement, Lender is relying on all of the following certifications and agreements of Tenant and Landlord as consideration for Lender executing this Agreement, and in the making of the Loan evidenced by the Note and secured by the Trust Deed, Assignment of Leases, and other collateral identified in the Loan Documents:

a. The Lease is in full force and effect and is the valid and binding obligation of Tenant, enforceable in accordance with its terms.

b. All requirements for the commencement and validity of the Lease have been satisfied.

c. Neither Tenant nor Landlord is in default under the Lease and no event has occurred and no condition exists, which with the giving of notice, the passage of time, or both, would constitute a default by Tenant or Landlord under the Lease.

d. There are no defenses, counterclaims or setoffs against rents or charges due or which may become due under the Lease and no claim by Tenant of any nature exists against Landlord under the Lease. All obligations of Landlord have been fully performed.

e. None of the rent which Tenant is required to pay under the Lease has been prepaid, or will in the future be prepaid, more than one month in advance.

f. Tenant has no right or option contained in the Lease or in any other document to purchase all or any portion of the Property.

g. The Lease has not been modified, terminated, or amended, by "side letter" or otherwise, and shall not after the date of this Agreement be modified, terminated, or amended, by "side letter" or otherwise, without the prior written consent of Lender for any termination and each such amendment or modification. Any attempted modification, termination, or amendment without the prior written consent of Lender shall be void (except as permitted by the terms of the Lease).

h. Tenant has not assigned, mortgaged, sublet, encumbered or otherwise transferred any or all of its interest under the Lease and, during the term of the Loan, as extended or modified, agrees to not assign, mortgage, sublet, encumber, or otherwise transfer any or all of its interest under the Lease without the prior written consent of Lender.

2. Subordination to Loan Documents. Notwithstanding anything in the Lease to the contrary, the Lease and Lease Rights are hereby made subject, subordinate, inferior, and junior to the Loan Documents and the liens created by the Loan Documents and any Interest Rate Hedging Transaction, and to all sums advanced on the security for the Loan Documents and any Interest Rate Hedging Transaction, including all sums advanced or costs incurred in connection with the Loan Documents, the Loan, or any Interest Rate Hedging Transaction, and including all renewals, modifications, consolidations, replacements, and extensions of the Loan, any of the Loan Documents, and any Interest Rate Hedging Transaction including, without limitation, any increases in the principal amount of the Loan and changes in the interest rate of the Loan, and any future lien or liens affecting the Property held by or made for the benefit of Lender. The Lease and Lease Rights are hereby subordinated to the Loan Documents, any Interest Rate Hedging Transaction, and the liens created by the Loan Documents and any Interest Rate Hedging Transaction, the same and as fully as if the Loan Documents and any Interest Rate Hedging Transaction had been executed and delivered, and recorded, where applicable, prior to execution, delivery, and recording of the Lease.

Tenant will not cause the Lease to be subordinated to any interests other than those held by or made for the benefit of Lender, and its successors and assigns, without the prior written consent of Lender.

3. Acknowledgement of Assignment of Rents. Tenant agrees and acknowledges that it has notice, and notwithstanding anything to the contrary in the Lease hereby consents, that the Lease, the Lease Rights, the rents, and all other sums due under the Lease have been assigned or are to be assigned to Lender. Specifically, but without limitation, Tenant consents to the Assignment of Leases executed by Landlord to Lender. In the event that Lender notifies Tenant of a default under any of the Loan Documents and demands that Tenant pay its rent and all other

sums due under the Lease to Lender, Tenant shall honor such demand and pay its rent and all other sums due under the Lease directly to Lender or as otherwise required pursuant to such notice.

4. **Notice and Opportunity to Cure.** Tenant agrees to deliver to Lender, within five (5) business days of delivery to Landlord, a copy of any notices of default or termination. If any default occurs under the Lease, Lender shall have the right for a period of thirty (30) days after receipt of notice of the default to cure such default. If the nature of the default is such that it cannot reasonably be cured within such thirty (30) day period, then Lender shall have such longer period as is reasonably necessary to cure such default, provided, however, in no event shall such total cure period exceed sixty (60) days from the default notice. No default shall be deemed to exist under the Lease so long as Lender is seeking, in good faith, to cure the default.

