

When Recorded Return to:

First-Citizens Bank & Trust Company
100 E Tryon Rd - DAC20
Raleigh, NC 27603

213753-LT**SUBORDINATION, ESTOPPEL, NONDISTURBANCE AND ATTORNMENT AGREEMENT****Grantor(s):** *(Last name first, then first name and initials)*

1. Fortress West, LLC
2. Systima Technologies, Inc.
- 3.
- 4.

☐ Additional names are on page _____ of document.**Grantee:** First-Citizens Bank & Trust Company, a North Carolina banking corporation**Abbreviated Legal Description** *(lot, block and plat name, or section-township-range):*

Ptn NW ¼, All SW ¼, 33-35-3 E W.M.

☒ Additional legal description is on page Ex A of this document.**Assessor's Property Tax Parcel or Account Number(s):**

P35302, P137112

Reference Number(s) of Documents Assigned or Release (if applicable):*Leases are unrecorded, no AFN available*☐ Additional Reference Numbers are on page _____ of this document.

**SUBORDINATION, ESTOPPEL, NONDISTURBANCE
AND ATTORNMENT AGREEMENT
(WASHINGTON)**

This Subordination, Estoppel, Nondisturbance and Attornment Agreement (this "Agreement") is made and entered into as of the 28th day of February, 20 25, by and between the following parties:

"Tenant": Systema Technologies, Inc.
 11941 Farm to Market Rd
 Mount Vernon, WA 98273
Address:

"Landlord": Fortress West, LLC
 6500 Harbour Heights Parkway, Ste 202
 Mukilteo, WA 98275
Address:

"Bank": First-Citizens Bank & Trust Company
Address: 300 110th Ave NE, Ste 103
 Bellevue, WA 98004

WHEREAS:

A. Tenant is the lessee under the terms of that lease dated September 1, 2021 & February 26, 2025 (the "Lease") for the real property described therein (the "Premises"). *(Check applicable box and fill in applicable spaces)*

☐ A copy of the Lease was duly recorded on _____, under Recording No./Auditor's File No. _____ [or in Book/Volume _____ at Page _____] in the records of _____ County, Washington.

☐ The Lease is evidenced by a Memorandum of Lease that was duly recorded on _____, under Recording No./Auditor's File No. _____ [or in Book/Volume _____ at Page _____] in the records of _____ County, Washington.

☐ The Lease and the Premises are more fully identified and described on Exhibit A attached hereto and incorporated herein by reference.

☒ The Lease and the Premises are more particularly identified and described as follows:

Lease: Dated September 1, 2021 and February 26, 2025

Premises: ~~11641~~ ¹¹⁹⁴¹ Farm to Market Road Mount Vernon, WA 98273

For purposes of this Agreement, the "Lease" includes all amendments, modifications, substitutions, renewals, extensions and replacements of the Lease.

B. For purposes of this Agreement, the term "Borrower" refers to Fortress West, LLC

The Bank has (i) acquired one or more existing loans and/or other financial accommodations made to the Borrower, and/or (ii) extended (and/or will extend) one or more loans and/or other financial accommodations to the Borrower. All of these loans and financial accommodations are collectively referred to in this Agreement as the "Loan." Repayment of the Loan is or will be secured by one or more deeds of trust for the benefit of Bank as beneficiary (collectively, the "Deed of Trust"). For purposes of this Agreement, the Deed of Trust includes all amendments, modifications, extensions and renewals thereof and all substitutions therefor. The property described in the Deed of Trust includes all or a portion of the Premises.

C. Bank has requested Tenant to subordinate the Lease to the Deed of Trust, all indebtedness secured by the Deed of Trust, and all other advances made pursuant thereto, whether made prior to or after the execution of the Lease.

D. Tenant is willing to so subordinate the Lease, provided it obtains assurances from Bank that its possession of the Premises and its right to use such common areas as may be permitted under the terms of the Lease will not be disturbed by reason of or in the event of Landlord's default under the Deed of Trust. Bank is willing to give such assurance.

