

**FORM OF
BATTERY LEASE AGREEMENT**

This BATTERY LEASE AGREEMENT (this “Lease”), dated as of _____ 20__ (the “Effective Date”), is entered into by and between PROTERRA INC, a Delaware corporation (“Proterra”; and in its capacity as lessor under this Lease Agreement, hereinafter referred to as “Lessor”), with a place of business located at 1815 Rollins Road, Burlingame, California 94010, and City of Santa Rosa, California – Santa Rosa CityBus, a local government “SANTA ROSA CITYBUS”; and in its capacity as lessee under this Lease Agreement, hereinafter referred to as “Lessee”), with a principal administrative office located at 45 Stony Point Road, Santa Rosa, California 95401. Lessor and Lessee are sometimes individually referred to as a “Party” and collectively as the “Parties.”

WHEREAS, pursuant to the terms of one or more separate sales contracts (including any lease related to any Charging Unit that is leased by Proterra instead of sold, each as amended, supplemented or otherwise modified from time to time, collectively, the “Sales Contract”) entered into between Proterra and SANTA ROSA CITYBUS on or prior to the date hereof, Proterra as manufacturer of electric buses and related electric battery charging equipment has agreed to sell to SANTA ROSA CITYBUS, and SANTA ROSA CITYBUS has agreed to purchase from Proterra, four (4) 40’ ZX5 Max buses (individually, a “Bus” and, collectively, the “Buses”), subject to the terms and conditions of the applicable Sales Contract;

WHEREAS, Proterra is a manufacturer of high voltage (HV) battery packs, which are a removable power source necessary for operation of the Buses; and

WHEREAS, Lessee desires to lease from Lessor, and Lessor desires to lease to Lessee, certain high voltage (HV) battery packs for use as a power source for the Buses (the “Batteries”), each as more particularly described on Exhibit A attached hereto and made a part hereof pursuant to the terms of this Lease (such leased Batteries and related equipment components being referred to herein collectively as the “Equipment”), pursuant to the terms of this Lease.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1 Definitions. For purposes of this Lease, unless the context requires otherwise, the following terms shall have the following meanings:

“Acceptable Use Parameters” has the meaning ascribed to such term in Section 10.3(d) and Exhibit C.

“Affiliate” means an entity which controls, is controlled by or is under common control with a Party. As used herein, “control” means the possession, directly or indirectly, of the power

to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise.

“Agreed Rent Adjustment” means the adjustment to any Monthly Base Rent as set forth in Section 6.1(b)

“Annual Base Throughput” has the meaning set forth in Section 6.1(a).

“Annual Base Rent” has the meaning set forth in Section 6.1(a).

“Annual Periods” means the consecutive one-year periods beginning on the Commencement Date and ending on the last day of the Term.

“Approvals” means all approvals, consents, permits, licenses and certificates, including all corresponding inspections and authorizations, required by any utility or governmental authority in connection with the transactions contemplated under this Lease.

“Base Rent” has the meaning set forth in Section 6.1(a).

“Batteries” has the meaning specified in the second Whereas clause of this Lease.

“Bus” or “Buses” has the meaning specified in the first Whereas clause of this Lease.

“Business Day” means a day other than Saturday, Sunday, or any day that banks in San Francisco, California, United States, and/or the jurisdiction in which the Santa Rosa CityBus is located, are required or permitted to be closed.

“Charging Units” has the meaning specified in the first Whereas clause of this Lease.

“Claim” has the meaning set forth in Section 8.1.

“Commencement Certificate” has the meaning set forth in Section 5.1(a).

“Commencement Date” means the date of execution and delivery by SANTA ROSA CITYBUS to Proterra of a Commencement Certificate following delivery and acceptance of the Batteries to SANTA ROSA CITYBUS.

“Confidential Information” shall mean information disclosed by a Party to the other Party under this Lease and may include, but is not limited to, trade secrets, physical samples, financial, business, sales or technical information, terms of agreements, negotiations or proposals, and such other information disclosed (a) in written or other tangible form and marked “Confidential” or with words of similar import, (b) orally or visually and identified as confidential or proprietary information at the time of disclosure, or (c) under circumstances by which the receiving Party should reasonably understand such information is to be treated as confidential, whether or not marked “Confidential” or otherwise. For clarity, “Confidential Information” includes the terms of this Lease and any information relating to the Equipment and its performance.

“Defaulting Party” has the meaning set forth in Section 10.1.

“Deliverables” means the Equipment, together with any and all ancillary equipment, peripherals, accessories, parts, supplies, software, hardware or other materials from time to time installed by or on behalf of Lessor in respect thereof as necessary or appropriate, as determined in the sole discretion of the Lessor, for the proper monitoring or operation of the Equipment.

“Delivery Location” means 55 Stony Point Road Santa Rosa, California 95401.

“Dispute” has the meaning set forth in Section 12.1.

“Effective Date” has the meaning set forth in the Preamble.

“Environmental Laws” means all federal, state and local laws, statutes, ordinances and regulations (including the United States Code of Federal Regulations), now or hereafter in effect, in each case as amended or supplemented from time to time, relating to the regulation and protection of human health, safety, the environment and natural resources, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. 1801, *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. 6901 *et seq.*), the Toxic Substances Control Act (15 U.S.C. 2601 *et seq.*), the Clean Air Act (42 U.S.C. 7401 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. 1251 *et seq.*) and the Safe Drinking Water Act (42 U.S.C. 300f *et seq.*).

“Equipment” has the meaning specified in the second Whereas clause of this Lease and includes all alterations, modifications or improvements thereto and all replacements and substitutions in respect thereof.

“Force Majeure Event” means any act, event or condition beyond a Party’s reasonable control, including acts of God, fire, explosion, accident, floods, earthquakes, embargoes, epidemics, war, terrorism, nuclear disasters or other similar events.

“Hazardous Materials” means: (a) those substances included within the definitions of any one or more of the terms “hazardous materials,” “hazardous wastes,” “hazardous substances,” “industrial wastes,” and “toxic pollutants,” as such terms are defined under the Environmental Laws; (b) petroleum and petroleum products; (c) asbestos and materials containing asbestos; (d) any other hazardous or radioactive substance, material, pollutant, contaminant or waste; and (e) any other substance with respect to which any Environmental Law or governmental authority requires environmental investigation, monitoring or remediation.

“Initial Battery” shall mean the initial Battery provided pursuant to this Lease upon the Commencement Date.

“Initial Rent Payment” has the meaning set forth in Section 6.1(a).

“Interconnection Facilities” means all necessary utility and telecommunications lines and conduits connecting the Charging Units to the Property and all related systems servicing the Property.

“Lease” has the meaning set forth in the preamble.

“Lender” has the meaning set forth in Section 14.9, and includes and successors or assigns.

“LIBOR” means the LIBO Screen Rate at approximately 11:00 a.m., London time, on the date of determination; provided that, to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the “LIBOR” shall be the interest rate per annum reasonably determined by the Lessor.

“Lien” means, with respect to any asset, any mortgage, deed of trust, lien (statutory or otherwise), pledge, charge, security interest, hypothecation, collateral assignment or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to give a security interest in and any authorized filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

“Limited Operational Warranty” means that certain “Standard Limited Battery Pack Warranty ” in respect of the Batteries running directly from Manufacturer in favor of Lessee, providing that the Batteries will, at all times during the coverage period of such warranty, have an aggregate capacity of equal to or greater than 70 kWh Available Energy as measured by Manufacturer, as further described and subject to the conditions (including, without limitation, the duration of said warranty) set forth on Exhibit B attached hereto and made a part hereof. The Limited Operational Warranty in the form of Exhibit B attached hereto and made a part hereof shall be provided by the Manufacturer to Lessee with respect to the Initial Battery and with respect to any Replacement Batteries that are made available by Manufacturer to Lessee under this Lease after the Commencement Date.

“Losses” means all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys’ fees and the cost of enforcing any right to indemnification hereunder.

“Manufacturer” means Proterra in its capacity as manufacturer of the Buses and/or the Equipment as the context applies.

“Monthly Base Rent” has the meaning set forth in Section 6.1(a).

“Throughput Rent Adjustment” means the additional rent calculated in accordance with Section 6.1(b).

“Property” means the following locations (either owned or leased by Lessee) where Charging Units will be stored or located on the Effective Date: 55 Stony Point Road Santa Rosa, California 95401, and thereafter such other address or addresses in Santa Rosa, CA as Lessee designates in a writing given by Lessee to Lessor.

“Proprietary Rights” means patents, trademarks, copyrights, trade secrets and any other intellectual or proprietary rights.

“Purchase Option” shall have the meaning specified in Section 10.4(b).

“Purchase Option Consideration” shall have the meaning specified in Section 10.4(b).

“Rent” means each of the Initial Rent Payment and the Monthly Base Rent, together with any Rent Adjustments.

“Rent Adjustments” has the meaning set forth in Section 6.1(b).

“Rental Payments” means all payments of Rent required to be paid by Lessee to Lessor pursuant to the terms of this Lease.

“Sales Contract” has the meaning specified in the first Whereas clause of this Lease, and includes any and all amendments, supplements or other modifications thereto.

“Storage Site” means the storage facility or other locations where the Buses are to be kept or stored when not in use, which shall be 55 Stony Point Road Santa Rosa, CA 95401 as of the Effective Date, and thereafter such other address or addresses in Santa Rosa, CA as Lessee designates in a writing given by Lessee to Lessor.

“Stipulated Loss Value” shall mean with respect to any Equipment as of any date of determination, an amount equal to the sum of (a) any unpaid Rental Payments with respect to such Equipment that are then due and unpaid, *plus* (b) with respect to the Initial Battery or Replacement Battery most recently delivered to Lessee hereunder, the amount set forth on Schedule 1 hereto corresponding to type of Battery and the annual period in which this Lease is terminated, calculated from the date such Battery was delivered to Lessee. For illustration purposes, for the relevant Battery, “Year 1” shall mean the one-year period ending on and including the one-year anniversary of the delivery of such Battery to Lessee; “Year 2” shall mean the one-year period beginning on but excluding the one-year anniversary of delivery and ending on and including the two-year anniversary, etc. For purposes of this definition, “Initial Battery” and “Replacement Battery” shall refer to the original Initial Battery or Replacement Battery, as applicable, and any other replacement Battery delivered to Lessee pursuant to Section 3.1(b)(i) due to a failure of such Battery to meet the Limited Operational Warranty.

“Term” has the meaning set forth in Section 2.1.

“Total Loss” has the meaning set forth in Section 12.1.

“UCC” or “Uniform Commercial Code” shall mean the Uniform Commercial Code as in effect in the State of California or in any other applicable jurisdiction as the context requires; and any reference to an article (including Article 2A) or section thereof shall mean the corresponding article or section (however termed) of any such applicable version of the Uniform Commercial Code.

“Warranty Failure” has the meaning set forth in Section 10.4.

ARTICLE II
TERM; NET LEASE

Section 2.1 Lease Term. This Lease shall commence on the Commencement Date and conclude on the twelfth (12th) anniversary of the Commencement Date (the “Term”), unless terminated in accordance with the provisions of Article X.

