

600 B
Kiddie Hall

Consent To Subletting

MARCH 18, 2010

THIS AGREEMENT (this "Agreement") is dated for reference purposes as of October 15, 2009 by and between LEGACY PARTNERS II SD B STREET, a Delaware limited liability company ("Landlord"), CITY OF SAN DIEGO, a California municipal corporation ("Tenant"), KNOWLEDGE LEARNING CORPORATION, a Delaware corporation ("Subtenant"), with reference to the following facts:

A. Landlord's predecessor in interest, KOWA Real Estate California, Inc., and Tenant entered into that certain Lease Agreement dated October 17, 1991, as subsequently amended on October 17, 1991, September 18, 1997, January 10, 2000, March 29, 2001, September 26, 2001, October 8, 2001 and April 12, 2003 (collectively the "Master Lease"), relating to certain premises more particularly described in the Master Lease ("Premises").

B. Tenant and Subtenant have entered into a Sublease Agreement dated as of November 1, 2007 ("Sublease"). By the terms of the Sublease, Tenant will sublease to Subtenant and Subtenant will sublease from Tenant a portion of the Premises consisting of approximately 14,239 rentable square feet of space located at 600 B Street, Suite 300, San Diego, California, as more particularly described in the Sublease together with the "Terrace" and "Park Area" as described in the Fourth Amendment to Office Lease dated March 29, 2001 ("Sublease Premises").

C. Landlord holds fee simple title and a ground lease interest to the Premises as of the date of this Agreement.

D. Tenant has requested that Landlord consent to Tenant subletting the Sublease Premises to Subtenant pursuant to the Sublease. Landlord has agreed to consent to the subletting on the following terms and conditions.

NOW, THEREFORE, in consideration of the foregoing, and in consideration of the mutual agreements and covenants hereinafter set forth, Landlord, Tenant and Subtenant agree as follows:

1. Definitions. Unless otherwise defined in this Agreement, all defined terms used in this Agreement shall have the same meaning and definition given them in the Master Lease.

2. Master Lease.

2.1 The Sublease is and shall be at all times subject and subordinate to all of the terms and conditions of the Master Lease and, notwithstanding anything to the contrary contained in the Sublease, Subtenant agrees to perform all of the covenants of Tenant contained in the Master Lease insofar as the same relate to the Sublease Premises, provided that Subtenant shall not be obligated to pay rent, operating expenses or other charges in excess of the amounts specified in the Sublease. In case of any conflict between the provisions of the Master Lease and the provisions of the Sublease, as between Tenant and Landlord, the provisions of the Master Lease shall prevail unaffected by the Sublease. Subtenant shall not violate any of the terms and conditions of the Master Lease to the extent applicable to the use and occupancy of the Sublease Premises. Any breach of the Master Lease by Tenant or any breach of the Sublease or Master Lease by Subtenant which results in a breach of the Master Lease shall entitle Landlord to all the rights and remedies provided in the Master Lease.

2.2 Subtenant acknowledges and agrees that, except as provided below, the term of the Sublease shall automatically terminate upon the termination of the Master Lease for any reason whatsoever, including, without limitation, the termination of the Master Lease prior to the expiration of the term thereof pursuant to a written agreement by and between Landlord and Tenant; provided, Subtenant agrees, at the option and upon written demand of Landlord, to attorn to Landlord for the remainder of the term of the Sublease, such attornment to be upon all of the terms and conditions of the Master Lease provided that Subtenant shall not be obligated to pay rent, operating expenses or other charges in excess of the amounts specified in the Sublease. The foregoing provisions shall be self-operative upon such written demand of Landlord, and no further instrument shall be required to give effect to said provisions. Upon demand of Landlord, however, Subtenant agrees to execute, from time to time, such documents as Landlord deems desirable to effect and acknowledge such attornment. Notwithstanding any provision to the contrary in the Sublease or in any other agreement, Subtenant acknowledges that it shall have no right and there shall not be vested in Subtenant any right to exercise rights of first refusal, options, or other similar preferential rights, if any, given to Tenant under the Master Lease.

