

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

SEMrush Holdings, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

7372
(Primary Standard Industrial
Classification Code Number)

84-4053265
(I.R.S. Employer
Identification Number)

**800 Boylston Street, Suite 2475
Boston, MA 02199
(800) 851-9959**

(Address, including Zip Code, and Telephone Number, including
Area Code, of Registrant's Principal Executive Offices)

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Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Smaller reporting company ☐ Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price ⁽¹⁾	Amount of Registration Fee ⁽²⁾
Class A common stock, par value \$0.00001 per share	\$100,000,000	\$10,910

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) of the Securities Act of 1933, as amended. Includes the offering price of additional shares of Class A common stock that the underwriters have the option to purchase from the registrant.

(2) Calculated pursuant to Rule 457(o) under the Securities Act of 1933, as amended, based on an estimate of the proposed maximum aggregate offering price.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. Neither we nor the selling stockholders may sell the securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell, and neither we nor the selling stockholders are soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion. Dated March 1, 2021.

Preliminary Prospectus

Shares



SEMrush Holdings, Inc.
Class A Common Stock

This is the initial public offering of SEMrush Holdings, Inc. We are selling _____ shares of our Class A common stock, and the selling stockholders identified in this prospectus are selling an additional _____ shares of our Class A common stock. We will not receive the proceeds from the sale of the shares of our Class A common stock being sold by the selling stockholders.

Prior to this offering, there has been no public market for our Class A common stock. It is currently estimated that the initial public offering price per share will be between \$ _____ and \$ _____. We intend to list our Class A common stock on the New York Stock Exchange (“NYSE”), under the symbol “SEMR.”

We have two classes of common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except for voting and conversion rights. Each share of Class A common stock is entitled to one vote. Each share of Class B common stock is entitled to ten votes and is convertible at any time into one share of Class A common stock. The holders of our outstanding Class B common stock will hold approximately _____ % of the voting power of our outstanding capital stock upon completion of this offering, with our directors, executive officers, and their affiliates holding approximately _____ %.

We are an “emerging growth company” as defined under the federal securities laws and, as such, we have elected to comply with reduced reporting requirements for this prospectus and may elect to do so in future filings.

See “[Risk Factors](#)” beginning on page 16 to read about factors you should consider before buying shares of our Class A common stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Initial public offering price	\$ _____	\$ _____
Underwriting discount(1)	\$ _____	\$ _____
Proceeds, before expenses, to SEMrush	\$ _____	\$ _____
Proceeds, before expenses, to selling stockholders	\$ _____	\$ _____

(1) See the section titled “Underwriting” beginning on page 148 for additional information regarding compensation payable to the underwriters.

At our request, the underwriters have reserved up to _____ % of the shares of Class A common stock offered by this prospectus for sale, at the initial public offering price, to certain individuals associated with us. See the section titled “Underwriting—Directed Share Program.”

We have granted the underwriters an option to purchase up to an additional _____ shares of Class A common stock from us within 30 days from the date of this prospectus, at the initial public offering price less the underwriting discount.

The underwriters expect to deliver the shares of Class A common stock to investors on or about _____, 2021.

Goldman Sachs & Co. LLC J.P. Morgan Jefferies KeyBanc Capital Markets
Piper Sandler Stifel

Prospectus dated _____, 2021.

Get measurable results from online marketing





Semrush is a leading online visibility management SaaS platform that enables businesses globally to identify and reach the right audience for their content in the right context and through the right channels.



50+

products, tools, add-ons

\$144M+

ARR

50%+

Revenue CAGR*

142

countries served

67k+

paying customers

114%

Dollar-based net revenue retention rate (2020)**

12

years of experience

76%

Gross margin (2020)

980+

employees in 5 countries

\$37M

Capital raised

Except as otherwise indicated, all statistics are as of December 31, 2020.

* Calculated for the period December 31, 2016 through December 31, 2020.

** We calculate our dollar-based net revenue retention rate as of the end of a period by using (a) the revenue from our customers during the twelve month period ending one year prior to such period as the denominator and (b) the revenue from those same customers during the twelve months ending as of the end of such period as the numerator. This calculation excludes revenue from new customers and any non-recurring revenue.



Semrush enables our customers to understand trends and act upon unique insights to improve the online visibility **across all key channels.**



SEO



Advertising



Content Marketing



Social Media



Market Research

Semrush provides a fully integrated SaaS platform providing companies comprehensive and actionable insights to drive online traffic

- 200 million domains
- 20 billion keywords
- 33 trillion backlinks
- 17 billions URLs

On Page SEO Checker



Site Audit



Position Tracking



Keywords



Full Advertising Research

Paid Search Summary

5.0M TRAFFIC

Site Health



Errors



Warnings



Indexing



Indexed Pages



Backlinks



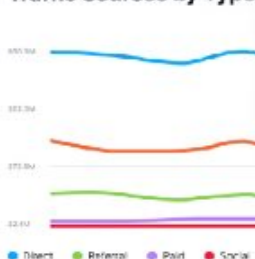
Referrals



International SEO

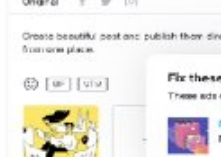


Traffic Sources by Type



Create beautiful posts and publish them directly to social networks from one place.

Fix these ads



2 1 5

3 0 1

1 0 9

4 1 8

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You should rely only on the information contained in this prospectus or in any free writing prospectus filed with the Securities and Exchange Commission. Neither we, the selling stockholders, nor any of the underwriters have authorized anyone to provide any information or make any representations other than those contained in this prospectus or in any free writing prospectus we have prepared. Neither we, the selling stockholders, nor any of the underwriters take any responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the selling stockholders are offering to sell, and seeking offers to buy, shares of Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our Class A common stock. Our business, financial condition, results of operations, and prospects may have changed since such date.

For investors outside of the United States: Neither we, the selling stockholders, nor any of the underwriters have done anything that would permit this offering or possession or distribution of this

prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourself about, and to observe any restrictions relating to, this offering and the distribution of this prospectus outside of the United States.

PROSPECTUS SUMMARY

This summary highlights selected information that is presented in greater detail elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our Class A common stock. You should read this entire prospectus carefully, including the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", our consolidated financial statements, and the related notes included elsewhere in this prospectus, before making an investment decision. Unless the context otherwise requires, the terms "Semrush," "the company," "we," "us" and "our" in this prospectus refer to SEMrush Holdings, Inc. and its consolidated subsidiaries.

SEMRUSH HOLDINGS, INC.

Overview

We are a leading online visibility management software-as-a-service platform. We enable companies globally to identify and reach the right audience for their content, in the right context, and through the right channels. Online visibility represents how effectively companies connect with consumers across a variety of digital channels, including search, social and digital media, digital public relations, and review websites. The evolving online landscape and information overload from online content have made it increasingly difficult for companies to understand and manage their online visibility. Our proprietary software-as-a-service ("SaaS") platform enables us to aggregate and enrich trillions of data points collected from over 200 million unique domains. Our platform enables our customers to understand trends and act upon unique insights to improve their online visibility, drive high-quality traffic to their websites and social media pages, as well as online listings, distribute highly targeted content to their customers, and measure the effectiveness of their digital marketing campaigns. As of December 31, 2019 and 2020, our differentiated platform empowered over 334,000 and 404,000 active free customers, respectively, and over 54,000 and 67,000 paying customers, respectively, in over 135 and 142 countries, respectively.

As interactions between companies and their customers continue to shift online, managing a company's online visibility has become critical. With over 4.9 billion internet users in the third quarter of 2020, according to Internet World Stats, and consumers worldwide spending an average of over six and a half hours per day online, according to GlobalWebIndex, digital channels are essential for customer engagement. While these digital channels have made it easier for companies to have an online presence, with so many different sources of media competing for customers' attention, it has become increasingly difficult for companies to be discovered by, and engage with, their customers. Most companies do not have the technology or resources to effectively ingest, aggregate, process, and analyze the vast amount of fragmented data from these diverse sources at scale to derive actionable insights. Companies often attempt to address individual aspects of online visibility, such as search engine optimization ("SEO"), search engine marketing ("SEM"), content marketing, social media management ("SMM"), digital public relations ("PR"), and competitive intelligence, among others. Fully integrated solutions are more likely to drive long-term traffic improvement than siloed approaches, offering more comprehensive functionality and insights, and combining strategies across owned, earned, and paid media.

Our fully integrated SaaS platform leverages our proprietary technology, differentiated data, and actionable insights to improve online visibility. We utilize machine learning capabilities to synthesize broad and deep data sets to derive actionable insights and analytics. Our ability to aggregate, crawl, and process massive data sets, including search engine, website traffic, backlink, online advertising, panel, and social media data, combined with our ability to obtain data from our customers through APIs, enables our software to generate a comprehensive view of a company's online visibility profile and identify the specific keywords, advertisements, third-party websites, and content that are driving traffic. We also integrate with third-party solutions to create comprehensive end-to-end workflows across the entire marketing funnel. These workflows include analyzing trends, identifying potential opportunities to optimize visibility, creating high-quality content efficiently, helping customers assess different marketing

approaches, executing campaigns regularly, and measuring the effectiveness of their marketing campaigns. As a result, we empower companies to improve their online visibility across key channels through a holistic strategy.

In a highly fragmented market with a myriad of network- and channel-specific solutions, our differentiated and integrated platform provides comprehensive insights into a company's online visibility. Some large technology platforms including Google and Facebook offer their own solutions but are incentivized to prioritize their own paid channels, lack independence, and do not operate across rival networks. Meanwhile, individual solutions targeted at addressing one or a subset of business problems, or point solutions, rely on limited, channel-specific data, providing only partial, incomplete perspectives. Our technology collects, aggregates, and enriches a broad set of fragmented data across networks and channels, which we leverage to derive valuable and actionable insights that we provide our customers. As our data assets grow, our ability to provide insights improves, attracting more customers to our platform and enabling us to invest in new and existing products, thereby further strengthening our competitive position. According to G2.com, Inc. ("G2"), our platform is listed as a leader in the "all segments" category, comprised of reviewers from each of the small-business, mid-market and enterprise segments (as G2 defines such categories), across 15 product categories, including SEO, competitive intelligence, local marketing, content analytics, and social media analytics, which reinforces the strategic advantages of providing a comprehensive solution. G2 ranks different products and vendors based on reviews gathered from its user community (subject to certain minimum requirements concerning sample size and reviewer composition), as well as data aggregated from online sources and social networks, to which it applies its proprietary algorithm to calculate satisfaction and market presence scores ranging from 0 to 100 from which the products are ranked.

We offer our solutions on a multi-price point, recurring subscription basis, which provides incremental levels of access to our over 50 products, tools, and add-ons across online visibility management. Some customers start using our products, tools, and add-ons on a free basis before purchasing a subscription to receive premium functionality and additional user licenses. Our compelling value proposition, effective go-to-market strategy, and recurring revenue model drives efficient unit economics. These attributes have enabled us to cost-effectively acquire over 67,000 paying customers as of December 31, 2020, spanning a broad range of industries and geographies.

We utilize a highly efficient, low-touch sales approach focused on driving customers to our platform through a self-service model, allowing our sales team to focus on retention and account expansion. Our multi-price point structure also drives meaningful upsell opportunities through higher usage limits, greater product functionality, additional user licenses, and product add-ons, as reflected by our dollar-based net revenue retention rate of 120% and 114% during the years ended December 31, 2019 and 2020, respectively, and our compounded average annual revenue growth rate of over 50% between the years ended December 31, 2016 and December 31, 2020. We have introduced several new add-on offerings, which have enabled us to grow our annual recurring revenue ("ARR") per paying customer from \$1,892 as of December 31, 2019 to \$2,123 as of December 31, 2020. We define ARR as the daily revenue of all paid subscription agreements that are actively generating revenue as of the last day of the reporting period multiplied by 365. We include both monthly recurring paid subscriptions, which renew automatically unless cancelled, as well as the annual recurring paid subscriptions so long as we do not have any indication that a customer has cancelled or intends to cancel its subscription and we continue to generate revenue from them.

Our success is driven by our experienced leadership team and culture of continuous innovation. We have been led by our co-founders, Oleg Shchegolev and Dmitry Melnikov, since our inception 12 years ago. Our culture is driven by a collaborative and innovative leadership style, which has allowed us to expand from a single product in 2008 to our comprehensive online visibility management SaaS platform comprised of over 50 products, tools, and add-ons today.

Our capital efficient model has enabled us to grow to \$144.2 million in ARR as of December 31, 2020, having raised only \$37 million in capital since we were founded. For the years ended December 31, 2019 and 2020, our revenue was \$92.1 million and \$124.9 million, respectively, representing growth of 35.6%. For the years ended December 31, 2019 and 2020, our net loss was \$10.2 million and \$7.0 million, respectively.

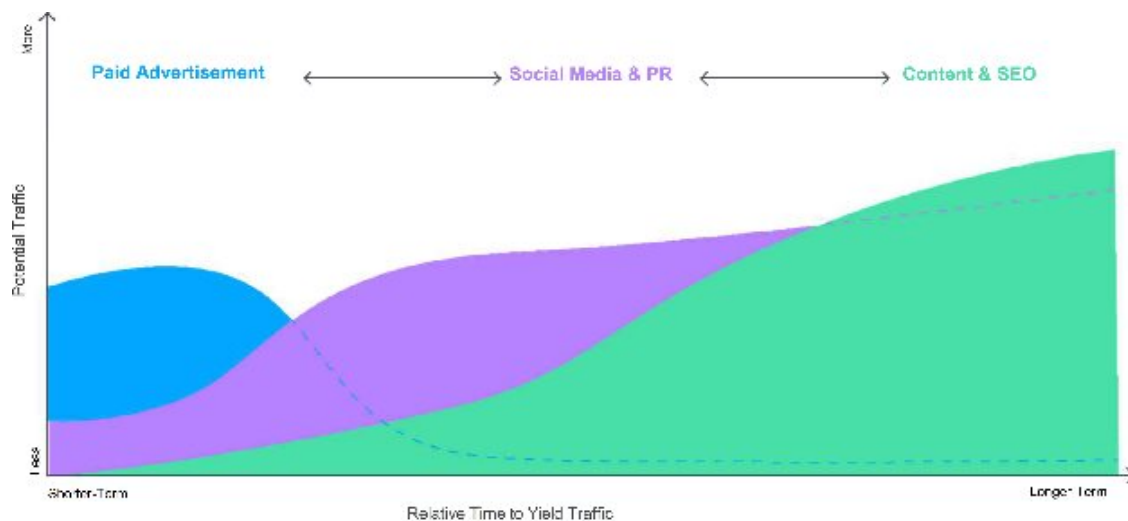
Our Industry

Cisco estimates that 66% of the global population is expected to have internet connectivity by 2023. To engage with this massive consumer community, companies are continuing to rapidly increase their online presence. The COVID-19 pandemic has further accelerated this trend as traditional brick-and-mortar companies are forced to operate online to survive in the wake of government-mandated shut-downs and social distancing practices. For example, based on a survey by McKinsey & Company, globally, the percentage of consumer interactions that are digital increased to 58% in July 2020, up from 36% in December 2019. Meanwhile, companies that have historically relied on face-to-face interactions to promote and sell their products and services, such as business-to-business companies that host a range of events, presentations, and trade shows, have been required to transition online to continue driving demand. However, the significant increase in availability of digital content, including social media, blogs, and videos, accelerated by social media and organic search, has further driven increased competition for consumers' attention.

The awareness stage is the most critical part of the digital marketing process, as it introduces a company's brand to consumers and educates them on its differentiation and value proposition. An initial positive company-consumer interaction improves the efficacy of the digital marketing process. Efficient consumer acquisition enables companies to scale and drive long-term return on investment ("ROI") on their sales and marketing spend.

Companies utilize a number of digital strategies to drive online awareness, including paid advertisement, social media, digital PR, owned media, and SEO. Investing in only a single strategy is not sufficient to maximize online visibility and may not yield meaningful ROI on digital investments. While paid advertisements are effective at driving immediate traffic to their website(s) they are costly and require routine updates with new content. Social media and digital PR are effective at driving sustained traffic and awareness over the long term, but require significant upfront time and costs to invest in relationships with social media influencers and journalists. Lastly, once a company's site and keywords are ranked on search engines, such ranking is sustained for an extended period of time, driving long-term traffic; however, it takes significant time to create content and attain an advantageous rank in search engines across key categories. As a result, companies benefit from utilizing a comprehensive strategy that combines paid advertisements, social media, digital PR, owned media, and SEO to drive long-term ROI on their digital spend and maximize traffic to their website(s). The following diagram provides an illustrative example of the relative time required to generate traffic to a company's website utilizing the various digital strategies described above (and the benefit of a holistic online strategy). The diagram is based on our experience and estimates, is not intended to cover a particular time period or quantify the

amount of traffic generated by any such strategy, and does not represent or measure actual experiences of traffic or time.



The Limitations of Existing Solutions

We believe that existing solutions do not provide companies with holistic online visibility management. The key limitations of existing solutions include:

- **Companies lack the technology to aggregate and process broad and deep data sets.** Companies collect data from online content through a broad range of individual channels and networks but struggle to aggregate and process the data, which makes it difficult to form a complete view of how efficiently their content drives traffic to their websites. Even if companies had the ability to generate their own internal data, they lack the competitive intelligence and perspectives on other websites to synthesize the data to derive analytics and insights.
- **Lack of comprehensive analytics and insights.** Network-specific and point solutions are not able to provide comprehensive insights about a company's online visibility, limiting a company's ability to make a fulsome set of changes to drive more and higher quality traffic to their websites.
- **Large technology platforms do not provide unbiased, comprehensive insights.** Some large technology platforms, including Google and Facebook, only provide insights into their own networks and are financially incentivized to prioritize their own paid channels. This significantly limits their ability to provide comprehensive insights and functionality for potential customers and underscores the need for an independent, unbiased online visibility solutions provider.
- **Limited third-party integrations.** Third-party integrations are critical to provide incremental data and seamless end-to-end workflows, addressing top-of-funnel needs for marketing professionals. However, most existing solutions have limited integrations, significantly impacting their functionality and usefulness, requiring companies to spend time and money integrating several solutions themselves.
- **Not designed for a comprehensive view of online visibility.** Many companies need to combine perspectives from multiple third-party vendors to form a holistic view of their online presence. This dynamic complicates the customer experience and may undermine a company's ability to derive

actionable insights as products from different vendors may not communicate with each other. It is critical for teams across an organization to work together to effectively manage a company's online visibility, but managing multiple products makes collaboration more challenging.

- **Inefficiency.** Subscribing to a patchwork of multiple point solutions for analytics and insights can be expensive and diminish returns on technology investments. This inefficiency results in increased costs due to the need to integrate multiple information technology ("IT") systems and the manpower required to train and utilize multiple software platforms.

The Benefits of Our Solution

The key benefits of our solution include:

- **Robust, proprietary technology platform.** We developed our technology platform over the last 12 years, leveraging machine learning to aggregate, cleanse, and analyze an immense amount of proprietary and third-party unstructured data. Our data assets include over 200 million domains, 20 billion keywords, click stream panel data from billions of events per week, over 33 trillion backlinks, over 17 billion URLs crawled per day on average, 310 million Google Display Network banner advertisements, over 1 billion events analyzed per day, and a range of data aggregated from social media networks, all of which scale continuously as customers use our platform.
- **All-in-one SaaS solution to provide comprehensive online visibility.** Our software products cover key aspects of online visibility, including SEO, SEM, content, advertising, competitive research, SMM, and digital PR. Our comprehensive solution is built with differentiated insights into traffic sources for specific sites, analysis of drivers of traffic to a company's and its competitors' websites, the keywords that are driving this traffic, and the effectiveness of a company's content marketing strategy.
- **End-to-end workflows with third-party integrations.** Our platform maintains a range of seamless third-party integrations for data, workflow, and reporting capabilities, enabling our customers to manage every critical step in optimizing their online visibility. Notable integrations include Google Analytics, YouTube, Facebook, Twitter, Domo, Yext, and Microsoft Outlook.
- **Intuitive, easy-to-use platform.** Our SaaS platform prioritizes the customer experience and promotes collaboration across functional teams. We have developed easy-to-use dashboards, report builders, project sharing, and task management capabilities that streamline the analytics process for our customers through an intuitive and modern customer experience, while enabling intra-company teams to work together seamlessly to manage a company's online visibility.
- **Strong value proposition.** Our comprehensive product suite delivers differentiated insights through a singular platform that enables companies to efficiently manage online visibility, reduce traffic acquisition costs, promote consumer engagement, minimize the cost associated with managing multiple third-party vendors, and acquire new customers.

Our Market Opportunity

As companies of all sizes and across all industries continue to transition online, we believe that the availability of digital content will continue to increase and thus drive further competition for consumers' attention. We believe that in order for companies to connect with existing and new potential consumers, companies will need to increase their online visibility. Companies must have a complete picture of their online visibility relative to their competition, and we believe that our fully integrated SaaS platform provides companies comprehensive and actionable insights to drive online traffic.

We estimate that, based on our current average customer spending levels, the annual global potential market opportunity for our online visibility management SaaS platform is currently \$13 billion. We calculated this estimate based on the number of small and medium sized companies (those with less than 500 employees) and large companies (those with 500 or more employees) in the United States, based on information published by the U.S. Census Bureau. Approximately 94.9% of our customers are in the small and medium sized category and in such category our customers had an ARR per paying customer of \$2,000 as of December 31, 2020, and our large enterprise customers had an ARR per paying customer of \$4,200 as of December 31, 2020. With approximately 54% of our revenue coming from customers outside of the United States in 2020, we believe the opportunity internationally is at least as large as in the United States. We then multiplied the total number of companies in each segment by the average revenue per customer for each segment. We calculate the average revenue per customer for each segment using internal data based on actual customer spend. We assume 50% online penetration in the small company segment (those with less than 20 employees) and 100% penetration in the medium sized (those with between 20 and 499 employees) and large company segments. We believe that a 50% online penetration estimate for the small company segment is conservative as small companies are continuing to shift their operations online, particularly in response to the COVID-19 pandemic. As such, at 100% penetration, we estimate that our global annual potential market opportunity is over \$20 billion, with \$150 million of such annual global potential market opportunity attributable to large enterprise customers.

Our Growth Strategies

The key elements of our growth strategy include:

- **Acquire new paying customers.** We expect to continue to target new customers who have not yet adopted online visibility management solutions and those who are currently using our free offering. Our sales model for new customers is highly efficient due to our low-friction, self-service onboarding capabilities that allow us to acquire new customers with relatively low sales investment. Additionally, we focus on the conversion of free customers to paying customers.
- **Expand the use of our platform by our existing paying customer base.** Our substantial base of over 67,000 paying customers as of December 31, 2020, presents a significant opportunity to increase monetization. We expect to continue to grow our revenue from our existing customers as they seek to add premium features and additional user licenses, as reflected by our dollar-based net revenue retention rate of 120% and 114% during the years ended December 31, 2019 and 2020, respectively.
- **Continue to innovate and develop new products and features.** We continue to invest in research and development to enhance our platform and release new products and features while bolstering one of the largest independent data sets for online visibility. We maintain close relationships with our customer base whom provide us with frequent and real-time feedback, which we leverage to rapidly update and optimize our platform. The release of new products, tools, add-ons, and features has enabled us to drive higher monetization over time as we have increased our ARR per paying customer from \$1,892 as of December 31, 2019 to \$2,134 as of December 31, 2020. For example, we released our premium Competitive Intelligence add-on offering in the first quarter of 2019 and in eight quarters have scaled it to over \$6.8 million in ARR.
- **Pursue opportunistic M&A.** Our management team expects to continue to allocate resources to identify, evaluate, and execute strategic acquisitions. For example, we acquired Prowly.com sp. z o. o. ("Prowly") in August 2020 to expand our technological capabilities and solutions offerings. Prowly significantly accelerated our product expansion into the digital PR software space and added four new product categories, as defined by G2, to our product portfolio.

Summary of Risks Affecting Us

Investing in our Class A common stock involves substantial risks. The risks described in the section titled “Risk Factors” immediately following this summary may cause us to not realize the full benefits of our competitive strengths or to be unable to successfully execute all or part of our strategy and may cause our business, financial condition, liquidity, results of operations, and prospects to be materially and adversely affected. Some of the more significant risks include the following:

- Our business and operating results will be harmed if our paying customers do not renew and/or upgrade their premium subscriptions or if they fail to purchase additional products.
- If we fail to attract new potential customers, register them for trials, and convert them into paying customers, our operating results would be harmed.
- The market in which we operate is intensely competitive, and if we do not compete effectively, improve and introduce compelling new products, add-ons, and tools, and offer high-quality customer service, our ability to attract and retain customers could be harmed.
- We have incurred losses in the past and may not achieve profitability in the future.
- Our products depend on third-party data sources and third-party integrations, the loss or impairment of which could cause our business to suffer.
- If we are unable to maintain and enhance our brand our ability to maintain and expand our customer base may be impaired, and our business and financial results may be harmed.
- The loss of one or more of our executive officers and other key employees, a failure to attract and retain other highly skilled employees, or an inability to maintain our company’s culture could harm our business.
- If we fail to maintain and improve our methods and technologies, including anticipating or adapting to new social media platforms, or fail to anticipate new methods or technologies for data collection and analysis, hardware, software, and software related technologies, competing products and services could surpass ours in depth, breadth, or accuracy of our data, the insights that we offer or in other respects
- Failures or loss of, or material changes with respect to, the third-party hardware, software, and infrastructure on which we rely, including third-party data center hosting
- facilities and third-party distribution channels to support our operations, could adversely affect our business.
- Breaches, unauthorized access or disclosure of or changes in laws or public perception related to confidential information or personal information of any customers of our platform could cause our reputation to be harmed and we may be exposed to liability.
- In recent periods, we have experienced, and expect to continue to experience, rapid growth and organizational change. If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high-quality customer service, and customer satisfaction or attract new employees and customers.
- We are exposed to risks associated with premium subscription and payment processing and any disruption to such processing systems could adversely affect our business and results of operations.

- A significant portion of our operations is located outside of the United States, which subjects us to additional risks, including increased complexity, the costs of managing international operations, geopolitical instability, and fluctuations in currency exchange rates.
- Adverse or weakened general economic and market conditions, including in connection with the COVID-19 pandemic, may reduce spending on sales and marketing technology and information technology, and may affect how we operate our business, which could harm our revenue, results of operations, and cash flows.
- Changes in the sizes or types of paying customers that purchase premium subscriptions to our platform or products could affect our business, and our financial results may fluctuate due to increasing variability in our sales cycles.
- Forecasts of our market and market growth may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, there can be no assurance that our business will grow at similar rates, or at all.
- We may be subject to litigation for any of a variety of claims, which could harm our reputation and adversely affect our business, results of operations, and financial condition.
- Our failure to use the proceeds of this offering effectively or to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies in the future could reduce our ability to compete successfully and harm our results of operations.
- Our referral partners and resellers provide revenue to our business, and we benefit from our association with them. Our failure to maintain successful relationships with these partners could adversely affect our business.
- The dual class structure of our common stock has the effect of concentrating voting control with those stockholders who held our capital stock prior to the completion of this offering, including our directors, executive officers, and their affiliates, who will hold in the aggregate % of the voting power of our capital stock upon the completion of this offering without giving effect to any purchases that may be made through our directed share program, which will limit or preclude your ability to influence corporate matters.

Channels for Disclosure of Information

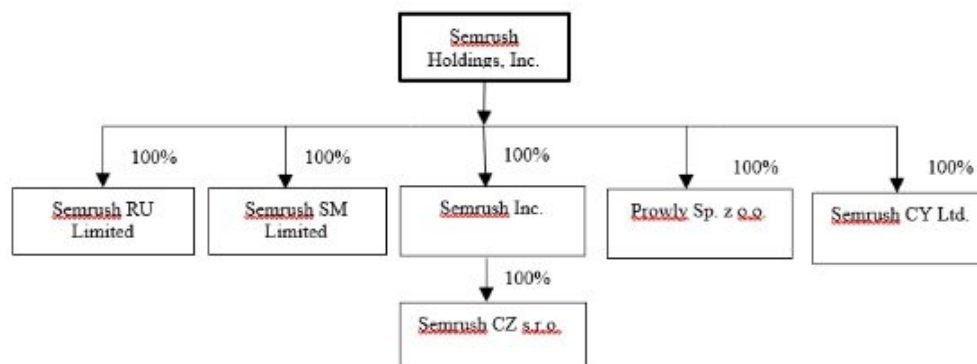
Investors, the media, and others should note that, following the completion of this offering, we intend to announce material information to the public through filings with the U.S. Securities and Exchange Commission (the “SEC”), the investor relations page on our website, press releases and public conference calls, and webcasts.

Corporate Information

We were founded in 2008 and operated as an unincorporated entity prior to our incorporation in 2012 as Semrush Inc., a Delaware corporation (“SEMrush US Sub”). In 2013, all of the outstanding shares of SEMrush US Sub’s common stock were transferred to Bootstrap Marketing Group Ltd., a Cyprus limited liability company, and as a result, SEMrush US Sub became a wholly owned subsidiary of Bootstrap Marketing Group Ltd. In 2015, Bootstrap Marketing Group Ltd. was renamed SEMrush CY LTD (“SEMrush CY”). Prior to December 2019, SEMrush CY had three wholly owned subsidiaries, SEMrush RU Limited, a Russian limited company (“SEMrush RU”), SEMrush SM Limited, a Russian limited company (“SEMrush SM”), and SEMrush US Sub. SEMrush US Sub in turn had one wholly owned subsidiary, SEMrush CZ s.r.o., a Czech Republic limited liability company (“SEMrush CZ”).

On December 19, 2019, SEMrush Holdings, Inc., a Delaware corporation, was incorporated and entered into a Contribution and Exchange Agreement with SEMrush CY, pursuant to which the holders of all outstanding shares of capital stock of SEMrush CY contributed those shares to SEMrush Holdings, Inc. in exchange for shares of capital stock of SEMrush Holdings, Inc. (the “2019 Share Exchange”). Upon the 2019 Share Exchange, the historical consolidated financial statements of SEMrush CY included in this prospectus became the historical consolidated financial statements of SEMrush Holdings, Inc. On December 27, 2019, we completed a series of transfer, assignment and assumption transactions pursuant to which, among other assets assigned from SEMrush CY to SEMrush Holdings, Inc. and SEMrush US Sub, each of SEMrush CY, SEMrush RU, SEMrush SM, and SEMrush US Sub became wholly owned subsidiaries of SEMrush Holdings, Inc. SEMrush CZ remains a wholly owned subsidiary of SEMrush US. Additionally, in August 2020, SEMrush completed its acquisition of Prowly. SEMrush CY, SEMrush RU, SEMrush SM, SEMrush US Sub, SEMrush CZ, and Prowly are collectively referred to herein as the “Subsidiaries”.