Section 2.2 Net Lease. This Lease is a fully net, non-cancelable lease contract which may not be terminated for any reason except as otherwise specifically provided herein. Lessee has no right of prepayment unless agreed to in writing by Lessor. For the avoidance of doubt as set forth elsewhere herein, Lessee shall be responsible for and shall indemnify Lessor against, all costs, expenses and claims of every nature whatsoever arising out of or in connection with or related to the Lease or the Equipment, but excluding however any such cost, expenses or claims to the extent resulting from, as determined by a court of competent jurisdiction in a final, non-appealable order, Lessor’s breach of this Lease. Lessee acknowledges and agrees that, upon and after the Commencement Date, its obligations to pay all Rental Payments and other amounts due and owing and perform its obligations hereunder shall be primary, absolute, unconditional, independent and irrevocable and shall not be subject to or affected by (i) any circumstance whatsoever, including, without limitation, any setoff, counterclaim, recoupment, abatement, suspension, reduction, rescission, defense or other right otherwise available to Lessee; or (ii) any defect in the title, merchantability, condition, design, operation or fitness for use of, or any damage to, removal, abandonment, requisition, taking condemnation or loss or theft or destruction of, the Equipment, or any interference, interruption, restriction, curtailment or cessation in or prohibition of the use or possession thereof by the Lessee or any other person for any reason whatsoever. Lessor is not responsible to install (except to the extent expressly provided for herein), test, repair, service, or maintain any Equipment or Deliverables.

ARTICLE III
EQUIPMENT AND OTHER DELIVERABLES

Section 3.1 Ownership; Disclaimer of Interest.

(a) The Parties agree that the Equipment and any Deliverables do not constitute real property or fixtures, regardless of the manner in which the Equipment or Deliverables are installed. The Parties further agree that title to the Equipment and any Deliverables is and shall at all times remain with Lessor for all purposes, subject to Lessee’s right to, in certain circumstances, purchase the Equipment at the end of the Term as provided in Section 10.4(b). Accordingly, Lessor has and will continue to retain throughout the Term all benefits as the sole and exclusive owner of the Deliverables (subject to the right of Lessee to use the Deliverables during the Term as provided for below in this Lease), provided that Lessee shall be entitled to all tax depreciation and amortization and other tax benefits associated with ownership of the Equipment, and Lessee shall be solely liable for any taxes attributable to ownership of the Equipment.

(b) EXCEPT FOR THE RIGHTS EXPRESSLY GRANTED TO LESSEE IN THIS LEASE AND IN THE LIMITED OPERATIONAL WARRANTY, LESSEE EXPRESSLY (I) DISCLAIMS AND WAIVES ANY RIGHTS IT MAY HAVE AT LAW OR IN EQUITY WITH RESPECT TO ANY OF DELIVERABLES, INCLUDING ANY CLAIMS FOR BREACH OF WARRANTY (OTHER THAN THE LIMITED OPERATIONAL WARRANTY) AND (II) DISCLAIMS ANY WARRANTY (OTHER THAN THE LIMITED OPERATIONAL WARRANTY) WITH RESPECT TO ANY OF THE EQUIPMENT, EXPRESS OR IMPLIED OR OTHERWISE ARISING AS A MATTER OF LAW OR OTHERWISE. LESSEE ACKNOWLEDGES AND AGREES THAT THE TERM OF THE LIMITED OPERATIONAL WARRANTY IS LIMITED IN DURATION AS EXPRESSLY SET FORTH THEREIN AND LESSOR SHALL HAVE NO OBLIGATION TO LESSEE THEREUNDER UPON THE EXPIRATION OF THE TERM OF SAID WARRANTY. Lessor shall have no liability or obligation to Lessee under the Limited Operational Warranty other than, during the time in which such warranty remains in effect, (i) to either replace, repair or substitute, at Lessor's sole option, any such Battery (or one or more packs within a Battery as determined by Lessor in its sole discretion as necessary to meet the Limited Operational Warranty) not meeting the above Warranty (as such term is defined in the Limited Operational Warranty) with another Battery (or one or more packs within a Battery as determined by Lessor in its sole discretion as necessary to meet the Limited Operational Warranty) that meets such Warranty terms, and (ii) to replace the Initial Battery with a replacement Battery (referred to herein as a "Replacement Battery") on the earlier of (a) six (6) years after the Commencement Date, or (b) the date that the Initial Battery has accumulated 200,000 kWh of gross discharge throughput per Battery pack; provided, that Lessor will have no liability to Lessee under the Limited Operational Warranty where Lessor is not the Manufacturer. The Replacement Battery shall be covered by the Limited Operational Warranty. For the avoidance of doubt, Lessee understands and agrees that, if the Limited Operational Warranty for a Replacement Battery leased hereunder expires prior to the expiration of the Lease (e.g. either six (6) years elapses from its installation date or it accumulates 200,000 kWh of gross discharge throughput per Battery pack), such Replacement Battery shall remain subject to the terms of this Lease for the remainder of the Term without the benefit of the Limited Operational Warranty.

(c) In addition to and not in limitation of the other covenants provided in Article VII, Lessee agrees not to grant or allow any Liens on any of the Equipment or Deliverables.

(d) NOTWITHSTANDING ANYTHING IN THIS LEASE TO THE CONTRARY, IN ANY CASE WHERE THE LESSOR IS NOT THE MANUFACTURER (E.G. WHERE ORIGINAL LESSOR HAS ASSIGNED THIS LEASE), LESSOR SHALL NOT BE LIABLE OR OBLIGATED UNDER THE LIMITED OPERATIONAL WARRANTY AND, IN SUCH CASE, LESSEE SHALL LOOK SOLELY TO THE MANUFACTURER WITH RESPECT TO ANY ENFORCEMENT OF THE LIMITED OPERATIONAL WARRANTY.

Section 3.2 Proprietary Rights; License.

(a) All Proprietary Rights in and to the Deliverables shall at all times remain the sole and exclusive property of Lessor. Lessee acknowledges that it may learn certain proprietary information due to its possession of the Deliverables and agrees that such information shall be

deemed Lessor's Confidential Information and Lessee's use thereof shall be in accordance with Section 14.7.

(b) Lessor hereby grants to Lessee, during the Term, a limited, non-exclusive, royalty-free license under Lessor's Proprietary Rights solely as necessary to make use of the Deliverables in connection with the operation of the Buses, in each case solely in connection with the lease of the Equipment as contemplated under this Lease.

Section 3.3 Lessee Obligations Regarding the Deliverables.

(a) Lessee shall keep the Buses and the Deliverables secure at all times to the same extent it keeps its own personal property of similar value secure, but in no event shall Lessee provide less than a reasonable level of security for the Buses and Deliverables.

(b) Lessee shall, upon becoming aware, notify Lessor immediately of any issues or potential issues affecting any of the Deliverables, including any evidence of malfunction or potential threat to any of the Deliverables.

(c) Lessee shall not remove, tamper with or alter in any way any labels or markings on any of the Equipment or other Deliverables without Lessor's prior written consent.

Section 3.4 Damage to Deliverables. If Lessee, its contractors, employees or other agents damage, lose or misuse any of the Deliverables, or fail to comply with their obligations under this Agreement and such failure results directly or indirectly in any damage, loss or misuse of the Deliverables, Lessee shall be liable to Lessor for the cost of all required repairs and replacements to the Deliverables, including all costs of Lessor incurred in connection with diagnosing the Deliverables. Any amounts payable by Lessee pursuant to this Section 3.4 shall be due within thirty (30) Business Days of Lessee's receipt of any corresponding invoice from Lessor.

ARTICLE IV
PROPERTY AND STORAGE SITE

Section 4.1 Access Rights. Lessee hereby grants to Lessor, its subcontractors and agents the right and/or license to access the Buses, the Property and the Storage Site for purposes of inspecting the Equipment (and any Charging Units used with the Equipment), and following any breach or event that gives rise to a right of termination of this Lease in favor of Lessor pursuant to Article X or any termination of this Lease, for the purpose of de-installing, rendering inoperable and/or removing any of the Deliverables, in each case solely during Lessee's normal business hours or as otherwise mutually agreed between the Parties. For clarity, the foregoing access rights include access to any Interconnection Facilities to the extent necessary or required by Lessor to conduct such inspection. Lessee further consents and agrees that Lender shall be granted access to the Buses, the Property and the Storage Site for the purpose of inspecting and/or, following any breach or event that gives rise to a right of termination of this Lease in favor of Lessor pursuant to Article X or any termination of this Lease, de-installing, rendering inoperable and/or

removing any of the Deliverables during Lessee's normal business hours or as otherwise mutually agreed between the Parties.

Section 4.2 Maintenance. At all times during the Term, Lessee shall maintain the Buses, the Property and the Storage Site, in a clean and safe condition free of any obstructions or hazards that may endanger any of the Deliverables or otherwise violate Lessee's obligation under this Lease to protect and maintain the Equipment and Deliverables.

Section 4.3 Change in Conditions. Lessee shall promptly notify Lessor of any material plans to alter the Buses, the Property or the Storage Site or to change its operations at the Property or the Storage Site that could impact the operation or maintenance of any of the Deliverables. Notwithstanding the foregoing, Lessee shall provide Lessor at least thirty (30) Business Days' notice prior to implementing any such changes; provided, however, that any changes (other than those necessary to address emergency, safety or structural concerns) which could damage or otherwise adversely impact the operation, repair, replacement, removal or maintenance of any of the Deliverables shall be subject to Lessor's prior written consent.

ARTICLE V

MAINTENANCE; RETURN OF DELIVERABLES; RISK OF LOSS; TAXES

Section 5.1 Installation; Servicing; Maintenance; Return of Equipment; Etc.

(a) Installation. Lessor shall install, or cause to be installed, the Equipment and other Deliverables on the Buses to be delivered to Lessee pursuant to the Sales Contract on or prior to the Commencement Date. Lessee shall, within two (2) Business Days of delivery of the Equipment, evidence its acceptance of the Equipment by executing and delivering to Lessor a commencement certificate (the "Commencement Certificate") in substantially the form attached hereto as Exhibit D. By executing and delivering the Commencement Certificate to Lessor, Lessee represents and warrants that it has inspected the Equipment and it irrevocably accepts the Equipment. In the case of any required installation of any Deliverables (including any replacement or substitute Equipment in order for Lessor to honor the Limited Operational Warranty during the applicable warranty term as set forth in said warranty) on or following the Commencement Date, Lessee shall make available to Lessor, or a third party designated by Lessor, the Buses and a mutually satisfactory lay-down and staging area for such installation, and shall provide to Lessor all information reasonably requested by Lessor to safely, efficiently and effectively accomplish such installation.