NOW, THEREFORE, for and in consideration of the mutual agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned parties do hereby mutually covenant and agree as follows:

- i. Subordination. Tenant hereby subordinates the Lease and all of Tenant's rights under the Lease (including, without limitation, any and all options to purchase, rights of first refusal, and rights of first offer) to the Deed of Trust and the lien thereof, all indebtedness secured by the Deed of Trust, and all advances made pursuant thereto, whether made prior to or after the signing of the Lease.
2. Nondisturbance. So long as no event of default under the Lease has occurred and continued for such period of time (after notice and opportunity to cure, if any, required by the Lease) as would entitle Landlord to terminate the Lease, the Lease shall not be terminated or modified in any respect whatsoever, and Tenant's right of possession to the Premises, its rights in and to any common areas, and its other rights arising out of the Lease will all be fully recognized and honored by Bank and shall not be disturbed, cancelled, terminated or otherwise adversely affected by reason of the Deed of Trust or any action or proceeding instituted by Bank to foreclose the Deed of Trust, irrespective of whether Tenant shall have been joined in any such action or proceeding. Notwithstanding the foregoing,

Tenant shall not be entitled to exercise any option, right of first refusal, or right of first negotiation which Tenant may have under the terms of the Lease to purchase the Premises upon any transfer or prospective transfer of all or any portion of the property described in the Deed of Trust (including, without limitation, the Premises) by the trustee under the Deed of Trust or by Bank (if Bank at any time becomes the owner thereof) or which occurs because of Landlord's default under the Deed of Trust, whether as a result of foreclosure of the Deed of Trust, conveyance of the property by deed in lieu of foreclosure, or otherwise. Unless required by law, Tenant shall not be joined as a party in any foreclosure proceeding.

3. Attornment. If Bank or any other person or entity (the "New Owner") acquires ownership of Landlord's interest in the Premises as a result of Landlord's default under the Deed of Trust, whether as the result of foreclosure of the Deed of Trust, acceptance of a deed to the Premises in lieu of foreclosure, or otherwise, then: (a) Tenant shall attorn to the New Owner and recognize the New Owner as its landlord under the Lease; (b) the New Owner will recognize and accept Tenant as its tenant under the Lease; (c) the Lease shall continue under the same terms, covenants and conditions in full force and effect as a direct lease between the New Owner and Tenant for the full remaining term thereof and any extension or renewals thereof which may be effected in accordance with any option in the Lease; and (d) the New Owner shall thereafter assume and perform all of Landlord's obligations as the landlord under the Lease with the same force and effect as if the New Owner were originally named therein as Landlord; provided, however, that the New Owner shall not be:
- (a) Liable for any act, omission or default of any prior landlord (including, without limitation, the then defaulting Landlord); or
 - (b) Subject to any defenses, counterclaims, or offsets that Tenant may have against any prior landlord (including, without limitation, the then defaulting Landlord); or
 - (c) Bound by any payment of rent or additional rent that Tenant might have paid for more than one month in advance of the due date under the Lease to any prior landlord (including, without limitation, the then defaulting Landlord); or
 - (d) Accountable for any monies deposited with any prior landlord (including security deposits), except to the extent such monies are actually received by New Owner in segregated cash amounts identified to New Owner in writing as such at the time received; or
 - (e) Bound by any obligation to make any payment to Tenant that was required to be made prior to the time New Owner succeeded to any prior landlord's interest; or
 - (f) Bound by any termination, material amendment or material modification of the Lease made without the New Owner's consent; or
 - (g) Obligated to complete any improvements or construction on the Premises or to pay or reimburse Tenant for any tenant improvement allowance or construction allowance; or
 - (h) Responsible to provide any additional space at the Premises or elsewhere for which Tenant has any option or right under the Lease, or otherwise, unless New Owner at its option elects to provide the same, and Tenant hereby releases New Owner from any obligation to provide the same, and agrees that Tenant shall have no right to cancel the Lease and shall possess no right to any claim against New Owner as a result of the failure to provide any such additional space; or
 - (i) Liable for or incur any obligation with respect to any representations or warranties of any nature set forth in the Lease or otherwise, including, but not limited to, representations or

warranties relating to any latent or patent defects in construction with respect to the Premises, Landlord's title or compliance of the Premises with applicable environmental, building, zoning or other laws, including, but not limited to, the Americans with Disabilities Act and any regulations pursuant thereto;

- (j) Bound by any assignment of the Lease or any subletting of the Premises made without New Owner's written consent.