2.3 Tenant represents and warrants to Landlord that (a) attached to this Agreement as Exhibit A is a true and correct copy of the Master Lease, and there exist no amendments, modifications, or extensions of or to the Master Lease except as specified herein, and the Master Lease is now in full force and effect; and (b) to Tenant's actual knowledge, there exist no defenses or offsets to enforcement of the Master Lease by Landlord or Tenant. To Tenant's actual knowledge, (i) Landlord is not in default in the performance of the Master Lease, (ii) Landlord has not committed any breach thereof, and (iii) no event has occurred which, with the passage of time, or the giving of notice, or both, would constitute a default or breach by Landlord.

2.4 Tenant and Subtenant represent and warrant to Landlord that (a) there are no additional payments of rent or consideration of any type payable by Subtenant to Tenant with regard to the Sublease Premises other than as disclosed in the Sublease, (b) a true, correct and complete copy of the

Sublease is attached hereto as Exhibit B, and (c) no amendment to the Sublease shall be effective or enforceable between Tenant and Subtenant unless and until Landlord shall have consented to such amendment in writing (which consent shall not be unreasonably withheld, conditioned or delayed); provided, however, that Landlord shall have no right to approve or consent to any change to the financial terms of the Sublease between Tenant and Subtenant.

3. Consent of Landlord. Landlord hereby consents to the subletting of the Sublease Premises to Subtenant pursuant to the terms of the Sublease. Landlord's consent shall not release or discharge Tenant of any of its obligations under the Master Lease or release, discharge or alter the primary liability of Tenant to pay rent and all other sums due under the Master Lease and to perform and comply with all other obligations of Tenant under the Master Lease. As between Landlord and Tenant, the Sublease shall not alter, amend or otherwise modify any provisions of the Master Lease. Landlord shall have no obligations to any party in connection with the Sublease Premises other than those obligations set forth in the Master Lease. Landlord shall not be bound or estopped in any way by the provisions of the Sublease. This Agreement shall not be construed as a consent by Landlord to, or as permitting, any other or further subletting or assignment by Tenant or Subtenant. Landlord shall not (i) be liable to Subtenant for any act, omission or breach of the Sublease by Tenant, (ii) be subject to any offsets or defenses which Subtenant might have against Tenant, (iii) be bound by any Base Rent or Additional Rent which Subtenant might have paid in advance to Tenant, or (iv) be bound to honor any rights of Subtenant in any security deposit made with Tenant, except to the extent Tenant has delivered such security deposit to Landlord. Tenant hereby agrees that in the event of termination of the Master Lease, Tenant shall, upon the written demand of Landlord, immediately pay or transfer to Master Landlord any security deposit, rent or other sums then held by Landlord from Subtenant.

4. Assignment of Rent

4.1 Subject to the terms of Section 4.2, Tenant hereby absolutely and irrevocably assigns and transfers to Landlord Tenant's rights under the Sublease to all rentals and other sums due Tenant under the Sublease.

4.2 Landlord agrees that until a default shall occur in the performance of Tenant's obligations under the Master Lease, Tenant shall have a license to receive, collect and enjoy the rentals and other sums due Tenant under the Sublease except as otherwise provided under the Master Lease. However, said license shall automatically terminate without notice to Tenant upon the occurrence of a default by Tenant in the performance of its obligations under the Master Lease and Landlord may thereafter, at its option, receive and collect, directly from Subtenant, all rentals and other sums due or to be due Tenant under the Sublease. Landlord shall not, by reason of the assignment of all rentals and other sums due Tenant under the Sublease nor by reason of the collection of said rentals or other sums from the Subtenant, (a) be bound by or become a party to the Sublease, (b) be deemed to have accepted the attornment of Subtenant, or (c) be deemed liable to Subtenant for any failure of Tenant to perform and comply with Tenant's obligations under the Sublease. Tenant hereby irrevocably authorizes and directs Subtenant, upon receipt by Subtenant of any written notice from Landlord stating that a default exists in the performance of Tenant's obligations under the Master Lease, to pay directly to Landlord the rents and other income due and to become due under the Sublease. Tenant agrees that Subtenant shall have the right to rely solely upon such notice from Landlord notwithstanding any conflicting demand by Tenant or any other party. Tenant hereby agrees to indemnify, defend and hold Subtenant harmless from any and all claims, losses, liabilities, judgments, costs, demands, causes of action and expenses (including, without limitation, attorneys' fees and consultants' fees) (collectively, "claims") which Subtenant may incur in relying on any written notice from Landlord and/or paying rent and other sums due under the Sublease directly to Landlord in accordance with this Section 4.2. Without limiting the generality of the foregoing, the acceptance of rent hereunder by Landlord shall not be a waiver of any preceding breach by Tenant or Subtenant of the Master Lease or Sublease other than the failure of Tenant or Subtenant, as the case may be, to pay the particular rental so accepted. Tenant and Subtenant each agree and acknowledge that the foregoing provides actual and sufficient knowledge to Tenant and Subtenant, respectively, pursuant to California Code of Civil Procedure Section 1161.1(c), that acceptance of a partial rent payment by Landlord does not constitute a waiver of any of Landlord's rights under said Section 1161.1(c), including any right Landlord may have to recover possession of the Sublease Premises.