5. **Requirement of Non-Disturbance.** Tenant agrees and acknowledges that this Agreement satisfies any condition or requirement in the Lease relating to the granting of a non-disturbance agreement.

6. **Non-Disturbance.** In the event of foreclosure of the Trust Deed, or upon a sale of the Property pursuant to the trustee's power of sale contained in the Trust Deed, or upon a transfer of the Property by conveyance in lieu of foreclosure (collectively, a "Transfer"), then so long as Tenant complies with this Agreement and no event of default has occurred under the Lease, which has continued to exist for such period of time, after notice and opportunity to cure, if any, required by the Lease, Lender shall not name or join Tenant in any foreclosure proceeding, unless such joinder is necessary, in Lender's discretion, to complete the foreclosure, nor shall Lender disturb the possession of Tenant, its successors and assigns. In the event of a Transfer, Lender will perform and be bound by all of the obligations imposed on Landlord by the Lease for the balance of the term of the Lease, and any extension or renewals of the Lease, as long as no event of default has occurred under the Lease, which has continued to exist for such period of time, after notice and opportunity to cure, if any, required by the Lease, as would entitle Landlord under the Lease to terminate the Lease, or would cause, without any further action of Landlord, the termination of the Lease or would entitle Landlord to dispossess Tenant under the Lease.

7. **Attornment.** Upon the occurrence of a Transfer, Tenant hereby agrees to attorn to, adhere to and accept any such successor owner as landlord under the Lease, and to be bound by and perform all of the obligations imposed by the Lease, such attornment to be self-operative without the execution of any further instruments.

8. **No Liability for Lender.** Lender, or any successor owner of the Property resulting from a Transfer, shall not be (a) liable for any obligations under the Lease which arise or accrue prior to a Transfer or which arise or accrue at any time after Lender ceases to be the owner of the Property; (b) liable for any damages or other relief attributable to any act or omission of a prior landlord, including Landlord; (c) liable for any damages or other relief attributable to any latent or patent defect in the Property; (d) liable for any damages or other relief attributable to any breach by any prior landlord, including Landlord, under the Lease or any representation or warranty made in connection with the Lease; (e) subject to any offsets or defenses which Tenant might have against any prior landlord, including Landlord; (f) bound by any rent or additional rent

which Tenant might have paid in advance to any prior landlord, including Landlord, for a period in excess of one month or by any security deposit, cleaning deposit or other prepaid charge which Tenant might have paid in advance to any prior landlord, including Landlord; (g) bound by any assignment, subletting, renewal, extension or any other agreement or modification of the Lease made without the prior written consent of Lender; or (h) liable for any indirect or consequential damages, including loss of sublet rentals, loss of profits, or damage to goodwill or reputation.

Nothing in this Agreement is intended to constitute an agreement by Lender to perform any obligation of Landlord as landlord under the Lease prior to the time Lender obtains title to the Property by Transfer or otherwise obtains possession of the Property pursuant to the terms of the Loan Documents. Specifically, but without limitation, Lender shall have no obligations with respect to the erection or completion of any improvements on the Property, either at the commencement of the term of the Lease or upon any renewal or extension of the term of the Lease, or upon the addition of additional space, pursuant to any expansion rights contained in the Lease.

In the event that Lender shall acquire title to the Property, Lender shall have no obligation, nor incur any liability, beyond Lender's then equity interest, if any, in the Property, and Tenant shall look exclusively to such equity interest of Lender, if any, in the Property for the payment and discharge of any obligations imposed upon Lender under this Agreement or under the Lease, and Lender is hereby released and relieved of any other obligations under this Agreement and the Lease.

9. No Assignment or Subletting. Tenant agrees not to assign, transfer, mortgage, or otherwise encumber the Lease or Lease Rights or any interest in the Lease or the Lease Rights without the prior written consent of Lender, which shall not unreasonably be withheld or delayed, and any attempt to do so without such consent shall be void as to Lender. Tenant further agrees not to sublet the Leased Premises or the Property or any part of the Leased Premises or the Property without the prior written consent of Lender, which shall not unreasonably be withheld or delayed, and any attempt to do so without such consent shall be void as to Lender. Lender shall not be obligated to give its consent until, at least, subtenant or assignee has executed and delivered to Lender a Subordination, Non-Disturbance Attornment Agreement and Estoppel Certificate reasonably acceptable to Lender.