(b) Servicing. During the Term, Lessor shall have no obligation to service, replace, substitute, refurbish, repair or remove any of the Equipment, except in the case where Lessor is also the Manufacturer to the extent provided, and subject to the terms and conditions set forth, in the Limited Operational Warranty. Lessee acknowledges and agrees that any such services shall be provided by the Manufacturer pursuant to, and subject to the terms and conditions of, the Limited Operational Warranty. Lessee shall be responsible for contacting Manufacturer to enforce the Limited Operational Warranty, provided that Lessee shall promptly notify Lessor of any such

shortfalls under the Limited Operational Warranty. Lessee hereby indemnifies and holds harmless Lessor in connection with any claims relating to the Equipment relating to any default by Manufacturer to uphold the Limited Operational Warranty, and acknowledges that in the event of such a default by Manufacturer under the Limited Operational Warranty, Lessee's sole remedy shall be as described in Section 10.4 and in no event shall Lessee be relieved of its obligation to pay Rent under this Lease. Lessee shall have no right to suspend performance of, terminate, or setoff against any its Rental Payment obligations under this Lease as a result of any failure of Manufacturer to perform any services or failure of any Equipment to meet the Limited Operational Warranty, but Lessee's sole recourse in any such case shall be to pursue a claim against Manufacturer under the Limited Operational Warranty to the extent such claim is applicable and otherwise valid under the terms of said warranty.

(c) Maintenance. During the Term, Lessee shall, at its own cost and expense, and in accordance with all manufacturer maintenance specifications as set forth in the maintenance manual provided by Manufacturer to Lessee on or prior to the Commencement Date, (i) keep the Equipment in good repair, condition, operating order and appearance, (ii) make all necessary adjustments repairs and replacements, (iii) not use or permit the Equipment to be used for any purpose for which, in the opinion of the Manufacturer, the Equipment is not designed or reasonably suitable, and (iv) furnish all required parts, mechanisms, devices, maintenance and servicing, so as to keep each item of Equipment and any Deliverables in good repair and operating order (ordinary wear and tear excepted) in the same condition and appearance as when delivered to the Lessee, provided that Lessee shall comply with Section 5.1(d) in case of any repairs or maintenance other than routine maintenance conducted in accordance with Manufacturer's guidelines and specifications as provided by Manufacturer to Lessee, including the maintenance manual provided by Manufacturer to Lessee on or prior to the Commencement Date. Such parts, mechanisms and devices shall immediately become a part of the Equipment for all purposes hereunder and title thereto shall vest in Lessor.

(d) Repairs and Out of Warranty Service. Lessee agrees to engage the Manufacturer as the exclusive Service Provider to provide any service or maintenance (other than routine maintenance), repairs or replacement that are not covered by the Limited Operational Warranty (such services referred to herein as collectively "Outside Warranty Services"). Lessee shall contract separately with the Manufacturer to provide such Outside Warranty Services as needed and to pay Manufacturer the invoiced amount for all such Outside Warranty Services at its standard rates (or in case of any replacement of equipment at its standard market prices) then being offered by the Manufacturer to its Santa Rosa CityBus for similar services and replacement equipment, it being understood that the Manufacturer will be the exclusive provider of any services that are covered by the Limited Operational Warranty and any Outside Warranty Services. Notwithstanding the foregoing, if the Manufacturer is unwilling to provide any Outside Warranty Services (other than due to failure or refusal of Santa Rosa CityBus to pay for such services) within a reasonable time after request for such Outside Warranty Services, then Lessee may engage another qualified service provider, at Lessee's sole cost and expense, to perform such Outside Warranty Services upon approval by Lessor (such approval not to be unreasonably withheld or delayed).

(e) Notice of Damage or Loss. Lessee shall immediately notify Lessor in writing of all details concerning any damage or loss to the Equipment or Deliverables, including without

limitation, any damage or loss arising from the alleged or apparent improper manufacture, functioning or operation of the Equipment.

(f) Return of Equipment. Upon any termination of this Lease prior to the end of the Term (including, without limitation, any termination pursuant to Section 10.3), Lessor shall, at its own expense upon the expiration of the Term or at Lessee's expense upon a termination of this Lease by Lessee or by Lessor for cause, remove the Equipment from the Bus. If Lessor does not remove such Equipment upon expiration or termination of the Lease, Lessee shall provide notice thereof to Lessor. If, following thirty (30) Business Days from such notice, Lessor has not removed the Equipment, Lessee may, subject to reimbursement from Lessor, remove and ship the Equipment and Deliverables to Lessor at the location within the continental United States designated by Lessor. Upon any such required return, the Equipment and Deliverables shall be in the same operating order, repair, condition and appearance as on the Commencement Date, except for reasonable wear and tear from proper use thereof. For the avoidance of doubt, the return obligations provided for above in this Section 5.1(f) shall not apply where Lessee has validly exercised the Purchase Option.

(g) Compliance with Laws; Manufacturer Guidelines; Etc. With respect to Lessee's use and maintenance of the Equipment and Deliverables, Lessee shall comply with all present and future federal, state, regional and municipal laws, statutes, ordinances, regulations, rules, judicial and similar requirements of all federal, state, regional and municipal governmental agencies, bodies or officials or other governmental entities with legal authority pertaining to the protection of human or wildlife health and safety or the environment, including, without limitation, all Environmental Laws. Further, Lessee shall comply with all Manufacturer's instructions, guidelines and warranty requirements, and with the conditions and requirements of all policies of insurance with respect to the Equipment and this Lease.

(h) Monitoring Equipment. Lessee acknowledges and agrees that Lessor may from time to time install on the Buses or the Equipment, at its sole cost and expense, battery monitoring equipment in furtherance of and for purposes of monitoring the Equipment or otherwise for Lessor's internal purposes. Lessor shall provide Lessee with reasonable advance notice of any required installation of any such monitoring equipment, which notice shall provide reasonable detail regarding the proposed installation schedule and expected approximate timing for completion. Lessee acknowledges and agrees that the rent obligations, including any rental adjustments, and the warranty obligations, hereunder, shall be calculated and determined by the throughput and other data collected by Lessor's monitoring equipment installed on the Buses or the Equipment.

Section 5.2 Risk of Loss on Lessee. During the Term and during any period prior to or after the Commencement Date during which the Equipment and Deliverables are in the possession or control of Lessee following the initial delivery thereof by Lessor to Lessee, Lessee hereby assumes and shall bear all risk of loss for theft, damage or destruction to the Equipment and any Deliverables or caused by the Equipment or any Deliverables to the environment, persons or other property (hereafter, such loss, damage, non-delivery or destruction to the Equipment and/or any Deliverables or caused by the Equipment or any Deliverables to the environment, persons or other property shall be referred to as a "Casualty"), howsoever caused. NO SUCH

CASUALTY SHALL IMPAIR ANY OBLIGATION OF LESSEE UNDER THIS LEASE, WHICH OBLIGATION, INCLUDING TIMELY RENTAL PAYMENTS, SHALL CONTINUE IN FULL FORCE AND EFFECT EXCEPT WITH RESPECT TO THE EQUIPMENT FOR WHICH LESSEE HAS PAID THE STIPULATED LOSS VALUE AS SET FORTH BELOW. Lessee shall promptly (within seven (7) Business Days of the occurrence) notify Lessor in writing of any Casualty to the Equipment or Deliverables or any portion thereof. Lessee shall promptly (and in any event within twenty (20) Business Days of occurrence) cause Manufacturer to repair the Equipment or Deliverables, as applicable, or damaged portion thereof, placing it back in as good or better condition and working order as before the Casualty, assuming the Equipment or Deliverables, as applicable, have been properly maintained as required herein, unless it is uneconomical to repair the Equipment or portion thereof or the Equipment or portion thereof is unfit for normal use, in which case it shall be deemed to be a total loss (“Total Loss”). In the event of a Total Loss, Lessee shall, at Lessor’s option, (a) replace the Equipment or applicable portion thereof with like-kind property of equal value, purchased from Manufacturer and acceptable to Lessor, transfer title to the same to Lessor free and clear of any claims, liens, security interests or other encumbrances, whereupon such replacement property shall be deemed Equipment hereunder, and continue to pay all obligations without interruption, or (b) pay to Lessor the Stipulated Loss Value for the Equipment or applicable portion thereof, in which case under this clause (b), upon receipt of all such payments by Lessor from Lessee in immediately available funds, title to the Equipment which is the subject of such Total Loss shall be transferred by Lessor to Lessee and this Lease shall cease to apply to any such Equipment.

Section 5.3 Taxes.

(a) Unless not permitted by law, Lessee shall (i) file directly with all appropriate taxing authorities all declarations, returns, inventories and other documentation with respect to any personal property taxes (or any other taxes in the nature of or imposed in lieu of property taxes) due or to become due with respect to the Equipment or this Lease, and (ii) if not so permitted by law, to promptly notify Lessor and provide it with all information required in order for Lessor to timely file all such declarations, returns, inventories, or other documentation, and (iii) to pay on or before the date when due all such taxes assessed, billed or otherwise payable with respect to the Equipment directly to the appropriate taxing authorities,

(b) Lessee shall be responsible for identifying and paying, and shall indemnify Lessor for, all taxes and other governmental fees and charges (and any penalties, interest and other additions thereto) that are imposed with respect to this Lease, the transactions and payments contemplated by this Lease and the Equipment; including, without limitation, all state or local taxes, other governmental fees or charges (other than any income taxes applicable to Lessor) are now or hereafter imposed upon Lessor as a result of this Lease, the transactions and payments contemplated hereunder and the Equipment, such taxes, fees and charges shall be paid by Lessee

promptly following written notice by Lessor to Lessee of the imposition of any such taxes, fees or charges.

ARTICLE VI RENT

Section 6.1 Rent.

(a) Base Rent. In consideration of the lease by Lessor to Lessee of the Equipment hereunder, Lessee shall pay to Lessor (i) on the Commencement Date, an initial rent payment in the amount of One Hundred Five Thousand dollars (\$105,000.00) for the first two years of the Term (the “Initial Rent Payment”), and (ii) beginning in the third year of the Term, annual rent of Fifty-One Thousand Six Hundred Ninety-Seven dollars (\$51,697.00) per Battery (“Annual Base Rent”), beginning in the 25th month and payable in equal monthly payments (such monthly payments, the “Monthly Base Rent”) based on kWh usage of Two Hundred Thousand (200,000) kWh throughput per Battery per year (“Annual Base Throughput”) plus any applicable Rent Adjustment as provided below.

(b) Additional Rent. In the event that the kWh throughput of any Battery for any Annual Period during the Term exceeds the Annual Base Throughput, for each kWh in excess of the Annual Base Throughput, Lessee shall pay to Lessor as additional rent (which shall be in addition to the Initial Rent Payment and/or Monthly Monthly Base Rent, as applicable) of Twenty-Six and One Quarter cents (\$0.2625) per kWh throughput per Battery in excess of the Annual Base Throughput (“Throughput Rent Adjustment”), which additional rent shall be due and payable annually as provided in Section 6.1(c) below. Lessee acknowledges that the Throughput Rent Adjustment will be calculated by Lessor based on the data it collects from the Batteries and absent manifest error the determination by Lessor shall control. The Monthly Base Rent may also be increased through mutual written agreement of the Parties (“Agreed Rent Adjustment” and, together with Throughput Rent Adjustment, “Rent Adjustments”). Any such Throughput Rent Adjustments are intended to compensate Lessor for any diminution in the value of the Batteries due to excessive throughput during the Term, but the payment thereof shall not impair the ability of Lessor to assert and recover on any indemnity claims under Section 3.4, Section 7.3(f), Section 8.2 or any other applicable provision in this Agreement for any additional damages, liability or costs to Lessor, including, without limitation, for any damage or loss with respect to the Equipment or for any failure by Lessee to at any time adhere to the Acceptable Use Parameters.