5. Indemnification. Tenant shall indemnify and hold harmless Landlord and Landlord's members, agents, employees, partners, shareholders, directors, invitees, and independent contractors (collectively "Agents") of Landlord, against and from any and all Claims arising from or related to the following: (a) Subtenant's use of the Sublease Premises or any activity done, permitted or suffered by Subtenant in, on or about the Sublease Premises, the Building, or the Property; (b) the Sublease and any act or omission by Subtenant or its Agents in connection with or related to the Sublease, the Sublease Premises, the Building, or the Property; (c) any Hazardous Material used, stored, released, disposed, generated, or transported by Subtenant or its Agents in, on, or about the Sublease Premises, including without limitation, any Claims arising from or related to any Hazardous Material investigations, monitoring, cleanup or other remedial action; and (d) any action or proceeding brought on account of any matter referred to in items (a), (b), and/or (c). If any action or proceeding is brought against Landlord by reason of any such Claims, upon notice from Landlord, Tenant shall defend the same at Tenant's expense with counsel reasonably satisfactory to Landlord. The obligations of Tenant under this Section 5.1 shall survive any termination of the Sublease or the Master Lease.

6. Assignment and Sub-Subletting. Subtenant shall not voluntarily or by operation of law, (1) mortgage, pledge, hypothecate or encumber the Sublease or any interest therein, (2) assign or transfer the Sublease or any interest therein, sub-sublet the Sublease Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents and invitees or Subtenant

excepted) to occupy or use the Sublease Premises; or any portion thereof, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, however, Subtenant may, upon prior written notice to Landlord and so long as the use of the Premises is unchanged, assign or transfer the Sublease or any of its interest therein to any entity controlling, controlled by or under common control with Subtenant or in connection with a merger or consolidation or the sale of all or substantially all of the stock or assets of Subtenant without the approval of Landlord.

7. Miscellaneous Provisions.

7.1 Tenant shall pay to Landlord, upon Landlord's demand, the fee specified in the Master Lease, or if no fee is so specified, Landlord's reasonable fees incurred in connection with Landlord's review and processing of documents relating to the subletting of the Sublease Premises to Subtenant.

7.2 Landlord shall use reasonable efforts to notify Subtenant of any default by Tenant under the Master Lease of which Landlord has actual knowledge and which is not cured within any applicable notice and cure period provided in the Master Lease; provided, however, that the failure of Landlord to provide such notice shall not give rise to liability on the part of Landlord or otherwise alter or modify the rights and obligations of the parties hereunder. The giving of any such notice to Subtenant shall not vest in Subtenant any rights or remedies except as otherwise expressly set forth herein.

7.3 Intentionally Omitted.

7.4 All notices which Landlord or Subtenant desire to give or provide to the other shall be personally delivered or sent by registered or certified U.S. mail, postage prepaid, return receipt requested, or by nationally recognized overnight courier service and, if to Landlord, shall be sent to the address set forth immediately below Landlord's signature hereto, and, if to Subtenant shall be sent to the address set forth immediately below Subtenant's signature hereto. Each party shall have the right to change its address for notices by giving written notice thereof to the other party in accordance with this Section 7.4. Any notice given in accordance with this Section 7.4 shall be deemed delivered upon actual receipt (or attempted delivery if delivery is refused). Copies of any notices of default sent by (i) Tenant under the Master Lease or Sublease, as applicable, shall be delivered to Landlord and Subtenant at the addresses for each set forth in the Master Lease and Sublease, as applicable, at the same time such notices are sent to Landlord or Subtenant, as applicable, and (ii) Subtenant to Tenant under the Sublease shall be delivered by Subtenant to Landlord at the address set forth immediately below Landlord's signature hereto at the same time such notices are sent to Tenant as set forth in the Sublease.