10. New Lease. Upon the written request of Lender to Tenant after a Transfer, Tenant shall execute and deliver to Lender a lease of the Property upon the same terms and conditions as the Lease between Landlord and Tenant, which lease shall cover any unexpired term of the Lease existing prior to such Transfer.

11. Acknowledgment and Agreement by Landlord. Landlord, as landlord under the Lease and trustor under the Trust Deed, acknowledges and agrees for itself and its heirs, successors, and assigns agrees to each of the following:

a. This Agreement does not constitute a waiver by Lender of any of its rights under the Trust Deed, Assignment of Leases, or any of the other Loan Documents, and/or in any

way release Landlord from its obligations to comply with the terms, provisions, conditions, covenants, agreements and clauses of the Trust Deed.

b. The provisions of the Trust Deed, Assignment of Leases, and all other Loan Documents remain in full force and effect and must be complied with by Landlord.

c. In the event of a default under the Trust Deed, Assignment of Leases, or any of the other Loan Documents, Tenant shall pay all rent and all other sums due under the Lease to Lender as provided in the Loan Documents.

12. **Right to Sublease and Mortgage.** Notwithstanding anything to the contrary in the Lease, upon the occurrence of a Transfer, Tenant agrees that Lender, its successor or assign, or any purchaser at a foreclosure sale, may mortgage, lien, encumber, or otherwise transfer its interest in the Property or assign all of its or Landlord's rights in the Lease without the consent of Tenant.

13. **Insurance Proceeds and Condemnation Awards.** Notwithstanding anything to the contrary in the Lease, unless otherwise agreed by Lender in writing in advance, all insurance proceeds and condemnation awards paid or awarded in connection with the Property and/or any improvements located on the Property shall be paid to Lender as payments on the Loan pursuant to the terms and conditions of the Loan Documents and for any and all other obligations of Landlord to Lender in connection with the Loan and under the Loan Documents.

14. **Memorandum of Lease.** If required by Lender, Tenant agrees to execute and cause to be recorded in the county recorder's office of the county in which the Property is located, a memorandum of lease for the Lease in a form reasonably acceptable to Lender.

15. **Future Estoppel Certificates.** Tenant agrees to execute and deliver to Lender, within ten (10) business days of request by Lender, estoppel certificates in a form similar to the estoppel certificate required in Section 1 of this Agreement and regarding such matters as Lender otherwise requests. Tenant shall not be obligated to deliver an estoppel certificate more often than one (1) time per calendar year, unless Lender determines, in its reasonable discretion, that an estoppel certificate is required more often.

16. **No Merger.** If any lien granted on the Property or assignment of any lease of the Property made to Lender and the fee title to the Property shall at any time become vested in one owner, the lien created under any trust deed granted or assignment made to Lender shall not be destroyed or terminated by application of the doctrine of merger and, in such event, Lender shall continue to have and enjoy all of the rights and privileges of Lender, beneficiary, and assignee and, if applicable, fee title owner, as to the separate estates. In addition, upon the foreclosure of any such lien or assignment, any leases or subleases then existing and created by Tenant shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Lender, its successor or assign, or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Lender, its successor or assign, or any such purchaser shall constitute a termination of any lease or sublease unless Lender, its successor or assign, or such purchaser shall give written notice of such termination to such tenant or subtenant.

17. Unlawful Use, Medical Marijuana, Controlled Substances and Prohibited Activities. Tenant shall not use or occupy or permit the use or occupancy of the Property in any manner that would be a violation of federal, state or local law or regulation, regardless of whether such use or occupancy is lawful under any conflicting law, including without limitation, any law relating to the use, sale, possession, cultivation manufacture, distribution or marketing of any controlled substances or other contraband (whether for commercial, medical, or personal purposes), or any law relating to the medicinal use or distribution of marijuana.