(c) Monthly Base Rent shall be due and paid by no later than the first Business Day of each month (each a “Payment Date”) with the first such payment commencing on the first Payment Date occurring after the second anniversary of the Commencement Date. Any Throughput Rent Adjustment applicable to any Bus for any Annual Period shall be due and payable by Lessee to Lessor annually by no later than the fifth (5) Business Day following receipt of an invoice therefor from Lessor, to be delivered annually (or, if this Lease is terminated prior to the end of any such term, within fifteen (15) Business Days following such termination date). Any Agreed Rent Adjustment shall be due and payable on the dates specified by the Parties in the written agreement evidencing such Agreed Rent Adjustments, with the payment by Lessee to Lessor of all such Monthly Base Rent and Rent Adjustments to be made by deposit of funds or wire transfer to the

following account of Lessor (or to such other account as Lessor may notify Lessee in writing at any time on or after the date of this Lease):

Name on Account: Proterra Inc.

Name of Bank: Bank of America Merrill Lynch

Account Number: 1416800802

ABA #: 121000358

[LESSOR ACCOUNT INFORMATION TO FOLLOW]

(d) On an annual basis, Lessor shall provide Lessee with an invoice setting forth any Agreed Rent Adjustments and/or any applicable Throughput Rent Adjustments incurred during the prior year, provided that the failure of Lessor to timely provide such invoice shall not relieve Lessee of its obligation with respect to any such Agreed Rent Adjustment or Throughput Rent Adjustments. In the event Lessee disputes in good faith any invoiced amount in respect of a Rent Adjustment, Lessee shall pay the undisputed portion of such invoice by the due date notwithstanding such Dispute. Following the resolution of any Dispute pursuant to Article XII, Lessee shall make outstanding payments, if any, within twenty (20) Business Days of such resolution.

(e) If Lessee does not pay any amount payable to Lessor under this Lease within 10 Business Days after the due date, Lessee shall pay to Lessor a late charge equal to the lower of (i) the maximum amount allowed by law, and (ii) ten percent (10%) of the late payment amount. Payment of any late charge does not excuse Lessee of any default under this Lease.

Section 6.2 Payments Free of Withholding; Setoff. All payments in respect of the Rent shall be made free of any withholding, deduction or setoff by Lessee, all of which are hereby waived. Lessee agrees to deliver to Lessor any customary tax forms as requested in order to ensure payments are made free of withholding.

ARTICLE VII

REPRESENTATIONS, WARRANTIES, AND COVENANTS

Section 7.1 Mutual. Each Party represents, warrants and covenants to the other Party that: (a) it is a legal entity, duly organized, validly existing, and in good standing; and (b) the execution, delivery and performance of this Lease (i) is within its powers, (ii) has been duly authorized by all requisite action, (iii) is legal, valid, binding and enforceable against it, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, and other similar laws affecting creditors' rights generally, and (iv) will not violate any law, rule, regulation, agreement, lease, contract or other document to which it is a party or by which any of its assets may be bound or affected.

Section 7.2 By Lessee. Lessee further represents, warrants and covenants to Lessor that:

(a) it is the sole and exclusive owner of the Buses, the Charging Units, the Property and the Storage Site;

(b) the Buses and the Storage Site are free of any Hazardous Materials as of the Effective Date, and Lessee will not introduce any Hazardous Materials to the Buses or the Storage Site at any time during the Term;

(c) Lessee will at all times during the Term (i) continue to display the Manufacturer's logo and name on the Buses in the form provided by Manufacturer to Lessee, (ii) comply with any and all required training and certification of its bus drivers, and all operation and maintenance guidelines of Manufacturer regarding the Buses and/or the Charging Units, in each case as set forth in or required pursuant to the applicable Sales Contract, and (iii) engage Manufacturer as the sole and exclusive provider of maintenance and repair services with respect to the Equipment in accordance with Section 5.1(d).

(d) Lessee has appropriated funds sufficient in amount to make all Rental Payments required under this Lease throughout the Term and Lessee will keep this Lease in effect through the entire Term and make all payments required herein. Lessee hereby declares that, as of the date of the execution of this Lease, Lessee currently has an essential need for the Batteries to be included in the Buses which are the subject of this Lease for the entire Term to carry out and give effect to the public purposes of Lessee. Lessee reasonably believes that it will have a need for the Batteries to be included on the Buses for the duration of the Term. Lessee shall take commercially reasonable efforts to appropriate funds as necessary to allow Lessee to continue to make all Rental Payments required under this Lease; provided, however, in no event shall Lessee be excused from making rental payments if the appropriation of funds by Lessee necessary to make Rental Payments under this Lease ceases to continue.

(e) (i) Lessee understands and agrees that Lessor makes no representations or warranties as to (A) Lessee's tax treatment under this Lease or with respect to the Equipment, or (B) Lessee's ability to qualify for any federal, state or local funds or grants or other governmental benefits in respect of this Lease or the Equipment, (ii) Lessee is relying on its own tax, accounting and legal advisors (and not on Lessor or any of Lessor's agents or advisors) to make all determinations as to Lessee's tax treatment under this Lease and with respect to the Equipment and whether or not Lessee qualifies for any federal, state or local funds or grants or other governmental benefits in connection with this Lease or the Equipment, (iii) Lessee's obligation to pay Rent hereunder is not contingent on Lessee achieving any particular tax treatment or receiving any federal, state or local funds or grants or other governmental benefits in respect of this Lease or the Equipment, and (iv) this Lease is intended to create a multiple-fiscal year direct debt or financial obligation of the Lessee.

(f) Lessee and the responsible financial officer of Lessee shall do all things lawfully within their respective power to obtain and maintain funds from which the Rent may be made, including making provision for such Rent to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

Section 7.3 Additional Covenants. Lessee further covenants and agrees as follows:

(a) Use of Equipment, Buses and Charging Units. Lessee shall (i) use the Buses solely to provide municipal bus transportation services within the areas of the County of Sonoma, or if required to respond to or assist neighboring municipalities or transit agencies during an emergency circumstance, (ii) observe and adhere to the operating procedures, warranties and guidelines with respect to the Buses as issued by Manufacturer and furnished by Lessor (or Manufacturer) to Lessee in connection with this Lease and/or the Sales Contract, (iii) comply at all times with all other Acceptable Use Parameters, and (iv) in no event enter into any sublease for the Equipment.

(b) Confidentiality. All intellectual property relating to the Deliverables and all other intellectual property of Lessor is and shall remain the sole property of Lessor (and/or Manufacturer, as applicable), and Lessee shall not infringe upon, misappropriate, disclose, use (other than as expressly permitted in this Lease) or reverse engineer any such intellectual property or Deliverables. The terms of this Lease and all information of Lessor shall be held by Lessee, its employees, officers, directors, agents, and representatives in strict confidence, and Lessee shall take all reasonable precautions to prevent the terms of this Lease and any such proprietary, confidential, or sensitive information of Lessor received thereby from being divulged to any entity or person for any purpose other than as reasonably necessary to perform this Lease or as required by law. Lessee, its employees, officers, directors, agents and representatives shall only use such proprietary, confidential, or sensitive information of Lessor strictly in connection with the performance of this Lease and for no other purpose.

(c) Inspection. During the Term, Lessor shall have the right to inspect all Deliverables, the Buses and the Charging Units during normal business hours upon prior reasonable notice. Lessee agrees to make available to Lessor upon request any and all (i) records, logs and other reports produced by it or any third party in respect of the Deliverables, the Buses or the Charging Units and/or the operation, maintenance and utilization thereof, and (ii) accident/incident reports produced by it or any third party in respect to the Deliverables, the Buses or the Charging Units.

(d) Removal. During the Term, Lessee will not remove any of the Batteries (or any related Battery IP or monitoring equipment) installed in the Buses from the Buses without prior written consent of Lessor and it will not, and will not give permission to any third party to, install the Batteries on any buses other than the Buses.

(e) Alteration. Lessee shall not, nor shall it permit any of its contractors, employees or other agents to, directly or indirectly, modify, repair, move, alter, open, disassemble, destroy, damage, copy, reverse engineer, add to or otherwise tamper with (or allow any other party to modify, repair, move, remove, alter, add to or otherwise tamper with) the Equipment or other Deliverables in any manner, or utilize any charging unit other than the Charging Units to charge any of the Batteries, in each case, without Lessor's prior written consent; provided, however, that the foregoing shall not preclude Lessee from taking all reasonable action necessary in response to emergency or safety issues with respect to the Buses, the Property or the Storage Site. Any modifications, alterations, or additions to the Equipment that are approved by Lessor shall become and remain the property of Lessor. Lessee shall not remove any labels or insignias affixed to the Equipment by Lessor. Further, Lessee shall not, directly or indirectly, alter or add (or allow any other party to alter or add) to the Charging Units or the Buses in any way which does or could reasonably be expected to have a material adverse impact on the operation (including, without

limitation, storage capacity and battery life) of the Equipment, in each case, without the prior written approval of Lessor.

(f) Damage to, Theft or Destruction of the Equipment. If all or any part of the Deliverables is at any time lost, stolen, destroyed, or damaged (whether occasioned through the fault of Lessee or otherwise) Lessee will give Lessor prompt notice of such event. Lessee shall be responsible for any and all loss, theft, destruction and damage to the Deliverables (whether occurring by reason act of god, with or without the fault of Lessee or for any reason whatsoever) during the Term or otherwise at any time that the Deliverables are installed on the Buses, including, without limitation, in each case, to the extent resulting from any misuse of the Deliverables by Lessee or failure to comply with any Acceptable Use Parameters, and/or Lessee's failure to otherwise comply with its covenants and other obligations in respect of the Deliverables, the Charging Units or the Buses as set forth in this Lease, excluding ordinary wear and tear within the operational parameters set forth herein. Lessee will promptly and in any event within thirty (30) Business Days after such event, contract with Manufacturer to have Manufacturer repair or replace such Deliverables, or in the case of a Total Loss in respect of any Equipment (whether occasioned by damage, theft, destruction or otherwise) pay to Lessor the Stipulated Loss Value, in accordance with Section 5.2, and all Rent will continue to apply and be due and payable at all times from and after the date hereof (provided, that if any Bus becomes inoperable during the Term as a result of a failure by Manufacturer to provide Batteries that, subject to the terms and conditions of the Limited Operational Warranty (including any acceptable use parameters, meet the Limited Operational Warranty, then Lessee may seek reimbursement from Manufacturer for such proportional amount of Rent paid hereunder during the period that such Bus is or was inoperable). To the extent Lessee receives any insurance proceeds under any insurance policies of Lessee required under Article XI covering the Equipment, such proceeds will be retained by Lessee and applied to satisfy its repair and replacement obligations under this Lease, except in the case of any Total Loss of any Equipment, in which case such proceeds shall immediately upon receipt thereof by Lessee be paid to Lessor and applied to the Stipulated Loss Value payment obligation owing by Lessee to Lessor as a result of such Total Loss, and no such loss, theft, destruction, or damage to any Deliverables will impose any obligation on Lessor to replace, substitute or repair any such Deliverables, and this Lease will continue in full force and effect regardless of such loss, theft, destruction, or damage.