The following diagram illustrates our current corporate structure. Please see the section entitled “Business — Corporate Organizational Chart” for additional information.



Our principal executive offices are located at 800 Boylston Street, Suite 2475, Boston, MA 02199 and our telephone number is (800) 851-9959. Our website address is www.semrush.com. Information contained on or that can be accessed through our website does not constitute part of this prospectus and the inclusion of our website address in this prospectus is an inactive textual reference only.

“SEMrush” is our registered trademark in the United States, Australia, Bahrain, Belarus, Bosnia and Herzegovina, China, the European Union (“EU”), Iceland, India, Iran, Israel, Japan, Kazakhstan, Liechtenstein, Monaco, Montenegro, New Zealand, Norway, the Philippines, Russia, Serbia, Singapore, South Korea, Swaziland, Switzerland, Turkey, Ukraine, and Vietnam and pending “SEMrush” trademark applications in Brazil and Canada. We have two additional registered trademarks and nine pending trademarks in the United States. Other trademarks and trade names referred to in this prospectus are the property of their respective owners.

Emerging Growth Company

We are an emerging growth company within the meaning of the JOBS Act. As an emerging growth company, we may take advantage of certain exemptions from various public reporting requirements, including the requirement that our internal control over financial reporting be audited by our independent registered public accounting firm pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, certain

requirements related to the disclosure of executive compensation in this prospectus, in our periodic reports, and proxy statements, and the requirement that we hold a nonbinding advisory vote on executive compensation and any golden parachute payments. We may take advantage of these exemptions until we are no longer an emerging growth company. We may choose to take advantage of some, or all, of the available exemptions. We have taken advantage of some reduced reporting burdens in this prospectus. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock.

We will remain an emerging growth company until the earliest to occur of (1) the last day of the fiscal year (a) following the fifth anniversary of the closing of this offering, (b) in which we have total annual gross revenues of \$1.07 billion, or (c) in which we are deemed to be “a large accelerated filer,” under the rules of the SEC, which means the market value of our equity securities that is held by non-affiliates exceeds \$700 million, and (2) the date on which we have issued more than \$1.0 billion in non-convertible debt during the prior three-year period.

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected not to “opt out” of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard and will do so until such time that we either (i) irrevocably elect not to avail ourselves of such extended transition period or (ii) no longer qualify as an emerging growth company.

For certain risks related to our status as an emerging growth company, see the section titled “Risk Factors — Risks Related to Ownership of Our Class A Common Stock — We are an emerging growth company and we cannot be certain that the reduced disclosure requirements applicable to emerging growth companies will not make our Class A common stock less attractive to investors.”

THE OFFERING

Class A common stock offered by us

Class A common stock offered by the selling
stockholders

Underwriters' option to purchase additional shares
of Class A common stock from us

We have granted the underwriters an option, exercisable for 30 days after the date of this prospectus, to purchase up to an additional _____ shares of Class A common stock from us.

Class A common stock to be outstanding after this offering

shares (or shares if the underwriters' option to purchase additional shares of Class A common stock in this offering is exercised in full)

Class B common stock to be outstanding after this offering

shares

Total Class A common stock and Class B common stock to be outstanding after this offering

_____ shares (or _____ shares if the underwriters' option to purchase additional shares of Class A common stock from us in this offering is exercised in full)

Use of proceeds

The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our Class A common stock, and enable access to the public equity markets for our stockholders and us. We estimate that the net proceeds from the sale of shares of our Class A common stock that we are selling in this offering will be approximately \$ million (or approximately \$ million if the underwriters' option to purchase additional shares in this offering is exercised in full), based upon an assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of Class A common stock by the selling stockholders.

We currently intend to primarily use the net proceeds of this offering to invest further in our sales and marketing activities to grow our customer base, to fund our research and development efforts to enhance our technology platform and product functionality, to pay general and administrative expenses, and to fund our other growth strategies described elsewhere in this prospectus. We may also use a portion of the net proceeds for the acquisition of complementary companies, technologies or other assets, although we currently have no agreements, commitments or understandings with respect to any such transaction.

Voting rights

Shares of our Class A common stock are entitled to one vote per share.

Shares of our Class B common stock are entitled to ten votes per share.

Holders of our Class A common stock and Class B common stock will generally vote together as a single class, unless otherwise required by law or our amended and restated certificate of incorporation. The holders of our outstanding Class B common stock will hold approximately % of the voting power of our outstanding capital stock upon the completion of this offering and will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change in control transaction. See the sections titled “Principal and Selling Stockholders” and “Description of Capital Stock” for additional information.

Selling stockholders; concentration of ownership

Oleg Shchegolev and Dmitry Melnikov, who serve as our co-founders, executive officers, and officers, are selling an aggregate of shares of Class A common stock in this offering. Upon completion of this offering, our executive officers, directors, and their affiliates, will beneficially own, in the aggregate, approximately % of the voting power of our outstanding shares of common stock. See the section titled “Principal Stockholders” for additional information.

Directed share program

At our request, the underwriters have reserved for sale at the initial public offering price per share up to % of the shares of Class A common stock offered by this prospectus, to certain individuals through a directed share program, including our directors and friends and family members of such persons. If purchased by these persons, these shares will not be subject to a lock-up restriction, except in the case of shares purchased by any director or executive officer. The number of shares of Class A common stock available for sale to the general public will be reduced by the number of reserved shares sold to these individuals. Any reserved shares not purchased by these individuals will be offered by the underwriters to the general public on the same terms as the other shares of Class A common stock offered under this prospectus. See the section titled “Underwriting—Directed Share Program.”

Risk factors

Investing in our Class A common stock involves a high degree of risk. See the section titled “Risk Factors” beginning on page [16](#) for a discussion of factors you should carefully consider before deciding to invest in our Class A common stock.

Proposed New York Stock Exchange trading symbol

“SEMR”

The number of shares of Class A and Class B common stock that will be outstanding after this offering is based on shares of our Class A common stock and shares of our Class B common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion, the Common Stock Reclassification, and the Selling Stockholder Conversion, as described below, and excludes:

- 2,537,086 shares of Class B common stock issuable upon the exercise of stock options outstanding as of December 31, 2020 under our Amended and Restated 2019 Stock Option and Grant Plan (the “2019 Plan”), at a weighted-average exercise price of \$4.12 per share;
- 646,107 shares of Class B common stock available for future issuance as of December 31, 2020 under the 2019 Plan, which will cease to be available for issuance at the time that our 2021 Stock Option Plan (the “2021 Plan”) becomes effective;
- shares of Class A common stock available for future issuance under our 2021 Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus is a part; and
- shares of Class A common stock available for future issuance under our Employee Stock Purchase Plan (“ESPP”), which will become effective upon the effectiveness of the registration statement of which this prospectus is a part.

Our 2021 Plan and ESPP each provide for annual automatic increases in the number of shares reserved thereunder, and our 2021 Plan also provides for increases to the number of shares of Class A common stock that may be granted thereunder based on shares underlying any awards under our 2019 Plan that expire, are forfeited or are otherwise terminated, as more fully described in the section titled “Executive Compensation—Employee Benefit and Stock Plans.”

Except as otherwise indicated, all information in this prospectus assumes:

- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, each of which will occur immediately prior to the completion of this offering;
- the automatic conversion of all outstanding shares of our preferred stock into an aggregate of 9,898,400 shares of our Class B common stock (the “Preferred Stock Conversion”), the conversion of which will occur immediately prior to the completion of this offering;
- the reclassification of our outstanding existing common stock into an equivalent number of shares of our Class B common stock, which will occur immediately prior to the completion of this offering (the “Common Stock Reclassification”);
- the conversion of shares of our Class B common stock held by the selling stockholders into an equivalent number of shares of our Class A common stock immediately prior to the sale by the selling stockholders in this offering (the “Selling Stockholder Conversion”);
- no exercise of the outstanding options described above; and
- no exercise by the underwriters of their option to purchase up to an additional shares of Class A common stock from us in this offering.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables summarize our consolidated financial data and other data. We have derived the summary consolidated statements of operations data for the years ended December 31, 2019 and 2020 and the consolidated balance sheet data as of December 31, 2020 from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of results that may be expected in the future. The following summary consolidated financial data and other data should be read in conjunction with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", our consolidated financial statements, and related notes included elsewhere in this prospectus.

	Year Ended December 31,	
	2019	2020
	(in thousands, except per share data)	
Consolidated Statements of Operations Data:		
Revenue	\$ 92,109	\$ 124,875
Cost of revenue (1)	22,540	29,930
Gross profit	69,569	94,945
Operating expenses		
Sales and marketing (1)	41,719	54,518
Research and development (1)	14,224	17,528
General and administrative (1)	21,848	29,044
Total operating expenses	77,791	101,090
Loss from operations	(8,222)	(6,145)
Other expense (income), net	1,480	290
Loss before income taxes	(9,702)	(6,435)
Provision for income taxes	464	577
Net loss	\$ (10,166)	\$ (7,012)
Net loss per share attributable to common stockholders—basic and diluted: (2)	\$ (0.32)	\$ (0.22)
Weighted-average number of shares of common stock used in computing net loss per share attributable to common stockholders—basic and diluted:	31,510	31,601
Pro forma net loss per share attributable to common stockholders—basic and diluted: (3)		\$ (0.17)
Pro forma weighted-average number of shares of common stock used in computing pro forma net loss per share attributable to common stockholders—basic and diluted:		41,500

- (1) See the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Stock-Based Compensation" for detail on stock-based compensation as included within these financial statement line items.
- (2) Basic and diluted net loss per share attributable to common stockholders is computed based on the weighted-average number of ordinary shares outstanding during each period. For additional information, see Note 2 to the notes to our consolidated financial statements included elsewhere in this prospectus.
- (3) Pro forma basic and diluted net loss per share attributable to common stockholders and pro forma weighted-average shares outstanding has been computed to give effect to the conversion of all of our outstanding shares of preferred stock shares of common stock, which will occur upon the closing of this offering, as if such conversion occurred as of the beginning of the period presented or the date of original issuance, whichever is later.

	As of December 31, 2020		
	Pro Forma ⁽¹⁾		Pro Forma As Adjusted ⁽²⁾⁽³⁾
	Actual		
	(in thousands)		
Consolidated Balance Sheet Data:			
Cash and cash equivalents	\$ 35,531	\$ 35,531	\$
Working capital (4)	718	718	
Total assets	54,958	54,958	
Total liabilities	43,739	43,739	
Redeemable convertible preferred stock	18,059	—	
Total stockholders' (deficit) equity	(6,840)	11,219	

(1) Pro forma amounts reflect (i) the Preferred Stock Conversion and (ii) the Common Stock Reclassification.

(2) Pro forma as adjusted amounts reflect (i) the pro forma adjustments described in footnote (1) above, (ii) the Selling Stockholder Conversion, and (iii) the sale and issuance by us of shares of our Class A common stock in this offering, based on an assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts, and commissions and estimated offering expenses payable by us.

(3) Each \$1.00 increase or decrease in the assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, our cash and cash equivalents, additional paid-in capital, and total stockholders' equity (deficit) by approximately \$ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of our Class A common stock offered by us would increase or decrease, as applicable, our cash and cash equivalents, additional paid-in capital, and total stockholders' equity (deficit) by approximately \$ million, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions payable by us.

(4) We define working capital as total current assets less total current liabilities.

Risk Factors

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this prospectus, before making a decision to invest in our Class A common stock. If any of the risks actually occur, our business, results of operations, financial condition, and prospects could be harmed. In that event, the trading price of our Class A common stock could decline, and you could lose part or all of your investment.

Most Material Risks to Us

We derive, and expect to continue to derive, substantially all of our revenue and cash flows from our paying customers with premium subscriptions, and our business and operating results will be harmed if our paying customers do not renew their premium subscriptions.

We derive, and expect to continue to derive, substantially all of our revenue and cash flows from our paying customers with premium subscriptions. Our business and financial results depend on our paying customers renewing their subscriptions for our products when existing contract terms expire. Although our customer agreements provide for auto-renewal of subscriptions, our paying customers have no obligation to renew their premium subscriptions if they provide proper notice of their desire not to renew, and we cannot guarantee that they will renew their premium subscriptions for the same or longer terms, the same or a greater number of user licenses or products and add-ons, or at all. We offer premium subscriptions on a monthly or annual basis with our annual subscriptions receiving a discount for the longer-term commitment. Our paying customers predominantly choose monthly subscription terms, which allow them to terminate or adjust their premium subscriptions with us on a monthly basis as external factors change and could cause our results of operations to fluctuate significantly from quarter to quarter. Our renewal rates, including our dollar-based net revenue retention rate, may decline or fluctuate as a result of a number of factors, including customer satisfaction with our platform and products, reliability of our products, our customer success and support experience, the price and functionality of our platform, products, and add-ons relative to those of our competitors, mergers and acquisitions affecting our customer base, the effects of global economic conditions and other external factors, or reductions in our customers' spending levels. Our business and operating results will be adversely affected if our paying customers do not renew their premium subscriptions.

Our business and operating results will be harmed if our paying customers do not upgrade their premium subscriptions or if they fail to purchase additional products.

Our future financial performance also depends in part on our ability to continue to upgrade paying customers to higher-price point subscriptions and sell additional user licenses, and products and add-ons such as Prowly, Sellerly, and Competitive Intelligence. Conversely, our paying customers may convert to lower-cost or free subscriptions if they do not perceive value in paying for our higher-price point subscriptions, thereby impacting our ability to increase revenue. For example, a paying customer subscribing to our core product through a "Business" subscription may downgrade to the "Guru" subscription if they do not deem the additional features and functionality worth the incremental costs. To expand our relationships with our customers, we must demonstrate to existing paying and free customers that the additional functionality associated with an upgraded subscription outweighs the incremental costs. Our customers' decisions as to whether to upgrade their subscriptions or not is driven by a number of factors, including customer satisfaction with the security, performance, and reliability of our platform and products, general economic conditions, the price and functionality of our platform and products relative to those of our competitors, and customer reaction to the price for additional products. If our efforts to expand our relationships with our existing paying and free customers are not successful, our revenue growth rate may decline and our business and operating results will be adversely affected.

If we fail to attract new potential customers through unpaid and paid marketing efforts, register them for trials, and convert them into paying customers, our operating results would be harmed.

The number of new customers we attract, whether as free or paying customers, is a key factor in growing our customer and premium subscription base which drive our revenues and collections. We utilize various unpaid content marketing strategies, including blogs, webinars, thought leadership, and social media engagement, as well as paid advertising, to attract visitors to our websites. We cannot guarantee that these unpaid or paid marketing efforts will continue to attract the same volume and quality of traffic to our websites or will continue to result in the same level of registrations for premium subscriptions as they have in the past. In the future, we may be required to increase our marketing spend to maintain the same volume and quality of traffic. Moreover, we cannot be certain that increased sales and marketing spend will generate more paying customers without increasing our customer acquisition costs on a per paying customer basis. We offer potential customers several tiered subscription options for our online visibility management platform, including free subscriptions of a limited-functionality product and premium subscriptions of our “Pro”, “Guru” or “Business” offerings for our core product, depending on the level of functionality they seek. We have materially grown our number of paying customers through the provision of free subscriptions and through trials of a premium version of our online visibility and marketing insight products. Trial subscriptions automatically become premium subscriptions if the customer does not opt out of the trial subscription after the trial period is over, and such trial subscriptions can be upgraded to obtain additional features, functionality, and varying levels of access and report generating capabilities. In the future, we may be required to provide additional functionality to our free subscriptions to attract visitors to our websites and incent visitors to sign up for free subscriptions. In addition, we encourage our free customers to upgrade to premium subscriptions through in-product prompts and notifications, by recommending additional features and functionality, and by providing customer support to explain such additional features and functionality. Our failure to attract new free customers and convert them into paying customers could have a material adverse effect on our operating results as our business may be adversely affected by the costs of, and sales lost from, making certain of our products available on a free basis. While we do not receive any revenue from our customers who use our platform on a free basis, we bear incremental expenses as a result of their continuing free access to our platform and certain of our products.

The market in which we operate is intensely competitive, and if we do not compete effectively, our ability to attract and retain free and paying customers could be harmed, which would negatively impact our business and operating results.

The market for our products is fragmented, rapidly evolving, and highly competitive, with relatively low barriers to entry. Our all-in-one software-as-a-service (“SaaS”) platform competes with software products and solutions that are focused on a particular customer need, or point solutions. For example, we compete with point solutions for search advertising and search engine optimization (“SEO”), marketing analytics and social media management (“SMM”), market intelligence, and web analytics services. Our ability to attract and retain free and paying customers depends in part on the actual and perceived quality and design of our platform, products, and add-ons compared to competitive point solutions and continued market acceptance of our platform, products, and add-ons for existing and new use-cases. To remain competitive and to acquire new customers, we must deliver features and functionality that enhance the utility and perceived value of our platform, products, and add-ons to our prospective and existing customers. Our platform, products, and add-ons must (i) operate without the presence of material software defects, whether actual or perceived, (ii) maintain deep and rich data sources, (iii) adapt to the changing needs of our current and prospective customers including by developing new technology, (iv) adapt to changing functionality and provide interoperability with third-party application programming interfaces (“APIs”), (v) maintain and develop integrations with complementary third-party services that provide value to our customers, (vi) be easy to use and visually pleasing, (vii) deliver rapid return on investment to our customers across multiple functions within their organizations, and (viii) be delivered with a superior customer support experience. We may not be successful in delivering on some or all of the foregoing or in doing so while maintaining competitive pricing, which could result in customer

dissatisfaction leading to termination or downgrades of premium subscriptions, fewer new free customers, fewer subscription upgrades or lower dollar-based net revenue retention rates, prospective customers' selection of our competitors' products over our own, and other adverse effects on our business.

Many of our current and future competitors benefit from competitive advantages over us, such as greater name recognition, longer operating histories, more targeted products for specific use cases, larger sales and more established relationships or integrations with third-party data providers, search engines, online retail platforms, and social media networking sites, and more established relationships with customers in the market. Additionally, many of our competitors may expend a considerably greater amount of funds on their research and development efforts, and those that do not, may be acquired by larger companies that would allocate greater resources to our competitors' research and development programs. Specifically, our competitors focusing on point solutions may have the ability to expend greater funds in a more targeted manner to develop superior solutions that address a specific need, as compared to our research and development expenditures which are allocated across our platform. In addition, some of our competitors may enter into strategic relationships or consummate strategic acquisitions to offer a broader range of functionality than we do, a more competitive multi-point solution, or to address needs that our platform does not. These types of business combinations may make it more difficult for us to acquire new free customers or maintain or upgrade our free and paying customers, any of which could ultimately impact our ability to compete effectively. We expect these competitive pressures to continue as competitors attempt to strengthen or preserve their market positions and as new competitors enter the market.

Demand for our platform is also price sensitive. Many factors, including our marketing, sales and technology costs, and the pricing and marketing strategies of our competitors, can significantly affect our pricing strategies. Certain competitors offer, or may in the future offer, lower-priced or free products that compete with our platform, products, and/or add-ons, or may bundle their solutions with other companies' offerings to provide a broader range of functionality at reduced volume pricing. Similarly, certain competitors may use marketing strategies that enable them to acquire customers at a lower cost than we do. Even if such competitive products do not include all the features and functionality that our platform provides, we could face pricing pressure to the extent that customers find such alternative products to be sufficient to meet their needs or do not perceive a material return on investment from the additional features and functionality they would obtain by purchasing our platform relative to the competitive point solutions. Additionally, our competitors may further drive down the price through strategic business combinations. We may be forced to engage in price-cutting initiatives, offer other discounts, or increase our sales and marketing and other expenses to attract and retain free and paying customers in response to competitive pressures, any of which would harm our business and operating results.

We have incurred losses in the past and may not achieve profitability in the future.

We have incurred annual net losses since 2016 and expect to continue to incur net losses in the future. We incurred net losses of \$10.2 million and \$7.0 million for the years ended December 31, 2019 and 2020, respectively. As of December 31, 2020, we had an accumulated deficit of \$35.8 million. We do not know if we will be able to achieve or sustain profitability in the future. We plan to continue to invest in our research and development, and sales and marketing efforts, and we anticipate that our operating expenses will continue to increase as we scale our business and expand our operations. We also expect our general and administrative expenses to increase as a result of our growth and operating as a public company. Our ability to achieve and sustain profitability is based on numerous factors, many of which are beyond our control.

Our products depend on publicly available and paid third-party data sources, and, if we lose access to data provided by such data sources or the terms and conditions on which we obtain such access become less favorable, our business could suffer.

We have developed our platform, products, and add-ons to rely in part on access to data from third-party sources. The primary sources of third-party data include data collected from third-party websites algorithmically through our proprietary data collection techniques, including web crawling of third-party websites, data purchased from independent third-party data providers, which includes clickstream data, search engine data, online advertising data, and data from social media sources, and reference data that our customers grant us access to, which includes our customers' website and social media data. We obtain social media data through APIs that connect to social media platform operators, including Facebook, Twitter, Instagram, Pinterest, and LinkedIn. We also collect data from our customers in connection with their use of our platform.

To date, our relationships with most data providers (including social media platforms) are governed by such data providers' respective standard terms and conditions, which govern the availability and access to, and permitted uses of such data (including via APIs), and which are subject to change by such providers from time to time, with little or no notice and with little or no right of redress. Similarly, our access to publicly available data may depend on restrictions that website owners may impose through technical measures or otherwise, including restrictions on automated data collection. We cannot accurately predict the impact of changes in the terms of data providers that may impede our access to the data. If these data providers or websites choose not to make their data available on the same terms, or at all, we would have to seek alternative sources, which could prove expensive and time-consuming, and may be less efficient or effective. Such changes could impact our ability to provide our services in a timely manner, if at all, and could negatively impact the perceived value of our platform and our business. There can be no assurance that following any such modification of terms or termination we would be able to maintain the current level of functionality of our platform in such circumstances, which could adversely affect our results of operations.

We also rely on negotiated agreements with other data providers from whom we purchase independently sourced data, including clickstream data, search engine data, online advertising data, data from social media, and other sources. These negotiated agreements provide access to additional data that allow us to provide a more comprehensive solution for our customers. These agreements are subject to termination in certain circumstances, and there can be no assurance that we will be able to renew those agreements or that the terms of any such renewal, including pricing and levels of service, will be favorable. In addition, there can be no assurance that we will not be required to enter into new negotiated agreements with data providers in the future to maintain or enhance the level of functionality of our platform, or that the terms and conditions of such agreements, including pricing and levels of service, will not be less favorable, which could adversely affect our results of operations. Further, third-party data providers have previously, and may again, cease operations or a specific business line or cease providing products or data to their customers, including us. If we are not able to obtain third-party data on commercially reasonable terms, if these data providers stop making their data available to us, or if our competitors are able to purchase such data on better terms, the functionality of our platform and our ability to compete could be harmed.

To the extent that we license or obtain data from third parties, we may be subject to contractual obligations to satisfy certain requirements under applicable laws including, but not limited to, providing public notice of our data processing activities and obtaining appropriate consents where required. If one or more of those third-party data providers considers that we have failed to satisfy these requirements, such third-party data provider may bring claims against us seeking damages, and/or seeking to prevent our future use of any data already provided. Such claims could potentially adversely affect our ability to provide our services and the current level of functionality of our platform in such circumstances, which could adversely affect our results of operations.

Our business may be harmed if any of our data sources:

- changes, limits or discontinues our access to their data;
- modifies its terms of service or other policies, including imposing prohibitive fees or restrictions on our use of their data or our ability to access it;
- changes or limits how customer information is accessed by us or our customers and their users;
- changes or limits how we can use such data;
- establishes more favorable relationships with one or more of our competitors; or
- experiences disruptions of its technology, services or business generally.

Risks Related to our Business

Our ability to introduce new products and add-ons is dependent on adequate research and development resources. If we do not adequately fund our research and development efforts or use product and development teams effectively, our business and operating results may be harmed.

To remain competitive, we must continue to develop new product offerings, as well as features and enhancements to our existing platform and products. Maintaining adequate research and development personnel and resources to meet the demands of the market is essential. If we experience high turnover of our product and development personnel, a lack of management ability to guide our research and development, or a lack of other research and development resources, we may miss or fail to execute on new product development and strategic opportunities and consequently lose potential and actual market share. The success of our business is dependent on our product and development teams developing and executing on a product roadmap that allows us to retain and increase the spending of our existing customers, attract new customers and upgrade our free customers to premium subscriptions. Our failure to maintain adequate research and development resources, to use our research and development resources efficiently, and to address the demands of our prospective and actual customers could materially adversely affect our business.

If we are unable to maintain and enhance our brand, or if events occur that damage our reputation and brand, our ability to maintain and expand our customer base may be impaired, and our business and financial results may be harmed.

Maintaining, promoting, and enhancing our brand is critical to maintaining and expanding our customer base. We seek to build our brand through a mix of free and paid initiatives. We market our platform and products through free information resources on our website, including our blog and online digital marketing courses (including through our Semrush Academy), pay-per-click advertisements on search engines and social networking sites, participation in social networking sites, and free and paid banner advertisements on other websites. The strength of our brand further drives free traffic sources, including customer referrals, word-of-mouth, and direct searches for our “Semrush” name, or web presence solutions, in search engines. In addition, we maintain relationships with agencies and affiliates to further increase brand awareness and generate customer demand. To the extent that new customers are increasingly derived from paid as opposed to free marketing initiatives, our customer acquisition cost will increase.

Beyond direct sales and marketing efforts, maintaining and enhancing our brand will depend largely on our ability to continue to provide a well-designed, useful, reliable, and innovative platform, efficient sales process, and high-quality customer service, which we may not do successfully. For a discussion of other factors that will impact our brand recognition see the risk factors described elsewhere in this

section, including without limitation, those risk factors entitled “The market in which we operate is intensely competitive, and if we do not compete effectively, our ability to attract and retain free customers and paying customers could be harmed, which would negatively impact our business and operating results.”; “If we fail to offer high-quality customer service and provide a positive customer experience, it may be more difficult to add and retain paying customers and increase the number of user licenses per paying customer, especially from large enterprises.”; “If third-party applications change such that we do not or cannot maintain the compatibility of our platform with these applications or if we fail to integrate with or provide third-party applications that our customers desire to use with our products, demand for our solutions and platform could decline.”; “We rely on search engines and social networking sites to attract a meaningful portion of our customers, and if those search engines or social networking sites change their listings or policies regarding advertising, or increase their pricing or suffer problems, it may limit our ability to attract new customers.”; and “If we fail to anticipate and adapt to new and increasingly prevalent social media platforms, other competing products and services that do so more effectively could surpass us and lead to decreased demand for our platform and products.”

We depend on our executive officers and other key employees, and the loss of one or more of these employees could harm our business.

Our success depends largely upon the continued services of our executive officers and other key employees. We rely on our leadership team in the areas of research and development, operations, security, marketing, sales, customer service, and general and administrative functions, and on individual contributors and team leaders in our research and development and operations. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. The loss of one or more of our executive officers or key employees could harm our business. Changes in our executive management team may also cause disruptions in, and harm to, our business.

We are led by our CEO and co-founder, Oleg Shchegolev, our COO and co-founder, Dmitry Melnikov, and our Chief Product Officer, Vitalii Obishchenko, each of whom plays an important role in driving our culture, determining our strategy, and executing against that strategy companywide. If the services of Mr. Shchegolev, Mr. Melnikov, and/or Mr. Obishchenko become unavailable to us for any reason, it may be difficult or impossible for us to find an adequate and timely replacement, which could cause us to be less successful in maintaining our culture, and developing and effectively executing on our strategies and initiatives.

An inability to attract and retain other highly skilled employees could harm our business.

To execute our growth plan, we must attract and retain highly qualified personnel. Competition for highly qualified personnel in Boston, Massachusetts, where our headquarters is located, and Treviso, Pennsylvania, Dallas, Texas, Prague, Czech Republic, Limassol, Cyprus, St. Petersburg, Russia, and Warsaw, Poland where we have offices. Competition in these locations is intense, especially for software engineers experienced in designing and developing software and SaaS applications, and experienced sales professionals who understand our products and the market in which we operate. We have from time to time experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. In addition, immigration laws in the locations in which we have offices and operations restrict or limit our ability to recruit internationally. Any changes to the immigration policies applicable to locations in which we have offices and operations that restrain the flow of technical and professional talent may inhibit our ability to recruit and retain highly qualified employees. Many of the companies with which we compete for experienced personnel may be able to offer more attractive terms of employment to potential candidates. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees have breached their legal obligations to such former employers, resulting in a diversion of our time and resources.

In addition, job candidates and existing employees often consider the value of the equity awards they receive in connection with their employment as part of their overall compensation package. If the perceived value of our equity awards declines or does not compare favorably to the value of equity offered by other companies competing for the same personnel resources, it may harm our ability to recruit and retain highly skilled employees. In addition, we invest significant time and expense in training our employees, which increases their value to competitors who may seek to recruit them. For example, our software developers gain deep and direct experience in data analytics, machine learning, and search optimization, making them increasingly attractive to our competitors and other similar businesses. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business and future growth prospects could be harmed.

Changes by search engines, social networking sites, and other third-party services to their underlying technology configurations or policies regarding the use of their platforms and/or technologies for commercial purposes, including anti-spam policies, may limit the efficacy of certain of our products, tools, and add-ons and as a result, our business may suffer.

Our online visibility platform is designed to help our customers connect with consumers across a variety of digital channels, search engines, social networking sites, and other third-party services. These services may adapt and change their strategies and policies over time. Search engines typically provide two types of search results, organic (i.e., non-paid) and purchased listings. Organic search results are determined and organized solely by automated criteria set by the search engine, and a ranking level cannot be purchased. Search engines revise their algorithms from time to time in an attempt to optimize their search result listings. Changes to search engine algorithms may diminish the efficacy of certain of our products, tools, and add-ons, and potentially render them obsolete. For example, if a given search engine stopped using backlinks in its ranking algorithm, our customers' perception of our backlink analytics tool, which enables customers to analyze and monitor the backlink profile of their own and other websites, may be adversely impacted. Similarly, if a search engine ceases to manually penalize or take action against web pages for unnatural backlinks, then our customers may determine that auditing their backlinks is unnecessary which could cause them to devalue our backlink audit tool, which enables companies to check whether malicious websites have links to their sites, or cease using it altogether. In response to these types of changes we may be required to recalibrate our product offerings by reducing prices, discontinuing the affected product, or otherwise. These responses may be costly, may not be effective, and our business may suffer.