18. Notices. All notices shall be in writing and shall be deemed to have been sufficiently given or served when personally delivered, deposited in the United States mail, by registered or certified mail, or deposited with a reputable overnight mail carrier which provides delivery of such mail to be traced, addressed as follows:

Lender: Zions First National Bank
Real Estate Banking Group
One South Main Street, Suite 470
Salt Lake City, Utah 84133
Attn: Jeffrey A. Holt

With copies to: Kirton McConkie
50 East South Temple, Suite 400
Salt Lake City, Utah 84111
Attn: John B. Lindsay

Landlord: Highline Office GCP, L.C.
201 South Main Street, Suite 2000
Salt Lake City, Utah 84111
Attn: Christian K. Gardner

With copies to: Parr Brown Gee & Loveless
101 South 200 East, Suite 700
Salt Lake City, Utah 84111
Attn: Lamont R. Richardson

Tenant: Pelion, Inc.
2750 East Cottonwood Parkway, Suite 600
Cottonwood Heights, Utah 84121

Lease Guarantor: Blake G. Modersitzki
Sandra Modersitzki
430 Eastview Lane
Alpine, Utah 84004

Such addresses may be changed by notice to the other party given in the same manner provided in this Section 18.

19. Attorneys' Fees. Upon the occurrence of a default under this Agreement by Tenant, Lender may employ an attorney or attorneys to protect Lender's rights under this Agreement, and Tenant shall pay Lender reasonable attorneys' fees and costs actually incurred by Lender, whether or not action is actually commenced against Tenant by reason of such breach. Tenant shall also pay to Lender any attorneys' fees and costs incurred by Lender with respect to any insolvency or bankruptcy proceeding or other action involving Tenant or any guarantor of the Lease as a debtor.

20. No Derogation of Liens. Nothing contained in this Agreement shall be construed to derogate from or in any way impair or affect the lien and charge or provisions of the Trust Deed, Assignment of Leases, or any other lien created by the Loan Documents.

21. Governing Law. This Agreement shall be governed by, construed and interpreted in accordance with the laws of the State of Utah.

22. Successors and Assigns. This Agreement is and shall be binding upon and shall inure to the benefit of Tenant, Lender and their respective successors and assigns.

23. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original for all purposes, but all of which taken together shall constitute only one agreement. The production of any executed counterpart of this Agreement shall be sufficient for all purposes without producing or accounting for any other counterpart.

24. Defined Terms. Unless otherwise defined in this Agreement, capitalized terms used herein have the meanings given them in the Loan Agreement. The term "Loan Documents" shall include all amendments and modifications to the Loan Documents.

*[SIGNATURE PAGE(S) AND EXHIBIT(S),
IF ANY, FOLLOW THIS PAGE]*

ZIONS BANCORPORATION, N.A.,
dba Zions First National Bank

By:

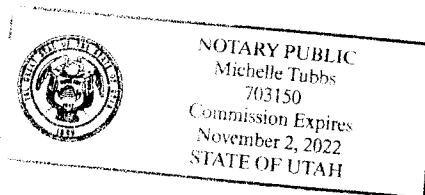

Jeffrey A. Holt
Senior Vice President

)

: SS.

—

Michelle Tubbs
NOTARY PUBLIC
Residing at Sweet Lake City



LANDLORD

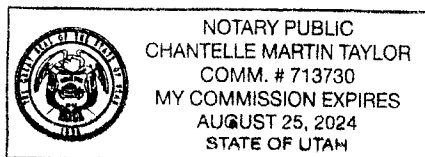
HIGHLINE OFFICE GCP, L.C.,
a Utah limited liability company

By: KC Gardner Company, L.C.,
a Utah limited liability company,
Manager of Highline Office GCP, L.C.

By: [Signature]
Name: Christian Gardner
Title: Manager of KC Gardner Company, L.C.

STATE OF UTAH)
)
) : ss.
COUNTY OF Salt Lake)


The foregoing instrument was acknowledged before me this 29th day of July, 2022, by Christian Gardner, Manager of KC Gardner Company, L.C., a Utah limited liability company, Manager of Highline Office GCP, L.C., a Utah limited liability company.