Such attornment shall be effective and self-operative without the execution of any further instrument on the part of the parties hereto immediately upon the New Owner succeeding to the interest of Landlord in the Premises. Upon request, Tenant will execute a written attornment agreement in favor of the New Owner.

4. Leasehold Improvements and Personal Property.

- (a) Leasehold improvements made to the Premises by Tenant, including fixtures which are so related to the Premises that an interest in them arises under real estate law (collectively, the "Leasehold Improvements") shall be considered part of the Premises except to the extent expressly provided in the Lease. Tenant may not remove Leasehold Improvements from the Premises except to the extent specifically permitted under the Lease, and Tenant will be deemed to have abandoned or waived any claim to or ownership interest in Leasehold Improvements which Tenant is permitted by the Lease to remove if Tenant fails to remove them from the Premises in a timely manner in accordance with the terms of the Lease.
- (b) From time to time Tenant may place, install or erect furniture, business fixtures, equipment and/or other personal property (collectively, the "Personal Property") on the Premises. Bank shall acquire no interest pursuant to the Deed of Trust in Tenant's Personal Property. However, Tenant will be deemed to have abandoned and waived any claim to or ownership interest in Tenant's Personal Property remaining on the Premises if Tenant fails to remove the Tenant's Personal Property from the Premises within 30 days following termination of the Lease.
- (c) Tenant shall repair, at Tenant's expense, all physical damage to the Premises caused by Tenant's removal of Leasehold Improvements and/or Tenant's Personal Property from the Premises. However, Tenant shall not be responsible for any reduction in the value of the Premises caused by the absence of the Leasehold Improvements or Personal Property removed or by any necessity of replacing them.

5. Casualty and Condemnation Proceeds. If the Premises sustains a casualty loss covered by insurance, or if the Premises or any part thereof is taken under the power of eminent domain, any insurance proceeds payable by reason of the casualty loss and any award or damages (direct or consequential) payable by reason of the taking shall be disposed of as follows:

- (a) If the Lease obligates Landlord to repair and restore the Premises, or such repairs and restoration are otherwise undertaken by agreement among the parties, then the insurance or condemnation proceeds shall be deposited in a special escrow account under Bank's exclusive control to be applied by Bank to the repair and restoration of the Premises in substantially the same manner construction loan proceeds are handled by Bank. Except to the extent otherwise provided in the Lease, Landlord shall be responsible for repair and restoration of the Premises. However, notwithstanding the foregoing, Bank may, at its option, apply all or any part of the insurance or condemnation proceeds to the satisfaction of the indebtedness secured by the Deed of Trust if:

- (1) The Loan is in default;
- (2) In the case of a casualty loss, Bank paid the insurance premium or advanced the insurance premium on behalf of Landlord or any other person or entity (regardless of whether the amount paid or advanced by Bank was added to the indebtedness secured by the Deed of Trust);
- (3) The insurance or condemnation proceeds deposited to the escrow account are insufficient to pay the anticipated costs of repairing and restoring the Premises in full, and neither Landlord nor Tenant deposits such additional sums to the escrow account as may be reasonably required by Bank to pay the anticipated costs of the repair and restoration of the Premises in full;
- (4) Neither Landlord nor Tenant provides at Bank's request evidence satisfactory to Bank that (i) repair and restoration of the Premises are economically feasible, (ii) Bank's security will not be significantly impaired by the repair and restoration of the Premises, (iii) Landlord has the ability and willingness to repay the Loan during the period of restoration and repair in accordance with the terms of the Loan documents, and (iv) the resulting value of the Premises after the completion of all repairs and restoration will be equal to or greater than the value of the Premises prior to the casualty loss or taking;
- (5) Landlord and/or Tenant fail to obtain Bank's prior written approval (which will not be unreasonably withheld) of any plans and specifications, general contractor and contracts or agreements for the repair or restoration of the Premises;
- (6) Repairs and restoration are not commenced, diligently pursued, and completed within a reasonable period of time; or
- (7) The Lease is terminated as a result of the casualty loss or taking.