ARTICLE VIII INDEMNIFICATION

Section 8.1 By Lessor. Lessor shall defend, indemnify and hold harmless Lessee, its Affiliates and its and their officers, directors, employees, agents, successors and assigns from and against all Losses to the extent incurred under any third-party claim, suit, action or proceeding (each, a "Claim") resulting from:

- (a) bodily injury (including death) or damage to real or tangible personal property to the extent caused by the willful or grossly negligent acts of Lessor;
- (b) Lessor's breach of any of its obligations under Article V; and
- (c) Lessor's breach of its confidentiality obligations hereunder.

Section 8.2 By Lessee. In addition to and not in limitation of the indemnity provided for in Section 5.1(b), Section 2.2, and Section 5.3(b), Lessee shall defend, indemnify and hold harmless Lessor, its Affiliates and its and their officers, directors, employees, agents, successors and assigns from and against all Losses to the extent incurred under any Claim resulting from:

(a) bodily injury (including death) or damage to real or tangible personal property (including damage to any of the Deliverables) arising out of or related to in any way to Lessee's use, storage, maintenance, repair or operation of any of the Buses, the Charging Units or the Deliverables, excluding (i) ordinary wear and tear with respect to the Deliverables as used within the Acceptable Use Parameters set forth herein, (ii) any such loss, theft, destruction or damage to the extent caused by Lessor;

(b) Lessee's breach of any of its obligations under Article III, Article IV, Article VI, or Section 7.3, any misuse of the Equipment by Lessee, or any failure by Lessee to adhere to the Acceptable Use Parameters;

(c) Lessee's breach of its confidentiality obligations hereunder; and

(d) any inaccuracy in or breach of any of the representations of Lessee contained in this Lease.

Section 8.3 Indemnification Procedures. The Party seeking indemnification hereunder shall promptly notify the indemnifying Party in writing of any Claim and cooperate with the indemnifying Party at the indemnifying Party's sole cost and expense. The indemnifying Party shall immediately take control of the defense and investigation of such Claim and shall employ counsel of its choice to handle and defend the same, at the indemnifying Party's sole cost and expense. The indemnified Party's failure to perform any obligations under this Section 8.3 shall not relieve the indemnifying Party of its obligations under this Article VIII except to the extent that the indemnifying Party can demonstrate that it has been materially prejudiced as a result of such failure. The indemnified Party may participate in and observe the proceedings at its own cost and expense.

ARTICLE IX LIMITATION OF LIABILITY

Section 9.1 Disclaimer of Certain Damages. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS LEASE OR THE SUBJECT MATTER HEREOF, REGARDLESS OF THE FORM OF ACTION AND REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE OR WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. LESSOR'S CUMULATIVE LIABILITY UNDER THIS LEASE SHALL NOT

EXCEED THE AGGREGATE AMOUNT PAID BY LESSEE UNDER THIS AGREEMENT AT THE TIME OF SUCH CLAIM.

Section 9.2 Release.

(a) Lessee hereby releases Lessor in full in connection with any Losses incurred under or in connection with any Claim for any manufacturing defect, design defect, failure to warn or other act or omission of any such person giving rise to or resulting in any product liability Claim relating to the Batteries or the Equipment (including without limitation the cost of any recall, retrieval or consumer or trade notification attributable to such Claim, as the relevant Indemnified Party, in its sole and reasonable judgment in accordance with customary commercial practices, determines is necessary).

(b) [Lessee acknowledges that it is familiar with and understands California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

Lessee hereby waives and relinquishes every right or benefit that it has or may have under California Civil Code Section 1542 to the full extent that it may lawfully waive such right or benefit. In connection with such waiver and relinquishment, Lessee acknowledges that it may discover facts in addition to or different from those that it knows or believes to be true with respect to the subject matter of this Agreement and/or the waiver(s) set forth herein, but that it is Lessee's intention hereby to fully, finally and forever waive and release all Claims, known or unknown, suspected or unsuspected, that may exist or heretofore have existed or that may come into existence hereinafter with respect to such Claims, as well as any and all other Claims and/or matters covered herein or contemplated hereby. The release given in this Section shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different facts. Lessee acknowledges and agrees that it has been represented by legal counsel of its choice in connection with this Agreement, and that such counsel has explained to it the provisions of this Section. By initialing below, Lessee confirms it has agreed to the provisions of this Section.

In any case where Lessor is also the Manufacturer of the Equipment, the foregoing provisions of this Section shall not apply to release the Lessor from any of its obligations under the Limited Operational Warranty.

Lessee's initials: _____]¹

¹ To be included in leases governed by CA law.

ARTICLE X
TERMINATION: EFFECT OF TERMINATION AND EXPIRATION

Section 10.1 Termination for Cause. Either Party may terminate this Lease, or suspend its performance hereunder, if the other Party (the “Defaulting Party”):

(a) commits a material breach of this Lease and such breach is not cured within twenty (20) Business Days following notice thereof or breaches in any material respect of any of its representations and warranties in Article VII; provided, however, that (i) any breach of Section 3.3(c), Section 5.1, Section 5.3, Section 7.3(d), Section 7.3(e) or Article XI shall not be subject to any opportunity to cure, (ii) any breach of Section 6.1 by Lessee must be cured within three (3) Business Days, (iii) breaches affecting a Party’s Confidential Information or Proprietary Rights, to the extent curable, must be cured within a five (5) Business Day period, and (iv) any breach by Lessor as a result of a Lender’s exercise of its rights under Section 14.9 shall be subject to the cure period set forth in Section 14.9; or

(b) (i) becomes insolvent or the subject of any proceedings under any bankruptcy, insolvency or liquidation laws, which proceedings are not resolved favorably to the Defaulting Party or dismissed within twenty (20) Business Days, (ii) makes a general assignment for the benefit of creditors, (iii) ceases conducting business in the normal course or (iv) has a material portion of its assets attached (each of the foregoing events in the immediately preceding clauses (i) through (iv) being referred to as a “Bankruptcy Event”).

Section 10.2 No Termination without Cause. Except as set forth in Section 10.3 or Section 10.4 below, neither Party may terminate this Lease without cause at any time during the Term.

Section 10.3 Additional Lessor Termination Rights. Lessor shall have the right, in its sole discretion, to terminate this Lease if any of the following events occur:

(a) Lessee fails to pay in full the purchase price for the Buses when due in accordance with the terms of the applicable Sales Contract or otherwise fails to comply with the terms of the Sales Contract;

(b) Lessee discontinues the use of the Buses;

(c) all of the Buses are stolen, lost or destroyed;

(d) the Buses, the Charging Units and/or Equipment are operated or utilized in a manner (as determined by Lessor in good faith based upon its monitoring data or other information available to it) during the Term that does not comply with the acceptable use parameters as set forth on Exhibit C hereto (“Acceptable Use Parameters”); or

(e) [Lessee shall default in the payment of principal or interest due and owing under any agreement evidencing material indebtedness of Lessee, beyond any applicable notice or grace periods, if the effect of such default is to allow acceleration of the maturity of such indebtedness or to permit the holder thereof to cause such indebtedness to become due prior to its stated maturity.]

Section 10.4 Termination by Lessee for Failure of Limited Operational Warranty; [Purchase Option].

(a) If the Manufacturer defaults under its obligations under the Limited Operational Warranty and fails to cure such default following thirty (30) Business Days' notice to Manufacturer of such default (a "Warranty Failure"), a copy of which notice shall be sent concurrently to Lessor, then Lessee's sole remedy shall be, at any time following such Warranty Failure, to terminate this lease upon not less than thirty (30) Business Days' prior written notice to Lessor and elect to exercise the Purchase Option set forth in Section 10.4(b) below. For the avoidance of doubt, following a Warranty Failure Lessee may elect to maintain this Lease in place as is, without the benefits of the Limited Operational Warranty, and continue making Rental Payments hereunder for a period before exercising its termination or purchase right under this Section 10.4.

(b) During the Term, Lessee shall have the right to purchase the Equipment from Lessor on an "as-is" basis (referred to herein as the "Purchase Option") for a purchase price equal to the Stipulated Loss Value (the "Purchase Option Consideration") following the termination of this Lease pursuant to Section 10.4(a) above. In order to exercise the Purchase Option, Lessee must deliver to Lessor written notice thereof together with the payment of the Purchase Option Consideration in immediately available funds. Following receipt of a timely and valid notice and payment of the Purchase Option Consideration by Lessee, Lessor shall deliver to Lessee a commercially reasonable bill of sale to document the transfer of title of the Equipment from Lessor to Lessee, upon which this Lease shall terminate and be of no further force or effect, except for those provisions which expressly survive termination.

Section 10.5 Effects of Termination or Expiration.

(a) If (i) this Lease expires, (ii) Lessee or Lessor terminates this Lease for cause pursuant to Section 10.1, (iii) this Lease terminates pursuant to Section 10.3, or (iv) this Lease terminates pursuant to Section 10.4, then, subject to the exercise of any Purchase Option that may be available to Lessee to the extent provided for in Section 10.4(b), Lessee shall comply with its return obligations under Section 5.1(f), and Lessor shall also have the right (or the obligation, as a result of Lessee's termination of this Lease for cause pursuant to Section 10.1) to uninstall the Deliverables from the Buses and take back possession and custody of the Deliverables in accordance with a schedule to be mutually agreed between the Parties, but in no event more than forty-five (45) Business Days (or such later date as may be agreed to in writing by the Parties) following such expiration or termination. Lessor shall be liable for all costs and expenses in connection with the foregoing uninstallation and removal if the Agreement expires or Lessee terminates the Agreement pursuant to Section 10.1 as a result of a breach by Lessor or a Bankruptcy Event in respect of Lessor. Lessee shall be liable for all costs and expenses in connection with the foregoing uninstallation and removal if the Agreement is terminated by Lessor pursuant to Section 10.1 as a result of a breach by Lessee or a Bankruptcy Event in respect of Lessee, or if the Agreement terminates pursuant to Section 10.4. Lessee agrees to fully cooperate with Lessor in such uninstallation and removal, to turn over to Lessor all Deliverables in its possession, and to grant Lessor access to the Buses and the Storage Site as necessary to accomplish such uninstallation and removal. Lessee acknowledges and agrees that Lessor shall have the right to render the Batteries inoperable (which may be done either remotely or by direct access to the

Batteries) at any time following (i) any termination or expiration of this Lease, (ii) any failure by Lessee to timely pay any Rent when due for so long as such failure is continuing, or (iii) the occurrence and during the continuance of any other event that gives Lessor the right to terminate this Lease.

(b) Within thirty (30) Business Days following the expiration or termination of this Lease, Lessee shall pay to Lessor all outstanding Rent accrued prior to such expiration or termination.