7.5 This Agreement, together with the provisions of the Master Lease relating to subletting or assigning, contains the entire agreement between the parties hereto regarding the matters which are the subject of this Agreement. In the event of a permitted assignment under the Master Lease by Landlord or Tenant of its interest in the Master Lease, then the assignee of either Landlord or Tenant, as appropriate, shall automatically be deemed to be the assignee of Landlord or Tenant under this Agreement, and such assignee shall automatically assume the obligations of Landlord or Tenant under this Agreement. No other assignments of this Agreement shall be permitted, except with the written consent of all parties hereto. Any attempted assignment in violation of this section shall be void. The terms, covenants and conditions of this Agreement shall apply to and bind the heirs, successors, the executors and administrators and permitted assigns of all the parties hereto. The parties acknowledge and agree that no rule or construction, to the effect that any ambiguities are to be resolved against the drafting party, shall be employed in the interpretation of this Agreement. If any provision of this Agreement is determined to be illegal or unenforceable, such determination shall not affect any other provisions of this Agreement, and all such other provisions shall remain in full force and effect.

7.6 If either party hereto fails to perform any of its obligations under this Agreement or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment.

7.7 This Agreement may be executed in any number of counterparts, provided each of the parties hereto executes at least one counterpart; each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

7.8 Tenant and Subtenant covenant and agree that under no circumstances shall Landlord be liable for any brokerage commission or other charge or expense in connection with the Sublease or this Agreement and Tenant and Subtenant agree to protect, defend, indemnify and hold Landlord harmless from the same and from any cost or expense (including but not limited to attorneys' fees) incurred by Landlord in resisting any claim for any such brokerage commission. Landlord represents and warrants that, as of the date of Landlord's execution of this Agreement, it has not incurred any brokerage commission or other charge or expense in connection with the Sublease or this Agreement which Landlord believes is due to it from Tenant or Subtenant.

7.9 This Agreement shall in no manner be construed as limiting Landlord's ability to exercise its rights to recapture any portion of the Premises, as set forth in the Master Lease, in the event of a proposed future sublease or assignment of such portion of the Premises.

7.10 The terms and provisions of this Agreement shall be construed in accordance with and governed by the laws of the State of California.

7.11 Tenant and Subtenant agree that the liability of Landlord hereunder and any recourse by Tenant or Subtenant against Landlord shall be subject to the limitations on liability set forth in the Master Lease. In addition, neither Landlord, nor any of its constituent members, partners, subpartners, or agents, shall have any personal liability, and Tenant and Subtenant each hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant and/or Subtenant.

7.12 Tenant and Subtenant shall be jointly and severally liable for all bills rendered by Landlord for charges incurred by or imposed upon Subtenant which arise during the term of the Sublease for services rendered and materials supplied to the Sublease Premises pursuant to the Master Lease, Sublease and/or this Agreement.

7.13 The voluntary or other surrender of the Master Lease by Tenant, or a mutual cancellation, termination or expiration thereof, shall not work as a merger, and shall, at the option of Landlord, terminate all or any existing subleases or subtenancies, or may, at the option of Landlord, operate as an assignment to Landlord of any or all such subleases or subtenancies.

7.14 As a condition precedent to the effectiveness of this Agreement, Subtenant shall have delivered to Landlord a fully complete and executed Hazardous Materials Disclosure Statement in the form attached hereto as Exhibit C and incorporated herein by reference.

7.15 Waiver of Subrogation. Landlord, by giving Landlord's consent to the Sublease, and Subtenant hereby mutually waive their respective rights of recovery against each other for any loss of, or damage to, either parties' property to the extent that such loss or damage is insured by an insurance policy required to be in effect at the time of such loss or damage. Each party shall obtain any special endorsements, if required by its insurer whereby the insurer waives its rights of subrogation against the other party. This provision is intended to waive fully, and for the benefit of the parties hereto, any rights and/or claims which might give rise to a right of subrogation in favor of any insurance carrier. The coverage obtained by Subtenant pursuant to the Insurance Section of the Master Lease shall include, without limitation, a waiver of subrogation endorsement attached to the certificate of insurance. The provisions of this Section 7.15 shall not apply in those instances in which such waiver of subrogation would invalidate such insurance coverage or would cause either party's insurance coverage to be voided or otherwise uncollectible.