Bank will not be required to be a party to any contract or agreement for the repair or restoration of the Premises. Bank may disburse or release funds from the escrow account to or for the benefit of Landlord and shall not be responsible for the proper application or use of funds paid or released from the escrow account. Any funds remaining in the escrow account after the repair and restoration of the Premises may be applied by Bank towards satisfaction of the indebtedness secured by the Deed of Trust, regardless of whether the same is then payable. The application of insurance or condemnation proceeds in the manner described above or towards the satisfaction of the indebtedness secured by the Deed of Trust shall not extend or postpone the due date of payments due under the terms of any obligation secured by the Deed of Trust.

- (b) If the Lease does not obligate Landlord to repair and restore the Premises or if such repairs and restoration are not undertaken by agreement among the parties, any insurance or condemnation proceeds shall be disposed of in accordance with the terms of the Deed of Trust.
- (c) Notwithstanding anything in this section to the contrary, Tenant shall be entitled to any insurance or condemnation proceeds to the extent such proceeds are paid in compensation for damage to or the taking of Tenant's tangible personal property.
- (d) In the event of a foreclosure of the Deed of Trust, a deed in lieu of foreclosure or any other transfer of title to the Premises in satisfaction of any indebtedness or obligation secured

thereby, all right, title and interest of Landlord to (i) any insurance policies then in force, (ii) any insurance proceeds resulting from damage to the Premises which occurred prior to such foreclosure or transfer, and (iii) any condemnation proceeds payable by reason of any taking under the power of eminent domain which occurred prior to such foreclosure or transfer, shall pass to Bank or to its grantee or to the New Owner.

6. Bank's Opportunity to Cure. Tenant agrees (a) to give Bank prompt written notice of any default by Landlord under the Lease; (b) to certify to Bank from time to time as to whether the Lease is in effect and whether there are any defaults thereunder; (c) not to surrender, cancel or terminate the Lease without Bank's prior written consent except due to an uncured default by Landlord or as may be otherwise permitted by the Lease; and (d) that if Bank elects to perform Landlord's obligations under the Lease, the Lease shall not be terminated due to any defaults of Landlord which are not capable of being cured by Bank, such as, for example, the bankruptcy of Landlord. Bank shall have the right but shall have no obligation or duty to cure any default by Landlord under the terms of the Lease. Bank shall have a "reasonable time" within which to cure Landlord's default. For purposes of this Agreement, a "reasonable time" shall be deemed to be 30 days from Bank's receipt of Tenant's notice of default, provided the default can reasonably be cured within that time. If the default cannot reasonably be cured within the 30 day period, the term "reasonable time" shall include such longer period as may be reasonably required to cure the default, so long as Bank is diligently pursuing such cure (including, but not limited to, commencement of foreclosure proceedings, if necessary, to effect such cure).
7. Assignment of Rents. As further security for the Loan, Landlord has or will assign to Bank all of Landlord's interest in leases, rents and profits arising from the Premises (the "Assignment"). The Assignment permits Bank to collect all rents and other monies due to Landlord under the Lease on the occurrence of certain events as set forth in the Assignment without taking possession of the Premises and without assuming Landlord's position or any of Landlord's obligations under the Lease. Tenant hereby agrees to pay all rents and other monies due and payable under the Lease directly to Bank or at Bank's direction immediately upon receipt of Bank's written notice or demand. By signing this Agreement, Landlord hereby (a) authorizes and directs Tenant to pay such rents and other monies to Bank or at Bank's direction, (b) releases Tenant from any liability (under the Lease or otherwise) for making any such payment to Bank or at Bank's direction, and (c) agrees to defend, indemnify, and hold Tenant harmless from and against any and all claims, demands, losses, or liabilities asserted by, through, or under Landlord for any and all payments so made. Tenant shall be authorized to rely on any such notice or demand from Bank without making any further inquiry of Bank or Landlord, and any such notice or demand to Tenant by Bank shall be binding upon Landlord. Without limiting the foregoing, it shall not constitute a default under the Lease for Tenant to comply with any such notice or demand from Bank. Tenant agrees that neither Bank's demanding or receiving any such payments, nor Bank's exercise of any other right, remedy or privilege, will operate to impose any liability upon Bank for performance of any obligation of Landlord under the Lease unless and until Bank elects otherwise in writing or acquires ownership of Landlord's interest in the Premises as a result of Landlord's default under the Deed of Trust, whether as a result of foreclosure of the Deed of Trust, acceptance of a deed to the Premises in lieu of foreclosure, or otherwise. Payments to Bank or at Bank's direction shall continue until Bank directs Tenant otherwise in writing. Tenant agrees not to pay any rent under the Lease more than one month in advance without Bank's written consent. The provisions of this section will apply from time to time throughout the term of the Lease and any extension or renewal thereof.
8. Landlord's Warranties. Landlord further represents and warrants to the Bank that:
- (a) The Lease had been duly executed by Landlord, is in full force and effect, and is valid, binding and enforceable against the Landlord;