Additionally, search engines, social networking sites, and other third-party services typically have terms of service, guidelines, and other policies to which its users are contractually obligated to adhere. For example, Google's Gmail offering has a spam and abuse policy that prohibits sending spam, distributing viruses, or otherwise abusing the service. Prowly and our link building tool enable our customers to send emails to their desired recipients, such as marketing and affiliate partners, social media influencers, journalists, and bloggers. Our link building tool relies on a direct Gmail integration through which our customers are able to send emails using our platform as if they were sending emails directly from their Gmail account, and our Prowly product involves emails initiated by customers over Prowly servers. Our customers' actions using either the link building tool or Prowly could be flagged under Google's spam and abuse policy or in the future such actions may be prohibited by subsequent changes to Google's policies. Any change to the policies of the third-party services with which our products, tools, and add-ons integrate or interact, or with which our products are intended to be used, including any anti-spam policies, or any actions taken by these third-party service providers under their policies could adversely impact the efficacy and perceived value of our products, tools, and add-ons, and as a result, our business may be harmed.

If third-party applications change such that we do not or cannot maintain the compatibility of our platform with these applications or if we fail to integrate with or provide third-party applications that our customers desire to use with our products, demand for our solutions and platform could decline.

The attractiveness of our platform depends, in part, on our ability to integrate via APIs with third-party applications that our customers desire to use with our products, such as Google, Facebook, Instagram, Twitter, YouTube, LinkedIn, Pinterest, Majestic, and others. Third-party application providers may change the features of their applications and platforms, including their APIs, or alter the terms governing use of their applications and platforms in an adverse manner. Further, third-party application providers may refuse to partner with us, or limit or restrict our access to their applications and platforms. Such changes could functionally limit or terminate our ability to use these third-party applications with our platform, which could negatively impact our offerings and the customer experience, and ultimately harm our business. If we fail to integrate our platform with new third-party applications that our customers desire, or to adapt to the data transfer requirements of such third-party applications and platforms, we may not be able to offer the functionality that our customers expect, which would negatively impact our offerings and, as a result, harm our business. Additionally, our business could be harmed if our customers have negative experiences in using the third-party integrations that we offer.

If we fail to maintain and improve our methods and technologies, or fail to anticipate new methods or technologies for data collection and analysis, hardware, software, and software related technologies, competing products and services could surpass ours in depth, breadth, or accuracy of our data, the insights that we offer or in other respects.

We expect continuous development in the market with respect to data matching, data filtering, data predicting, algorithms, machine learning, and other related technologies and methods for gathering, cataloging, updating, processing, analyzing, and communicating data and other information about how consumers find, interact with, and digest digital content. Similarly, we expect continuous changes in computer hardware, network operating systems, programming tools, programming languages, operating systems, the use of the internet, and the variety of network, hardware, browser, mobile, and browser-side platforms, and related technologies with which our platform and products must integrate. Further, changes in customer preferences or regulatory requirements may require changes in the technology used to gather and process the data necessary to deliver our customers the insights that they expect. Any of these developments and changes could create opportunities for a competitor to create products or a platform comparable or superior to ours, or that takes material market share from us in one or more product categories, and create challenges and risks for us if we are unable to successfully modify and enhance our products to adapt accordingly.

If we fail to anticipate and adapt to new and increasingly prevalent social media platforms, other competing products and services that do so more effectively could surpass us and lead to decreased demand for our platform and products.

The use of social media throughout the world is pervasive and growing. According to a survey by GlobalWebIndex of individuals ages 16 to 64, 97% of digital consumers have used social media during the first quarter of 2020, with digital consumers spending an average of 2 hours and 22 minutes per day on social networks and messaging apps between January and March 2020. The social media industry has experienced, and is likely to continue to experience, rapid change due to the evolving trends, tastes and preferences of users. If consumers widely adopt new social media networks and platforms, we will need to develop integrations and functionality related to these new networks and platforms. This development effort may require significant research and development and sales and marketing resources, as well as licensing fees, all of which could adversely affect our business and operating results. In addition, new social media networks and platforms may not provide us with sufficient access to data from their platforms, preventing us from building effective integrations with our platform and products. Changing consumer tastes may also render our current integrations or functionality obsolete and the

financial terms, if any, under which we would obtain integrations or functionality, unfavorable. Any failure of our products to operate effectively with the social media networks used most frequently by consumers could reduce the demand for our products. If we are unable to respond to these changes in a cost-effective manner, our products and aspects of our platform may become less marketable and less competitive or obsolete, and our operating results may be negatively affected.

If we fail to offer high-quality customer service and provide a positive customer experience, it may be more difficult to add and retain paying customers, secure upgrades, sell add-ons, and increase the number of user licenses per paying customer.

Our ability to add and retain paying customers, secure subscription upgrades, and sell add-ons depends in part on our customer service. Our sales and customer success team engages with customers to onboard them onto our platform, responds to support requests and other general inquiries, and assists with other account management matters. The perceived quality of customer service is one of the key facets potential customers evaluate when deciding between competing products and if our customer service is not viewed favorably, potential customers may choose our competitors' products over our own. Additionally, our large enterprise customers from time to time demand custom solutions, such as custom APIs and custom reporting, and customer support that do not fit within one of our pre-packaged premium subscriptions, and addressing such demands often requires additional one-on-one engagement with our sales and customer success team members in order to finalize and service the commercial relationship. As we add more large enterprise customers and increase the number of user licenses per paying customer, we may need to devote more resources to customer service, and we may find it difficult and costly to effectively scale. If we do not adequately scale our customer success teams to meet the demands of new and existing customers, or if we otherwise fail to provide high-quality customer service during onboarding or at any other stage of the customer relationship, or a positive customer experience, we may lose such customers to our competition and fewer customers could renew or upgrade their subscriptions and purchase add-ons, which would harm our business, results of operations, and financial condition.

Failures or loss of, or material changes with respect to, the third-party hardware, software, and infrastructure on which we rely, including third-party data center hosting facilities and third-party distribution channels to support our operations, could adversely affect our business.

We rely on leased and third-party owned hardware, software and infrastructure, including third-party data center hosting facilities and third-party distribution channels to support our operations. We primarily use three data centers in the United States, two located in Virginia and one in Georgia, as well as two Google Cloud locations in Virginia and South Carolina. We host each of our products and the data processed through such products in a combination of two of the foregoing locations for redundancy. If any of our data center suppliers experience disruptions or failures, it would take time for the applicable backup data center to become fully functioning, and we would likely experience delays in delivering the affected products and segments of our platform, which may involve incurring significant additional expenses.

Furthermore, the owners and operators of our data center facilities do not guarantee that access to our platform will be uninterrupted or error-free. We do not control the operation of these third-party providers' facilities, which could be subject to break-ins, computer viruses, sabotage, intentional acts of vandalism and other misconduct. Further, our leased servers and data centers are vulnerable to damage or interruption from natural disasters, terrorist attacks, power loss, telecommunications failures or similar catastrophic events. The COVID-19 pandemic could cause our third-party data center hosting facilities and cloud computing platform providers, which are critical to our infrastructure, to shut down their operations, experience technical or security incidents that delay or disrupt performance or delivery of services to us, or experience interference with the supply chain of hardware required by their systems and services, any of which could materially adversely affect our business. For example, we have experienced delays in migrating to our new data center in Virginia, due to the limited availability of certain required hardware components resulting from supply chain delays caused by the COVID-19 pandemic. If there

were to be a significant outage or disaster that rendered one of our servers or data centers inoperable for any length of time, we would have to undertake recovery operations for the impacted products, which could interrupt the availability of our platform. If we were unable to restore the availability of our platform and products within a reasonable period of time, our customer satisfaction could suffer, damaging our reputation as a result, and we could lose customers to our competition, which would materially and adversely affect our business and results of operations.

In addition, third-party data hosting and transmission services comprise a significant portion of our operating costs. If the costs for such services increase due to vendor consolidation, regulation, contract renegotiation, or otherwise, we may not be able to increase the fees for our platform or products to cover the changes, which would have a negative impact on our results of operations.

If the security of the confidential information or personal information of any customers of our platform is breached or otherwise subjected to unauthorized access or disclosure, our reputation may be harmed and we may be exposed to liability.

With consent from our customers, we obtain confidential and other customer data from our customers' websites, social media accounts, and Google Analytics' accounts to operate certain functionality on our platform. We rely on credit card purchases as the primary means of collecting our premium subscription fees. In addition, with consent from our customers, we collect and store certain personally identifiable information ("personal data"), credit card information, and other data needed to create, support, and administer the customer account, conduct our business, and comply with legal obligations, including rules imposed by the Payment Card Industry networks.

We believe that we take reasonable steps to protect the security, integrity, availability, and confidentiality of the information we and our third-party service providers hold, but there is no guarantee that despite our efforts, inadvertent disclosure (such as may arise from software bugs or other technical malfunctions, employee error or malfeasance, or other factors) or unauthorized disclosure or loss of personal or other confidential information will not occur or that third parties will not gain unauthorized access to this information. We have experienced, and may experience in the future, breaches of our security due to human error, malfeasance, system errors or vulnerabilities, or other irregularities. For example, we have been the target of attempts to identify and exploit system vulnerabilities and/or penetrate or bypass our security measures to gain unauthorized access to our systems, including a brute force attack that resulted in access to our affiliate program partner contact information. Since techniques used to obtain unauthorized access change frequently, we and our third-party service providers may be unable to anticipate these techniques or to implement adequate preventative measures. If our security measures or the security measures of our third-party service providers are breached because of third-party action, employee error, malfeasance or otherwise, or if design flaws in our software are exposed and exploited, and, as a result, a third-party obtains unauthorized access to any customers' data, our relationships with our customers may be damaged, and we could incur liability. Further, our customers with annual subscription terms may have the right to terminate their subscriptions before the end of the subscription term due to our uncured material breach of agreement, including with respect to our data security obligations. It is also possible that unauthorized access to customer data may be obtained through inadequate use of security controls by customers, suppliers or other vendors. While we are not currently aware of any impact that the SolarWinds supply chain attack had on our business, this is a recent event, and the scope of the attack is yet unknown. Therefore, there is residual risk that we may experience a security breach arising from the SolarWinds supply chain attack. We may also be subject to additional liability risks for failing to disclose data breaches or other security incidents under state data breach notification laws or under the private right of action granted to individuals under certain data privacy laws for actions arising from certain data security incidents, such as the California Consumer Privacy Act ("CCPA") (which is further discussed below in this "Risk Factors" section). In addition, some regions, such as the EU, the United Kingdom ("UK"), and the United States, have enacted mandatory data breach notification requirements for companies to notify data protection authorities, state and federal agencies, or individuals of data security incidents or personal data breaches. We may also be

contractually required to notify certain customers in the event of a security incident pursuant to the applicable customer agreement. These mandatory disclosures regarding a security breach may lead to negative publicity and may cause our customers to lose confidence in the effectiveness of our data security measures. Any security breach, whether actual or perceived, may harm our reputation, and we could lose customers or fail to acquire new customers.

Federal, state, and provincial regulators and industry groups may also consider and implement from time to time new privacy and security requirements that apply to our business, such as the long established Massachusetts data security law and the recently enacted New York Stop Hacks and Improve Electronic Data Act, both of which establish prescriptive administrative, technical, and physical data security requirements on companies, and permits civil penalties for each violation. Compliance with evolving privacy and security laws, requirements, and regulations may result in cost increases due to necessary systems changes, new limitations or constraints on our business models and the development of new administrative processes. They also may impose further restrictions on our collection, disclosure, and use of personally identifiable information kept in our databases or those of our vendors. If our security measures fail to protect credit card information adequately, we could be liable to both our customers and their users for their losses, as well as the vendors under our agreements with them such that we could be subject to fines and higher transaction fees, we could face regulatory action, and our customers and vendors could end their relationships with us, any of which could harm our business, results of operations or financial condition. Any willful or accidental security breaches or other unauthorized access to or disclosure of personal data could expose us to enforcement actions, regulatory or governmental audits, investigations, litigation, fines, penalties, adverse publicity, downtime of our systems, and other possible liabilities. There can be no assurance that the limitations of liability in our contracts would be enforceable or adequate or would otherwise protect us from any such liabilities or damages with respect to any particular claim. In addition, our cybersecurity insurance coverage may be inadequate to cover all costs and expenses associated with a security breach that may occur in the future.

In recent periods, we have experienced, and expect to continue to experience, rapid growth and organizational change. If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of service and customer satisfaction or attract new employees and customers.

We have experienced, and expect to continue to experience, rapid growth in our number of customers, sales, revenues, locations, and headcount, which has placed, and may continue to place, significant demands on our management, and our operational and financial resources. We have paying customers in over 142 countries, and the number of our paying customers has grown from over 54,000 as of December 31, 2019 to over 67,000 as of December 31, 2020. We have seven offices across the globe with salespeople dispersed in various other locations, and the continued domestic and international growth that we anticipate will require us to continue to expand our global employee headcount. It may be difficult for us to identify, recruit, train, and manage enough personnel to efficiently scale our operations, manage our product development effectively and to match the growth of our customer base. As we continue to grow, we face challenges of integrating, developing, training, and motivating a rapidly growing and dispersed employee base. We are facing novel challenges with respect to integrating new employees and managing multi-geographic teams as COVID-19 prevents certain of our onboarding personnel from travelling between our offices to assist with such integration and training. Certain members of our executive management team have not previously worked together for an extended period of time, which may affect how they manage our growth. If we fail to manage our anticipated growth effectively, our brand and reputation could be negatively affected, which could harm our ability to attract employees and customers.

To manage growth in our operations and personnel, we will need to continue to scale and improve our operational, financial, and management controls, and our reporting systems and procedures, which will require significant capital expenditures increasing our cost of operations and the reallocation of valuable management resources. As we scale, it may become more difficult and will require additional

capital expenditures to maintain and increase the productivity of our employees, to address the needs of our actual and prospective customers, and provide high-quality customer service, to further develop and enhance our products, and remain competitive against our competitors' products. Additionally, our expansion has placed, and our expected future growth will continue to place, a significant strain on our management, customer service teams, product and development, sales and marketing, administrative, financial, and other resources.

Technical problems or disruptions that affect either our customers' (and their users') ability to access our platform and products, or the software, internal applications, database, and network systems underlying our platform and products, could damage our reputation and brands, lead to reduced demand for our platform and products, lower revenues, and increased costs.

Our business, brands, reputation, and ability to attract and retain customers depend upon the satisfactory performance, reliability, and availability of our platform, which in turn depend upon the availability of the internet and our third-party service providers. Interruptions in these systems, whether due to system failures, computer viruses, software errors, physical or electronic break-ins, malicious hacks or attacks on our systems (such as denial of service attacks), or force majeure events, could affect the security and availability of our products and prevent or inhibit the ability of customers to access our platform. In addition, the software, internal applications, and systems underlying our products and platform are complex and may not be error-free. We may encounter technical problems when we attempt to perform routine maintenance or enhance our software, internal applications, and systems. In addition, our platform may be negatively impacted by technical issues experienced by our third-party service providers. Any inefficiencies, errors, or technical problems with our software, internal applications, and systems could reduce the quality of our platform and products or interfere with our customers' (and their users') use of our platform and products, which could negatively impact our brand, reduce demand, lower our revenues, and increase our costs.

We are exposed to risks associated with premium subscription and payment processing and any disruption to such processing systems could adversely affect our business and results of operations.

We primarily rely on our own billing systems to manage our subscriptions and billing frequencies, and we use third-party subscription management and payment processing platforms for some of our products. If we or any of our third-party vendors were to experience an interruption, delay, or outage in service and availability, we may be unable to process new and renewals of subscriptions and our ability to process such subscription and credit card payments would be delayed while we activate an alternative billing platform. Although alternative third-party providers may be available to us, we may incur significant expenses and research and development efforts to deploy any alternative providers. To the extent there are disruptions in our billing systems or third-party subscription and payment processing systems, we could experience revenue loss, accounting issues, and harm to our reputation and customer relationships, which would adversely affect our business and results of operations.

We are subject to a number of risks related to credit and debit card payments, including:

- we pay interchange and other fees, which may increase over time and could require us to either increase the prices we charge for our products or experience an increase in our operating expenses;
- if our billing systems fail to work properly and the failure has an adverse effect on our customer satisfaction, causes credit and debit card issuers to disallow our continued use of their payment products, or, does not permit us to automatically charge our paying customers' credit and debit cards on a timely basis or at all, we could lose or experience a delay in collection of customer payments;

- if we are unable to maintain our chargeback rate at acceptable levels, we may face civil liability, diminished public perception of our security measures and our credit card fees for chargeback transactions, or our fees for other credit and debit card transactions or issuers, may increase, or issuers may terminate their relationship with us; and
- we could be significantly impaired in our ability to operate our business if we lose our ability to process payments on any major credit or debit card.

A significant portion of our operations is located outside of the United States, which subjects us to additional risks, including increased complexity, the costs of managing international operations, geopolitical instability, and fluctuations in currency exchange rates.

The design and development of our products is primarily conducted by our subsidiaries in Russia, the Czech Republic, Cyprus, and Poland. We also have marketing and administrative operations in the same jurisdictions. In addition, members of our sales force are located in Russia, the UK, Spain, and Australia. Approximately 54% of our revenue for each of the years ended December 31, 2019 and 2020 was generated from sales to paying customers located outside the United States, including indirect sales through our resellers outside of the United States. As a result of our international operations and sales efforts, we face numerous challenges and risks that could harm our international operations, delay new product releases, increase our operating costs, and hinder our ability to grow and detect underlying trends in our operations and business, and consequently adversely impact our business, financial condition, and results of operations. Such risks include but are not limited to the following:

- geopolitical and economic instability in and impacting the localities where we have foreign operations, such as Russia;
- military conflicts impacting the localities where we have foreign operations;
- limited protection for, and vulnerability to theft of, our intellectual property rights, including our trade secrets;
- compliance with local laws and regulations, and unanticipated changes in local laws and regulations, including tax laws and regulations;
- trade and foreign exchange restrictions and higher tariffs;
- the complexity of managing international trade sanctions and export restrictions from the jurisdictions in which we have foreign operations;
- fluctuations in foreign currency exchange rates which may make our premium subscriptions more expensive for international paying customers and which may increase our expenses for employee compensation and other operating expenses that are paid in currencies other than U.S. dollars;
- restrictions imposed by the United States government against other countries, or foreign governments restrictions imposed on the United States, impacting our ability to do business with certain companies or in certain countries and the complexity of complying with those restrictions;
- power outages, natural disasters, and other local events that could affect the availability of the internet and the consequences of disruptions, such as large-scale outages or interruptions of service from utilities or telecommunications providers;
- difficulties in staffing international operations;
- changes in immigration policies which may impact our ability to hire personnel;

- differing employment practices, laws, and labor relations;
- regional health issues and the impact of public health epidemics and pandemics on employees and the global economy, such as the COVID-19 pandemic; and
- travel, work-from-home or other restrictions or work stoppages, like those currently imposed by governments around the world as a result of the COVID-19 pandemic.

Further, it is possible that governments of one or more foreign countries may seek to limit access to the internet or our platform, products or certain features in their countries, or impose other restrictions that may affect the availability of our platform, products, or certain features in their countries for an extended period of time or indefinitely. For example, Russia and China are among a number of countries that have recently blocked certain online services, including Amazon Web Services, making it difficult for such services to access those markets. In addition, governments in certain countries may seek to restrict or prohibit access to our platform if they consider us to be in violation of their laws (including privacy laws) and may require us to disclose or provide access to information in our possession. If we fail to anticipate developments in the law or fail for any reason to comply with relevant laws, our platforms could be further blocked or restricted and we could be exposed to significant liability that could harm our business. In the event that access to our platform is restricted, in whole or in part, in one or more countries or our competitors are able to successfully penetrate geographic markets that we cannot access, our ability to acquire new customers or renew or grow the premium subscriptions of existing paying customers may be adversely affected, we may not be able to maintain or grow our revenue as anticipated and our business, results of operations, and financial condition could be adversely affected.

The effects of the COVID-19 pandemic are uncertain and may materially affect our customers or potential customers and how we operate our business, and the duration and extent to which the pandemic continues to threaten our future operating results remains uncertain.

The global COVID-19 pandemic has disrupted the economy and put unprecedented strains on governments, health care systems, educational institutions, companies, and individuals around the world. The impact and duration of the COVID-19 pandemic are difficult to assess or predict and will depend in part upon the actions taken by governments, companies, and other enterprises in response to the pandemic. The pandemic has already caused, and is likely to result in further, significant disruption of global financial markets and economic uncertainty. Adverse market conditions resulting from the COVID-19 pandemic could materially adversely affect our revenues, business and the value of our Class A common stock.

Our customers, particularly small-to-medium sized businesses (“SMBs”) and marketing agencies focused on SMBs, which have been particularly impacted by the COVID-19 pandemic, have reduced and may further reduce their technology or sales and marketing spending or delay purchasing decisions, which could result in slowed growth, reduced demand from new and existing SMB customers, and/or lower dollar-based net revenue retention rates, which could materially and adversely impact our business. In March 2020, our paying customer growth rate was relatively flat compared to our paying customer growth rate in February 2020. However, in April 2020 our paying customer growth rate declined, which we believe was primarily a result of the COVID-19 pandemic and the related socioeconomic impacts. In response, we offered free or discounted pricing to certain paying customers contemplating canceling their premium subscriptions as a remedial measure to retain them. Our paying customer growth rate started to increase again by May 2020. Depending on the duration of the COVID-19 pandemic, we may in the future be required to take further remedial measures, including changing our terms or offering further discounts, which may materially adversely impact our revenues and business in future periods.

In response to the COVID-19 pandemic, we temporarily closed all of our offices (including our headquarters in Boston, Massachusetts, and offices in Treviso, Pennsylvania, Dallas, Texas, Prague, Czech Republic, Limassol, Cyprus, and St. Petersburg, Russia), subsequently reopened certain offices at

reduced capacity, enabled our employees to work remotely, implemented temporary travel restrictions for all non-essential business, and shifted company events to virtual-only experiences. We may deem it advisable to similarly alter, postpone, or cancel additional events in the future. If the COVID-19 pandemic worsens, especially in regions where we have offices, our business activities conducted from those offices could be adversely affected and we may have to invest additional capital into improving our technology and remote working capabilities and in relocating those activities to alternate locations from which we operate. We may take further actions that alter our business operations as may be required by local, state, or federal authorities or that we determine are in the best interests of our employees. Such measures could negatively affect our sales and marketing efforts, sales cycles, employee productivity, or customer retention, any of which could harm our financial condition and business operations.

Further, the COVID-19 pandemic has resulted in our employees and the employees of many of our customers and vendors working remotely. If the network and infrastructure of internet providers becomes overburdened by increased usage or is otherwise unreliable or unavailable, our employees', and our customers' and vendors' employees' access to the internet and ability to conduct business could be negatively impacted. We and our vendors may experience an increase in attempted cyber-attacks, targeted intrusion, ransomware, and phishing campaigns seeking to take advantage of shifts to employees working remotely using their household or personal internet networks. Any of these factors could interrupt our ability to provide our platform, decrease the productivity of our workforce, and significantly harm our business operations, financial condition, and results of operations.

To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

Adverse or weakened general economic and market conditions may reduce spending on sales and marketing technology and information, which could harm our revenue, results of operations, and cash flows.

Our revenue, results of operations, and cash flows depend on the overall demand for and use of technology and information for sales and marketing, which depends in part on the amount of spending allocated by our paying customers or potential paying customers on sales and marketing technology and information. In addition to the internal strategy of our paying customers, which is not predictable and is subject to change, this spending depends on worldwide economic and geopolitical conditions. The United States, EU, and other key international economies have experienced cyclical downturns from time to time in which economic activity was impacted by falling demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity, and foreign exchange markets, bankruptcies, public health crises, and pandemics such as COVID-19, and overall economic uncertainty. These economic conditions can arise suddenly, may disproportionately impact SMBs that make up an important segment of our paying customer base, and the full impact of such conditions often remains uncertain for extended periods of time. Further actions or inactions of the United States or other major national governments, including the UK's 2016 vote in favor of the UK's exit from the EU, may also impact economic conditions, which could result in financial market disruptions or an economic downturn.

Concerns about the systemic impact of an economic recession, energy costs, geopolitical issues, or the availability and cost of credit could lead to increased market volatility, decreased consumer confidence, and diminished growth expectations in the U.S. economy and abroad, which could affect the rate of information technology spending and adversely affect our paying customers' ability or willingness to purchase our products, delay prospective paying customers' purchasing decisions, reduce the value or duration of their premium subscription contracts, or affect retention rates. Any of these conditions or occurrences could adversely affect our future sales and operating results because most of our paying customers are on month-to-month premium subscriptions that can be cancelled at any time. Further, some of our paying customers may view a premium subscription to our platform as a discretionary purchase, and our paying customers may reduce their discretionary spending on our platform during an economic downturn and consequently reduce or terminate their premium subscription or decide not to

upgrade to another premium subscription. In particular, spending patterns of the SMBs that make up a large portion of our paying customer base are difficult to predict and are sensitive to the general economic climate, the economic outlook specific to small businesses, the then-current level of profitability experienced by SMBs and overall consumer confidence. In addition, weak economic conditions can result in paying customers seeking to utilize free or lower-cost solutions from alternative sources. Prolonged economic slowdowns may result in requests to renegotiate existing contracts on less advantageous terms to us than those currently in place, payment defaults on existing contracts, or non-renewal at the end of a contract term.

Failure of our commercial liability insurance policy to cover claims and any changes to the availability or coverage amounts in our existing policy could have a material adverse effect on our business, financial condition, and results of operations.

We cannot assure you that our existing general liability insurance coverage and coverage for errors and omissions in our products will be fully covered by our existing policies and will continue to be available on acceptable terms, or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceeds available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, financial condition, and results of operations.

As we acquire and invest in companies or technologies, we may not realize expected business or financial benefits and the acquisitions or investments could prove difficult to integrate, disrupt our business, dilute stockholder value and adversely affect our business, results of operations, and financial condition.

As part of our business strategy, we evaluate and may make investments in, or acquisitions of, complementary companies, services, databases, and technologies, and we expect that we will continue to evaluate and pursue such investments and acquisitions in the future to further grow and augment our business, our platform, and product offerings. For example, in August 2020, we acquired Prowly, an advertising and public relations technology company based in Poland. We have incurred and will continue to incur costs to integrate Prowly's business and selling process into our business and to integrate Prowly's products into our platform, such as software integration expenses and costs related to the renegotiation of redundant vendor agreements, and we expect to incur similar costs to integrate future acquisitions. We may have difficulty effectively integrating the personnel, businesses, and technologies of these acquisitions into our company and platform, and achieving the strategic goals of those acquisitions.

Our strategy to make selective acquisitions to complement our platform depends in part on the availability of, our ability to identify, and our ability to engage and pursue suitable acquisition candidates. We may not be able to find suitable acquisition candidates, and we may not be able to complete acquisitions on favorable terms, if at all. Acquired assets, data, or companies may not be successfully integrated into our operations, costs in connection with acquisitions and integrations may be higher than expected, and we may also incur unanticipated acquisition-related costs. These costs could adversely affect our financial condition, results of operations, or prospects. Any acquisition we complete could be viewed negatively by customers, users, developers, and other employees, partners, or investors, and could have adverse effects on our existing business relationships and company culture.

Acquisitions and other transactions, arrangements, and investments involve numerous risks and could create unforeseen operating difficulties and expenditures, including:

- difficulties in, and the cost of, integrating personnel and cultures, operations, technologies, products, services, and platforms which may lead to failure to achieve the expected benefits on a timely basis or at all;

- diversion of financial and managerial resources from existing operations;
- the potential entry into new markets in which we have little or no experience or where competitors may have stronger market positions;
- potential write-offs of acquired assets or investments, and potential financial and credit risks associated with acquired customers;
- additional stock-based compensation and difficulties in, and financial costs of, addressing acquired compensation structures inconsistent with our compensation structure;
- inability to generate sufficient revenue to offset acquisition and/or investment costs;
- inability to maintain, or changes in, relationships with customers and partners of the acquired business;
- challenges converting the revenue recognition policies of companies we may acquire and forecasting the recognition of their revenue, including subscription-based revenue and revenue based on the transfer of control, as well as appropriate allocation of the customer consideration to the individual deliverables;
- difficulty with, and costs related to, transitioning the acquired technology onto our existing platform, augmenting the acquired technologies and platforms to the levels that are consistent with our brand and reputation, augmenting or maintaining the security standards for acquired technology consistent with our platform and other products, and customer acceptance of multiple platforms on a temporary or permanent basis;
- potential unknown liabilities associated with the acquired companies, including risks associated with acquired intellectual property and/or technologies;
- challenges relating to the structure of an investment, such as governance, accountability, and decision-making conflicts;
- negative impact to our results of operations because of the depreciation and amortization of amounts related to acquired intangible assets, fixed assets, and deferred compensation;
- the loss of acquired unearned revenue and unbilled unearned revenue;
- delays in customer purchases due to uncertainty related to any acquisition;
- ineffective or inadequate controls, procedures, and policies at the acquired company;
- challenges caused by integrating operations over distance, and across different languages, cultures, and political environments;
- currency and regulatory risks associated with conducting operations in foreign countries and potential additional cybersecurity and compliance risks resulting from entry into new markets;
- tax effects and costs of any such acquisitions, including the related integration into our tax structure and assessment of the impact on the realizability of our future tax assets or liabilities; and
- potential challenges by governmental authorities for anti-competitive or other reasons.

Any of these risks could harm our business. In addition, to facilitate these acquisitions or investments, we may seek additional equity or debt financing, which may not be available on terms favorable to us or at all, may affect our ability to complete subsequent acquisitions or investments and may affect the risks of owning our Class A common stock. For example, if we finance acquisitions by issuing equity or convertible debt securities or loans, our existing stockholders may be diluted, or we could face constraints related to the terms of, and repayment obligations related to, the incurrence of indebtedness that could affect the market price of our Class A common stock.