[Signature]
NOTARY PUBLIC
Residing at: Utah County

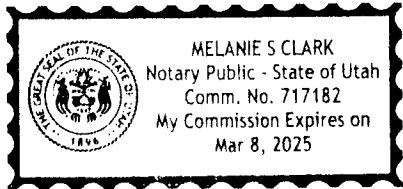
TENANT

PELION, INC.,
a Utah corporation

By: 
Name: Blake Modersitzki
Title: Managing Partner

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 27 day of July, 2022, by
BLAKE MODERSITZKI, Managing Partner of Pelion, Inc., a Utah corporation.



Melanie S Clark
NOTARY PUBLIC
Residing at: Highland, UT 84003

EXHIBIT A

REAL PROPERTY DESCRIPTION

The real property located in Salt Lake County, State of Utah, and more particularly described as follows:

LOT 2, HIGHLINE SUBDIVISION, ACCORDING TO THE OFFICIAL PLAT THEREOF AS RECORDED IN THE OFFICE OF THE SALT LAKE COUNTY RECORDER ON SEPTEMBER 25, 2018 AS ENTRY NO. 12854800 IN BOOK 2018P AT PAGE 334.

Parcel ID No. 34-07-301-002 (for reference purposes only)

EXHIBIT B

CONSENT OF LEASE GUARANTOR

The undersigned (individually and collectively, the "Lease Guarantor"), as guarantors of that certain Lease Agreement (the "Lease") dated December 20, 2021, and entered into between Highline Office GCP, L.C., a Utah limited liability company ("Landlord"), and Pelion, Inc., a Utah corporation ("Tenant"), hereby consent to the foregoing Subordination, Non-Disturbance and Attornment Agreement and Estoppel Certificate Agreement entered into between Zions Bancorporation, N.A., dba Zions First National Bank ("Lender"), Landlord, and Tenant (the "Agreement"), and to any assignment of the Lease as security for the construction loan in the principal amount of Thirty-Five Million Nine Hundred Thousand Dollars (\$35,900,000.00) (the "Loan") from Lender to Landlord, and further acknowledge that none of the terms or conditions set forth in the Agreement or in any assignment of the Lease as security for the Loan shall be deemed as extinguishing, diminishing, abrogating or creating a defense to any of Lease Guarantor's obligations under that certain Amended and Restated Lease Guaranty dated May 1, 2021, executed by Lease Guarantor (the "Lease Guaranty") concerning the Lease.

Lease Guarantor represents and warrants to Lender that the Lease Guaranty is currently in full force and effect. In the event of a default by Landlord under the Loan Agreement or under any Loan Documents (as such terms are defined in the Agreement) provided for therein or contemplated thereby, and following notice thereof to Lease Guarantor, Lease Guarantor agrees to treat Lender (and Lender's successors or assigns) as assignees of all of the Landlord's rights in connection with the Lease Guaranty.

*[SIGNATURE PAGE(S) AND EXHIBIT(S),
IF ANY, FOLLOW THIS PAGE]*

Agreed to and consented to as of this 27 day of July, 2022.

LEASE GUARANTOR

Blake G. Modersitzki

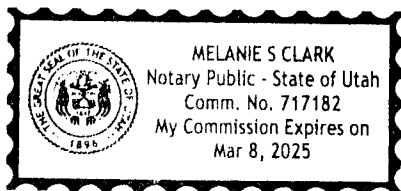
BLAKE G. MODERSITZKI, an individual

Sandra Modersitzki

SANDRA MODERSITZKI, an individual

STATE OF UTAH)
COUNTY OF SALT LAKE) : ss.

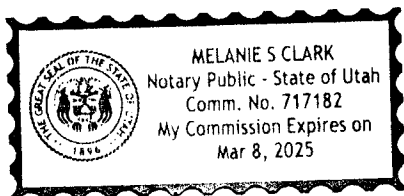
The foregoing instrument was acknowledged before me this 27 day of July, 2022, by Blake G. Modersitzki.



Melanie S Clark
NOTARY PUBLIC
Residing at: Highland, UT 84003

STATE OF UTAH)
COUNTY OF SALT LAKE) : ss.

The foregoing instrument was acknowledged before me this 27 day of July, 2022, by Sandra Modersitzki.



Melanie S Clark
NOTARY PUBLIC
Residing at: Highland, UT 84003