- (b) Landlord has not assigned, mortgaged or encumbered its interest in the Lease or any portion thereof to anyone other than Bank;
- (c) Landlord is not aware of any default by Tenant under the Lease or any event or situation which would, with the passage of time, constitute a default by Tenant under the Lease; and
- (d) A true and correct copy of the Lease, including all addenda, exhibits, supplements and amendments thereto, has been delivered to Bank. There are no other agreements or understandings between Landlord and Tenant relating to the Lease or the Premises.

9. Tenant's Warranties. Tenant further represents and warrants to Bank that:

- (a) The Lease has been duly executed by Tenant, is in full force and effect, and is valid, binding and enforceable against the Tenant;
- (b) Tenant has not assigned, mortgaged or encumbered its interest in the Lease or the Premises or any portion thereof;
- (c) Tenant currently has no defense or offset to payment of rent; and
- (d) Tenant is not aware of any default by Landlord under the Lease or any event or situation which would, with the passage of time, constitute a default by Landlord under the Lease.

Tenant agrees to provide Bank or Landlord upon request with an estoppel certificate as to the status of the Lease and the then current truth of any of the foregoing representations.

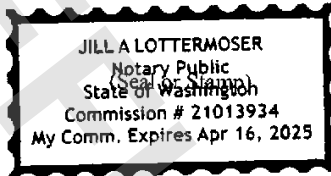
- 10. Notices. All notices, requests, demands and other communications required or permitted to be given may be given by any commercially reasonable method calculated to provide actual notice to the recipient and will be effective as of the date of actual receipt by the recipient.
- 11. Miscellaneous. "Bank" as used in this Agreement includes First-Citizens Bank & Trust Company and any of its nominees, successors, and assigns. All of the terms, covenants and conditions of this Agreement shall run with the land and shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest. This Agreement may not be modified orally, but only in writing signed by the party or parties to be charged therewith or its or their successor or successors in interest. This Agreement shall be governed by the laws of the State of Washington without regard to its conflict of laws principles. Nothing herein shall derogate from, in any way impair, or affect the lien, security interest or other provisions of the Mortgage or other Loan documents.
- 12. Other Provisions.

IN WITNESS WHEREOF, each of the undersigned has hereunto set his or her hand or caused this Agreement to be signed in its name by a person or persons duly authorized, all as of the date of this Agreement.

INDIVIDUAL LANDLORD(S):SignaturePrint or Type Name:SignaturePrint or Type Name:**INDIVIDUAL TENANT(S):**SignaturePrint or Type Name:SignaturePrint or Type Name:**BUSINESS ENTITY LANDLORD:**Fortress West, LLCName of EntityBy:SignaturePrint or Type Name: Thomas D. PrenzlowIts: Manager**BUSINESS ENTITY TENANT:**Systima Technologies, Inc.Name of EntityBy:SignaturePrint or Type Name:Its:**BANK:****FIRST-CITIZENS BANK & TRUST COMPANY**By:SignaturePrint or Type Name: Jason GillIts: Commercial Banker & Vice President

STATE OF WASHINGTON, COUNTY OF Snohomish

This record was acknowledged before me on MARCH 7, 2025 by _____
Jason Gill as _____ Vice President of First-Citizens Bank & Trust
 Company.



[Signature]
 Signature

Print/type name: Jill A Lottermoser

Notary Public

My commission expires: April 16, 2025

STATE OF _____, COUNTY OF _____

This record was acknowledged before me on _____, 20____ by _____
 _____ as _____ Vice President of First-Citizens Bank & Trust
 Company.