Our debt obligations contain restrictions that impact our business and expose us to risks that could adversely affect our liquidity and financial condition.

On January 12, 2021, we executed a credit agreement with JPMorgan Chase Bank, N.A., in the form of a revolving credit facility, that consists of a \$45.0 million revolving credit facility and a letter of credit sub-facility with an aggregate limit equal to the lesser of \$5.0 million and the aggregate unused amount of the revolving commitments then in effect. The amount of borrowings permitted at any one time under the revolving credit facility is subject to a borrowing base based on an advance rate of 400% multiplied by annualized retention applied to monthly recurring revenue. As a result, our access to the revolving credit facility is potentially subject to significant fluctuations depending on the value of the borrowing base as of any measurement date.

The credit agreement (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement”) governing our revolving credit facility (collectively, our “credit facility”) contains various covenants that are operative so long as our credit facility remains outstanding. The covenants, among other things, limit our and certain of our subsidiaries’ abilities to:

- incur additional indebtedness or guarantee indebtedness of others;
- create additional liens on our assets;
- pay dividends and make other distributions on our capital stock, and redeem and repurchase our capital stock;
- make investments, including acquisitions;
- make capital expenditures;
- enter into mergers or consolidations or sell assets;
- sell our subsidiaries; or
- enter into transactions with affiliates.

Our credit facility also contains numerous affirmative covenants and a financial covenant of either minimum liquidity or a maximum leverage ratio.

If we experience a decline in cash flow due to any of the factors described in this “Risk Factors” section or otherwise, we could have difficulty paying interest due on our indebtedness and meeting the financial covenants set forth in our credit facility. If we fail to comply with the various requirements of our indebtedness, we could default under our credit facility. Any such default that is not cured or waived could result in an acceleration of indebtedness then outstanding under our credit facility, an increase in the applicable interest rates under our credit facility, and a requirement that our subsidiary Semrush Inc., a Delaware corporation (“SEMrush US Sub”), which is a co-borrower under the facility, pay the obligations in full, and would permit the lenders to exercise remedies with respect to all of the collateral that is

securing our credit facility, including substantially all of our and SEMrush US Sub's assets. Thus, any such default could have a material adverse effect on our liquidity and financial condition.

If we cannot maintain our company culture as we grow, we could lose the innovation, teamwork, passion, and focus on execution that we believe contribute to our success and our business may be harmed.

We believe that a critical component to our success has been our company culture, which is based on transparency, innovation, creativity, and personal autonomy to take on challenges and initiatives. We have invested substantial time and resources in building our team within this company culture across our offices. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel and to effectively focus on and pursue our corporate objectives. As we grow and develop the infrastructure of a public company, we may find it difficult to maintain these foundational aspects of our company culture. If we fail to maintain our company culture, we may fail to recruit qualified employees, our existing employees may terminate their employment, our ability to execute on marketing, sales, product and development, and other initiatives may suffer, and our business may be adversely impacted in other ways.

Changes in the sizes or types of paying customers that purchase premium subscriptions to our platform or products could affect our business, and our financial results may fluctuate due to increasing variability in our sales cycles.

Our strategy is to sell premium subscriptions of our platform to paying customers of all sizes, from sole proprietors, to SMBs, to large enterprise customers. Selling monthly premium subscriptions to SMBs generally involves lower or plateauing premium subscription upgrade potential, lower retention rates (especially in times of economic uncertainty where marketing and sales budgets are subject to increased scrutiny and reduction), and more limited interaction with our sales and other personnel than sales to large enterprises. Conversely, sales to large enterprises generally entail longer sales cycles, more significant and costly selling and support efforts, and greater uncertainty of completing the sale than sales to SMBs. We plan our expenses based on certain assumptions about the length and variability of our sales cycle based upon historical trends for sales and conversion rates associated with our existing paying customers. If and as our paying customer base expands to include more large enterprise customers, our sales expenses may increase, sales cycles may lengthen and become less predictable, and we may see a greater number of paying customers with longer terms and extended payment terms which, in turn, may increase our paying customer acquisition costs, increase our credit risk, and may in other ways adversely affect our financial results. Additional factors that may influence the length and variability of our sales cycle include:

- the need to educate prospective customers about the different products available on our platform, and their uses and benefits;
- the discretionary nature of purchase and budget cycles and decisions;
- the competitive nature of evaluation and purchasing processes;
- economic and political stability and other external factors;
- evolving functionality demands;
- announcements of planned introductions of new products, features or functionality by us or our competitors; and
- lengthy and multi-faceted purchasing approval processes required by our customers, especially large enterprise customers.

If there are changes in, or we fail to adequately predict, the mix of paying customers that purchase premium subscriptions to our platform, our gross margins and operating results could be adversely affected, and fluctuations increasing the variability in our sales cycles could negatively affect our financial results.

Forecasts of our market and market growth may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, there can be no assurance that our business will grow at similar rates, or at all.

Growth forecasts included in this prospectus relating to our market opportunities and the expected growth thereof are subject to significant uncertainty and are based on assumptions and estimates which may prove to be inaccurate. Even if these markets grow at the forecasted rates, we may not grow our business at a similar rate, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties. Accordingly, the forecasts of market growth included in this prospectus should not be taken as indicative of our future growth.

Our management will have broad discretion over the use of the proceeds we receive in this offering and might not apply the proceeds in ways that increase the value of your investment.

Our management will have broad discretion to use the net proceeds from this offering, including for any of the purposes described in the section titled “Use of Proceeds,” and you will be relying on the judgment of our management regarding the application of these proceeds. Our management might not apply the net proceeds in ways that increase the value of your investment. We currently intend to primarily use the net proceeds of this offering to invest further in our sales and marketing activities to grow our customer base, to fund our research and development efforts to enhance our technology platform and product functionality, to pay general and administrative expenses, and to fund our other growth strategies described elsewhere in this prospectus. We may also use a portion of the net proceeds for the acquisition of complementary companies, technologies or other assets, although we currently have no agreements, commitments or understandings with respect to any such transaction. Until we use the net proceeds from this offering, we plan to invest them, and these investments may not yield a favorable rate of return. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected financial results, which could cause our stock price to decline.

We may be subject to litigation for any of a variety of claims, which could harm our reputation and adversely affect our business, results of operations, and financial condition.

In the ordinary course of business, we may be involved in and subject to litigation for a variety of claims or disputes and receive regulatory inquiries. These claims, lawsuits, and proceedings could include labor and employment, wage and hour, income tax, commercial, data privacy, antitrust, alleged securities law violations or other investor claims, and other matters. The number and significance of these potential claims and disputes may increase as our business expands. Any claim against us, regardless of its merit, could be costly, divert management’s attention and operational resources, and harm our reputation. As litigation is inherently unpredictable, we cannot assure you that any potential claims or disputes will not have a material adverse effect on our business, results of operations, and financial condition. Any claims or litigation, even if fully indemnified or insured, could make it more difficult to compete effectively or to obtain adequate insurance in the future.

In addition, we may be required to spend significant resources to monitor and protect our contractual, intellectual property, and other rights, including collection of payments and fees. Litigation has been and may be necessary in the future to enforce such rights. Such litigation could be costly, time consuming, and distracting to management and could result in the impairment or loss of our rights. Furthermore, our efforts to enforce our rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of such rights. Our inability to protect our rights, as well as any costly litigation

or diversion of our management's attention and resources, could have an adverse effect on our business, results of operations, and financial condition or harm our reputation.

Our failure to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies in the future could reduce our ability to compete successfully and harm our results of operations.

We may require additional financing, and we may not be able to obtain debt or equity financing on favorable terms, if at all. Any debt financing obtained by us could involve restrictive covenants relating to financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. If we raise additional funds through further issuances of equity, convertible debt securities or other securities convertible into equity, our existing stockholders could experience significant dilution, and any new equity securities we issue could have rights, preferences, and privileges senior to those of holders of our Class A common stock. The terms of any debt financing may include liquidity requirements, restrict our ability to pay dividends, and require us to comply with other covenants restrictions. If we need additional capital and cannot raise it on acceptable terms, or at all, we may not be able to, among other things:

- develop new features, integrations, capabilities, and enhancements;
- continue to expand our product and development, and sales and marketing teams;
- hire, train, and retain employees;
- respond to competitive pressures or unanticipated working capital requirements; or
- pursue acquisition opportunities.

Our referral partners and resellers provide revenue to our business, and we benefit from our association with them. Our failure to maintain successful relationships with these partners could adversely affect our business.

Our referral partners and resellers drive revenue to our business, especially in certain international markets such as Russia and Japan. Our referral partners and resellers accounted for approximately 7% of our revenue for the year ended December 31, 2020. Our agreements with these partners and resellers are non-exclusive, with the exception of one exclusive reseller agreement in Japan. While most of these partners and resellers offer products or services that are complementary to our platform and products, some offer point solutions that compete with certain functionalities of our platform. These referral partners and resellers may decide in the future to terminate their agreements with us and/or to market and sell a competitor's or their own products or services rather than ours, which could cause our revenue to decline. Our competitors may in some cases be effective in causing our referral partners and resellers, or potential referrals and resellers, to favor their products and services or to prevent or reduce sales of our platform and products. Also, we derive tangible and intangible benefits from our association with some of our referral partners and members of our affiliate networking programs, particularly high-profile partners that reach a large number of companies through the internet. If a substantial number of these partners or networking affiliates reduce or cease their relationships with us, our business, financial condition, and results of operations could be adversely affected.

We expect that we will need to continue to expand and maintain a network of referral partners and resellers in order to expand into certain international markets. A loss of or reduction in sales through these third parties could reduce our revenue. Recruiting and retaining qualified resellers in our network and training them in our technology and product offerings requires significant time and resources. If we decide to further develop and expand our indirect sales channels, we must continue to scale and improve our processes and procedures to support these channels, including investment in systems and training.

Many resellers may not be willing to invest the time and resources required to train their staff to effectively sell our platform. If we fail to maintain relationships with our referral partners and resellers, fail to develop relationships with new referral partners and resellers in new markets or expand the same in existing markets, or fail to manage, train, or provide appropriate incentives to our existing referral partners and resellers, our ability to increase the number of new paying customers and increase sales to existing paying customers could be adversely impacted, which would harm our business.

Our ability to utilize our net operating loss carryforwards may be limited.

As of December 31, 2020, we had U.S. federal and state net operating loss carryforwards of approximately \$28.0 million and \$14.1 million, respectively. Our ability to utilize our federal net operating loss carryforwards may be limited under Section 382 of the Internal Revenue Code of 1986, as amended (the “Code”). The limitations apply if we experience an “ownership change,” which is generally defined as a greater than 50 percentage point change (by value) in the ownership of our equity by certain stockholders over a rolling three-year period. Similar provisions of state tax law may also apply to limit the use of our state net operating loss carryforwards. Future changes in our stock ownership, which may be outside of our control, may trigger an ownership change and, consequently, the limitations under Section 382 of the Code. As a result, if or when we earn net taxable income, our ability to use our pre-change net operating loss carryforwards to offset such taxable income may be subject to limitations, which could adversely affect our future cash flows.

We could be required to collect additional sales and other similar taxes or be subject to other tax liabilities that may increase the costs our customers would have to pay for our subscriptions and adversely affect our operating results.

Sales and use, value-added, goods and services, and similar tax laws and rates are complicated and vary greatly by jurisdiction. There is significant uncertainty as to what constitutes sufficient nexus for a national, state or local jurisdiction to levy taxes, fees, and surcharges for sales made over the internet, as well as whether our subscriptions are subject to tax in various jurisdictions. Certain countries and the vast majority of states have considered or adopted laws that impose tax collection obligations on out-of-state companies. Additionally, in the United States, the Supreme Court of the United States recently ruled in *South Dakota v. Wayfair, Inc. et. al.* (“Wayfair”) that online sellers can be required to collect sales and use tax despite not having a physical presence in the buyer’s state. In response to the Wayfair case, or otherwise, national, states or local governments may enforce laws requiring us to calculate, collect, and remit taxes on sales in their jurisdictions. We have not always collected sales and other similar taxes in all jurisdictions in which we are required to. We may be obligated to collect and remit sales tax in jurisdictions in which we have not previously collected and remitted sales tax. We could also be subject to audits in states and non-U.S. jurisdictions for which we have not accrued tax liabilities. A successful assertion by one or more countries or states requiring us to collect taxes where we historically have not or presently do not do so could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest. The imposition by national, state or local governments of sales tax collection obligations on out-of-state sellers could also create additional administrative burdens for us and decrease our future sales, which could adversely affect our business and operating results.

Risks Related to the Regulatory Framework that Governs Us

If the use of cookies or other tracking technologies becomes subject to unfavorable legislation or regulation, is restricted by internet users or other third parties or is blocked or limited by users or by technical changes on end users’ devices, our ability to attract new customers and to develop and provide certain products could be diminished or eliminated.

We rely on small text files and other technologies, such as web beacons (collectively, “cookies”) which are placed on internet browsers to gather data regarding the content of a user’s web browsing activity. We use cookies to store users’ settings between sessions and to enable visitors to our website to

use certain features, such as gaining access to secure areas of the website. We also use cookies, including cookies placed by third-party services with which we integrate, to enable us to gather statistics about our visitors' use of our website and to allow our website visitors to connect our platform to their social networking sites, which enables us to advertise our products to them using retargeting methods. The availability of this data may be limited by numerous potential factors, including government legislation or regulation restricting the use of cookies for certain purposes, such as retargeting, browser limitations on the collection or use of cookies, or internet users deleting or blocking cookies on their web browsers or on our website.

Our ability, like those of other technology companies, to collect, augment, analyze, use, and share information collected through the use of third-party cookies for online behavioral advertising is governed by U.S. and foreign laws and regulations which change from time to time, such as those regulating the level of consumer notice and consent required before a company can employ cookies to collect data about interactions with users online. In the United States, both state and federal legislation govern activities such as the collection and use of data, and privacy in the advertising technology industry has frequently been subject to review, and occasional enforcement, by the Federal Trade Commission, or the FTC, U.S. Congress, and individual states.

As our business is global, our activities are also subject to foreign legislation and regulation. In the EU, the EU Directive 2002/58/EC (as amended by Directive 2009/136/EC), commonly referred to as the e-Privacy Directive, and related implementing legislation in the EU and the UK requires that accessing or storing information on an internet user's device, such as through a cookie, is allowed only if the internet user has been informed thereof, and provided prior unambiguous, specific, and informed consent for the placement of a cookie on a user's device. A new e-Privacy Regulation is currently under discussion by EU member states to replace the e-Privacy Directive. Although it remains under debate, the proposed e-Privacy Regulation would amend rules on third-party cookies and significantly increase penalties for non-compliance. We cannot yet determine the impact such future laws, regulations, and standards may have on our use of third-party cookies. Additionally, the use of third-party cookies in the digital advertising ecosystem, particularly in the context of real-time bidding advertising auctions, is subject to increased regulatory scrutiny in the EU. Several European data protection authorities (including in Belgium, Ireland, UK, Poland, Spain, Luxembourg, and the Netherlands) have launched investigations or inquiries over Google's and other AdTech companies' practices concerning the collection and sharing of consumer data through cookies, the outcome of which is still uncertain. These investigations or inquiries could result in the imposition of more stringent standards around consent to place cookies or otherwise restrict the use of third-party cookies for online behavioral advertising. We have also received inquiries from, and engaged in correspondence with, European data protection authorities regarding our practices regarding cookies used on our websites, and the outcome of these inquiries is still uncertain.

Additionally, new and expanding "Do Not Track" regulations have recently been enacted or proposed that protect users' right to choose whether or not to be tracked online. These regulations seek, among other things, to allow end users to have greater control over the use of private information collected online, to forbid the collection or use of online information, to demand a business to comply with their choice to opt out of such collection or use, and to place limits upon the disclosure of information to third-party websites.

Continued regulation of cookies, and changes in the interpretation and enforcement of existing laws, regulations, standards, and other obligations, as well as increased enforcement by industry groups or data protection authorities, could restrict our activities, such as efforts to understand users' internet usage and engage in marketing activities, or require changes to our practices. Any inability to obtain information through cookies or to obtain it on the terms we anticipate, could cause a significant impact on the operation of our platform, impair our ability to target and attract new customers, and reduce our ability to predict our customers' interests in or need for one or more of our products, any of which may cause a reduction in revenue or a reduction in revenue growth, negatively impact our ability to obtain new subscriptions and retain or grow the subscriptions of existing customers.

Additionally, cookies may easily be deleted or blocked by internet users. All of the most commonly used internet browsers (including Chrome, Firefox, Internet Explorer, and Safari) allow internet users to prevent cookies from being accepted by their browsers. Internet users can also delete cookies from their computers at any time. Some internet users also download “ad blocking” software that prevents cookies from being stored on a user’s device. If more internet users adopt these settings or delete their cookies more frequently than they currently do, our business could be harmed. In addition, the Safari and Firefox browsers block third-party cookies by default, and other browsers may do so in the future. Unless such default settings in browsers were altered by internet users to permit the placement of third-party cookies, fewer cookies would be available, which could adversely affect our business. In addition, companies such as Google LLC have publicly disclosed their intention to move away from cookies to another form of persistent unique identifier, or ID, to identify individual internet users or internet-connected devices in the bidding process on advertising exchanges. If companies do not use shared IDs across the entire ecosystem, this could have a negative impact on our ability obtain content consumption data.

Changes in laws, regulations, and public perception concerning data protection and privacy, or changes in the interpretation or patterns of enforcement of existing laws and regulations, could impair our efforts to maintain and expand our customer base or the ability of our customers and users to use our platform and some or all of our products. Breaches of laws and regulations concerning data protection and privacy could expose us to significant fines and other penalties.

We hold personal data about a variety of individuals, such as our customers, users, employees, contractors, and business partners, and we use such personal data as needed to collect payment from our customers, communicate with and recommend products to our customers and prospective customers through our marketing and advertising efforts, and comply with legal obligations. Processing of personal data is increasingly subject to legislation and regulation in numerous jurisdictions around the world.

For example, relevant applicable laws and regulations governing the collection, use, disclosure or other processing of personal information include, in the United States, rules and regulations promulgated under the authority of the Federal Trade Commission, the California Consumer Privacy Act of 2018 (the “CCPA”), and state breach notification laws. In particular, in California, the CCPA was enacted in June 2018, became effective back on January 1, 2020 and became subject to enforcement by the California Attorney General’s office on July 1, 2020. The CCPA broadly defines personal information and provides an expansive meaning to activity considered to be a sale of personal information, and gives California residents expanded privacy rights and protections, including the right to opt out of the sale of personal information. The CCPA also provides for civil penalties for violations and a private right of action for data breaches. Moreover, a new privacy law, the California Privacy Rights Act, or CPRA, appeared on the ballot for the November 3, 2020 election. As of the date of this filing, unofficial election results indicate that this initiative is likely to pass. If passed, the CPRA will create additional obligations relating to personal information that would take effect on January 1, 2023 (with certain provisions having retroactive effect to January 1, 2022). The CPRA’s implementing regulations are expected on or before July 1, 2022, and enforcement is scheduled to begin July 1, 2023. We will continue to monitor developments related to the CPRA and anticipate additional costs and expenses associated with CPRA compliance. In addition, since the enactment of CCPA, new privacy and data security laws have been proposed in more than half of the states in the United States and in the U.S. Congress, reflecting a trend toward more stringent privacy legislation in the United States, which trend may accelerate depending on the results of the 2020 U.S. presidential election. The effects of the CCPA, CPRA, and other similar state or federal laws, are potentially significant and may require us to modify our data processing practices and policies, and to incur substantial costs and potential liability in an effort to comply with such legislation.

We maintain offices in the EU (including Poland, the Czech Republic, and Cyprus) and we have customers in the EU and the UK. Accordingly, we are subject to the General Data Protection Regulation (EU) 2016/679 (the “GDPR”), and related member state implementing legislation, and to the UK’s Data Protection Act 2018 (collectively, “European Data Protection Law”). European Data Protection Law places obligations on controllers and processors of personal data, while establishing rights for individuals with

respect to their personal data, including rights of access and deletion in certain circumstances. European Data Protection Law is also explicitly extraterritorial in its application, and could affect our business activities in jurisdictions outside the EU and the UK.

We have implemented measures designed to comply with the requirements of European Data Protection Law. We have also entered into arrangements with a number of third parties to receive personal data on which our business relies. In respect of these measures and arrangements, we rely on positions and interpretations of the law (including European Data Protection Law) that have yet to be fully tested before the relevant courts and regulators. If a regulator or court of competent jurisdiction determined that one or more of our compliance efforts does not satisfy the applicable requirements of the law (including European Data Protection Law), or if any party brought a claim in this regard, we could be subject to governmental or regulatory investigations, enforcement actions, regulatory fines, compliance orders, litigation or public statements against us by consumer advocacy groups or others, any of which could cause customers to lose trust in us or otherwise damage our reputation. Likewise, a change in guidance could be costly and have an adverse effect on our business.

The requirements of European Data Protection Law pertaining to the licensing of data or obtaining such data from third parties are not entirely clear in all cases. It is possible that third parties may bring claims against us, alleging non-compliance with such requirements, and seeking damages, seeking to prevent us from using certain data, or seeking to prevent us from using data in particular ways. Such claims could potentially adversely affect our ability to provide our services and the current level of functionality of our platform in such circumstances, which could adversely affect our results of operations.

European Data Protection Law also imposes strict rules on the transfer of personal data out of the EU/UK to third countries deemed to lack adequate privacy protections (including the United States), unless an appropriate safeguard specified by the GDPR is implemented, such as the Standard Contractual Clauses (“SCCs”), approved by the European Commission, or a derogation applies. The Court of Justice of the EU (the “CJEU”), recently deemed that the SCCs are valid. However, the CJEU ruled that transfers made pursuant to the SCCs and other alternative transfer mechanisms need to be analyzed on a case-by-case basis to ensure EU standards of data protection are met in the jurisdiction where the data importer is based, and there continue to be concerns about whether the SCCs and other mechanisms will face additional challenges. EU regulators have announced that there will be further guidance issued on these topics, but such guidance has yet to be finalized. We rely on SCCs and certain derogations to transfer personal data from the EU and the UK to the United States and Russia. Until the remaining legal uncertainties regarding how to legally continue transfers pursuant to the SCCs and other mechanisms are settled, we will continue to face uncertainty as to whether our efforts to comply with our obligations under European Data Protection Law are sufficient. European or multi-national customers may refuse or be reluctant to use or continue to use our platform or products as a result of such developments until law makers and regulators in the EU and the United States have resolved the issues that instigated the decision of the CJEU noted above. This and other future developments regarding the flow of data across borders could increase the cost and complexity of delivering our platform and products in some markets and may lead to governmental enforcement actions, litigation, fines, and penalties or adverse publicity, which could have an adverse effect on our reputation and business.

The relationship between the UK and the EU in relation to certain aspects of data protection law remains unclear. In addition, it is likely that documentation will need to be put in place between UK entities and entities in EU member states to ensure adequate safeguards are in place for data transfers, which may result in us incurring additional costs with respect to transfers of personal data between the EU and the UK. We may find it necessary or advantageous to join industry bodies, or self-regulatory organizations, that impose stricter compliance requirements than those set out in applicable laws, including European Data Protection Laws. We may also be bound by contractual restrictions that prevent us from participating in data processing activities that would otherwise be permissible under applicable laws, including European Data Protection Laws. Such strategic choices may impact our ability to exploit data and may have an adverse impact on our business.

As we maintain offices in Russia, we face particular privacy, data security, and data protection risks in connection with requirements of Russia's data protection and security laws, including Federal Law of 21 July 2014 No. 242-FZ, which entered into effect September 1, 2015, Federal Law of 27 July 2006 No. 152-FZ (as amended) and Federal Law of 27 July 2006 No. 149-FZ (as amended). Among other stringent requirements, these laws require ensuring that certain operations on personal data of Russian citizens are conducted in database(s) located in Russia.

We expect that there will continue to be new proposed laws, regulations, and industry standards concerning privacy, data protection, and information security in the United States, the EU, and other jurisdictions, and we cannot yet determine the impact such future laws, regulations, and standards may have on our business.

These and other legal requirements could require us to make additional changes to our platform or products in order for us or our customers to comply with such legal requirements or reduce our ability to lawfully collect personal data used in our platform and products. These changes could reduce demand for our platform or products, require us to take on more onerous obligations in our contracts, restrict our ability to store, transfer, and process personal data or, in some cases, impact our ability or our customers' ability to offer our products in certain locations, to deploy our solutions, to reach current and prospective customers, or to derive insights from data globally.

The costs of complying with existing or new data privacy or data protection laws and regulations, regulatory guidance, our privacy policies and contractual obligations to customers, users, or other third parties, may limit the use and adoption of our platform and products, reduce overall demand for our products, make it more difficult for us to meet expectations from or commitments to customers and users, lead to significant fines, penalties, or liabilities for noncompliance, impact our reputation, or slow the pace at which we close sales transactions, any of which could harm our business.

Furthermore, the uncertain and shifting regulatory environment and trust climate may cause concerns regarding data privacy and may cause our vendors, customers and users to resist providing the data necessary to allow us to offer our platform and products to our customers and users effectively, or could prompt individuals to opt out of our collection of their personal data. Even the perception that the privacy of personal data is not satisfactorily protected or does not meet regulatory requirements could discourage prospective customers from subscribing to our products or discourage current customers from renewing their subscriptions.

Compliance with any of the foregoing laws and regulations can be costly and can delay or impede the development of new products. We may incur substantial fines if we violate any laws or regulations relating to the collection or use of personal data. For example, the GDPR imposes sanctions for violations up to the greater of €20 million and 4% of worldwide gross annual revenue, enables individuals to claim damages resulting from infringement of the GDPR and introduces the right for non-profit organizations to bring claims on behalf of data subjects. CCPA allows for fines of up to \$7,500 for each violation (affected individual) that a business does not cure within 30 days of receiving notice of the violation. Non-compliance with Russian data localization rules may result in imposition of an administrative fine of up to RUB 18 million, or approximately \$240,000, for each violation. Our actual or alleged failure to comply with applicable privacy or data security laws, regulations, and policies, or to protect personal data, could result in enforcement actions and significant penalties against us, which could result in negative publicity or costs, subject us to claims or other remedies, and have a material adverse effect on our business, financial condition, and results of operations.

Many aspects of data protection and privacy laws are relatively new and their scope has not been tested in the courts. As a result, these laws and regulations are subject to differing interpretations and may be inconsistent among jurisdictions. It is possible that these laws and regulations may be interpreted and applied in a manner that is inconsistent with our interpretations and existing data management practices or the features of our products. Certain of our activities could be found by a court, government

or regulatory authority to be noncompliant or become noncompliant in the future with one or more data protection or data privacy laws, even if we have implemented and maintained a strategy that we believe to be compliant. Further, we may be subject to additional risks associated with data security breaches or other incidents, in particular because certain data privacy laws, including the GDPR and CCPA, grant individuals a private right of action arising from certain data security incidents. If so, in addition to the possibility of fines, lawsuits, and other claims and penalties, we could be required to fundamentally change our business activities and practices or modify our products, which could harm our business.

We also receive personal data from third-party vendors (e.g., data brokers). We may not be able to verify with complete certainty the source of such data, how it was collected, and that such data was collected and is being shared with us in compliance with all applicable data protection and privacy laws. Our use of personal data obtained from third-party vendors could result in potential regulatory investigations, fines, penalties, compliance orders, liability, litigation, and remediation costs, as well as reputational harm, any of which could materially adversely affect our business and financial results. The requirements of European Data Protection Law pertaining to the licensing of data or obtaining such data from third parties are not entirely clear in all cases. It is possible that third parties may bring claims against us, alleging non-compliance with such requirements, and seeking damages, seeking to prevent us from using certain data, or seeking to prevent us from using data in particular ways. Such claims could potentially adversely affect our ability to provide our services and the current level of functionality of our platform in such circumstances, which could adversely affect our results of operations.

Changes in legislation or requirements related to automatically renewing subscription plans, or our failure to comply with existing or future regulations, may adversely impact our business.

Our business relies heavily on the fact that customers enter subscription contracts where they agree that the subscription will automatically renew for a new term, and their credit or debit cards will automatically be charged on an ongoing basis, unless the subscription is canceled by the customer. Some states have passed or considered legislation limiting the duration for which subscriptions can automatically renew, if at all.

Although this enacted and proposed legislation generally would not affect companies that sell subscriptions to other companies, like ours does, there could be variances and inconsistencies in these rules or requirements among jurisdictions that expose us to compliance risks that would have a material adverse effect on our business operations and financial condition, and could result in fines, penalties, damages, civil liability, and higher transaction fees. In addition, any costs that result from future legislation and regulations, or from changes in the interpretation of existing legislation and regulations, could individually or in the aggregate cause us to change or limit our business practices, which may make our subscription business model less attractive.

Changes in laws and regulations related to the internet or changes in the internet infrastructure itself may diminish the demand for our platform and could harm our business.

The future success of our business depends upon the continued use of the internet as a primary medium for commerce, communication, and business applications. Federal, state, or foreign governmental bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the internet as a commercial medium. The adoption of any laws or regulations that could reduce the growth or use of the internet, including laws or practices limiting internet neutrality, could decrease the demand for, or the usage of, our platform and products, increase our cost of doing business, require us to modify our platform or financial systems, and may harm our results of operations. In addition, government agencies or private organizations have imposed and may impose additional taxes, fees, or other charges for accessing the internet or commerce conducted via the internet, which could limit the growth of internet-related commerce or communications generally, result in higher prices for our products and platform, or result in reduced demand for internet-based products such as ours.

As the internet continues to experience growth in the number of users, frequency of use, and amount of data transmitted, the internet infrastructure that we and our customers rely on may be unable to support the demands placed upon it. In addition, there could be adverse effects from delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility, and quality of service. Further, our platform depends on the quality of our customers' access to the internet. The failure of the internet infrastructure that we or our customers rely on, even for a short period of time, could undermine our operations and harm our results of operations.