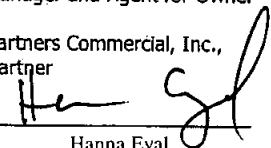
IN WITNESS WHEREOF, Landlord, Tenant and Subtenant have executed this Agreement to be effective as of the date on which the last party executes this Agreement.

LANDLORD:

LEGACY PARTNERS II SD B STREET, LLC,
a Delaware limited liability company,
as Owner

By: Legacy Partners Commercial, L.P.,
a California limited partnership,
as Property Manager and Agent for Owner

By: Legacy Partners Commercial, Inc.,
General Partner

By: 
Hanna Eyal
Its: Senior Vice President
DRE #01178811
BL #01464134

Landlord's Address for Notices:

Legacy Partners II SD Street, LLC
c/o Legacy Partners Commercial, Inc.
100 Oceangate, Suite 645
Long Beach, CA 90802
Attn: Regional Vice President

with a copy to:

Legacy Partners II SD Street, LLC
c/o Legacy Partners Commercial, Inc.
4000 East Third Avenue, Suite 600
Foster City, California 94404-4805
Attention: Executive Vice President

TENANT:

CITY OF SAN DIEGO,

a California municipal corporation

By: [Signature]
Its: DIRECTOR
Date: 3/24/10

Tenant's Address for Notices:

City of San Diego

SUBTENANT:

KNOWLEDGE LEARNING CORPORATION,
a Delaware corporation

By: [Signature]
Its: [Signature]
Date: 3-18-2010

Subtenant's Address for Notices:

Knowledge Learning Corporation
650 NE Holladay Street, Suite 1400
Portland, OR 97232
Attn: Real Estate Department

APPROVED BY LEGAL DEPARTMENT
DATE: 3.18.10
SIGNATURE: [Signature]

Hazardous Materials Disclosure Certificate

Your cooperation in this matter is appreciated. Initially, the information provided by you in this Hazardous Materials Disclosure Certificate is necessary for the Landlord (identified below) to evaluate and finalize a Consent to Subletting ("Consent") with you as Subtenant. Section The information contained in the Initial Hazardous Materials Disclosure Certificate and each annual certificate provided by you thereafter will be maintained in confidentiality by Landlord subject to release and disclosure as required by (i) any lenders and owners and their respective environmental consultants, (ii) any prospective purchaser(s) of all or any portion of the property on which the Premises are located, (iii) Landlord to defend itself or its lenders, partners or representatives against any claim or demand, and (iv) any laws, rules, regulations, orders, decrees, or ordinances, including, without limitation, court orders or subpoenas. Any and all capitalized terms used herein, which are not otherwise defined herein, shall have the same meaning ascribed to such term in the signed Lease Agreement. Any questions regarding this certificate should be directed to, and when completed, the certificate should be delivered to:

Landlord: Legacy Partners II SD Street, LLC
c/o Legacy Partners Commercial, Inc.
100 Oceangate, Suite 645
Long Beach, CA 90802
Attn: Regional Vice President

with a copy to:

Legacy Partners II SD Street, LLC
c/o Legacy Partners Commercial, Inc.
4000 East Third Avenue, Suite 600
Foster City, California 94404-4805
Attn: Executive Vice President
Phone: (650) 571-2200

Name of (Prospective) Subtenant: Knowledge Learning Corporation

Mailing Address: 650 NE Holladay Street, Suite 1400, Portland, OR 97232, Attn: Real Estate Department

Contact Person, Title and Telephone Number(s): Ms. Tami Lake, Sr. Regional Asset Mgr. - West,
503.872.1569

Contact Person for Hazardous Waste Materials Management and Manifests and Telephone Number(s): N/A

Address of (Prospective) Premises: 600 B Street, Suite 300, San Diego, California

Length of (Prospective) Initial Term: Sublease expires May 31, 2013

1. General Information:

Describe the initial proposed operations to take place in, on, or about the Premises, including, without limitation, principal products processed, manufactured or assembled services and activities to be provided or otherwise conducted. Existing Subtenant should describe any proposed changes to on-going operations.

childcare and early childhood education

2. Use, Storage and Disposal of Hazardous Materials

2.1 Will any Hazardous Materials be used, generated, stored or disposed of in, on or about the Premises? Existing Subtenant should describe any Hazardous Materials which continue to be used, generated, stored or disposed of in, on or about the Premises.