Section 10.6 Contract Renewal Option. At the end of the stated Term, the Parties may mutually agree to enter into a new lease arrangement providing for new leased batteries and related deliverables for one or more of the Buses, upon terms and subject to conditions mutually agreed upon at the time by the Parties, as evidenced by a separate written agreement entered into by the Parties. For the avoidance of doubt, Lessor shall have no obligation to enter into such a term renewal.

Section 10.7 No Prejudice. Termination of this Lease pursuant to its terms, in whole or in part for any reason, shall not affect any liabilities or obligations of either Party arising before such termination or out of events causing such termination, or any damages or other remedies to which a Party may be entitled under this Lease, at law or in equity.

Section 10.8 Lessor's Performance of Lessee's Obligations. If Lessee fails to perform any of its obligations hereunder, Lessor may perform any act or make any payment that Lessor deemed reasonably necessary for the maintenance and preservation of the Equipment and Lessor's interest therein; *provided, however*, that the performance of any act or payment by Lessor shall not be deemed a waiver of, or release from, the obligation at issue. All sums so paid by Lessor, together with expenses (including reasonable legal fees and costs) incurred by Lessor in connection therewith, shall be paid to Lessor by Lessee immediately upon demand and presentment of an invoice.

Section 10.9 Survival. The provisions of this Lease which, by their nature and content, are intended, expressly or impliedly, to continue to have effect notwithstanding the termination or expiration of this Lease shall survive and continue to bind the Parties, including Article I, Article VIII, Article IX, Article XII, Article XIV, Section 3.1, Section 3.2(a), Section 3.4, Section 6.2, Section 7.3(f), Section 10.4, Section 10.5, Section 10.8 and this Section 10.9 and, for so long as any of the Equipment remains on any of the Buses and has not been returned to Lessor, Section 3.3, Section 5.1, Section 5.2, Section 5.3, Section 7.3 and Article XI.

ARTICLE XI INSURANCE

Section 11.1 Insurance Requirements. At all times during the Term, Lessee shall maintain, at its sole cost and expense:

(a) commercial general liability insurance, including contractual liability, with a per-occurrence limit of not less than One Million Dollars (\$1,000,000) for bodily injury and/or property damage; and

(b) Lessee will, at Lessee's sole cost, cause casualty insurance, public liability insurance, and property damage insurance to be carried and maintained on the Buses, the Charging Units and the Equipment, with all such coverages in respect of the Equipment to be in such amounts sufficient to cover the value of the Equipment at the commencement of this Lease, and to be in such forms, to cover such risks, and with such insurers, as are acceptable to Lessor. Lessee will cause Lessor to be the named as additional insured and loss payee on such policies as its interest under this Lease may appear with respect to the Equipment. Insurance proceeds from insurance policies relating to casualty and property damage losses in respect of the Equipment will, to the extent permitted by law, be payable to Lessor. Lessee will deliver to Lessor copies of the policies or evidences of insurance satisfactory to Lessor, if any, together with receipts for the initial premiums, certificates of insurance naming Lessor as loss payee and additional insured and evidence of endorsements to such policies in form and substance reasonably acceptable to Proterra, on or before the Commencement Date. Any renewal policies in respect of the above required insurance, together with receipts showing payment of the applicable premiums, will be delivered to Lessor at least thirty (30) Business Days before termination of the policies being renewed. By endorsement upon the policy or by independent instrument furnished to Lessor, such insurer will agree that it will give Lessor at least thirty (30) Business Days' written notice prior to cancellation or alteration of any policy covering the Equipment.

(c) workmen's compensation insurance covering all employees working on, in, or about the Buses or the Charging Units, and will require any other person or entity working on, in, or about the Equipment or the Charging Units to carry such coverage.

Lessee shall, upon Lessor's request from time to time, furnish to Lessor a certificate evidencing such coverages. Lessee acknowledges and agrees that if Lessor assigns this Lease to a third party, Lessee shall update the additional insured under this Article XI promptly following request of Lessor and furnish an updated insurance certificate evidencing the same.

[The foregoing requirements in Section 11.1 shall not apply to the extent Lessee self-insures as to property or casualty risks, and in such case, the amount of such self-insurance shall be reasonably sufficient in the good faith judgment of the Lessee to cover any reasonably anticipated risks of loss or damage to property (including the Batteries and the Buses) and casualty events, as applicable; it being understood that Lessee presently self-insures as to loss or damage to property and casualty events does not carry separate property or casualty insurance with any insurance company.]

Section 11.2 Additional Requirements. Lessee shall provide Lessor prompt written notice of any material changes to, and at least twenty (20) Business Days prior written notice

of any proposed cancellation or replacement of, any of the insurance policies required herein to be carried by the Lessee.

ARTICLE XII
DISPUTE RESOLUTION

Section 12.1 Dispute Resolution Procedure. Any dispute, controversy or claim arising out of, relating to or in connection with this Lease (or the breach or validity thereof) or the performance of any obligations hereunder (each, a “Dispute”), shall be resolved in the manner described in this Article XII.

Section 12.2 Escalation of Disputes.

(a) All Disputes shall be initially referred to the appropriate manager/supervisory level personnel for resolution. If such personnel are unable to resolve such Dispute within ten (10) Business Days (or such longer period as the Parties may mutually agree in writing) after referral of the matter to them, then either Party may request in writing that the Dispute be escalated.

(b) Promptly after receipt of written notice of escalation by either Party pursuant to Section 12.2(a), the Parties shall submit the Dispute to the appropriate senior management of the Parties for resolution. If senior management is unable to resolve the Dispute within five (5) Business Days (or such longer period as the Parties may mutually agree in writing) from the date such Dispute was submitted for consideration, then either Party may settle such Dispute in accordance with Section 12.4 hereof.

Section 12.3 Injunctive Relief. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Lease were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will have the right to apply at any time to a judicial authority for appropriate injunctive relief (or other interim or conservatory measures).

Section 12.4 Arbitration. Any claim or dispute arising out of or relating to this Lease, or its breach, shall be resolved by binding arbitration conducted by a single arbitrator in the State of California or such other location mutually agreed upon by the Parties. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitrator shall minimize the time and cost of the proceedings. The arbitrator shall render his final decision within twenty (20) Business Days of the completion of the final hearing. Each Party hereby waives its right to recover exemplary or punitive damages in connection with any dispute. The arbitrator’s decision shall be final and non-appealable. Judgment upon any award rendered in the arbitration proceeding may be entered by, any federal or state court having jurisdiction. All costs of arbitration shall be borne equally by the Parties. Either Party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also, without waiving any remedy under this agreement, may seek from any court having jurisdiction any interim or provisional

relief that is necessary to protect the rights or property of that Party, pending the establishment of the arbitration tribunal.

ARTICLE XIII
CONDITIONS PRECEDENT TO EFFECTIVENESS

This Lease shall become effective upon the satisfaction of the following conditions precedent: (a) the Parties hereto shall have duly executed and delivered a counterpart of this Lease, and (b) the Sales Contract shall have been duly executed and delivered by SANTA ROSA CITYBUS and Proterra, and SANTA ROSA CITYBUS shall have paid to Proterra the entire purchase price required to be paid pursuant to the terms thereof.

ARTICLE XIV
MISCELLANEOUS

- Section 14.1 Interpretation. All Section and Exhibit references herein are to Sections and Exhibits of this Lease. The Section headings in this Lease are for reference purposes only and may not be construed to modify or restrict any of the terms of this Lease. This Lease will be deemed to have been written by both Parties. Unless the context requires otherwise, (a) “including” (and any of its derivative forms) means including but not limited to, (b) “may” means has the right, but not the obligation to do something and “may not” means does not have the right to do something, and (c) “will” and “shall” are expressions of command, not merely expressions of future intent or expectation.
- Section 14.2 No Construction Against Drafting Party. The Parties acknowledge that each of them and their respective counsel have had the opportunity to review this Lease and that this Lease shall not be construed against any party merely because this Lease or any of its provisions have been prepared by a particular party.
- Section 14.3 Entire Agreement. This Lease, together with the Schedules and Exhibits attached hereto, constitutes the entire agreement between Lessor and Lessee with respect to the subject matter hereof, superseding any prior agreement or representation, oral, electronic, or written.
- Section 14.4 Amendment; Modification; Waiver. This Lease may not be modified or amended, except in a writing signed by duly authorized representatives of both Parties. No waiver of any breach or provision of this Lease will be binding unless it is in a writing signed by a duly authorized representative of the waiving Party. The waiver, or failure to enforce, any right resulting from any breach or provision of this Lease will not be deemed a waiver of any right relating to a subsequent breach, any other provision or any other right hereunder.
- Section 14.5 Severability. If for any reason a court of competent jurisdiction finds any provision of this Lease to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to implement the intent of the Parties, and the remainder of the Agreement will continue in full force and effect.

Section 14.6 Governing Law. This Lease will be governed by and interpreted in accordance with the laws of the State of [California], without regard to any conflicts of laws principles.

Section 14.7 Confidentiality.

(a) Each Party shall keep confidential and shall not use, make available or disclose any Confidential Information of the other Party. Notwithstanding the foregoing, Confidential Information may be disclosed on an as needed basis to (i) Affiliates, personnel, subcontractors and/or agents of the receiving Party as required for the purpose of fulfilling the receiving Party's obligations under this Lease, (ii) to Manufacturer to enable Manufacturer to perform any repair or maintenance services contracted therefore or fulfil any of its warranty obligations in respect of the Equipment under the Limited Operational Warranty, and (iii) in case of Lessor to (A) any of its permitted assigns in connection with any assignment by Lessor of this Lease or (B) to any Lender (as defined below) that is bound by similar confidentiality restrictions as contained herein. Each Party shall ensure that any Confidential Information it discloses in accordance with this Section 14.7(a) is treated as confidential by the person or entity to whom it is disclosed and shall require such person or entity to enter into a confidentiality agreement which imposes confidentiality obligations no less protective of the Confidential Information than those imposed under this Lease.

(b) The provisions of this Section 14.7 shall not apply to any Confidential Information which: (i) is or becomes commonly known within the public domain other than by breach of this Lease or any other agreement that the disclosing Party has with any party; (ii) is obtained from a third party who is lawfully authorized to disclose such information free from any obligation of confidentiality; (iii) is independently developed without reference to any Confidential Information; or (iv) is known to the receiving Party without any obligation of confidentiality prior to its receipt from the disclosing Party.

(c) Nothing in this Section 14.7 shall prevent either Party from disclosing Confidential Information where it is required to be disclosed by judicial, administrative, governmental or regulatory orders; provided, however, that each Party shall, if legally permitted, give the other Party prior notice, as soon as possible, of such required disclosure so as to enable the other Party to seek relief from such disclosure requirement or to take measures to protect the confidentiality of the disclosure.

(d) The receiving Party shall immediately inform the disclosing Party in the event that it becomes aware of the possession, use or knowledge of any Confidential Information of the disclosing Party by any person or entity not authorized to possess, use or have knowledge of such Confidential Information and shall, at the request of the disclosing Party, provide such reasonable assistance as is required by the disclosing Party to mitigate any damage caused thereby.