Internet access is frequently provided by companies that have significant market power that could take actions that degrade, disrupt, or increase the cost of customer access to our platform, any of which would negatively impact our business. On June 11, 2018, the repeal of the Federal Communications Commission's, or the FCC, "net neutrality" rules took effect and returned to a "light-touch" regulatory framework. The prior rules were designed to ensure that all online content is treated the same by internet service providers and other companies that provide broadband services. Additionally, on September 30, 2018, California enacted the California internet Consumer Protection and Net Neutrality Act of 2018, making California the fourth state to enact a state-level net neutrality law since the FCC repealed its nationwide regulations, mandating that all broadband services in California must be provided in accordance with state net neutrality requirements. The U.S. Department of Justice has sued to block the law going into effect, and California has agreed to delay enforcement until the resolution of the FCC's repeal of the federal rules. A number of other states are considering legislation or executive actions that would regulate the conduct of broadband providers. We cannot predict whether the FCC order or state initiatives will be modified, overturned, or vacated by legal action of the court, federal legislation or the FCC. With the repeal of net neutrality rules, network operators may choose to implement usage-based pricing, discount pricing charged to providers of competitive products, otherwise materially change their pricing rates or schemes, charge us to deliver our traffic or throttle its delivery, implement bandwidth caps or other usage restrictions or otherwise try to monetize or control access to their networks, any of which could increase our costs, or those of our customers in accessing our platform, and negatively impact our business and results of operations.

Federal, state, and foreign laws regulate internet tracking software, the sending of commercial emails and text messages, and other activities, which could impact the use of our platform and products, and potentially subject us to regulatory enforcement or private litigation.

We are subject to laws and regulations that govern sending marketing and advertising by electronic means, such email and telephone. For example, in the United States, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, or the CAN-SPAM Act, among other things, obligates the sender of commercial emails to provide recipients with the ability to opt out of receiving future commercial emails from the sender. In addition, the Telephone Consumer Protection Act imposes certain notice, consent, and opt-out obligations on companies that send telephone or text communications using auto dialers to consumers, and provides consumers with private rights of action for violations. Further, certain states and foreign jurisdictions, such as Australia, Canada, and the EU, have enacted laws that prohibit sending unsolicited marketing emails unless the recipient has provided its prior consent to receipt of such email, or in other words has "opted-in" to receiving it. A requirement that recipients opt into, or the ability of recipients to opt out of, receiving commercial emails may minimize the effectiveness of our marketing, which could adversely affect our ability to attract new customers or entice existing customers to upgrade their subscriptions.

We are subject to U.S. economic sanctions, export control and anti-corruption laws, and regulations that could impair our ability to compete in international markets or subject us to liability if we violate such laws and regulations.

We are subject to U.S. economic sanctions, export control and anti-corruption laws, and regulations that prohibit the provision of certain products and services to certain countries, governments, and persons

targeted by U.S. sanctions. We are in the process of implementing certain precautions to prevent our platform and products from being exported or accessed in violation of U.S. export controls or U.S. sanctions laws and regulations. However, we cannot be certain that the precautions we take will prevent all violations of these laws.

We have previously identified, and may continue to identify, customer accounts for our platform and products that may originate from, or are intended to benefit, persons in countries that are subject to U.S. embargoes, including transactions or events in or relating to Cuba, Iran, North Korea, Syria, and the Crimea region of Ukraine. We have recently submitted an initial voluntary self-disclosure and will follow up with a final report to the U.S. Department of the Treasury's Office of Foreign Assets Control, or OFAC, regarding potential violations of OFAC regulations that may have involved the provision of services to one or more customers in sanctioned countries. We have not yet obtained a determination from OFAC.

If we are found to be in violation of U.S. sanctions or export control laws, we may be fined or other penalties could be imposed. Furthermore, changes in export control or economic sanctions laws and enforcement could also result in increased compliance requirements and related costs, which could materially adversely affect our business, results of operations, financial condition and/or cash flows.

We are also subject to various U.S. and international anti-corruption laws, such as the U.S. Foreign Corrupt Practices Act and the UK Bribery Act, as well as other similar anti-bribery and anti-kickback laws and regulations. These laws and regulations generally prohibit companies and their employees and intermediaries from authorizing, offering, or providing improper payments or benefits to government officials and other recipients for improper purposes. Our exposure for violating these laws may increase as we continue to expand our international presence, and any failure to comply with such laws could harm our business.

Our internal controls over financial reporting currently do not meet all of the standards contemplated by Section 404 of SOX, and failure to achieve and maintain effective internal controls over financial reporting in accordance with Section 404 of SOX could impair our ability to produce timely and accurate financial statements or comply with applicable regulations and have a material adverse effect on our business. In the future, our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

As a public company, we will become subject to certain reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and we will have significant requirements for enhanced financial reporting and internal controls. Our disclosure controls and procedures are designed to reasonably assure that information required to be disclosed by us in reports we file or submit under the Exchange Act is accumulated and communicated to management, recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission (the "SEC"). The process of designing and implementing effective internal controls is a continuous effort that will require us to anticipate and react to changes in our business and the economic and regulatory environments, and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. If we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements, and harm our operating results. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements or insufficient disclosures due to error or fraud may occur and not be detected.

In addition, we will be required, pursuant to Section 404 of the Sarbanes–Oxley Act of 2002, as amended (“SOX”), to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting in the second annual report on Form 10-K following the completion of this offering. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing, and possible remediation. Testing and maintaining internal controls may divert management’s attention from other matters that are important to our business. Beginning with our second annual report on Form 10-K following the completion of this offering, our independent registered public accounting firm may be required to attest to the effectiveness of our internal control over financial reporting on an annual basis. However, while we remain an emerging growth company, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting. If we are not able to complete our initial assessment of our internal controls and otherwise implement the requirements of Section 404 of SOX in a timely manner or with adequate compliance, our independent registered public accounting firm may not be able to certify as to the adequacy of our internal controls over financial reporting. Additionally, when required, an independent assessment of the effectiveness of our internal controls over financial reporting could detect problems that our management’s assessment might not. Undetected material weaknesses in our internal controls over financial reporting could lead to financial statement restatements and require us to incur the expense of remediation.

Matters impacting our internal controls may cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of applicable stock exchange listing rules, which may result in a breach of the covenants under existing or future financing arrangements. There also could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. Confidence in the reliability of our financial statements also could suffer if we or our independent registered public accounting firm report a material weakness in our internal controls over financial reporting. This could materially adversely affect us and lead to a decline in the market price of our Class A common stock.

In connection with the audit of our consolidated financial statements for the year ended December 31, 2019, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting related to deficiencies in our controls over the financial statement close process. Specifically, there were deficiencies in the design and operations of internal controls over the identification and review of complex accounting issues involving significant judgment or estimates with respect to certain prior period transactions.

We have implemented, and are continuing to implement, measures designed to improve our internal control over financial reporting to remediate this material weakness. These measures include formalizing our processes and internal control documentation, strengthening supervisory reviews by our financial management, hiring additional qualified accounting and finance personnel, and engaging financial consultants to enable the implementation of internal control over financial reporting.

We expect to incur additional costs to remediate the control deficiencies identified, though there can be no assurance that our efforts will be successful or avoid potential future material weaknesses. If we are unable to successfully remediate our existing or any future material weaknesses in our internal control over financial reporting, or if we identify any additional material weaknesses, the accuracy and timing of our financial reporting may be adversely affected, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable stock exchange listing requirements, investors may lose confidence in our financial reporting, and our stock price may decline as a result. We also could become subject to investigations by the New York Stock Exchange (“NYSE”), the SEC or other regulatory authorities.

Our internal resources and personnel may in the future be insufficient to avoid accounting errors and there can be no assurance that we will not have additional material weaknesses in the future. Any failure to develop or maintain effective controls or any difficulties encountered implementing required new or improved controls could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls, procedures, and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the NYSE.

Unanticipated changes in our effective tax rate and additional tax liabilities may impact our financial results.

We are subject to income taxes in the United States and various jurisdictions outside of the United States. Our income tax obligations are generally determined based on our business operations in these jurisdictions. Significant judgment is often required in the determination of our worldwide provision for income taxes. Our effective tax rate could be impacted by changes in the earnings and losses in countries with differing statutory tax rates, changes in non-deductible expenses, changes in excess tax benefits of stock-based compensation, changes in the valuation of deferred tax assets and liabilities and our ability to utilize them, the applicability of withholding taxes, effects from acquisitions, changes in accounting principles and tax laws in jurisdictions where we operate. Any changes, ambiguity, or uncertainty in taxing jurisdictions' administrative interpretations, decisions, policies, and positions could also materially impact our income tax liabilities.

As our business continues to grow and if we become more profitable, we anticipate that our income tax obligations could significantly increase. If our existing tax credits and net operating loss carry-forwards become fully utilized, we may be unable to offset or otherwise mitigate our tax obligations to the same extent as in prior years. This could have a material impact to our future cash flows or operating results.

In addition, recent global tax developments applicable to multinational companies, including certain approaches of addressing taxation of digital economy recently proposed or enacted by the Organisation for Economic Co-operation and Development, the European Commission or certain major jurisdictions where we operate or might in the future operate, might have a material impact to our business and future cash flow from operating activities, or future financial results. We are also subject to tax examinations in multiple jurisdictions. While we regularly evaluate new information that may change our judgment resulting in recognition, derecognition, or changes in measurement of a tax position taken, there can be no assurance that the final determination of any examinations will not have an adverse effect on our operating results and financial position. In addition, our operations may change, which may impact our tax liabilities. As our brand becomes increasingly recognizable both domestically and internationally, our tax planning structure and corresponding profile may be subject to increased scrutiny, and if we are perceived negatively, we may experience brand or reputational harm.

We may also be subject to additional tax liabilities and penalties due to changes in non-income based taxes resulting from changes in federal, state, or international tax laws, changes in taxing jurisdictions' administrative interpretations, decisions, policies and positions, results of tax examinations, settlements or judicial decisions, changes in accounting principles, and changes to the business operations, including acquisitions, as well as the evaluation of new information that results in a change to a tax position taken in a prior period. Any resulting increase in our tax obligation or cash taxes paid could adversely affect our cash flows and financial results.

Our international operations may subject us to greater than anticipated tax liabilities.

We are expanding our international operations to better support our growth into international markets. Our corporate structure and associated transfer pricing policies contemplate future growth in international markets, and consider the functions, risks, and assets of the various entities involved in intercompany transactions. The amount of taxes we pay in different jurisdictions may depend on the application of the tax laws of various jurisdictions, including the United States, to our international business activities, changes in tax rates, new or revised tax laws or interpretations of existing tax laws and policies, and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions pursuant to our intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations and we may be required to revise our intercompany agreements. Our financial statements could fail to reflect adequate reserves to cover such a contingency.

Risks Related to Our Intellectual Property

We may not be able to adequately protect our proprietary and intellectual property rights in our data or technology.

Our success is dependent, in part, upon protecting our proprietary information and technology. Our intellectual property portfolio primarily consists of registered and unregistered trademarks, unregistered copyrights, domain names, know-how, and trade secrets. We may be unsuccessful in adequately protecting our intellectual property. No assurance can be given that confidentiality, non-disclosure, or invention or copyright assignment agreements with employees, consultants, partners or other parties have been entered into, will not be breached, or will otherwise be effective in establishing our rights in intellectual property and in controlling access to and distribution of our platform, or certain aspects of our platform, and proprietary information. Further, these agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our platform. Additionally, certain unauthorized use of our intellectual property may go undetected, or we may face legal or practical barriers to enforcing our legal rights even where unauthorized use is detected.

Current laws may not provide for adequate protection of our platform or data, especially in foreign jurisdictions which may have laws that provide insufficient protections to companies. In addition, legal standards relating to the validity, enforceability, and scope of protection of proprietary rights in internet-related businesses are uncertain and evolving, and changes in these standards may adversely impact the viability or value of our proprietary rights. Some license provisions protecting against unauthorized use, copying, transfer, and disclosure of our products, or certain aspects of our platform, or our data may be unenforceable under the laws of certain jurisdictions. Further, the laws of some countries do not protect proprietary rights to the same extent as the laws of the United States, and the laws and mechanisms for protection and enforcement of intellectual property rights in some foreign countries may be inadequate. As we continue to operate in foreign countries and expand our international activities, we have encountered and may in the future encounter challenges in navigating the laws of foreign countries, which may adversely affect our ability to protect our proprietary rights and subject us to claims from current or former personnel and other third parties. Moreover, our exposure to unauthorized copying of certain aspects of our platform, or our data may increase. Further, competitors, foreign governments, foreign government-backed actors, criminals, or other third parties may gain unauthorized access to our proprietary information and technology. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our technology and intellectual property or claiming that we infringe upon or misappropriate their technology and intellectual property.

To protect our intellectual property rights, we may be required to spend significant resources to monitor, protect, and defend these rights, and we may or may not be able to detect infringement by our customers or third parties. Litigation has been and may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Such litigation could be costly, time consuming, and distracting to management and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our platform, impair the functionality of our platform, delay introductions of new features, integrations, and capabilities, result in our substituting inferior or more costly technologies into our platform, or injure our reputation. In addition, we may be required to license additional technology from third parties to develop and market new features, integrations, and capabilities, and we cannot be certain that we could license that technology on commercially reasonable terms or at all, and our inability to license this technology could harm our ability to compete.

If third parties claim that we infringe upon or otherwise violate their intellectual property rights, our business could be adversely affected.

We have in the past and may in the future be subject to claims that we have infringed or otherwise violated third parties' intellectual property rights. There is patent, copyright, and other intellectual property development and enforcement activity in our industry and relating to the technology we use in our business. Our future success depends in part on not infringing upon or otherwise violating the intellectual property rights of others. From time to time, our competitors or other third parties (including non-practicing entities and patent holding companies) may claim that we are infringing upon or otherwise violating their intellectual property rights, and we may be found to be infringing upon or otherwise violating such rights. In addition, we do not own any issued, nor do we have any pending patents, which limits our ability to deter patent infringement claims by competitors and other third parties who hold patents. We may be unaware of the intellectual property rights of others that may cover some or all of our current or future technology or conflict with our rights, and the patent, copyright, and other intellectual property rights of others may limit our ability to improve our technology and compete effectively. Any claims of intellectual property infringement or other intellectual property violations, even those without merit, could:

- be expensive and time consuming to defend;
- cause us to cease making, licensing or using our platform or products that incorporate the challenged intellectual property;
- require us to modify, redesign, reengineer or rebrand our platform or products, if feasible;
- divert management's attention and resources; or
- require us to enter into royalty or licensing agreements to obtain the right to use a third-party's intellectual property.

Any royalty or licensing agreements, if required, may not be available to us on acceptable terms or at all. A successful claim of infringement against us could result in our being required to pay significant damages, enter into costly settlement agreements, or prevent us from offering our platform or products, any of which could have a negative impact on our operating profits and harm our future prospects. We may also be obligated to indemnify our customers or business partners in connection with any such litigation and to obtain licenses, modify our platform or products, or refund premium subscription fees, which could further exhaust our resources. Such disputes could also disrupt our platform or products, adversely affecting our customer satisfaction and ability to attract customers.

Our use of “open source” software could negatively affect our ability to offer and sell access to our platform and products, and subject us to possible litigation.

We use open source software in our platform and products, and expect to continue to use open source software in the future. There are uncertainties regarding the proper interpretation of and compliance with open source licenses, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to use such open source software, and consequently to provide or distribute our platform and products. Although use of open source software has historically been free, recently several open source providers have begun to charge license fees for use of their software. If our current open source providers were to begin to charge for these licenses or increase their license fees significantly, we would have to choose between paying such license fees or incurring the expense to replace the open source software with other software or with our own software, which would increase our research and development costs, and have a negative impact on our results of operations and financial condition.

Additionally, we may from time to time face claims from third parties claiming ownership of, or seeking to enforce the terms of, an open source license, including by demanding release of source code for the open source software, derivative works or our proprietary source code that was developed using or that is distributed with such open source software. These claims could also result in litigation and could require us to make our proprietary software source code freely available, require us to devote additional research and development resources to change our platform or incur additional costs and expenses, any of which could result in reputational harm and would have a negative effect on our business and operating results. In addition, if the license terms for the open source software we utilize change, we may be forced to reengineer our platform or incur additional costs to comply with the changed license terms or to replace the affected open source software. Further, use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of software or indemnification for third-party infringement claims. Although we have implemented policies to regulate the use and incorporation of open source software into our platform and products, we cannot be certain that we have not incorporated open source software in our platform and products in a manner that is inconsistent with such policies.

Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement and other losses.

Our agreements with resellers and other third parties may include indemnification or other provisions under which we agree to indemnify or otherwise be liable to them for losses suffered or incurred as a result of claims of intellectual property infringement, damages caused by us to property or persons, or other liabilities relating to or arising from our platform, products or other acts or omissions. For some of our larger customers, we sometimes negotiate similar indemnification provisions or indemnification for breaches of our obligations, representations or warranties in the subscription agreement, gross negligence or willful misconduct, breaches of confidentiality, losses related to security incidents, breach of the data processing addendum or violations of applicable law. In some instances, the term of these contractual provisions survives the termination or expiration of the applicable agreement. Large indemnity payments or damage claims from contractual breach could harm our business, operating results, and financial condition.

From time to time, third parties may assert infringement claims against our customers or resellers. These claims may require us to initiate or defend protracted and costly litigation on behalf of customers and resellers, regardless of the merits of these claims. If any of these claims succeed, we may be forced to pay damages on behalf of our customers and resellers or may be required to obtain licenses for the platform or products they use or resell or modify our platform or products. We may not be able to obtain all necessary licenses on commercially reasonable terms, or at all, or to make such modifications to avoid a claim, in which case our customers and resellers may be required to stop using or reselling our platform or products. Further, customers may require us to indemnify or otherwise be liable to them for breach of

confidentiality or failure to implement adequate security measures with respect to their data stored, transmitted or processed by our employees or platform. Although we normally contractually limit our liability with respect to such obligations, we may still incur substantial liability related to them. Any dispute with a customer with respect to such obligations could have adverse effects on our relationship with that customer and other current and prospective customers, reduce demand for our platform or products, and harm our revenue, business, and operating results.

Risks Related to Ownership of Our Class A Common Stock

We are an emerging growth company and we cannot be certain that the reduced disclosure requirements applicable to emerging growth companies will not make our Class A common stock less attractive to investors.

We are an “emerging growth company” as defined in the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

For as long as we continue to be an emerging growth company, we also intend to take advantage of certain other exemptions from various reporting requirements that are applicable to other public companies including, but not limited to, reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements, and registration statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We cannot predict if investors will find our Class A common stock less attractive because we will rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile.

We will remain an emerging growth company until the earliest of (i) the last day of the year in which we have total annual gross revenue of \$1.07 billion or more, (ii) the last day of the year following the fifth anniversary of the date of the closing of this offering, (iii) the date on which we have issued more than \$1.0 billion in nonconvertible debt during the previous three years, or (iv) the date on which we are deemed to be a large accelerated filer under the rules of the SEC.

We will incur increased costs and become subject to additional regulations and requirements as a result of becoming a public company, which could impair our profitability, make it more difficult to run our business, or divert management's attention from our business.

As a public company, and particularly after we are no longer an emerging growth company, we will be required to commit significant resources, management time, and attention to the requirements of being a public company, which will cause us to incur significant legal, accounting, and other expenses that we have not incurred as a private company, including costs associated with public company reporting requirements, and recruiting and retaining independent directors. We also have incurred and will continue to incur costs associated with SOX and the Dodd-Frank Wall Street Reform and Consumer Protection Act and related rules implemented by the SEC and the NYSE, and compliance with these requirements will place significant demands on our legal, accounting, and finance staff and on our accounting, financial, and information systems. The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. In addition, we

might not be successful in implementing these requirements. These laws and regulations also could make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors or board committees or as our executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our Class A common stock, fines, sanctions, and other regulatory action and potentially civil litigation.

There has been no prior market for our Class A common stock and an active market may not develop or be sustained, and you may not be able to resell your shares at or above the initial public offering price, if at all.

There has been no public market for our Class A common stock prior to this offering. The initial public offering price for our Class A common stock will be determined through negotiations between us, the selling stockholders, and the underwriters, and may vary from the market price of our Class A common stock following this offering. In addition, the market price of our Class A common stock could be highly volatile and may fluctuate substantially as a result of many factors, including:

- actual or anticipated fluctuations in our results of operations;
- variance in our results of operation from the expectations of market analysts;
- announcements by us or our competitors of significant business developments, changes in service provider relationships, acquisitions or expansion plans;
- changes in the prices of our products;
- our involvement in litigation;
- our sale of Class A common stock or other securities in the future;
- market conditions in our industry;
- changes in key personnel;
- the trading volume of our Class A common stock;
- changes in the estimation of the future size and growth rate of our markets; and
- general economic and market conditions.

In addition, the stock markets have experienced extreme price and volume fluctuations. Broad market and industry factors may materially harm the market price of our Class A common stock, regardless of our results of operation. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against that company. If we were involved in any similar litigation we could incur substantial costs, and our management's attention and resources could be diverted.

If you purchase shares of our Class A common stock in this offering, you may not be able to resell those shares at or above the initial public offering price. An active or liquid market in our Class A common stock may not develop upon closing of this offering or, if it does develop, it may not be sustainable, which could adversely affect your ability to sell your shares and could depress the market price of our Class A common stock.

If you purchase shares of our Class A common stock in this offering, you will experience substantial and immediate dilution.

If you purchase shares of our Class A common stock in this offering, you will experience substantial and immediate dilution in the pro forma net tangible book value per share after giving effect to this offering, based on an assumed public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, because the price that you pay will be substantially greater than the pro forma net tangible book value per share of the Class A common stock that you acquire. This dilution is due in large part to the fact that our earlier investors paid substantially less than the initial public offering price when they purchased their shares of our capital stock. You will experience additional dilution upon the exercise of any outstanding stock options or other equity awards that we may issue to our employees under our equity incentive plans or if we otherwise issue additional shares of our Class A common stock. For a further description of the dilution that you will experience immediately after this offering, see the section titled “Dilution”.

A total of , or %, of the outstanding shares of our Class A and Class B common stock after this offering will be restricted from immediate resale, but may be sold on a stock exchange in the near future. The large number of shares eligible for public sale or subject to rights requiring us to register them for public sale could depress the market price of our Class A common stock.

The market price of our Class A common stock could decline as a result of sales of a large number of shares of our Class A common stock in the market after this offering, and the perception that these sales could occur may also depress the market price of our Class A common stock. Based on shares of our capital stock outstanding as of , we will have shares of our Class A and Class B common stock outstanding after this offering. We, our executive officers, directors, the selling stockholders, and the holders of substantially all of our capital stock and securities convertible into or exchangeable for our capital stock have entered or will enter into lock-up agreements with the underwriters under which they have agreed or will agree, subject to specific exceptions and early release triggers described in the section titled “Underwriting”, not to sell any of our stock for 180 days following the date of this prospectus. We refer to such period as the lock-up period.

As a result of these agreements and the market standoff provision of our investors’ rights agreement described further in the section titled “Description of Capital Stock—Registration Rights”, and subject to the provisions of Rule 144 or Rule 701, shares of our Class A and Class B common stock will be available for sale in the public market as follows:

- beginning on the date of this prospectus, all shares of our Class A common stock sold in this offering will be immediately available for sale in the public market; and
- beginning 181 days after the date of this prospectus (subject to the terms of the lock-up agreements and market standoff provision described above), the remainder of the shares of our Class A and Class B common stock will be eligible for sale in the public market from time to time thereafter, subject in some cases to the volume and other restrictions of Rule 144, as described below.

Upon completion of this offering, stockholders owning an aggregate of up to 12,250,000 shares of our Class B common stock will be entitled, under contracts providing for registration rights, to require us to register shares owned by them for public sale in the United States. In addition, we intend to file a registration statement to register shares of our Class A common stock reserved for future issuance under our equity compensation plans. Upon effectiveness of that registration statement, subject to the satisfaction of applicable exercise periods and expiration of the market standoff agreements and lock-up agreements referred to above, the shares issued upon exercise of outstanding stock options will be available for immediate resale in the United States in the open market.

Sales of our shares as restrictions end or pursuant to registration rights may make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. These sales also could cause the trading price of our Class A common stock to fall and make it more difficult for you to sell shares of our Class A common stock.

If we do not meet the expectations of equity research analysts, if they do not publish research or reports about our business or if they issue unfavorable commentary or downgrade our Class A common stock, the price of our Class A common stock could decline.

The trading market for our Class A common stock will depend in part on the research and reports that equity research analysts publish about us and our business. The analysts' estimates are based upon their own opinions and are often different from our estimates or expectations. If our results of operations are below the estimates or expectations of public market analysts and investors, our stock price could decline. Moreover, the price of our Class A common stock could decline if one or more securities analysts downgrade our Class A common stock or if those analysts issue other unfavorable commentary or cease publishing reports about us or our business.

We cannot predict the impact our dual structure may have on the market price of our Class A common stock.

We cannot predict whether our dual class structure, combined with the concentrated control of our stockholders who held our capital stock prior to the completion of our offering, including our executive officers, employees, and directors and their affiliates, will result in a lower or more volatile market price of our Class A common stock or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with multiple class share structures in certain of their indices. In July 2017, FTSE Russell and Standard & Poor's announced that they would cease to allow most newly public companies utilizing dual or multi-class capital structures to be included in their indices. Under the announced policies, our dual class capital structure would make us ineligible for inclusion in any of these indices. Given the sustained flow of investment funds into passive strategies that seek to track certain indexes, exclusion from stock indexes would likely preclude investment by many of these funds and could make our Class A common stock less attractive to other investors. As a result, the market price of our Class A common stock could be adversely affected.

The dual class structure of our common stock has the effect of concentrating voting control with those stockholders who held our capital stock prior to the completion of this offering, including our directors, executive officers, and their affiliates, who will hold in the aggregate % of the voting power of our capital stock upon the completion of this offering without giving effect to any purchases that may be made through our directed share program, which will limit or preclude your ability to influence corporate matters.

Our Class B common stock has ten votes per share, and our Class A common stock, which is the stock we are offering pursuant to this prospectus, has one vote per share. Upon the completion of this offering, our directors, executive officers, and their affiliates, will hold in the aggregate % of the voting power of our capital stock without giving effect to any purchases that may be made through our directed share program. Because of the ten-to-one voting ratio between our Class B common stock and Class A common stock, the holders of our Class B common stock collectively will continue to control a majority of the combined voting power of our common stock and therefore will be able to control all matters submitted to our stockholders for approval until the earlier of (a) the seven year anniversary of the closing of this offering (b) such time as the outstanding shares of Class B common stock represent less than ten percent of the aggregate number of shares of our outstanding common stock and (c) the date the holders of two-thirds of our Class B common stock elect to convert the Class B common stock to Class A common stock. This concentrated control may limit or preclude your ability to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major

corporate transaction requiring stockholder approval. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders.

Future transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions, such as certain transfers effected for estate planning purposes. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term.

We do not expect to declare any dividends in the foreseeable future.

We do not anticipate declaring any cash dividends to holders of our common stock in the foreseeable future. In addition, our credit facility places restrictions on our ability to pay cash dividends. Consequently, investors may need to rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking cash dividends should not purchase our Class A common stock.

Provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current board of directors, and limit the market price of our Class A common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective upon the completion of this offering, include provisions that:

- provide that the authorized but unissued shares of our common stock and our preferred stock are available for future issuance without stockholder approval;
- provide that our board of directors will be classified into three classes of directors with staggered three-year terms;
- permit the board of directors to establish the number of directors and fill any vacancies and newly created directorships;
- require super-majority voting to amend some provisions in our amended and restated certificate of incorporation and amended and restated bylaws;
- authorize the issuance of “blank check” preferred stock that our board of directors could use to implement a stockholder rights plan;
- provide that only the Chairperson of our board of directors, our Chief Executive Officer, or a majority of our board of directors will be authorized to call a special meeting of stockholders;
- provide for a dual class common stock structure in which holders of our Class B common stock have the ability to control the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the outstanding shares of our Class A and Class B common stock, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets;
- prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;

- provide that the board of directors is expressly authorized to make, alter or repeal our bylaws; and
- advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

Moreover, Section 203 of the Delaware General Corporation Law may discourage, delay, or prevent a change in control of our company. Section 203 imposes certain restrictions on mergers, business combinations, and other transactions between us and holders of 15% or more of our common stock. See the section titled “Description of Capital Stock” for additional information.

Our bylaws to be effective upon the consummation of this offering designate certain courts as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our bylaws that will become effective upon the completion of this offering provide that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any state law claim for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of or based on a fiduciary duty owed by any of our current or former directors, officers, or employees to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (including the interpretation, validity or enforceability thereof) or (iv) any action asserting a claim that is governed by the internal affairs doctrine, in each case subject to the Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein, or the Delaware Forum Provision. The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Our amended and restated bylaws further provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, or the Federal Forum Provision. In addition, our amended and restated bylaws that will become effective upon the completion of this offering will provide that any person or entity purchasing or otherwise acquiring any interest in shares of our common stock is deemed to have notice of and consented to the foregoing provisions; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

The Delaware Forum Provision and the Federal Forum Provision in our amended and restated bylaws may impose additional litigation costs on stockholders in pursuing any such claims, particularly if the stockholders do not reside in or near the State of Delaware. Additionally, the forum selection clauses in our amended and restated bylaws may limit our stockholders’ ability to bring a claim in a forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage such lawsuits against us and our directors, officers and employees even though an action, if successful, might benefit our stockholders. In addition, while the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court were “facially valid” under Delaware law, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Court of Chancery of the State of Delaware and the federal district courts of the United States may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations, financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would,” or the negative of these words or other similar terms or expressions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our future financial performance, including our revenue, ARR, costs of revenue, gross profit or gross margin and operating expenses;
- the sufficiency of our cash and cash equivalents to meet our liquidity needs;
- anticipated trends and growth rates in our business and in the markets in which we operate;
- our ability to maintain the security and availability of our internal networks and platform;
- our ability to attract new paying customers and convert free customers into paying customers;
- our ability to retain and expand sales to our existing paying customers, including upgrades to premium subscriptions, purchases of add-on offerings, and increasing the number of authorized users per paying customer;
- our ability to access, collect, and analyze data;
- our ability to successfully expand in our existing markets and into new markets;
- our ability to effectively manage our growth and future expenses;
- our ability to continue to innovate and develop new products and features, improve our data assets, and enhance our technological capabilities;
- our estimated total addressable market;
- our ability to maintain, protect, and enhance our intellectual property;
- our ability to comply with modified or new laws and regulations applying to our business;
- the attraction and retention of qualified employees and key personnel;
- our anticipated investments in sales and marketing, and research and development;
- our ability to successfully defend litigation brought against us;
- our ability to successfully acquire and integrate companies and assets;
- the increased expenses associated with being a public company;
- our use of the net proceeds from this offering; and

- the impact of COVID-19 on our business and industry.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors described in the section titled “Risk Factors” and elsewhere in this prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and you are cautioned not to unduly rely upon these statements.