Wastes	Yes []	No [X]
Chemical Products	Yes []	No [X]
Other	Yes []	No [X]

If Yes is marked, please explain:

2.2 If "Yes" is marked in Section 2.1, attach a list of any Hazardous Materials to be used, generated, stored or disposed of in, on or about the Premises, including the applicable hazard class and an estimate of the quantities of such Hazardous Materials at any given time;

estimated annual throughput; the proposed location(s) and method of storage (excluding nominal amounts of ordinary household cleaners and janitorial supplies which are not regulated by any Environmental Laws); and the proposed location(s) and method of disposal for each Hazardous Material, including, the estimated frequency, and the proposed contractors or subcontractors. Existing Tenants should attach a list setting forth the information requested above and such list should include actual data from on-going operations and the identification of any variations in such information from the prior year's certificate.

3. Storage Tanks and Sumps

- 3.1** Is any above or below ground storage of gasoline, diesel, petroleum, or other Hazardous Materials in tanks or sumps proposed in, on or about the Premises? Existing Subtenant should describe any such actual or proposed activities.

Yes [] No [X]

If yes, please explain: _____

4. Waste Management

- 4.1** Has your company been issued an EPA Hazardous Waste Generator I.D. Number? Existing Subtenant should describe any additional identification numbers issued since the previous certificate.

Yes [] No [X]

- 4.2** Has your company filed a biennial or quarterly reports as a hazardous waste generator? Existing Subtenant should describe any new reports filed.

Yes [] No [X]

If yes, attach a copy of the most recent report filed.

5. Wastewater Treatment and Discharge

- 5.1** Will your company discharge wastewater or other wastes to:

_____ storm drain? X sewer?
_____ surface water? _____ no wastewater or other wastes discharged.

Existing Subtenant should indicate any actual discharges. If so, describe the nature of any proposed or actual discharge(s).

Only discharge is from dishwashing and hand washing and from restroom facilities. _____

- 5.2** Will any such wastewater or waste be treated before discharge?

Yes [] No [X]

If yes, describe the type of treatment proposed to be conducted. Existing Subtenant should describe the actual treatment conducted.

6. Air Discharges

- 6.1** Do you plan for any air filtration systems or stacks to be used in your company's operations in, on or about the Premises that will discharge into the air; and will such air emissions be monitored? Existing Subtenant should indicate whether or not there are any such air filtration systems or stacks in use in, on or about the Premises which discharge into the air and whether such air emissions are being monitored.

Yes [] No [X]

If yes, please describe: _____

- 6.2 Do you propose to operate any of the following types of equipment, or any other equipment requiring an air emissions permit? No Existing Subtenant should specify any such equipment being operated in, on or about the Premises.

☐ Spray booth(s) ☐ Incinerator(s)
☐ Dip tank(s) ☐ Other (Please describe)
☐ Drying oven(s) ☐ No Equipment Requiring Air Permits

If yes, please describe: _____

7. Hazardous Materials Disclosures

- 7.1 Has your company prepared or will it be required to prepare a Hazardous Materials management plan ("Management Plan") pursuant to Fire Department or other governmental or regulatory agencies' requirements? Existing Subtenant should indicate whether or not a Management Plan is required and has been prepared.

Yes ☐ No ☒

If yes, attach a copy of the Management Plan. Existing Subtenant should attach a copy of any required updates to the Management Plan.

- 7.2 Are any of the Hazardous Materials, and in particular chemicals, proposed to be used in your operations in, on or about the Premises regulated under Proposition 65? Existing Subtenant should indicate whether or not there are any new Hazardous Materials being so used which are regulated under Proposition 65.

Yes ☐ No ☒

If yes, please explain: _____

8. Enforcement Actions and Complaints

- 8.1 With respect to Hazardous Materials or Environmental Laws, has your company ever been subject to any agency enforcement actions, administrative orders, or consent decrees or has your company received requests for information, notice or demand letters; or any other inquiries regarding its operations? Existing Subtenant should indicate whether or not any such actions, orders or decrees have been, or are in the process of being, undertaken or if any such requests have been received.