(e) Failure by a Party to comply with this Section 14.7 shall constitute a material breach of this Lease.

Section 14.8 Assignment; Successors and Assigns. Lessee may not assign this Lease or sublease the Equipment, by contract, operation of law or otherwise, without the prior written consent of Lessor. Lessor may assign this Lease or any of its rights and obligations

under this Lease to any Affiliate or third party upon written notice to Lessee, and Lessor may further collaterally assign this Lease and/or any of its rights hereunder in favor of Lessor's Lender. Any attempted assignment in violation of the foregoing shall be null and void. All provisions of this Lease by and for the benefit of the Parties shall bind and inure to the benefit of their respective successors and permitted assigns. In connection with any assignment of this Lease by Lessor, Lessee agrees upon request to promptly execute and delivery a customary acknowledgement of assignment in substantially the form attached hereto as Exhibit E.

Section 14.9 Lender Rights; Third Party Beneficiary. Lessee acknowledges that Lessor may at any time grant to any third-party lender ("Lender") a lien on or security interest in all or any part of the Deliverables and its rights under this Lease (including any rights to payment of Rent or other amounts). Accordingly, upon receipt of a written notice from Lender certifying that an event of default under the applicable loan agreement, credit agreement or security agreement between Lessor and Lender has occurred (a) upon demand by Lender that Lessee make payment of Rent or other amounts payable by Lessee hereunder directly to Lender, Lessee shall comply with all such requests, and such notice or direction shall not constitute grounds for termination of this Lease, and (b) Lessee hereby grants Lender the right and/or license to access the Buses and the Storage Site to (i) inspect the Deliverables during reasonable times and upon reasonable notice, and (ii) remove any or all of the Deliverables, in the case of any material breach by Lessee of its obligations under this Lease that gives Lessor the right to terminate this Lease pursuant to Article X (taking into account all grace and cure periods), any other event that results in a termination of this Lease or any expiration of this Lease. It is expressly agreed between the Parties that Lender is and shall be a third-party beneficiary under this Section 14.9. Upon request by Lessor or Lender, Lessee agrees to execute and deliver to Lender an acknowledgment agreement with respect to the rights of Lender described above.

Section 14.10 Force Majeure. If either Party is prevented from performing one or more of its non-monetary obligations under this Lease due to a Force Majeure Event, the Party unable to perform shall promptly notify the other Party in writing specifying in reasonable detail the nature of the Force Majeure Event and its expected duration. The affected Party shall use commercially reasonable efforts to avoid or overcome the Force Majeure Event with the least possible delay. The obligations of the affected Party shall be reduced or suspended during the continuance of the Force Majeure Event; provided, that such obligations shall be reduced only to the extent that the adverse effects of the Force Majeure Event cannot be mitigated by the affected Party's diligent efforts. If a Force Majeure Event is anticipated to prevent a Party from performing its obligations under this Lease for a period of three (3) months or more, the Parties shall meet to determine the appropriate course of action.

Section 14.11 Notices. All notices to be given under this Lease will be made in writing and mailed or delivered by registered or certified mail, return receipt requested to the following

addresses until either Party gives written notice to the other Party specifying a different address:

(a) if to Lessee:

ADDRESS Attention:

(b) if to Lessor:

INSERT ADDRESS Attention:

Section 14.12 Further Assurances. Each Party shall execute and deliver instruments and assurances and do all things reasonably necessary and proper to secure all necessary Approvals in a timely manner and to otherwise carry out the terms of this Lease.

Section 14.13 Counterparts. This Lease may be executed in any number of counterparts, each of which will constitute an original and all of which will be considered one and the same instrument. Delivery of an executed counterpart of a signature page of this Lease by facsimile or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Lease.

Section 14.14 Manner of Payment. All payments required to be made by Lessee under this Lease will be made in cash, by certified or cashier’s check, or by other manner acceptable to Lessor.

Section 14.15. Lessee Waivers. To the extent permitted by applicable law, Lessee hereby waives any and all rights and remedies conferred upon a Lessee by §§2A-508 through 2A-522 of the Uniform Commercial Code, including but not limited to Lessee’s rights to: (i) cancel the Lease; (ii) repudiate the Lease; (iii) revoke acceptance of the Equipment; (iv) recover damages from Lessor for any breaches of warranty or for any other reason other than Lessor’s breach of this Lease; (v) claim, grant or security interest in the Equipment in Lessee’s possession or control for any reason; (vi) deduct all or any part of any claimed damages resulting from Lessor’s default, if any, under the Lease; (vii) cover by making any purchase or lease of or contract to purchase or lease property in substitution for the Equipment due from Lessor; (viii) recover any special, incidental or consequential damages, for any reason whatsoever; and (ix) commence legal action against Lessor for specific performance, replevin, detinue, sequestration, claim and delivery or the like for any Equipment identified in the Lease. To the extent permitted by applicable law, Lessee also hereby waives any rights now or hereafter conferred by statute or otherwise which may require Lessor to sell, lease or otherwise use any Equipment in mitigation of Lessor’s damages upon any breach of this Lease by Lessee or which may otherwise limit or modify any of Lessor’s rights or remedies hereunder. TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RIGHTS OR REMEDIES REFERRED TO IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE WILL BE CONFERRED UPON LESSEE UNLESS EXPRESSLY GRANTED IN THE LEASE.

Section 14.16. Additional Provisions.

(a) True Lease. The parties acknowledge and agree that this is a “true lease” and title to the leased Equipment and Deliverables is vested in the Lessor at all times during the Term. Lessee further acknowledges that Lessor may, during the Term, pledge its ownership in the

Equipment to a Lender and subject the Equipment to a UCC-1 financing statement in favor of Lender.

[(b) Back-up Security Interest. In the event a court of competent jurisdiction or other governing authority shall determine that the Lease is not a “true lease” or is a lease intended as security or that Lessor (or its assigns) does not hold legal title to or is not the owner of the Property, the following shall apply:

(i) Effective the execution date of the Lease, Lessee, as debtor, grants a security interest to Lessor, as secured party, in all rights, titles and interests in the following (the “Collateral”): the Equipment, the Deliverables, all accessions thereto, and all rights related thereto, and all proceeds of any of the foregoing (including any proceeds under any insurance policies in respect of any of the Equipment or Deliverables), to secure all duties and obligations of Lessee to Lessor under this Lease. The Lease shall be deemed to be a security agreement with Lessee having granted to Lessor a security interest in the Collateral to secure all duties and obligations of Lessee to Lessor under this Lease. With regard to any security interest created hereunder in any of the Collateral, Lessee shall have the consents and agrees that Lessor shall have all of the rights, privileges and remedies of a secured party under the Uniform Commercial Code (UCC), and Lessee agrees to make any UCC filings related to the Collateral necessary to effectuate the same.

(ii) To evidence Lessor’s sole and exclusive ownership of the Batteries, Lessee hereby authorizes Lessor to file a memorandum of this Lease and/or any UCC-1 filings, in any jurisdiction as Lessor may deem appropriate to protect its interests and to take any and all actions necessary to perfect Lessor’s interest in the Collateral. Lessee agrees to execute any further documents, and to take any further actions, reasonably requested by Lessor to evidence or perfect the security interest granted under this Section 14.16, to maintain the first priority of such security interest, or to effectuate the rights granted to Lessor under this Section 14.16.

(c) Chattel Paper. To the extent this Agreement may be considered “chattel paper” as defined in the Uniform Commercial Code or other statute of the jurisdiction where the Equipment is located, this original executed Lease shall constitute the original Lease and Lessor’s interests herein may be transferred only by transfer of possession of this original Agreement.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, each of the undersigned Parties has caused its duly authorized representative to execute this Battery Lease Agreement as of the date first above written.

LESSOR:

PROTERRA INC

By: _____

Name: _____

Title: _____

LESSEE:

SANTA ROSA CITYBUS NAME

By: _____

Name: _____

Title: _____

ACKNOWLEDGED AND AGREED:

[MANUFACTURER]

By: _____

Name:

Title:

EXHIBIT A
LEASED EQUIPMENT

The six 64] high voltage battery pack as further described below.²

The high voltage (HV) Battery Pack consists of battery modules, cell monitoring circuit boards, a battery management system (BMS), busbars, current sensors, a manual service disconnect, a fuse, a thermal management system, and various hardware.

² Particular type of Battery pack (2, 4 or 6) to be specified.

Each battery pack contains an assembly of battery modules which are connected in series. Each battery module contains a multitude of lithium ion cells which utilize a nickel-based cathode and a graphite anode.

The characteristics of a single HV Battery are shown in

Table 1. The HV battery is to be used in a bus, where 2, 4 or 6 HV Batteries may be installed in parallel. The characteristics of the total energy storage system is dependent upon configuration.

Table 1: HV Battery Pack Characteristics (One Pack)

Nominal Capacity	318 Ah
Maximum Temperature	60°C
Maximum Discharge Current	350A
Maximum Charge Current	250A
Maximum Voltage	403.2V
Nominal Voltage	346V
Minimum Voltage	274V
Nominal Discharge Power	125 kW
Nominal Charge Power	85 kW
Pack Energy	110 kWh
Dimensions	2809 (L) X 960 (W) X 177 mm ³
Mass	720 kg



Figure 1 Locations of HV Battery Packs for ZX5 + Configuration (4 packs)

Each HV Battery is able to independently control charge/discharge power. A controller within the vehicle communicates to all HV Battery Packs via CAN communications. The diagram in Figure 2 is used to describe the architecture.