MARKET AND INDUSTRY DATA

This prospectus contains statistical data, estimates, and forecasts from various sources, including independent industry publications and other information from our internal sources. This information is based upon a number of assumptions and limitations, and you are cautioned not to give undue weight to such information. While we believe the market and industry data included in this prospectus are reliable and are based on reasonable assumptions, we have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied on therein. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the sections titled “Risk Factors” and “Special Note Regarding Forward-Looking Statements,” that could cause results to differ materially from those expressed in these publications and reports.

The source of certain statistical data, estimates, and forecasts contained in this prospectus are the following independent industry publications or reports:

- Cisco, *Cisco Annual Internet Report (2018-2023)*, January 2020.
- G2.com, Inc., *Business Software and Services Reviews and Rankings*, as of November 16, 2020;
- GlobalWebIndex, *Marketing - Why online shopping needs to get personal*, April 24, 2020;
- GlobalWebIndex, *Social - GlobalWebIndex's flagship report on the latest trends in social media (Flagship Report 2020)*;
- McKinsey & Company, *How COVID-19 has pushed companies over the technology tipping point—and transformed business forever*, October 5, 2020; and
- U.S. Census Bureau, *2017 SUSB Annual Data Tables by Establishment Industry*, March 2020.

Certain information included in this prospectus concerning our industry and the markets we serve, including our market share, are also based on our good-faith estimates derived from management's knowledge of the industry and other information currently available to us.

USE OF PROCEEDS

We estimate that the net proceeds from the sale of shares of our Class A common stock that we are selling in this offering will be approximately \$ million, based upon an assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts, commissions, and estimated offering expenses payable by us. If the underwriters' option to purchase additional shares of our Class A common stock from us is exercised in full, we estimate that our net proceeds would be approximately \$ million, after deducting estimated underwriting discounts, commissions, and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders, although we will bear the costs, other than the underwriting discounts and commissions, associated with the sale of these shares.

Each \$1.00 increase or decrease in the assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the net proceeds that we receive from this offering by approximately \$ million, assuming that the number of shares of Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions payable by us. Similarly, each increase or decrease of 1.0 million in the number of shares of our Class A common stock offered by us would increase or decrease the net proceeds that we receive from this offering by approximately \$ million, assuming the assumed initial public offering price remains the same and after deducting the estimated underwriting discounts and commissions payable by us.

The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our Class A common stock and facilitate our future access to the public equity markets. We anticipate that we will primarily use the net proceeds we receive from this offering, including any net proceeds we receive from the exercise of the underwriters' over-allotment option to acquire additional shares of common stock, to invest further in our sales and marketing activities to grow our customer base, to fund our research and development efforts to enhance our technology platform and product functionality, and to pay anticipated general and administrative expenses. We also intend to use proceeds from this offering to fund our other growth strategies described elsewhere in this prospectus. We may use a portion of the net proceeds for the acquisition of companies, technologies or other assets that we believe are complementary to our own, although we currently have no agreements, commitments or understandings with respect to any such transaction.

We cannot specify with certainty the particular uses of the net proceeds that we will receive from this offering or the amounts we actually spend on the uses set forth above, which will depend on a number of factors, including our future revenue and cash generated by operations and the other factors described in the section titled "Risk Factors". Pending the use of proceeds from this offering as described above, we plan to invest the net proceeds that we receive in this offering in short-term and intermediate-term interest-bearing obligations, investment-grade investments, certificates of deposit or direct or guaranteed obligations of the U.S. government. Our management will have broad discretion in the application of the net proceeds from this offering and investors will be relying on the judgment of our management regarding the application of the proceeds.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our common stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not expect to pay any dividends on our common stock in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors that our board of directors may deem relevant. In addition, our credit facility places restrictions on our ability to pay cash dividends.

CAPITALIZATION

The following table sets forth cash and cash equivalents, as well as our capitalization, as of December 31, 2020 as follows:

- on an actual basis;
- on a pro forma basis, giving effect to (i) the automatic conversion of all outstanding shares of our preferred stock into an aggregate of 9,898,400 shares of our Class B common stock (the “Preferred Stock Conversion”), and (ii) the reclassification of our outstanding existing common stock into an equivalent number of shares of our Class B common stock, which will occur immediately prior to the completion of this offering (the “Common Stock Reclassification”); and
- on a pro forma as adjusted basis, giving effect to (i) the pro forma adjustments set forth above, (ii) the conversion of shares of our Class B common stock held by the selling stockholders into an equivalent number of shares of our Class A common stock upon the sale by the selling stockholders in this offering (the “Selling Stockholder Conversion”), and (iii) the sale and issuance by us of shares of our Class A common stock in this offering, based on an assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts, commissions, and estimated offering expenses payable by us.

The pro forma as adjusted information set forth in the table below is illustrative only and will be adjusted based on the actual initial public offering price and other final terms of this offering. You should read this table together with our financial statements and related notes, and the sections titled “Selected Consolidated Financial Data and Other Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” that are included elsewhere in this prospectus.

	As of December 31, 2020		
	Actual	Pro Forma	Pro Forma as Adjusted
	(in thousands, except per share data)		
Cash and cash equivalents	\$ 35,531	\$ 35,531	\$
Series A redeemable convertible preferred stock, \$0.00001 par value; 3,379,400 shares authorized, issued and outstanding, actual; no authorized, issued or outstanding, pro forma or pro forma as adjusted	7,789	—	
Series A-1 redeemable convertible preferred stock, \$0.00001 par value; 1,837,600 shares authorized, issued and outstanding, actual; no authorized, issued or outstanding, pro forma or pro forma as adjusted	10,270	—	
Stockholders' (deficit) equity:			
Series B convertible preferred stock, \$0.00001 par value; 4,681,400 shares authorized, issued and outstanding, actual; no authorized, issued or outstanding, pro forma or pro forma as adjusted	24,000	—	
Preferred stock, \$0.00001 par value; no shares authorized, issued and outstanding, actual; shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	
Common stock, \$0.00001 par value; 100,000,000 shares authorized and 31,735,631 shares issued and 31,683,347 shares outstanding, actual; no shares authorized, issued or outstanding, pro forma and pro forma as adjusted	—	—	
Class A common stock, 0.00001 par value; no shares authorized, issued or outstanding, actual; shares authorized, no shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	—	—	
Class B common stock, \$0.00001 par value; no shares authorized, issued or outstanding, actual; shares authorized, 41,634,031 shares issued and 41,581,747 shares outstanding, pro forma and shares issued and shares outstanding, pro forma as adjusted	—	—	
Additional paid-in capital	4,975	47,034	
Accumulated deficit	(35,815)	(35,815)	
Total stockholders' (deficit) equity	(6,840)	11,219	
Total capitalization	\$ 11,219	\$ 11,219	\$

If the underwriters' option to purchase additional shares of our Class A common stock from us were exercised in full, pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit), and shares of Class A common stock issued and outstanding as of December 31, 2020 would be \$ million, \$ million, \$ million and shares, respectively.

Each \$1.00 increase or decrease in the assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, our cash and cash equivalents, additional paid-in capital, and total stockholders' equity (deficit) by approximately \$ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of our Class A common stock offered by us would increase or decrease, as applicable, our cash and cash equivalents, additional paid-in capital, and total stockholders'

equity (deficit) by approximately \$ million, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions payable by us.

The number of shares of Class A and Class B common stock that will be outstanding after this offering is based on shares of our Class A common stock and shares of our Class B common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion, the Common Stock Reclassification, and the Selling Stockholder Conversion, as described below, and excludes:

- 2,537,086 shares of Class B common stock issuable upon the exercise of stock options outstanding as of December 31, 2020 under our Amended and Restated 2019 Stock Option and Grant Plan (the “2019 Plan”), at a weighted-average exercise price of \$4.12 per share;
- 646,107 shares of Class B common stock available for future issuance as of December 31, 2020 under the 2019 Plan, which will cease to be available for issuance at the time that our 2021 Stock Option Plan (the “2021 Plan”) becomes effective
- shares of Class A common stock available for future issuance under our 2021 Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus is a part; and
- shares of Class A common stock available for future issuance under our Employee Stock Purchase Plan (“ESPP”), which will become effective upon the effectiveness of the registration statement of which this prospectus is a part.

Our 2021 Plan and ESPP each provide for annual automatic increases in the number of shares reserved thereunder and our 2021 Plan also provides for increases to the number of shares of Class A common stock that may be granted thereunder based on shares underlying any awards under our 2019 Plan that expire, are forfeited or are otherwise terminated, as more fully described in the section titled “Executive Compensation—Employee Benefit and Stock Plans.”

DILUTION

If you invest in our Class A common stock in this offering, your ownership interest will be diluted to the extent of the difference between the initial public offering price per share of our Class A common stock and the pro forma as adjusted net tangible book value per share of our Class A common stock and Class B common stock immediately after this offering. Net tangible book value dilution per share to new investors represents the difference between the amount per share paid by purchasers of shares of Class A common stock in this offering and the pro forma as adjusted net tangible book value per share of Class A common stock and Class B common stock immediately after completion of this offering.

Net tangible book value per share is determined by dividing our total tangible assets less our total liabilities by the number of shares of common stock outstanding. Our historical net tangible book value as of December 31, 2020 was \$7.0 million, or \$0.22 per share. Our pro forma net tangible book value as of December 31, 2020 was \$7.0 million, or \$0.17 per share, based on the total number of shares of our Class A common stock and Class B common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion and the Common Stock Reclassification, each of which will occur immediately prior to the completion of this offering.

After giving effect to the sale by us of shares of our Class A common stock in this offering at the assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts, commissions, and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2020 would have been \$ million, or \$ per share. This represents an immediate increase in pro forma net tangible book value of \$ per share to our existing stockholders and immediate dilution of \$ per share to investors purchasing shares of our Class A common stock in this offering at the assumed initial public offering price. The following table illustrates this dilution:

Assumed initial public offering price per share		\$
Pro forma net tangible book value per share as of December 31, 2020	\$	0.17
Increase in pro forma net tangible book value (deficit) per share attributable to new investors in this offering		
Pro forma as adjusted net tangible book value per share immediately after this offering		
Dilution per share to new investors in this offering		\$

Each \$1.00 increase or decrease in the assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, our pro forma as adjusted net tangible book value per share to new investors by \$, and would increase or decrease, as applicable, dilution per share to new investors in this offering by \$, assuming that the number of shares of our Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions payable by us. In addition, to the extent any outstanding options to purchase Class B common stock are exercised, new investors would experience further dilution. If the underwriters exercise their option to purchase additional shares of our Class A common stock from us in full, the pro forma as adjusted net tangible book value per share of our common stock immediately after this offering would be \$ per share, and the dilution in pro forma net tangible book value per share to new investors in this offering would be \$ per share.

The following table presents, on a pro forma as adjusted basis as of December 31, 2020, after giving effect to the Preferred Stock Conversion, the Common Stock Reclassification, and the Selling Stockholder Conversion, the differences between the existing stockholders and the new investors purchasing shares of our Class A common stock in this offering with respect to the number of shares purchased from us and

the selling stockholders, the total consideration paid or to be paid to us and the selling stockholders, which includes net proceeds received from the issuance of common stock and preferred stock, cash received from the exercise of stock options, and the average price per share paid or to be paid to us and the selling stockholders, at an assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts, commissions, and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	\$	%	\$
New investors					
Totals		100%	\$	100%	

Sales of our shares of Class A common stock by the selling stockholders in this offering will reduce the number of shares of Class A common stock held by existing stockholders to , or % of the total number of shares of Class A common stock outstanding following the completion of this offering, and will increase the number of shares held by new investors purchasing shares in this offering to shares, or % of the total number of shares of Class A common stock outstanding following the completion of this offering.

Each \$1.00 increase or decrease in the assumed initial public offering price of \$ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the total consideration paid by new investors and total consideration paid by all stockholders by approximately \$ million, assuming that the number of shares of Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions payable by us. In addition, to the extent any outstanding options to purchase Class B common stock are exercised, new investors will experience further dilution.

Except as otherwise indicated, the above discussion and tables assume no exercise of the underwriters' option to purchase additional shares of Class A common stock. If the underwriters exercise their option to purchase additional shares of Class A common stock from us in full, our existing stockholders would own % and our new investors would own % of the total number of shares of our common stock outstanding upon the completion of this offering.

The number of shares of Class A and Class B common stock that will be outstanding after this offering is based on shares of our Class A common stock and shares of our Class B common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion, the Common Stock Reclassification, and the Selling Stockholder Conversion, as described below, and excludes:

- 2,537,086 shares of Class B common stock issuable upon the exercise of stock options outstanding as of December 31, 2020 under our 2019 Plan at a weighted-average exercise price of \$4.12 per share;
- 646,107 shares of Class B common stock available for future issuance as of December 31, 2020 under the 2019 Plan, which will cease to be available for issuance at the time that our 2021 Plan becomes effective;
- shares of Class A common stock available for future issuance under our 2021 Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus is a part; and

- shares of Class A common stock available for future issuance under our ESPP, which will become effective upon the effectiveness of the registration statement of which this prospectus is a part.

SELECTED CONSOLIDATED FINANCIAL DATA AND OTHER DATA

The following tables present our selected consolidated financial and other data. We have derived the selected consolidated statements of operations data for the years ended December 31, 2019 and 2020 and the consolidated balance sheet data as of December 31, 2019 and 2020 from our audited financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of results that may be expected in the future. The following selected financial data and other data should be read in conjunction with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

	Year Ended December 31,	
	2019	2020
	(in thousands, except per share data)	
Consolidated Statements of Operations Data:		
Revenue	\$ 92,109	\$ 124,875
Cost of revenue (1)	22,540	29,930
Gross profit	69,569	94,945
Operating expenses		
Sales and marketing (1)	41,719	54,518
Research and development (1)	14,224	17,528
General and administrative (1)	21,848	29,044
Total operating expenses	77,791	101,090
Loss from operations	(8,222)	(6,145)
Other expense (income), net	1,480	290
Loss before income taxes	(9,702)	(6,435)
Provision for income taxes	464	577
Net loss	\$ (10,166)	\$ (7,012)
Net loss per share attributable to common stockholders—basic and diluted: (2)	\$ (0.32)	\$ (0.22)
Weighted-average number of shares of common stock used in computing net loss per share attributable to common stockholders—basic and diluted:	31,510	31,601
Pro forma net loss per share attributable to common stockholders—basic and diluted: (3)		\$ (0.17)
Pro forma weighted-average number of shares of common stock used in computing pro forma net loss per share attributable to common stockholders—basic and diluted:		41,500

- (1) See the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Stock-Based Compensation" for detail on stock-based compensation as included within these financial statement line items.
- (2) Basic and diluted net loss per share attributable to common stockholders is computed based on the weighted-average number of ordinary shares outstanding during each period. For additional information, see Note 2 to the notes to our consolidated financial statements included elsewhere in this prospectus.
- (3) Pro forma basic and diluted net loss per share attributable to common stockholders and pro forma weighted-average shares outstanding has been computed to give effect to the conversion of all of our outstanding shares of preferred stock shares of common stock, which will occur upon the closing of this offering, as if such conversion occurred as of the beginning of the period presented or the date of original issuance, whichever is later.

	As of December 31,	
	2019	2020
	(in thousands)	
Consolidated Balance Sheet Data:		
Cash and cash equivalents	\$ 37,435	\$ 35,531
Working capital(1)	14,683	718
Total assets	47,676	54,958
Total liabilities	30,776	43,739
Redeemable convertible preferred stock	18,059	18,059
Total stockholders' deficit	(1,159)	(6,840)

(1) We define working capital as current assets less current liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the “Selected Consolidated Financial Data and Other Data”, the consolidated financial statements, and related notes that are included elsewhere in this prospectus. Some of the information contained in this discussion and analysis, including information with respect to our planned investments in our research and development, sales and marketing, and general and administrative functions, contains forward-looking statements based upon current plans, beliefs, and expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under the sections titled “Special Note Regarding Forward-Looking Statements” and “Risk Factors” included elsewhere in this prospectus.

Overview

We are a leading online visibility management SaaS platform, enabling companies globally to identify and reach the right audience in the right context and through the right channels. Online visibility represents how effectively companies connect with consumers across a variety of digital channels, including search, social and digital media, digital public relations, and review websites. Our proprietary SaaS platform enables us to aggregate and enrich trillions of data points collected from hundreds of millions of unique domains, social media platforms, online ads, and web traffic. This allows our customers to understand trends, derive unique and actionable insights to improve their websites and social media pages, and distribute highly relevant content to their targeted customers across channels to drive high-quality traffic.

Since our founding in 2008 by Oleg Shchegolev and Dmitry Melnikov, we have achieved a number of significant milestones, including:

- **2010:** Surpassed 1,000 customers;
- **2012:** Started expansion into SEO software, launched Position Tracking, and opened our first U.S. office near Philadelphia, Pennsylvania;
- **2014:** Continued expansion of SEO capabilities with Site Audit tool;
- **2015:** Surpassed 10,000 customers and launched Social Media tools;
- **2016:** Launched Content Marketing and Digital PR tools;
- **2017:** Completed our first round of financing led by entities affiliated with Siguler Guff & Company and introduced collaboration features, including the ability to add users and share projects and received U.S. and UK search awards for the “Best SEO Software Suite”;
- **2018:** Completed another financing led by Greycroft and e.ventures, relocated headquarters to Boston, Massachusetts, and opened an office in Dallas, Texas, surpassed \$50 million in ARR, and launched our first add-on offering, Local Listings;
- **2019:** Surpassed 50,000 customers and \$100 million in ARR, and launched our second add-on offering, Competitive Intelligence; and
- **2020:** Launched Sellerly, a new product for Amazon Marketing, acquired Prowly, and received multiple awards, including “Best SEO Software Suite” and “Best Search Software Tool” according to the European Search Awards, and our headcount grew to more than 900 employees globally.

We generate substantially all of our revenue from monthly and annual subscriptions to our online visibility management platform under a SaaS model. Subscription revenue is recognized ratably over the contract term beginning on the date the product is made available to customers.

Our subscription model enables our paying customers to choose among tiered plans for a majority of our products to meet their specific needs. Our multi-price point pricing for our core product ranges between \$100 and \$400 per month or \$1,000 to \$4,000 per year for customers who purchased our core product prior to January 4, 2021 and do not let their subscriptions lapse, and between \$119.95 and \$449.95 per month or \$1,199 to \$4,499 per year for new customers as of January 4, 2021, with each price point providing an incremental level of access to our products and usage limits. Within our subscription tiers, customers have the ability to purchase increased usage limits by adding the ability to create additional projects, keywords to track, and seat licenses without moving to a higher price point plan. We have a demonstrated track record of customers consistently upgrading to higher price point plans to get access to incremental functionality and usage limits. Additionally, we offer add-ons that are not included in our subscription plans and are sold on a one-time or monthly basis depending on the add-on.

Since inception, we have managed our rapid growth with discipline and efficiency, having raised only \$37 million of capital. We generated revenue of \$92.1 million and \$124.9 million for the years ended December 31, 2019 and 2020, respectively, representing growth of 35.6%. Our revenue grew at a compound annual growth rate of over 50% between the years ended December 31, 2016 and December 31, 2020. Our net loss for the years ended December 31, 2019 and 2020 was \$10.2 million and \$7.0 million, respectively.

We believe that the growth of our business and our operating results will be dependent upon many factors, including our ability to acquire new and retain existing paying customers, increase revenue from existing paying customers, and sustain and adapt to product and technology innovation. While these areas present significant opportunities for us, they also pose challenges and risks that we must successfully address in order to sustain the growth of our business and improve our operating results.

While we have experienced rapid growth and increased demand for our products over the last few years, we expect to continue to incur losses in the short term and may not be able to achieve profitability. Our marketing is focused on building our brand reputation, increasing market awareness of our platform and products, and driving customer demand and a strong sales pipeline. We believe that these efforts will result in an increase in our paying customer base, revenues, and improved operating margins in the long term. To manage any future growth effectively, we must continue to improve and expand our information technology and financial infrastructure, our operating and administrative systems and controls, and our ability to manage headcount, capital, and processes in an efficient manner. Additionally, we face intense competition in our market, and to succeed, we need to innovate and offer products that are differentiated from point solutions that address aspects of online visibility management. We must also effectively hire, retain, train, and motivate qualified personnel and senior management. If we are unable to successfully address these challenges, our business, operating results, and prospects could be adversely affected.

Key Factors Affecting Our Performance

There are a number of factors that have impacted, and we believe will continue to impact, our results of operations and growth. These factors include:

Acquiring New Paying Customers

We expect increasing demand for third-party online visibility software to accelerate adoption of our platform. Our recurring subscription model provides significant visibility into our future results and we believe ARR is the best indicator of the scale of our platform, while mitigating fluctuations due to seasonality and contract term. We define ARR as the daily revenue of all paid subscription agreements

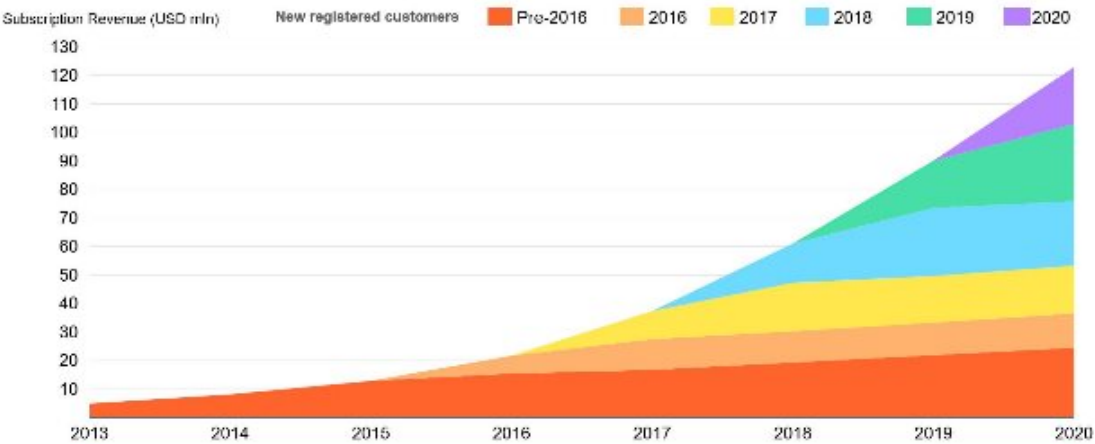
that are actively generating revenue as of the last day of the reporting period multiplied by 365. We include both monthly recurring paid subscriptions, which renew automatically unless cancelled, as well as the annual recurring paid subscriptions so long as we do not have any indication that a customer has cancelled or intends to cancel its subscription and we continue to generate revenue from them. As of December 31, 2019 and 2020, we had more than 54,000 paying customers and 67,000 paying customers, respectively, accounting for \$102.6 million and \$144.2 million in ARR, respectively.

Retaining and Expanding Sales to Our Existing Customers

We serve a diverse customer base across a variety of sizes and industries that is focused on maximizing their online visibility. We believe there is a significant opportunity to expand within our existing customer base as customers often initially purchase our entry-level subscription, which offers lower usage limits and limited user licenses, as well as fewer features. We have demonstrated the ability to expand contract values with our existing customers as they use our products and recognize the critical nature of our platform and often seek premium offerings through incremental usage, features, add-ons, and additional user licenses.

Our sales team is largely focused on driving account expansion by encouraging our customers to fully recognize the potential benefit from our comprehensive platform. As a result, we have become increasingly efficient at acquiring customers who increase their spend with us over time. The chart below illustrates the subscription revenue from each customer cohort based on the year in which they became customers during the year presented. As indicated in the chart, our customer cohorts typically experience their lowest dollar-based net revenue retention rate during their second full year after becoming a customer, after which the dollar-based net revenue retention rate typically improves and we are able to drive increased spending across the remaining customers within the cohort.

ANNUAL SUBSCRIPTION REVENUE BY COHORT



Our dollar-based net revenue retention rate enables us to evaluate our ability to retain and expand subscription revenue generated from our existing customers. Our dollar-based net revenue retention rate for the years ended December 31, 2019 and 2020 was approximately 120% and 114%, respectively.

We calculate our dollar-based net revenue retention rate as of the end of a period by using (a) the revenue from our customers during the twelve month period ending one year prior to such period as the denominator and (b) the revenue from those same customers during the twelve months ending as of the

end of such period as the numerator. This calculation excludes revenue from new customers and any non-recurring revenue.

We have successfully increased ARR per paying customer over time and believe this metric is an indicator of our ability to grow the long-term value of our platform. We expect ARR per paying customer to continue to increase as customers adopt our premium offerings and we continue to introduce new products and functionality. Our ARR per paying customer as of December 31, 2019 and 2020 was \$1,892 and \$2,123, respectively. We define ARR per paying customer during a given period as ARR from our paying customers at the end of the period divided by the number of paying customers as of the end of the same period. We define the number of paying customers as the number of unique business and individual customers at the end of a particular period. We define a business customer as all accounts that contain a common non-individual business email domain (e.g., all subscriptions with an email domain of @XYZ.com will be considered to be one customer), and an individual customer as an account that uses an individual non-business email domain.

Sustaining Product and Technology Innovation

We have a strong track record of developing new products that have high adoption rates among our paying customers. Our product development organization plays a critical role in continuing to enhance the effectiveness and differentiation of our technology in an evolving landscape and maximizing retention of our existing customers. We intend to continue investing in product development to improve our data assets, expand our products and enhance our technological capabilities.

Non-GAAP Financial Measures

In addition to our financial results determined in accordance with U.S. generally accepted accounting principles (“GAAP”), we believe that free cash flow and free cash flow margin, each a non-GAAP financial measure, are useful in evaluating the performance of our business.

Free cash flow and free cash flow margin

We define free cash flow, a non-GAAP financial measure, as net cash provided by operating activities less purchases of property and equipment and capitalized software development costs. We define free cash flow margin as free cash flow divided by total revenue. We monitor free cash flow and free cash flow margin as two measures of our overall business performance, which enables us to analyze our future performance without the effects of non-cash items and allow us to better understand the cash needs of our business. While we believe that free cash flow and free cash flow margin are useful in evaluating our business, free cash flow and free cash flow margin are each a non-GAAP financial measure that have limitations as an analytical tool, and free cash flow and free cash flow margin should not be considered as an alternative to, or substitute for, net cash used in operating activities in accordance with GAAP. The utility of each of free cash flow and free cash flow margin as a measure of our liquidity is further limited as each measure does not represent the total increase or decrease in our cash balance for any given period. In addition, other companies, including companies in our industry, may calculate free cash flow and free cash flow margin differently or not at all, which reduces the usefulness of free cash flow and free cash flow margin as tool for comparison. A summary of our cash flows from operating, investing and financing activities is provided below. We recommend that you review the reconciliation of free cash flow to net cash used in operating activities, the most directly comparable GAAP financial measure, and the reconciliation of free cash flow margin to net cash used in operating activities (as a percentage of revenue), the most directly comparable GAAP financial measure, provided below, and that you not rely on free cash flow, free cash flow margin or any single financial measure to evaluate our business.

	Year Ended December 31	
	2019	2020
Net cash provided by operating activities	\$ 1,875	\$ 5,852
Net cash (used in) investing activities	(1,163)	(6,084)
Net cash provided by (used in) financing activities	5,097	(1,672)
Net increase (decrease) in cash, cash equivalents and restricted cash	\$ 5,809	(1,904)

	Year Ended December 31 (in thousands)	
	2019	2020
Net cash provided by operating activities	\$ 1,875	\$ 5,852
Purchases of property and equipment	(1,001)	(2,367)
Capitalization of internal-use software costs	(162)	(1,032)
Free cash flow	\$ 712	\$ 2,453

	2019	2020
Net cash provided by operating activities (as a percentage of revenue)	2.0 %	4.7 %
Purchases of property and equipment (as a percentage of revenue)	(1.1)%	(1.9)%
Capitalization of internal-use software costs (as a percentage of revenue)	(0.1)%	(0.8)%
Free cash flow margin	0.8 %	2.0 %

Components of our Results of Operations

Revenue

We generate nearly all of our revenue from subscriptions to our online visibility management platform under a SaaS model. Subscription revenue is recognized ratably over the contract term beginning on the date on which we provide the customer access to our platform. Our customers do not have the right to take possession of our software. Our subscriptions are generally non-cancellable during the contractual subscription term, however our subscription contracts contain a right to a refund if requested within seven days of purchase.

We offer our paid products to customers via monthly or annual subscription plans, as well as one-time and ongoing add-ons. As of December 31, 2019 and 2020, approximately 74% and 78%, respectively, of our paying customers purchased monthly subscription plans. Our subscription-based model enables customers to select a plan based on their needs and license our platform on a per user per month basis.

As of December 31, 2020, we served approximately 67,000 paying customers in various industries, and our revenue is not concentrated with any single customer or industry. For the year ended December 31, 2020, no single customer accounted for more than 1% of our revenue.

Cost of Revenue

Cost of revenue primarily consists of expenses related to hosting our platform, acquiring data, and providing support to our customers. These expenses are comprised of personnel and related costs, including salaries, benefits, incentive compensation, and stock-based compensation expense related to the management of our data centers, our customer support team and our customer success team, and data acquisition costs. In addition to these expenses, we incur third-party service provider costs, such as data center and networking expenses, allocated overhead costs, depreciation expense and amortization associated with the Company's property and equipment, and amortization of capitalized software

development costs. We allocate overhead costs, such as rent and facility costs, information technology costs, and employee benefit costs to all departments based on headcount. As such, general overhead expenses are reflected in cost of revenue and each operating expense category.

We expect our cost of revenue to increase in absolute dollars due to expenditures related to the purchase of hardware, data, expansion, and support of our data center operations and customer support teams. We also expect that cost of revenue as a percentage of revenue will decrease over time as we are able to achieve economies of scale in our business, although it may fluctuate from period to period depending on the timing of significant expenditures. To the extent that our customer base grows, we intend to continue to invest additional resources in expanding the delivery capability of our products and other services. The timing of these additional expenses could affect our cost of revenue, both in terms of absolute dollars and as a percentage of revenue in any particular quarterly or annual period.