(Seal or Stamp)

 Signature

Print/type name: _____

Notary Public

My commission expires: _____

STATE OF _____, COUNTY OF _____

This record was acknowledged before me on _____, 20____ by _____
 _____ as _____ Vice President of First-Citizens Bank & Trust
 Company.

(Seal or Stamp)

 Signature

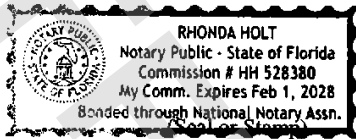
Print/type name: _____

Notary Public

My commission expires: _____

STATE OF Florida, COUNTY OF Collier

This record was acknowledged before me on 3/4, 2025 by _____
Thomas D. Prenzlou as Manager
 of Fortress West, LLC



Rhonda Holt
 Signature

Print/type name: Rhonda Holt

Notary Public

My commission expires: 2/1/28

STATE OF _____, COUNTY OF _____

This record was acknowledged before me on _____, 20____ by _____
 _____ as _____
 of Systema Technologies, Inc.

(Seal or Stamp)

 Signature

Print/type name: _____

Notary Public

My commission expires: _____

IN WITNESS WHEREOF, each of the undersigned has hereunto set his or her hand or caused this Agreement to be signed in its name by a person or persons duly authorized, all as of the date of this Agreement.

INDIVIDUAL LANDLORD(S):SignaturePrint or Type Name:SignaturePrint or Type Name:**INDIVIDUAL TENANT(S):**SignaturePrint or Type Name:SignaturePrint or Type Name:**BUSINESS ENTITY LANDLORD:**Fortress West, LLCName of EntityBy:SignaturePrint or Type Name: Thomas D. PrenzlowIts: Manager**BUSINESS ENTITY TENANT:**Systima Technologies, Inc.Name of EntityBy:SignaturePrint or Type Name: Aaron FreiheitIts: General Manager**BANK:****FIRST-CITIZENS BANK & TRUST COMPANY**By:SignaturePrint or Type Name: Jason GillIts: Commercial Banker & Vice President

STATE OF _____, COUNTY OF _____

This record was acknowledged before me on _____, 20____ by _____
 Thomas D. Prenzlow as Manager
 of Fortress West, LLC

Signature

Print/type name: _____

Notary Public

My commission expires: _____

(Seal or Stamp)

STATE OF Washington, COUNTY OF Snohomish

This record was acknowledged before me on March 5th, 2025 by Aaron
Freiheit as General Manager
 of Systima Technologies, Inc.

SignaturePrint/type name: Karina N Lysova

Notary Public

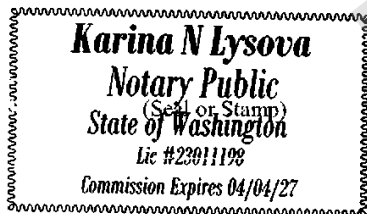
My commission expires: 04/04/2027

EXHIBIT ALegal Description

A portion of the Southwest ¼ of Section 33, Township 35 North, Range 3 East, Willamette Meridian, more particularly described as follows:

Commencing at the Southwest corner of said Section 33, as marked by a 5/8" rebar with plastic cap stamped "Judy 7593" at the intersection of Bay View Road and Farm to Market Road;
Thence South 88°37'13" East along the South line of said Section 33, 384.80 feet;
Thence North 00°00'00" East, 12.47 feet to the North edge of asphalt paving of Bay View Road and the True Point of Beginning of the lease parcel described herein;
Thence continuing North 00°00'00" East, 1,701.08 feet;
Thence North 90°00'00" East, 1,326.00 feet;
Thence South 00°00'00" East, 1,734.20 feet to a point on the North edge of asphalt paving of said Bay View Road from which the South ¼ corner of said Section 33, as marked by a 5/8" rebar with plastic cap stamped "Judy 7593", bears South 87°53'40" East 890.15 feet;
Thence traveling coincident with said North edge of asphalt as constructed at the time of this description the following nominal courses and distances;
Thence North 88°24'02" West, 333.32 feet;
Thence North 88°30'24" West, 164.65 feet;
Thence North 88°51'40" West, 164.72 feet;
Thence North 88°38'18" West, 332.57 feet;
Thence North 88°33'16" West, 331.15 feet to the true point of beginning and the terminus of the lease parcel description contained herein.
Situate in the County of Skagit, State of Washington.