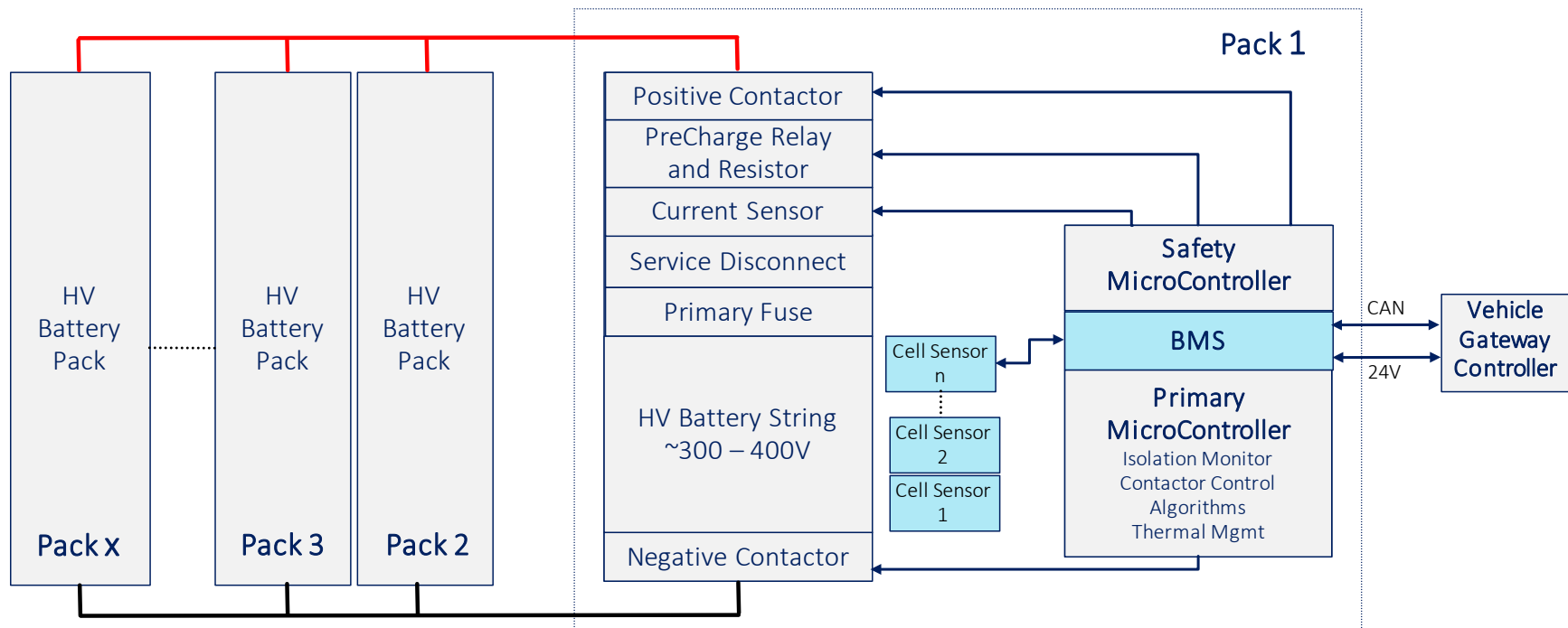


Figure 2: General Battery-to-Vehicle Architecture

EXHIBIT B

2170 BATTERY PACK LIMITED WARRANTY



PROTERRA

2170 BATTERY PACK LIMITED WARRANTY

Subject to the terms, conditions and limitations set forth in this Battery Pack Limited Warranty (the “Warranty”), including, without limitation, the Approved Use Conditions, Proterra, Inc. (“Proterra”) warrants to the original purchaser or lessee (individually or collectively, the “Santa Rosa CityBus”) that its high voltage battery pack (the “Battery Pack”) for the Proterra ZX5 / ZX5+ /ZX5 Max - series battery-electric bus will be free from defects in materials and workmanship.

This Warranty covers the parts, labor (if applicable and in accordance with the terms of this Warranty and/or any purchase or lease agreement), and freight costs incurred during the Warranty Period.

The Battery Pack may not be serviced by the Santa Rosa CityBus, or any third-party maintenance provider, without having completed the proper factory training and have successfully been certified by Proterra to service the Battery Pack. Any servicing of the Battery Pack by the Santa Rosa CityBus, or any third-party maintenance provider, without having become Proterra-Certified will void the Warranty. Proterra, or a Proterra-Certified technician, will perform all necessary repairs to the Battery Pack.

2170 BATTERY PACK LIMITED WARRANTY TERMS

As it pertains to this section, the following terms are defined:

“Gross Discharge Throughput” means the total energy discharged through the Battery Pack during its life, including energy from external chargers and energy recuperated from regenerative braking. The Gross Discharge Throughput will be tracked by the BMS at the Battery Pack level and reported through the onboard vehicle telemetry system.

“Nameplate Energy” means the amount of energy stated in the specifications, bid proposal, and/or contract, divided by the number of Battery Packs (e.g., 6 Battery Packs at 675 kWh would have 112.5 kWh nameplate energy per Battery Pack).

“Available Energy” means the amount of energy available between 0% state of charge (“SOC”) and 100% SOC - This information can be obtained using the Proterra diagnostic tool and a snapshot thereof must accompany any battery claims.

Battery Pack Material and Workmanship Warranty 6 Years / Unlimited Mileage	Coverage to include all materials, components and workmanship of the Battery Pack to be free of defects.
Battery Packs with Nameplate energy of 112.5	For Battery Packs with 112.5 kWh of Nameplate

kWh 6 Years / 200 MWh	Energy and the Available Energy of 101 kWh in new condition, Proterra warrants Available Energy of 81 kWh per Battery Pack for 6 years, or 200 MWh of Gross Discharge Throughput per Battery Pack, whichever comes first.
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COMPONENTS INCLUDED IN BATTERY PACK LIMITED WARRANTY

This Warranty includes the following Battery Pack components:

- Battery Modules
- Battery Management System (BMS)
- Battery Cooling System
- Battery Pack Enclosure
- Electrical, Mechanical, and Thermal Interfaces
- Manual Service Disconnect (MSD)

WHAT IS NOT COVERED

The following conditions are not covered by the Battery Pack Limited Warranty:

- Battery Packs that have been serviced by a non-Proterra-Certified technician without prior authorization by Proterra.
- Alteration or modification of any part of the Product with any third-party item
- Misuse or negligent use of the bus, including but not limited to Santa Rosa CityBus's, or a third-party's, failure to follow Proterra's Operating Manual
- Intentional or accidental collision and/or other physical damage
- Acts of Nature
- Neglect or Failure to perform the Preventative Maintenance as outlined in the maintenance documentation for the Product
- Unauthorized use or operation outside of the terms and conditions of the applicable lease contract,
- Improper maintenance and repair
- Intentional acts of destruction, tampering or vandalism

EXHIBIT C

ACCEPTABLE USE PARAMETERS

Santa Rosa CityBus covenants and agrees to adhere to the following Acceptable Use Parameters:

- Santa Rosa CityBus to use the Buses solely to provide bus transportation services within the service area specified in the Lease.
- Santa Rosa CityBus to observe and adhere to the operating procedures, warranties and guidelines with respect to the Buses as issued by Proterra and furnished by Proterra to Santa Rosa CityBus in connection with this Lease Agreement and/or the Sales Contract

EXHIBIT D

COMMENCEMENT CERTIFICATE

In accordance with the terms and provisions of the Lease, SANTA ROSA CITYBUS, a local government ("Lessee"), hereby certifies and states that:

1. All Equipment listed in Exhibit A to the Lease has been delivered and fully installed;
2. Lessee has inspected the Equipment;
3. Lessee accepts the Equipment for all purposes of the Lease; and
4. Any insurance policies required under the Lease have been obtained and are in full force and effect.

IN WITNESS WHEREOF, Lessee has caused this instrument to be duly executed on this ____ day of _____, 20__.

[SANTA ROSA CITYBUS]

By: _____
Name:
Title:

EXHIBIT E

Form Assignment and Assumption of Battery Lease Agreement

THIS ASSIGNMENT AND ASSUMPTION OF BATTERY LEASE AGREEMENT (this “*Agreement*”) is entered into as of _____, 20__ (the “*Assignment Date*”) by and between PROTERRA INC, a Delaware corporation (“*Assignor*”), and MOBILITY FOREFRONT LLC, a Delaware limited liability company (“*Assignee*”).

RECITALS

WHEREAS, Assignor and [NAME OF SANTA ROSA CITYBUS] (“*Lessee*”) have executed that certain Battery Lease Agreement, dated as of _____, 20__ (the “*Lease*”), whereby Assignor leases to Lessee the Batteries and equipment described therein (the “*Batteries*”) ; and

WHEREAS, the Master Agreement, dated as of March 29, 2019, by and among Assignor and Assignee (as amended, restated, supplemented or otherwise modified from time to time, the “*Master Agreement*”), provides for, among other things, the assignment by Assignor to Assignee of certain battery lease agreements such as the Lease Agreement in connection with the transfer and sale to Assignee of Batteries (as defined in the Master Agreement) for consideration in the amount and upon the terms and subject to the conditions provided in the Master Agreement; and

WHEREAS, Assignor desires to assign, and Assignee desires to assume, the rights and obligations of Assignor under the Lease, upon the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee agree as follows:

1. Definitions. Capitalized terms used herein without definition shall have the meanings ascribed to them under the Lease.
2. Assignment of Lease. Assignor hereby assigns and transfers to Assignee all of its right, title and interest in the Lease (the “*Assignment*”).
3. Assumption of Obligations. Assignee hereby accepts this assignment and expressly assumes and agrees to hereafter perform all of the terms, covenants, conditions and obligations of Assignor under the Lease, which accrue on and after the Assignment Date.
4. Representations and Warranties. Assignor represents and warrants to Assignee as of the date hereof that (a) it has not previously assigned, conveyed, transferred, hypothecated or encumbered its interest in the Lease, either in whole or in part; and (b) the Lease executed and delivered by Assignor is binding upon Assignor in accordance with its terms.
5. Indemnity. Assignor agrees to save, indemnify, defend and hold Assignee harmless from and on account of any claims, demands, actions, losses, expenses and liabilities (including

attorneys' fees) of Assignee under the Lease on account of or arising out of any obligations and liabilities of the Assignor as lessor thereunder, arising prior to the Assignment Date.

6. Governing Law. This Agreement will be construed in accordance with and governed by the laws of the State of [California]³ without giving effect to its principles regarding conflicts of laws.

7. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall constitute one and the same Agreement.

8. This Agreement is executed and delivered by Assignor and Assignee pursuant to the Master Agreement, subject to the covenants, representations and warranties thereof. No provisions set forth herein shall be deemed to enlarge, alter or amend the terms or provisions of the Master Agreement. In the event of any conflict between the provisions herein and the Master Agreement, the provisions of the Master Agreement shall control.

[Signature page follows]

³ NTD - Subject to adjustment in cases where Santa Rosa CityBus require governing law of their jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement of Battery Lease Agreement to be executed as of the date first written above.

ASSIGNOR:

PROTERRA, INC
a Delaware corporation

By: _____
Name:
Its:

ASSIGNEE:

MOBILITY FOREFRONT LLC,
a Delaware limited liability company

By: _____
Name:
Its:

ACKNOWLEDGED AND AGREED:

LESSEE:

[_____] ,
a _____

By: _____
Name:
Its:

SCHEDULE 1 TO FORM BATTERY LEASE

Battery Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
6 – Pack	\$300,818	\$274,474	\$245,626	\$213,904	\$179,091	\$140,886
4 – Pack	\$200,545	\$182,983	\$163,750	\$142,602	\$119,394	\$93,924
3 – Pack	\$150,409	\$137,237	\$122,813	\$106,952	\$89,545	\$70,443
2 – Pack	\$100,273	\$91,491	\$81,875	\$71,301	\$59,697	\$46,962

SCHEDULE 2 TO FORM BATTERY LEASE

Battery Type	Annual Base Rent	Annual Base Throughput (kWh)	Throughput Rent Adjustment
6 – Pack	\$52,500.00	200,000	\$0.2625 per kWh
4 – Pack	\$35,000.00	133,333	\$0.2625 per kWh
3 – Pack	\$26,250.00	100,000	\$0.2625 per kWh
2 – Pack	\$17,500.00	66,667	\$0.2625 per kWh

In states, such as California and Illinois, where sales tax is not paid directly by the Lessee, the parties shall increase the Annual Base Rent figures stated above to account for sales tax paid in connection therewith, in order to maintain the Minimum Target Return.