Operating Expenses

Research and Development

Research and development expenses primarily consist of personnel and related costs, including salaries, benefits, incentive compensation, stock-based compensation, and allocated overhead costs. Research and development expenses also include depreciation expense and other expenses associated with product development. Other than internal-use software costs that qualify for capitalization, research and development costs are expensed as incurred. We plan to increase the dollar amount of our investment in research and development for the foreseeable future as we focus on developing new products, features, and enhancements to our platform. We believe that investing in the development of new products, features, and enhancements improves customer experience, makes our platform more attractive to new paying customers and provides us with opportunities to expand sales to existing paying customers and convert free customers to paying customers. However, we expect our research and development expenses to decrease as a percentage of our revenue over time.

Sales and Marketing

Sales and marketing expenses primarily consist of personnel and related costs directly associated with our sales and marketing department, including salaries, benefits, incentive compensation, and stock-based compensation, online advertising expenses, and marketing and promotional expenses, as well as allocated overhead costs. We expense all costs as they are incurred, excluding sales commissions identified as incremental costs to obtain a contract, which are capitalized and amortized on a straight-line basis over the average period of benefit, which we estimate to be two years. We expect that our sales and marketing expenses will continue to increase in absolute dollars in the year ending December 31, 2021, but remain relatively consistent as a percentage of revenue with the year ended December 31, 2020. New sales personnel require training and may take several months or more to achieve productivity; as such, the costs we incur in connection with the hiring of new sales personnel in a given period are not typically offset by increased revenue in that period and may not result in new revenue if these sales personnel fail to become productive. We expect to increase our investment in sales and marketing as we add new services, which will increase these expenses in absolute dollars. Over the long term, we believe that sales and marketing expenses as a percentage of revenue will vary depending upon the mix of revenue from new and existing customers, as well as changes in the productivity of our sales and marketing programs.

General and Administrative

General and administrative expenses primarily consist of personnel and related expenses, including salaries, benefits, incentive compensation, and stock-based compensation, associated with our finance, legal, human resources, and other administrative employees. Our general and administrative expenses also include professional fees for external legal, accounting, and other consulting services, insurance,

depreciation and amortization expense, as well as allocated overhead. We expect to increase the size of our general and administrative functions to support the growth of our business. We also expect to recognize certain non-recurring professional fees and other expenses as part of our transition to becoming a public company. Upon the completion of this offering, we expect to continue to incur additional expenses as a result of operating as a public company, including costs to comply with rules and regulations applicable to companies listed on a U.S. securities exchange, costs related to compliance and reporting obligations pursuant to the rules and regulations of the SEC, increases in insurance premiums, investor relations and professional services. We expect the dollar amount of our general and administrative expenses to increase for the foreseeable future. However, we expect our general and administrative expenses to decrease as a percentage of revenue over time.

Other Expense, Net

Other expense, net primarily consists of losses on the fair value remeasurement of a share purchase option granted to an investor (the "Share Purchase Option") to purchase shares of our Series A-1 preferred stock. The Share Purchase Option was a free-standing financial instrument, which was recorded at fair value upon the date of grant. We revalued this instrument each reporting period and recorded increases or decreases in the respective fair value as an adjustment to other expense, net in our consolidated statements of operations and comprehensive loss. We continued to adjust the fair value of these financial instruments until the earlier of the settlement or expiration of the Share Purchase Option. The Share Purchase Option was exercised in February 2019, and the carrying amount of the Share Purchase Option as of the date of exercise was transferred to additional paid-in capital. No further revaluation was needed for the Share Purchase Option.

Also included in other expense, net is foreign exchange gains or losses from foreign currency translation adjustments associated with our international activities. The functional currency of our international operations is the U.S. dollar. Accordingly, all foreign currency transactions are measured initially in the functional currency of the recording entity by use of the exchange rate in effect at that date. At each subsequent balance sheet date, all foreign denominated assets and liabilities are re-measured into U.S. dollars using the exchange rates in effect at the balance sheet date, or historical rate, as appropriate. Any differences resulting from the re-measurement of assets and liabilities are recorded within other expense, net. We expect our foreign currency exchange gains and losses to continue to fluctuate in the future as foreign currency exchange rates change.

Other expense, net also includes amounts for other miscellaneous income and expense unrelated to our core operations.

Income Tax Provision

We operate in several tax jurisdictions and are subject to taxes in each country or jurisdiction in which we conduct business. We account for income taxes in accordance with the asset and liability method. Under this method, deferred tax assets and liabilities are recognized based on temporary differences between the financial reporting and income tax bases of assets and liabilities using statutory rates. In addition, this method requires a valuation allowance against net deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. To date, we have incurred cumulative net losses and maintain a full valuation allowance on our net deferred tax assets. We expect this trend to continue for the foreseeable future. Our tax expense for the years ended December 31, 2019 and 2020 primarily relates to income earned in certain foreign jurisdictions.

Results of Operations

The following tables set forth information comparing our results of operations in dollars and as a percentage of total revenue for the periods presented. The period-to-period comparison of results is not necessarily indicative of results for future periods.

	Year Ended December 31,	
	2019	2020
	(in thousands)	
Revenue	\$ 92,109	\$ 124,875
Cost of revenue (1)	22,540	29,930
Gross profit	69,569	94,945
Operating expenses		
Sales and marketing (1)	41,719	54,518
Research and development (1)	14,224	17,528
General and administrative (1)	21,848	29,044
Total operating expenses	77,791	101,090
Loss from operations	(8,222)	(6,145)
Other expense (income), net	1,480	290
Loss before income taxes	(9,702)	(6,435)
Provision for income taxes	464	577
Net loss	\$ (10,166)	\$ (7,012)

(1) Includes stock-based compensation expense as follows:

	Year Ended December 31,	
	2019	2020
	(in thousands)	
Cost of revenue	\$ 9	\$ 18
Sales and marketing	53	166
Research and development	58	113
General and administrative	384	782
Total stock-based compensation	\$ 504	\$ 1,079

The following table sets forth our consolidated statements of operations data expressed as a percentage of revenue for the periods indicated:

	Year Ended December 31,	
	2019	2020
	(as a percentage of total revenue)	
Revenue	100 %	100 %
Cost of revenue	24 %	24 %
Gross profit	76 %	76 %
Operating expenses		
Sales and marketing	45 %	44 %
Research and development	15 %	14 %
General and administrative	24 %	23 %
Total operating expenses	84 %	81 %
Loss from operations	(8)%	(5)%
Other expense, net	2 %	— %
Loss before income taxes	(10)%	(5)%
Provision for income taxes	1 %	1 %
Net loss	(11)%	(6)%

Comparison of the Years Ended December 31, 2019 and 2020

Revenue

Our revenue during the years ended December 31, 2019 and 2020 was as follows:

	Year Ended December 31,		Change	
	2019	2020	Amount	%
	(dollars in thousands)			
Revenue	\$ 92,109	\$ 124,875	\$ 32,766	36 %

Revenues increased by \$32.8 million, or 36%, from \$92.1 million in 2019 to \$124.9 million in 2020. This occurred in all regions and was most pronounced in the United States. The majority of this increase was driven by an increase in the number of paying customers from 54,000 as of December 31, 2019 to 67,000 as of December 31, 2020. To a lesser extent, this increase was driven by an increase in sales to existing customers as evidenced by our dollar-based net revenue retention rate of approximately 114% during 2020.

The locations of our paying customers during the years ended December 31, 2019 and 2020 were as follows:

	Year Ended December 31,	
	2019	2020
	(in thousands)	
Revenue:		
United States	\$ 42,159	\$ 57,231
United Kingdom	10,187	13,158
Other	39,763	54,486
Total revenue	\$ 92,109	\$ 124,875

Cost of Revenue, Gross Profit and Gross Margin

	Year Ended December 31,		Change	
	2019	2020	Amount	%
	(dollars in thousands)			
Cost of revenue	\$ 22,540	\$ 29,930	\$ 7,390	33 %
Gross profit	\$ 69,569	\$ 94,945	\$ 25,376	36 %
Gross margin	75.5 %	76.0 %		

The increase in cost of revenue for the year ended December 31, 2020 compared to the year ended December 31, 2019 was primarily due to the following changes:

	Change (in thousands)
Hosting fees	\$ 2,177
Integration and data costs	1,941
Merchant fees	1,177
Other	2,095
Cost of revenue	\$ 7,390

Hosting fees increased, driven by the additional costs associated with our growth in subscription revenue and the additional costs associated with expanding our relationships with our current paying subscribers. Integration and data costs increased primarily as a result of increasing costs incurred related to new products and customer growth. Merchant fees increased commensurate with sales growth. Other costs increased primarily as a result of a 31% increase in headcount as we continue to grow our customer support and customer success teams to support our customer growth.

Operating Expenses

Sales and Marketing

	Year Ended December 31,		Change	
	2019	2020	Amount	%
	(dollars in thousands)			
Sales and marketing	\$ 41,719	\$ 54,518	\$ 12,799	31 %
Percentage of total revenue	45 %	44 %		

The increase in sales and marketing expense for the year ended December 31, 2020 compared to the year ended December 31, 2019 was primarily due to the following:

	Change (in thousands)
Personnel costs	\$ 5,277
Advertising expense	7,471
Other	51
Sales and marketing	\$ 12,799

Personnel costs increased primarily as a result of a 10% increase in headcount as we continue to expand our sales teams to grow our customer base. Personnel costs include the amortization of capitalized commission costs which increased year over year, partially due to the amortization of

commissions paid in prior periods, as well as expense associated with the amortization of commissions paid and capitalized during 2020 which increased year over year due to the overall growth in sales. Advertising expense increased primarily as a result of increasing expenses to acquire new paying customers.

Research and Development

	Year Ended December 31,		Change	
	2019	2020	Amount	%
	(dollars in thousands)			
Research and development	\$ 14,224	\$ 17,528	\$ 3,304	23 %
Percentage of total revenue	15 %	14 %		

Research and development costs increased primarily as a result of a 34% increase in headcount as we continue to expand our product development teams.

General and administrative

	Year Ended December 31,		Change	
	2019	2020	Amount	%
	(dollars in thousands)			
General and administrative	\$ 21,848	\$ 29,044	\$ 7,196	33 %
Percentage of total revenue	24 %	23 %		

The increase in general and administrative expense for the year ended December 31, 2020 compared to the year ended December 31, 2019 was primarily driven by a 49% increase in headcount as we continue to expand our accounting and reporting, legal and compliance, and internal support teams. It was also driven by a 104% increase in stock-based compensation applicable to these teams.

Other Expense, Net

	Year Ended December 31,		Change	
	2019	2020	Amount	%
	(dollars in thousands)			
Other expense, net	\$ 1,480	\$ 290	\$ (1,190)	(80)%
Percentage of total revenue	2 %	— %		

The decrease in other expense for the year ended December 31, 2020 compared to the year ended December 31, 2019 was primarily driven by the one-time expense of \$0.9 million during 2019 associated with the revaluation of a call option issued to an investor, that allowed the investor to purchase additional shares of preferred stock. As the call option was considered a free-standing financial instrument that may require us to transfer equity upon exercise, we were required to record the call option at fair value, with changes in fair value recognized as a component of other income (expense) until settlement. We continued to adjust the fair value of the call option until the exercise of such option in February 2019.

Provision for Income Taxes

	Year Ended December 31,		Change	
	2019	2020	Amount	%
(dollars in thousands)				
Provision for income taxes	\$ 464	\$ 577	\$ 113	24 %
Percentage of total revenue	1 %	— %		

The provision for income taxes is primarily attributable to estimated taxes related to our foreign jurisdictions.

Quarterly Results of Operations

The following table sets forth our unaudited quarterly consolidated statements of operations data for each of the quarterly periods for the years ended December 31, 2019 and 2020. The unaudited quarterly statements of operations data have been prepared on the same basis as our audited consolidated financial statements included elsewhere in this prospectus and includes all adjustments, consisting only of normal recurring adjustments that, in our opinion, are necessary to state fairly the results of operations for these periods. Our historical results are not necessarily indicative of the results that may be expected in the future and the results of a particular quarter or other interim period are not necessarily indicative of the results for a full year. The following unaudited quarterly consolidated results of operations should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus.

Quarterly Consolidated Statements of Operations

	Three Months Ended							
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
(in thousands)								
Revenue	\$ 20,371	\$ 22,124	\$ 23,831	\$ 25,783	\$ 27,787	\$ 28,452	\$ 32,196	\$ 36,440
Cost of revenue (1)	5,273	5,295	5,743	6,229	6,554	6,945	7,536	8,895
Gross profit	15,098	16,829	18,088	19,554	21,233	21,507	24,660	27,545
Operating expenses								
Sales and marketing (1)	8,556	9,873	10,282	13,008	13,145	12,875	14,264	14,234
Research and development (1)	3,193	3,366	3,526	4,139	4,208	3,942	4,238	5,140
General and administrative (1)	4,509	4,883	5,814	6,642	6,251	6,766	7,410	8,617
Total operating expenses	16,258	18,122	19,622	23,789	23,604	23,583	25,912	27,991
Loss from operations	(1,160)	(1,293)	(1,534)	(4,235)	(2,371)	(2,076)	(1,252)	(446)
Other expense (income), net	788	97	275	320	(55)	132	97	116
Loss before income taxes	(1,948)	(1,390)	(1,809)	(4,555)	(2,316)	(2,208)	(1,349)	(562)
Provision for income taxes	87	165	125	87	126	99	180	172
Net loss	\$ (2,035)	\$ (1,555)	\$ (1,934)	\$ (4,642)	\$ (2,442)	\$ (2,307)	\$ (1,529)	\$ (734)

(1) Includes stock-based compensation expense as follows:

	Three Months Ended							
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
	in millions							
Cost of revenue	\$ —	\$ —	\$ —	\$ 9	\$ 5	\$ 5	\$ 5	\$ 5
Sales and marketing	—	—	—	53	30	34	39	62
Research and development	—	—	—	58	26	26	27	34
General and administrative	56	87	99	141	145	149	183	304
Total stock-based compensation	\$ 56	\$ 87	\$ 99	\$ 261	\$ 206	\$ 214	\$ 254	\$ 405

Consolidated Statements of Operations, as a percentage of revenue

	Three Months Ended							
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Revenue	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Cost of revenue (1)	26 %	24 %	24 %	24 %	24 %	24 %	23 %	24 %
Gross profit	74 %	76 %	76 %	76 %	76 %	76 %	77 %	76 %
Operating expenses								
Sales and marketing (1)	42 %	45 %	43 %	50 %	47 %	45 %	44 %	39 %
Research and development (1)	16 %	15 %	15 %	16 %	15 %	14 %	13 %	14 %
General and administrative (1)	22 %	22 %	24 %	26 %	22 %	24 %	23 %	24 %
Total operating expenses	79 %	81 %	82 %	92 %	85 %	83 %	80 %	77 %
Loss from operations	(5)%	(6)%	(6) %	(16) %	(9)%	(7)%	(4) %	(1) %
Other expense (income), net	4 %	— %	1 %	1 %	(1)%	1 %	— %	— %
Loss before income taxes	(10)%	(6)%	(8) %	(18) %	(8)%	(8)%	(4) %	(2) %
Provision for income taxes	— %	1 %	1 %	— %	1 %	— %	1 %	— %
Net loss	(10)%	(7)%	(8) %	(18) %	(9)%	(8)%	(5) %	(2) %

Quarterly Trends in Revenue

Revenue increased sequentially in each of the quarters presented primarily driven by an increase in sales to new and existing customers.

Quarterly Trends in Operating Expenses

Operating expenses have generally increased sequentially in each of the quarters presented primarily due to increased headcount and other related costs to support our growth. However, after the outbreak of COVID-19, we have seen slower growth in certain operating expenses due to reduced business travel, deferred hiring for some positions, and the virtualization of certain promotional events. We intend to continue to make significant investments in research and development as we add features and enhance our platform. We also intend to invest in our sales and marketing organization to drive future revenue growth.

Liquidity and Capital Resources

Prior to 2017, we funded our operations primarily through sales of premium subscriptions to our platform. Since 2017, we have funded our operations primarily through sales of premium subscriptions to our platform and the sale of preferred shares and cash generated from operating activities. See the footnotes accompanying our audited consolidated financial statements for more information regarding these transactions.

As of December 31, 2020, our principal sources of liquidity were cash and cash equivalents of \$35.5 million and accounts receivable of \$1.4 million. We have generated losses from operations and negative cash flows from operations since inception. We expect to continue to incur operating losses and negative operating cash flows for the foreseeable future due to the investments in our business we intend to make as described above.

Our principal uses of cash in recent periods have been to fund operations and invest in capital expenditures, and are held in cash deposits and money market funds.

We believe our existing cash will be sufficient to meet our operating and capital needs for at least the next 12 months. Our future capital requirements will depend on many factors, including our subscription growth rate, subscription renewal activity, billing frequency, the timing and extent of spending to support our research and development efforts, the expansion of sales and marketing activities, the introduction of new and enhanced product offerings, and the continuing market acceptance of our platform and products. In the future, we may enter into arrangements to acquire or invest in complementary companies, products, and technologies, including intellectual property rights. We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us, or at all. If we are unable to raise additional capital or generate cash flows necessary to expand our operations, our business, results of operations, and financial condition could be adversely affected.

Our Credit Facility

Pursuant to the Credit Agreement among us and SEMrush US Sub, each as a borrower, the lenders party thereto from time to time and JPMorgan Chase Bank, N.A., as the administrative agent, as amended from time to time, we have a senior secured credit facility that consists of a \$45.0 million revolving credit facility and a letter of credit sub-facility with an aggregate limit equal to the lesser of \$5.0 million and the aggregate unused amount of the revolving commitments then in effect. The availability of the credit facility is subject to the borrowing base based on an advance rate of 400% multiplied by annualized retention applied to monthly recurring revenue. The credit facility has a maturity of three years and will mature on January 12, 2024.

As of February 28, 2021, we had \$40.9 million available under the revolving credit facility, with \$5.0 million of such revolving commitments available under the letter of credit sub-facility.

All of our obligations under our credit facility will be guaranteed by our future domestic subsidiaries and, subject to certain exceptions, secured by a security interest in substantially all of our tangible and intangible assets.

Borrowings under our credit facility bear interest at our option at (i) LIBOR, subject to a 0.50% floor, plus a margin, or (ii) the alternate base rate, subject to a 3.25% floor (or 1.50% prior to an initial public offering or positive consolidated adjusted earnings before interest, taxes, depreciation, and amortization ("adjusted EBITDA") as of the twelve months most recently ended), plus a margin. For LIBOR borrowings, the applicable rate margin is 2.75% (or 3.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of the twelve months most recently ended). For base rate borrowings, the applicable margin is 0.00% (or 2.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of

the twelve months most recently ended). We are also required to pay a 0.25% per annum fee on undrawn amounts under our revolving credit facility, payable quarterly in arrears.

See the section titled “Description of Indebtedness” for additional information regarding our credit facility.

Operating Activities

Our largest source of operating cash is cash collections from our customers for subscription services. Our primary uses of cash from operating activities are for online advertising, personnel costs across the sales and marketing and product and development departments, and hosting costs.

Net cash provided by operating activities during the year ended December 31, 2019 was \$1.9 million, which resulted from a net loss of \$10.2 million adjusted for non-cash charges of \$5.7 million and a net cash inflow of \$6.4 million from changes in operating assets and liabilities. Non-cash charges primarily consisted of \$0.5 million of stock-based compensation expense, \$1.1 million of depreciation and amortization expense, \$0.9 million related to the change in fair value of the share purchase option, and \$3.1 million for amortization of deferred contract acquisition costs related to capitalized commissions. The changes in operating assets and liabilities was primarily the result of a \$7.6 million increase in deferred revenue due to the addition of new customers and expansion of the business, a \$4.1 million increase in accrued expenses, and a \$1.6 million increase in accounts payable. These inflows were partially offset by a \$4.8 million increase in deferred contract costs, a \$1.5 million increase in prepaid expenses and other current assets, and a \$0.7 million increase in accounts receivable.

Net cash provided by operating activities during the year ended December 31, 2020 was \$5.9 million, which resulted from a net loss of \$7.0 million adjusted for non-cash charges of \$7.1 million and net cash inflow of \$5.8 million from changes in operating assets and liabilities. Non-cash charges primarily consisted of \$1.1 million of stock-based compensation expense, \$1.5 million of depreciation and amortization expense, and \$4.6 million for amortization of deferred contract acquisition costs related to capitalized commissions. The changes in operating assets and liabilities was primarily the result of a \$6.9 million increase in deferred revenue due to the addition of new customers and expansion of the business, a \$3.0 million increase in accrued expenses, a \$1.8 million increase in accounts payable, and a \$0.7 million decrease in accounts receivable. These inflows were partially offset by a \$6.6 million increase in deferred contract costs.

Investing Activities

Net cash used in investing activities for the years ended December 31, 2019 and 2020 was \$1.2 million and \$6.1 million, respectively. The increase of \$4.9 million of cash used in investing activities was primarily due to the purchase of Prowly, net of cash acquired, purchases of computer equipment and hardware, and capitalized costs associated with internal use software of \$2.7 million, \$2.4 million, and \$1.0 million, respectively.

Financing Activities

Net cash provided by (used in) financing activities for the years ended December 31, 2019 and 2020 was \$5.1 million and \$(1.7) million, respectively. For the year ended December 31, 2019, net cash provided by financing activity was primarily driven by the net proceeds from the issuance of the Series A-1 preferred stock and option exercises. Net cash used in financing activities for the year ended December 31, 2020 was \$1.7 million, which was primarily driven by \$1.6 million and \$0.3 million in payments for deferred offering and credit facility costs, respectively. The payment of deferred offering costs relates to this registration statement and the payment of the credit facility costs relates to the opening of a line of credit, as discussed above. These cash outflows were partially offset by \$0.3 million in proceeds from the exercise of stock options.

Contractual Obligations

The following table summarizes our non-cancellable contractual obligations as of December 31, 2020:

	Payments Due by Period				
	Total	Less Than One Year	1-3 Years	3-5 Years	More Than Five Years
	(in thousands)				
Operating lease obligations	\$ 8,932	\$ 4,029	\$ 4,490	\$ 459	\$ —
Other purchase obligations ⁽¹⁾	14,233	5,583	8,650	—	—
Total	\$ 23,201	\$ 9,612	\$ 13,140	\$ 459	\$ —

(1) Consists of minimum guaranteed purchase commitments for data and services.

The commitment amounts in the table above are associated with contracts that are enforceable, legally binding, and that specify all significant terms, including fixed or minimum services to be used, fixed, minimum or variable price provisions, and the approximate timing of the actions under the contracts. Our operating lease commitments, net of sublease receipts, relate primarily to our facilities. Purchase commitments relate mainly to data center agreements used to facilitate our operations at the enterprise level. Our long-term purchase commitments may be satisfied earlier than in the payment periods presented above as we continue to grow and scale our business.

In addition to the contractual obligations included in the table above, we entered into two leases for certain data center equipment under non-cancelable capital leases during the year ended December 31, 2020. The lease arrangements have terms of 36 months beginning on the date we accept the installation of the equipment subject to the lease. As of December 31, 2020, the equipment had not been installed and we had not accepted the equipment under these leases, and as such the lease commencement date had not begun. Upon lease commencement, we will be required to make total payments of \$6.0 million over the term of the leases.

Off-Balance Sheet Arrangements

As of December 31, 2020, we did not have any relationships with any entities or financial partnerships, such as structured finance or special purpose entities, that would have been established for the purpose of facilitating off-balance sheet arrangements or other purposes. As a result, we are not exposed to related financing, liquidity, market or credit risks that could arise if we had engaged in those types of arrangements.

Recent Accounting Pronouncements

Refer to sections titled “Recent Accounting Pronouncements” in Note 2 of the notes to our audited consolidated financial statements included elsewhere in this prospectus for more information.

Critical Accounting Policies and Estimates

Our audited consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. The preparation of these audited consolidated financial statements in conformity with GAAP requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. On an ongoing basis, we evaluate our estimates and assumptions. Our actual results may differ from these estimates.

We believe that of our significant accounting policies, which are described in Note 2 to our audited consolidated financial statements included elsewhere in this prospectus, the following accounting policies involve a greater degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our audited consolidated financial condition and results of operations.

Revenue Recognition

Revenue Recognition Policy

We generate revenue primarily from subscriptions to our online visibility management platform under, which is comprised of subscription fees from customers accessing our SaaS services and related customer support. We offer subscriptions to our platform primarily on a monthly or annual basis and we sell our products and services primarily through a self-service model and also directly through our sales force. Our subscription arrangements provide customers the right to access our hosted software applications and customers do not have the right to take possession of our software during the hosting arrangement.

We recognize revenue in accordance with ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

We recognize subscription and support revenue ratably over the term of the contract, beginning on the date the customer is provided access to our service. These subscriptions are generally stand-ready obligations as the customer has access to the service throughout the term of the subscription, and our performance obligations are satisfied with the customer over time. We consider the SaaS subscription and related support services to have the same pattern of transfer to the customer. As such, they are accounted for as a single performance obligation.

Amounts that have been invoiced are recorded in accounts receivable and in deferred revenue or revenue, depending on whether the revenue recognition criteria have been met. We primarily invoice and collect payments from our customers for in advance on a monthly or annual basis.

Deferred revenue represents amounts billed for which revenue has not yet been recognized. Deferred revenue that is expected to be recognized during the succeeding twelve-month period is recorded as current deferred revenue and the remaining portion is recorded as non-current in the accompanying consolidated balance sheets.

Revenue is presented net of any taxes collected from customers.

Costs to Obtain a Contract

We capitalize incremental direct costs of obtaining revenue contracts, which primarily consist of sales commissions paid for new subscription contracts. We amortize these commissions over a period of approximately 24 months on a systematic basis, consistent with the pattern of transfer of the goods or services to which the asset relates. The 24-month period represents the estimated benefit period of the customer relationship and has been determined by taking into consideration the type of product sold, the commitment term of the customer contract, the nature of our technology development life-cycle, and an estimated customer relationship period based on historical experience and future expectations. Sales commissions for renewals and upgrade contracts are deferred and amortized on a straight-line basis over the remaining estimated customer relationship period of the related customer. Deferred contract costs that will be recorded as expense during the succeeding 12-month period is recorded as current deferred contract costs, and the remaining portion is recorded as deferred contract costs, net of current portion.

Amortization of deferred contract costs is included in sales and marketing expense in the accompanying consolidated statement of operations and comprehensive loss.

Stock-Based Compensation

We measure stock options and other stock-based awards granted to employees and members of our board of directors for their services as directors based on the fair value on the date of the grant and recognize the corresponding compensation expense of those awards over the requisite service period, which is generally the vesting period of the respective award. We have only issued stock options with service-based vesting conditions and record the expense for these awards using the straight-line method.

We estimate the fair value of each stock option grant using the Black-Scholes option-pricing model, which uses as inputs the estimated fair value of our common stock and assumptions we make for the volatility of our common stock, the expected term of our stock options, the risk-free interest rate for a period that approximates the expected term of our stock options and our expected dividend yield.

We determined the assumptions for the Black-Scholes option-pricing model as discussed below. Each of these inputs is subjective and generally requires significant judgment to determine. If factors change and different assumptions are used, our stock-based compensation expense could be materially different in the future. These assumptions and estimates are as follows:

Fair value—Because our common stock is not publicly traded, we must estimate the fair value of our common stock. Our board of directors considers numerous objective and subjective factors to determine the fair value of our common stock as awards are approved, including utilizing third-party valuations to assist with the determination of the estimated fair-market value and common stock price.

Expected dividend yield—The annual rate of dividends is expressed as a dividend yield which is a constant percentage of the stock price. As of the date of this prospectus, we have not paid dividends and do not anticipate paying a cash dividend on common stock in the foreseeable future and, accordingly, use an expected dividend yield of zero.

Expected term—The expected life of an option represents the period of time that an option is expected to be outstanding. The expected term of an award is determined using the simplified method for plain vanilla options, consistent with applicable accounting guidance.

Risk-free rate—The risk-free interest rate is based on the rate of U.S. treasury securities with maturities consistent with the estimated expected term of the awards.

Expected volatility—As we do not have a trading history of our common stock, there is no historical basis of the stock volatility. Accordingly, the expected volatility is based primarily on the historical volatilities of similar entities' common stock over the most recent period commensurate with the estimated expected term of the awards.

The weighted-average fair values of options granted during the years ended December 31, 2019 and 2020 were \$1.70 and \$6.04 per share, respectively. The weighted-average assumptions utilized to determine the fair value of options granted are presented in the following table:

	For the Year Ended December 31, 2019	For the Year Ended December 31, 2020
Expected volatility	45.7 %	51.0 %
Weighted-average risk-free interest rate	1.92 %	0.71 %
Expected dividend yield	—	—
Expected life – in years	6	6

Common Stock Valuations

Prior to this offering our common stock was not publicly traded. As such, the estimated fair value of our common stock has been determined by our board of directors as of the date of each option grant, with input from management, considering third-party valuations of our common stock as well as our board of directors' assessment of additional objective and subjective factors that it believed were relevant and which may have changed from the date of the most recent third-party valuation through the date of the grant. Given the absence of a public trading market for our common stock, the valuations of common stock were determined in accordance with the guidance provided by the American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation, and our board of directors exercised reasonable judgment and considered numerous and subjective factors to determine the best estimate of fair value of our common stock, including the following factors:

- contemporaneous valuations performed by independent third-party specialists;
- the prices, rights, preferences, and privileges of our preferred stock relative to those of our common stock;
- the prices of common or preferred stock sold to third-party investors by us in arms-length transactions;
- lack of marketability of our common stock;
- our actual operating and financial performance;
- current business conditions and projections;
- our stage of development;
- likelihood of achieving a liquidity event, such as an initial public offering or a merger or acquisition of our company given prevailing market conditions;
- the market performance of comparable publicly traded companies; and
- the U.S. and global capital market conditions.

In valuing our common stock, our board of directors determined the equity value of our business using various valuation methods including income and/or market approaches with input from management. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows were discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in our industry or similar business operations as of each valuation date and adjusted to reflect the risks inherent in our cash flows. The market approach considers multiples of financial metrics based on guideline public companies. These multiples are then applied to our financial metrics to derive a range of indicated values.

For each valuation performed up through and including the valuation of common stock as of June 30, 2020, the equity value was allocated to the common stock using the Option Pricing Method, or OPM, as the principal equity allocation method. When we had completed or were expecting to complete a preferred equity financing, the terms and pricing of the financing round were included in the analysis used to estimate our value and the value of our common stock.