Yes ☐ No ☒

If yes, describe the actions, orders or decrees and any continuing compliance obligations imposed as a result of these actions, orders or decrees and also describe any requests, notices or demands, and attach a copy of all such documents. Existing Subtenant should describe and attach a copy of any new actions, orders, decrees, requests, notices or demands not already delivered to Landlord pursuant to the provisions of Section 27 of the signed Lease Agreement.

- 8.2 Have there ever been, or are there now pending, any lawsuits against your company regarding any environmental or health and safety concerns?

Yes ☐ No ☒

If yes, describe any such lawsuits and attach copies of the complaint(s), cross-complaint(s), pleadings and all other documents related thereto as requested by Landlord. Existing Subtenant should describe and attach a copy of any new complaint(s), cross-complaint(s), pleadings and other related documents not already delivered to Landlord pursuant to the provisions of Section 27 of the signed Lease Agreement.

- 8.3 Have there been any problems or complaints from adjacent Subtenant, owners or other neighbors at your company's current facility with regard to environmental or health and safety concerns? Existing Subtenant should indicate whether or not there have been any such

problems or complaints from adjacent Subtenant, owners or other neighbors at, about or near the Premises.

Yes [] No [X]

If yes, please describe. Existing Subtenant should describe any such problems or complaints not already disclosed to Landlord under the provisions of the signed Lease Agreement.

9. Permits and Licenses

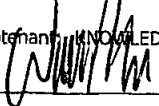
- 9.1 Attach copies of all Hazardous Materials permits and licenses including a Transporter Permit number issued to your company with respect to its proposed operations in, on or about the Premises, including, without limitation, any wastewater discharge permits, air emissions permits, and use permits or approvals. Existing Tenants should attach copies of any new permits and licenses as well as any renewals of permits or licenses previously issued.

The undersigned hereby acknowledges and agrees that (A) this Hazardous Materials Disclosure Certificate is being delivered in connection with, and as required by, Landlord in connection with the evaluation and finalization of the Consent and will be attached thereto as an exhibit; and (B) Section that Subtenant shall have and retain full and complete responsibility and liability with respect to any of the Hazardous Materials disclosed in the HazMat Certificate notwithstanding Landlord's/Subtenant's receipt and/or approval of such certificate. Subtenant further agrees that none of the following described acts or events shall be construed or otherwise interpreted as either (a) excusing, diminishing or otherwise limiting Subtenant from the requirement to fully and faithfully perform its obligations under the Lease with respect to Hazardous Materials, including, without limitation, any Subtenant indemnification of the Indemnitees and compliance with all Environmental Laws, or (b) Imposing upon Landlord, directly or indirectly, any duty or liability with respect to any such Hazardous Materials, including, without limitation, any duty on Landlord to investigate or otherwise verify the accuracy of the representations and statements made therein or to ensure that Subtenant is in compliance with all Environmental Laws; (i) the delivery of such certificate to Landlord and/or Landlord's acceptance of such certificate; (ii) Landlord's review and approval of such certificate, (iii) Landlord's failure to obtain such certificate from Subtenant at any time, or (iv) Landlord's actual or constructive knowledge of the types and quantities of Hazardous Materials being used, stored, generated, disposed of or transported on or about the Premises by Subtenant or Subtenant's Representatives. Notwithstanding the foregoing or anything to the contrary contained herein, the undersigned acknowledges and agrees that Landlord and its partners, lenders and representatives may, and will, rely upon the statements, representations, warranties, and certifications made herein and the truthfulness thereof in entering into the Consent.

THIS AREA INTENTIONALLY LEFT BLANK

I (print name) Wayne Pipes, Vice President, acting with full authority to bind the (proposed) Subtenant and on behalf of the (proposed) Subtenant, certify, represent and warrant that the information contained in this certificate is true and correct.

(Prospective) Subtenant: KNOWLEDGE LEARNING CORPORATION

By: 

Title: Vice President, Facilities and Development.

Date: April 18 ²⁰¹⁰, 2009

APPROVED BY LEGAL DEPARTMENT

DATE: 5/18/10

SIGNATURE: 