Beginning with the September 30, 2020 valuation, we changed the methodology for allocating our equity value to our common stock to a hybrid method, which is a combination of a probability weighted expected return method, or PWERM, and an OPM. We made this change as greater certainty developed regarding a possible liquidity event. The PWERM methodology relies on a forward-looking analysis to predict the possible future value of a company. Under this method, discrete future outcomes, such as an IPO, non-IPO scenarios, and a merger or sale are weighted based on our estimate of the probability of each scenario. In our application of the hybrid method, we considered an IPO scenario under the PWERM framework, and a non-IPO scenario modeled using an OPM to reflect the full distribution of possible non-IPO outcomes. The hybrid method is useful when certain discrete future outcomes can be predicted, but also accounts for uncertainty regarding the timing or likelihood of specific alternative exit events.

Application of these approaches involves the use of estimates, judgments, and assumptions that are highly complex and subjective, such as those regarding our expected future revenue, expenses, and future cash flows, discount rates, market multiples, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions affect our valuations as of each valuation date and may have a material impact on the valuation of our common stock.

For valuations after the completion of this offering, our board of directors will determine the fair value of each share of underlying common stock based on the closing price of our common stock as reported on the date of grant. Future expense amounts for any particular period could be affected by changes in our assumptions or market conditions.

JOBS Act Accounting Election

We are an “emerging growth company” as defined in the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to use this exemption from new or revised accounting standards and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that have not made this election.

Quantitative and Qualitative Disclosures of Market Risk

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in foreign currency exchange rates, interest rates and inflation. We do not hold or issue financial instruments for trading purposes.

Interest Rate Risk

We had cash and cash equivalents of \$37.4 million and \$35.5 million as of December 31, 2019 and 2020, respectively. Our cash and cash equivalents are held in cash deposits and money market funds. Due to the short-term nature of these instruments, we do not believe that we have any material exposure to changes in the fair value of our investment portfolio as a result of changes in interest rates.

As of February 28, 2021, we had \$40.9 million available under the revolving credit facility, with \$5.0 million of such revolving commitments available under the letter of credit sub-facility. Borrowings under our credit facility bear interest at our option at (i) LIBOR, subject to a 0.50% floor, plus a margin, or (ii) the base rate, subject to a 3.25% floor (or 1.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of the twelve months most recently ended), plus a margin. For LIBOR borrowings, the applicable rate margin is 2.75% (or 3.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of the twelve months most recently ended). For base rate borrowings, the applicable margin is 0.00% (or 2.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of the twelve months most recently ended). We are also required to pay a 0.25% per annum fee on undrawn amounts under our revolving credit facility, payable quarterly in arrears.

We did not have any current investments in marketable securities as of December 31, 2019 and 2020.

Foreign Currency Exchange Risk

We are not currently subject to significant foreign currency exchange risk with respect to revenue as our U.S. and international sales are predominantly denominated in U.S. dollars. However, we have some foreign currency risk related to a small amount of sales denominated in euros, and expenses denominated in euros, rubles, korunas, and zloty. Sales denominated in euros reflect the prevailing U.S. dollar exchange rate on the date of invoice for such sales. Decreases in the relative value of the U.S. dollar to the euro may negatively affect revenue and other operating results as expressed in U.S. dollars. We incur significant expenses outside the United States denominated in these foreign currencies, primarily the ruble. If the average exchange rates of any of these foreign currencies strengthen against the dollar, the dollar value of our expenses outside the United States will increase. For example, an immediate 10% decrease or increase in the relative value of the U.S. dollar to the ruble would result in a \$3.4 million loss or gain on our consolidated statements of operations and cash flows.

We have not engaged in the hedging of foreign currency transactions to date. However, as our international operations expand, our foreign currency exchange risk may increase. If our foreign currency exchange risk increases in the future, we may evaluate the costs and benefits of initiating a foreign currency hedge program in connection with non-U.S. dollar denominated transactions.

BUSINESS

Overview

We are a leading online visibility management software-as-a-service platform. We enable companies globally to identify and reach the right audience for their content, in the right context, and through the right channels. Online visibility represents how effectively companies connect with consumers across a variety of digital channels, including search, social and digital media, digital public relations, and review websites. The evolving online landscape and information overload from online content have made it increasingly difficult for companies to understand and manage their online visibility. Our proprietary software-as-a-service (“SaaS”) platform enables us to aggregate and enrich trillions of data points collected from over 200 million unique domains. Our platform enables our customers to understand trends and act upon unique insights to improve their online visibility, drive high-quality traffic to their websites and social media pages, as well as online listings, distribute highly targeted content to their customers, and measure the effectiveness of their digital marketing campaigns. As of December 31, 2019 and 2020, our differentiated platform empowered over 334,000 and 404,000 active free customers, respectively, and over 54,000 and 67,000 paying customers, respectively, in over 135 and 142 countries, respectively.

As interactions between companies and their customers continue to shift online, managing a company’s online visibility has become critical. With over 4.9 billion internet users in the third quarter of 2020, according to Internet World Stats, and consumers worldwide spending an average of over six and a half hours per day online, according to GlobalWebIndex, digital channels are essential for customer engagement. While these digital channels have made it easier for companies to have an online presence, with so many different sources of media competing for customers’ attention, it has become increasingly difficult for companies to be discovered by, and engage with, their customers. Most companies do not have the technology or resources to effectively ingest, aggregate, process, and analyze the vast amount of fragmented data from these diverse sources at scale to derive actionable insights. Companies often attempt to address individual aspects of online visibility, such as search engine optimization (“SEO”), search engine marketing (“SEM”), content marketing, social media management (“SMM”), digital public relations (“PR”), and competitive intelligence, among others. Fully integrated solutions are more likely to drive long-term traffic improvement than siloed approaches, offering more comprehensive functionality and insights, and combining strategies across owned, earned, and paid media.

Our fully integrated SaaS platform leverages our proprietary technology, differentiated data, and actionable insights to improve online visibility. We utilize machine learning capabilities to synthesize broad and deep data sets to derive actionable insights and analytics. Our ability to aggregate, crawl, and process massive data sets, including search engine, website traffic, backlink, online advertising, panel, and social media data, combined with our ability to obtain data from our customers through APIs, enables our software to generate a comprehensive view of a company’s online visibility profile and identify the specific keywords, advertisements, third-party websites, and content that are driving traffic. Our SaaS platform creates significant network effects as we grow the number of our customers and our customers provide us with more data. By combining our customer data with our own market data, we are able to improve our algorithms and, in turn, increase the accuracy of our metrics and analytics. We also integrate with third-party solutions to create comprehensive end-to-end workflows across the entire marketing funnel. These workflows include analyzing trends, identifying potential opportunities to optimize visibility, creating high-quality content efficiently, helping customers assess different marketing approaches, executing campaigns regularly, and measuring the effectiveness of their marketing campaigns. As a result, we empower companies to improve their online visibility across key channels through a holistic strategy.

In a highly fragmented market with a myriad of network- and channel-specific solutions, our differentiated and integrated platform provides comprehensive insights into a company’s online visibility. Some large technology platforms including Google and Facebook offer their own solutions but are incentivized to prioritize their own paid channels, lack independence, and do not operate across rival

networks. Meanwhile, individual solutions targeted at addressing one or a subset of business problems, or point solutions, rely on limited, channel-specific data, providing only partial, incomplete perspectives. Our technology collects, aggregates, and enriches a broad set of fragmented data across networks and channels, which we leverage to derive valuable and actionable insights that we provide our customers. As our data assets grow, our ability to provide insights improves, attracting more customers to our platform and enabling us to invest in new and existing products, thereby further strengthening our competitive position. According to G2.com, Inc. ("G2"), our platform is listed as a leader in the "all segments" category, comprised of reviewers from each of the small-business, mid-market and enterprise segments (as G2 defines such categories), across 15 product categories, including SEO, competitive intelligence, local marketing, content analytics, and social media analytics, which reinforces the strategic advantages of providing a comprehensive solution. G2 ranks different products and vendors based on reviews gathered from its user community (subject to certain minimum requirements concerning sample size and reviewer composition), as well as data aggregated from online sources and social networks, to which it applies its proprietary algorithm to calculate satisfaction and market presence scores ranging from 0 to 100 from which the products are ranked.

We offer our solutions on a multi-price point, recurring subscription basis, which provides incremental levels of access to our over 50 products, tools, and add-ons across online visibility management. Some customers start using our products, tools, and add-ons on a free basis before purchasing a subscription to receive premium functionality and additional user licenses. Our compelling value proposition, effective go-to-market strategy, and recurring revenue model drives efficient unit economics. These attributes have enabled us to cost-effectively acquire over 67,000 paying customers as of December 31, 2020, spanning a broad range of industries and geographies.

We utilize a highly efficient, low-touch sales approach focused on driving customers to our platform through a self-service model, allowing our sales team to focus on retention and account expansion. Our multi-price point structure also drives meaningful upsell opportunities through higher usage limits, greater product functionality, additional user licenses, and product add-ons, as reflected by our dollar-based net revenue retention rate of 120% and 114% during the years ended December 31, 2019 and 2020, respectively, and our compounded average annual revenue growth rate of over 50% between the years ended December 31, 2016 and December 31, 2020. We have introduced several new add-on offerings, which have enabled us to grow our ARR per paying customer from \$1,892 as of December 31, 2019 to \$2,123 as of December 31, 2020. We define ARR as the daily revenue of all paid subscription agreements that are actively generating revenue as of the last day of the reporting period multiplied by 365. We include both monthly recurring paid subscriptions, which renew automatically unless cancelled, as well as the annual recurring paid subscriptions so long as we do not have any indication that a customer has cancelled or intends to cancel its subscription and we continue to generate revenue from them.

Our success is driven by our experienced leadership team and culture of continuous innovation. We have been led by our co-founders, Oleg Shchegolev and Dmitry Melnikov, since our inception 12 years ago. Our culture is driven by a collaborative and innovative leadership style, which has allowed us to expand from a single product in 2008 to our comprehensive online visibility management SaaS platform comprised of over 50 products, tools, and add-ons today.

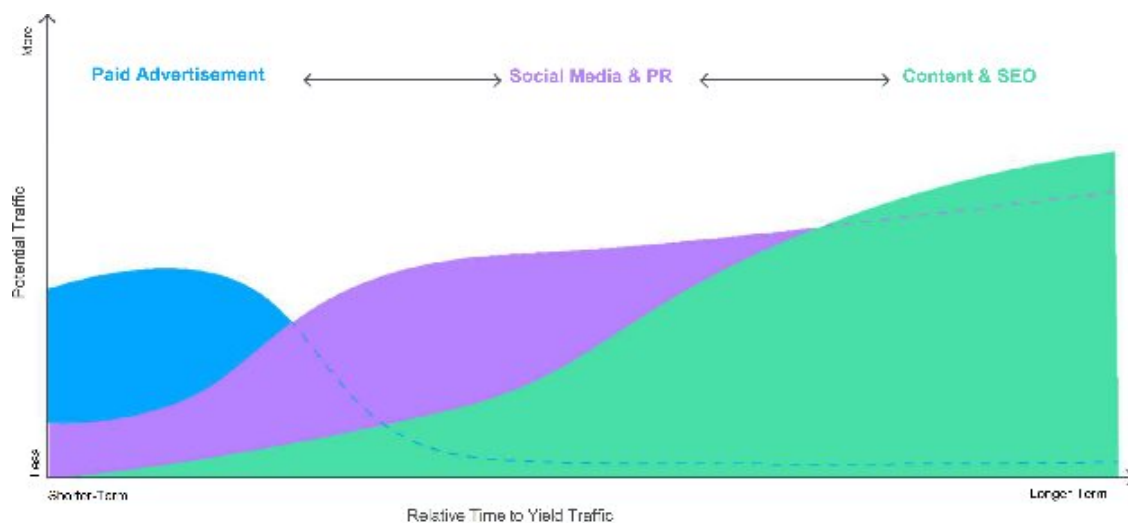
Our capital efficient model has enabled us to grow to \$144.2 million in ARR as of December 31, 2020, having raised only \$37 million in capital since we were founded. For the years ended December 31, 2019 and 2020, our revenue was \$92.1 million and \$124.9 million, respectively, representing growth of 35.6%. For the years ended December 31, 2019 and 2020, our net loss was \$10.2 million and \$7.0 million, respectively.

Our Industry

Cisco estimates that 66% of the global population is expected to have internet connectivity by 2023. To engage with this massive consumer community, companies are continuing to rapidly increase their online presence. The COVID-19 pandemic has further accelerated this trend as traditional brick-and-mortar companies are forced to operate online to survive in the wake of government-mandated shut-downs and social distancing practices. For example, based on a survey by McKinsey & Company, globally, the percentage of consumer interactions that are digital increased to 58% in July 2020, up from 36% in December 2019. Meanwhile, companies that have historically relied on face-to-face interactions to promote and sell their products and services, such as business-to-business companies that host a range of events, presentations, and trade shows, have been required to transition online to continue driving demand. However, the significant increase in availability of digital content, including social media, blogs, and videos, accelerated by social media and organic search, has further driven increased competition for consumers' attention.

The awareness stage is the most critical part of the digital marketing process, as it introduces a company's brand to consumers and educates them on its differentiation and value proposition. An initial positive company-consumer interaction improves the efficacy of the digital marketing process. Efficient consumer acquisition enables companies to scale and drive long-term return on investment ("ROI") on their sales and marketing spend.

Companies utilize a number of digital strategies to drive online awareness, including paid advertisement, social media, digital PR, owned media, and SEO. Investing in only a single strategy is not sufficient to maximize online visibility and may not yield meaningful ROI on digital investments. While paid advertisements are effective at driving immediate traffic to their website(s) they are costly and require routine updates with new content. Social media and digital PR are effective at driving sustained traffic and awareness over the long term, but require significant upfront time and costs to invest in relationships with social media influencers and journalists. Lastly, once a company's site and keywords are ranked on search engines, such ranking is sustained for an extended period of time, driving long-term traffic; however, it takes significant time to create content and attain an advantageous rank in search engines across key categories. As a result, companies benefit from utilizing a comprehensive strategy that combines paid advertisements, social media, digital PR, owned media, and SEO to drive long-term ROI on their digital spend and maximize traffic to their website(s). The following diagram provides an illustrative example of the relative time required to generate traffic to a company's website utilizing the various digital strategies described above (and the benefit of a holistic online strategy). The diagram is based on our experience and estimates, is not intended to cover a particular time period or quantify the amount of traffic generated by any such strategy, and does not represent or measure actual experiences of traffic or time.



The Limitations of Existing Solutions

We believe that existing solutions do not provide companies with holistic online visibility management. The key limitations of existing solutions include:

- **Companies lack the technology to aggregate and process broad and deep data sets.** Companies collect data from online content through a broad range of individual channels and networks but struggle to aggregate and process the data, which makes it difficult to form a complete view of how efficiently their content drives traffic to their websites. Even if companies had the ability to generate their own internal data, they lack the competitive intelligence and perspectives on other websites to synthesize the data to derive analytics and insights.
- **Lack of comprehensive analytics and insights.** Network-specific and point solutions are not able to provide comprehensive insights about a company's online visibility, limiting a company's ability to make a fulsome set of changes to drive more and higher quality traffic to their websites.
- **Large technology platforms do not provide unbiased, comprehensive insights.** Some large technology platforms, including Google and Facebook, only provide insights into their own networks and are financially incentivized to prioritize their own paid channels. This significantly limits their ability to provide comprehensive insights and functionality for potential customers and underscores the need for an independent, unbiased online visibility solutions provider.
- **Limited third-party integrations.** Third-party integrations are critical to provide incremental data and seamless end-to-end workflows, addressing top-of-funnel needs for marketing professionals. However, most existing solutions have limited integrations, significantly impacting their functionality and usefulness, requiring companies to spend time and money integrating several solutions themselves.
- **Not designed for a comprehensive view of online visibility.** Many companies need to combine perspectives from multiple third-party vendors to form a holistic view of their online presence. This dynamic complicates the customer experience and may undermine a company's ability to derive actionable insights as products from different vendors may not communicate with each other. It is

critical for teams across an organization to work together to effectively manage a company's online visibility, but managing multiple products makes collaboration more challenging.

- **Inefficiency.** Subscribing to a patchwork of multiple point solutions for analytics and insights can be expensive and diminish returns on technology investments. This inefficiency results in increased costs due to the need to integrate multiple information technology ("IT") systems and the manpower required to train and utilize multiple software platforms.

The Benefits of Our Solution

The key benefits of our solution include:

- **Robust, proprietary technology platform.** We developed our technology platform over the last 12 years, leveraging machine learning to aggregate, cleanse, and analyze an immense amount of proprietary and third-party unstructured data. Our data assets include over 200 million domains, 20 billion keywords, click stream panel data from billions of events per week, over 33 trillion backlinks, over 17 billion URLs crawled per day on average, 310 million Google Display Network banner advertisements, over 1 billion events analyzed per day, and a range of data aggregated from social media networks, all of which scale continuously as customers use our platform.
- **All-in-one SaaS solution to provide comprehensive online visibility.** Our software products cover key aspects of online visibility, including SEO, SEM, content, advertising, competitive research, SMM, and digital PR. Our comprehensive solution is built with differentiated insights into traffic sources for specific sites, analysis of drivers of traffic to a company's and its competitors' websites, the keywords that are driving this traffic, and the effectiveness of a company's content marketing strategy.
- **End-to-end workflows with third-party integrations.** Our platform maintains a range of seamless third-party integrations for data, workflow, and reporting capabilities, enabling our customers to manage every critical step in optimizing their online visibility. Notable integrations include Google Analytics, YouTube, Facebook, Twitter, Domo, Yext, and Microsoft Outlook.
- **Intuitive, easy-to-use platform.** Our SaaS platform prioritizes the customer experience and promotes collaboration across functional teams. We have developed easy-to-use dashboards, report builders, project sharing, and task management capabilities that streamline the analytics process for our customers through an intuitive and modern customer experience, while enabling intra-company teams to work together seamlessly to manage a company's online visibility.
- **Strong value proposition.** Our comprehensive product suite delivers differentiated insights through a singular platform that enables companies to efficiently manage online visibility, reduce traffic acquisition costs, promote consumer engagement, minimize the cost associated with managing multiple third-party vendors, and acquire new customers.

Our Market Opportunity

As companies of all sizes and across all industries continue to transition online, we believe that the availability of digital content will continue to increase and thus drive further competition for consumers' attention. We believe that in order for companies to connect with existing and new potential consumers, companies will need to increase their online visibility. Companies must have a complete picture of their online visibility relative to their competition, and we believe that our fully integrated SaaS platform provides companies comprehensive and actionable insights to drive online traffic.

We estimate that, based on our current average customer spending levels, the annual global potential market opportunity for our online visibility management SaaS platform is currently \$13 billion. We

calculated this estimate based on the number of small and medium sized companies (those with less than 500 employees) and large companies (those with 500 or more employees) in the United States, based on information published by the U.S. Census Bureau. Approximately 94.9% of our customers are in the small and medium sized category and in such category our customers had an ARR per paying customer of \$2,000 as of December 31, 2020, and our large enterprise customers had an ARR per paying customer of \$4,200 as of December 31, 2020. With approximately 54% of our revenue coming from customers outside of the United States in 2020, we believe the opportunity internationally is at least as large as in the United States. We then multiplied the total number of companies in each segment by the average revenue per customer for each segment. We calculate the average revenue per customer for each segment using internal data based on actual customer spend. We assume 50% online penetration in the small company segment (those with less than 20 employees) and 100% penetration in the medium sized (those with between 20 and 499 employees) and large company segments. We believe that a 50% online penetration estimate for the small company segment is conservative as small companies are continuing to shift their operations online, particularly in response to the COVID-19 pandemic. As such, at 100% penetration, we estimate that our global annual potential market opportunity is over \$20 billion, with \$150 million of such annual global potential market opportunity attributable to large enterprise customers.

Our Growth Strategies

The key elements of our growth strategy include:

- **Acquire new paying customers.** We expect to continue to target new customers who have not yet adopted online visibility management solutions and those who are currently using our free offering. Our sales model for new customers is highly efficient due to our low-friction, self-service onboarding capabilities that allow us to acquire new customers with relatively low sales investment. Additionally, we focus on the conversion of free customers to paying customers.
- **Expand the use of our platform by our existing paying customer base.** Our substantial base of over 67,000 paying customers as of December 31, 2020, presents a significant opportunity to increase monetization. We expect to continue to grow our revenue from our existing customers as they seek to add premium features and additional user licenses, as reflected by our dollar-based net revenue retention rate of 120% and 114% during the years ended December 31, 2019 and 2020, respectively.
- **Continue to innovate and develop new products and features.** We continue to invest in research and development to enhance our platform and release new products and features while bolstering one of the largest independent data sets for online visibility. We maintain close relationships with our customer base whom provide us with frequent and real-time feedback, which we leverage to rapidly update and optimize our platform. The release of new products, tools, add-ons, and features has enabled us to drive higher monetization over time as we have increased our ARR per paying customer from \$1,892 as of December 31, 2019 to \$2,134 as of December 31, 2020. For example, we released our premium Competitive Intelligence add-on offering in the first quarter of 2019 and in eight quarters have scaled it to over \$6.8 million in ARR.
- **Pursue opportunistic M&A.** Our management team expects to continue to allocate resources to identify, evaluate, and execute strategic acquisitions. For example, we acquired Prowly.com sp. z o. o. ("Prowly") in August 2020 to expand our technological capabilities and solutions offerings. Prowly significantly accelerated our product expansion into the digital PR software space and added four new product categories, as defined by G2, to our product portfolio.

Our Platform

Our SaaS platform has been purpose-built to help companies manage their online visibility and ensure they identify and reach the right audience in the right context and through the right channels. We

utilize proprietary technology and machine learning capabilities to aggregate, cleanse, and analyze broad and deep datasets to derive differentiated insights and analytics for our customers to manage their online visibility. Our unique set of data assets have been developed over the last 12 years as our network of customers has grown and includes over 200 million domains, 20 billion keywords, click stream panel data from billions of events per week, over 33 trillion backlinks, over 17 billion URLs crawled per day on average, 310 million Google Display Network banner advertisements, 1 billion events analyzed per day, and a range of data aggregated from social media networks.

We obtain data through a mix of proprietary and third-party data sources. Our data sources include:

- Data we collect from websites algorithmically through our proprietary data collection techniques, including web crawling of third-party websites;
- Data purchased from independent third-party data providers, which includes clickstream data, search engine data, online advertising data, and data from social media sources; and
- Reference data that our customers grant us access to, which includes our customers' website and social media data. We obtain social media data through APIs that connect to social media platform operators, including Facebook, Twitter, Instagram, Pinterest, and LinkedIn.

We integrate with a wide range of third-party solutions to seamlessly create comprehensive end-to-end workflows across the key components of a company's online strategy. These workflows include analyzing trends, identifying potential opportunities, creating high-quality content efficiently, helping customers assess different marketing approaches, executing campaigns regularly, and measuring the effectiveness of their digital marketing campaigns. Our intuitive, easy-to-use platform prioritizes customer experience and collaboration to empower companies to develop a holistic strategy for their online visibility across key channels.

We have developed our technology platform over the last 12 years. Since our founding in 2008, our platform has evolved through technology innovation as we have added new products, tools, and features. We currently offer over 50 digital online visibility products, tools, and add-ons across SEO, SEM, content marketing, market research, advertising research, local marketing, reporting, social media management, and digital PR.

Components of our Platform

Our core set of features includes: SEO, content, advertising research, social media, competitive research, local marketing, and reporting, in addition to our Prowly and Sellerly offerings.

SEO. Our SEO tools are designed to enable our customers to optimize their online presence through analyzing what drives traffic to their page. Our search engine positioning ("SEP") capabilities enable our customers to analyze competitors in search position, improve and expand backlinks, conduct technical audits to improve website performance, and track daily rankings, which together collectively offer a highly functional workflow.

- **Backlink analytics.** Provides a set of metrics to help monitor the backlinks of a website allowing companies to stay up-to-date with inbound links. Improves online visibility because links from relevant, authoritative third-party websites that link to a company's website can drive better organic search rankings.
- **Backlink audit tool.** Universal tool that enables companies to check whether malicious websites have links to their sites, and remove or disavow these links. Provides a list of potentially harmful backlinks that can be removed directly in the tool.

- **Backlink gap.** Allows comparison of competitor domains, subdomains, and URLs to easily identify and analyze the strongest backlink profile.
- **Bulk analysis.** Provides information on how many referring domains and backlinks each URL has and prospect link building opportunities.
- **Domain overview.** A set of comprehensive reports that provide an overview of any domain's visibility and performance through key metrics, such as organic and paid traffic, backlinks, and display ads.
- **Keyword gap.** Finds and compares the keyword profiles of up to five domains, enabling companies to identify competitors' strong and weak points.
- **Keyword magic tool.** Provides ideas to help customers build a keyword master list utilizing one of the largest keyword databases with over 18 billion keywords.
- **Keyword overview.** Provides a snapshot of a particular keyword's value through key metrics, such as volume, keyword difficulty, and competition in paid search, allowing companies to evaluate the prospects of a keyword and how it impacts traffic.
- **Link building tool.** Provides a tool that enables companies to discover new opportunities for acquiring links, managing links, obtaining contact information on target websites, and monitoring progress.
- **Log file analyzer.** Analyzes log files and identifies the time and the number of hits made by search engines' web crawler software to help understand how bots crawl a website.
- **On page SEO checker.** Suggests ideas to improve a website's ranking, including ideas on how to improve content and customer experience by leveraging data from different sources and comparing websites with their top real-time organic competitors for each target keyword.
- **Organic traffic insights.** Identifies which keywords drive traffic and conversions to help enhance SEO strategies and optimize future marketing campaigns.
- **Position tracking.** A universal keyword rank monitoring tool to check ranking fluctuations over a period of time, compare to competition, and discover new opportunities to appear in search engines' top results.
- **Ranks.** A proprietary score that finds the domains that are getting the most traffic from organic search in order to compare the online performance of different websites, their keywords and traffic costs for the purpose of competitive analysis, prospecting or research.
- **Sensor.** Detects search engine ranking updates caused by a variety of factors, such as technical issues on the website, website restructuring, content revision, or updates to the ranking algorithms themselves.
- **Site audit.** Performs a comprehensive technical audit to find, prioritize, and address on-site issues, including website performance to improve search rankings.

Content. Our content tools help companies find ideas for new content, build a content strategy plan, ensure content is SEO friendly, analyze mentions, and audit content in order to drive marketing impact.

- **Brand monitoring.** Tracks brand mentions online, checks the estimated reach, analyzes mention sentiment, tracks referral traffic, and evaluate PR effectiveness in order to assess overall brand reputation, identify weak spots, and find new partnership opportunities.
- **Content audit.** Analyzes content assets of a website under custom criteria and personalize content audits based on real-time metrics from Semrush, Google Analytics, and Google Search Console in order to discover which articles require updates.
- **Marketing calendar.** Calendar tool that allows customers to manage marketing campaigns with the ability to track campaign performance.
- **Marketplace.** Writing service offering professionally written content for a company's blog or website.
- **Post tracking.** Measures the performance of articles published on external resources by tracking social engagement metrics, backlink count, referral traffic, and daily keyword rankings.
- **SEO content template.** Generates a template focused on target keywords with custom SEO recommendations to increase search engine rankings and improve organic traffic.
- **SEO writing assistant.** Content optimization tool that takes into account various parameters to meet the needs of specific audiences, provide actionable SEO recommendations, and check for plagiarism, readability, and writing tone. Integrates directly with WordPress and Google Docs.
- **Topic research.** Simplifies the ideation process and helps to create a competitive content plan by finding engaging content ideas based on an audience's needs.

Advertising Research. Our advertising tools plan advertising campaigns, provide insights for search, display and shopping campaigns, collect keywords, and reveal competitors search ads and strategies.

- **Search advertising research.** Helps uncover information regarding competitors' search ads, evaluate competitor Pay Per Click ("PPC") spend and strategy, in addition to helping companies plan their own PPC campaigns.
- **Display advertising.** Enhances Google Display Networks campaigns by monitoring competitors' display ads. Allows analysis of competitors' advertisement texts and banners, locate where they are advertising and what audiences they are targeting.
- **Shopping ads research.** Allows for the exploration of the competitive landscape for product listing ads and analyze competitors' product feeds.
- **PPC keyword tool.** Helps gather keywords by importing keywords from different file types, finding related keywords, removing keyword duplicates, and merging keywords to build new combinations.

Social Media. Our social media tools enable customers to plan, prepare, and schedule posts, find content to share with their audience, discover fans and influencers, and monitor competitors in order to build an effective social media strategy.

- **Tracker.** Identifies how often competitors are publishing content, changes to their follower count, and which posts and hashtags are driving the most engagement.

- **Poster.** Allows for scheduling and posting to multiple accounts, including those on Facebook, Twitter, Instagram, Pinterest, LinkedIn, and Google My Business.
- **Manage Facebook ads.** Allows for creation, launch, and management of ads on placements across Facebook brands, including Facebook, Instagram, Facebook Messenger, and the Facebook Audience Network.

Competitive Research. Our competitive research tools provide market insights and an overview of competitors' strategies.

- **Market explorer.** Reveals key competitors in an industry, analyze a new market or niche, and obtain in-market audience insights by entering a website domain.
- **Competitive Intelligence.** Allows for discovery of competitors', prospects', and potential partners' website traffic to analyze website performance, set benchmarks, and obtain marketing insights.
- **Organic research.** Conducts deep analysis to find the most relevant keywords for a market. Provides the ability to analyze website rankings, explore competitors, and check keywords that drive traffic.

Local Marketing. Design geography specific marketing strategies with the ability to track keywords, website rankings, and PPC on a localized basis.

- **Google Maps Tracking.** Tracks up to 5 keywords on a local level, with website rankings displayed visually in a map output around a specific target area.
- **Listing management.** Provides accurate information about how a customer's website performs on a local level with local map tracking, review monitoring, and features that enable customers to reply to reviews.

Reporting. Our reporting tools create elegant SEO and customizable marketing reports with appealing visuals to help our customers monitor metrics and visualize data.

- **Google data studio connectors.** Adds our data into Google Data Studio to create dashboards and reports with visualized data.
- **My reports.** Ready-to-use templates or custom templates that report on over 50 marketing metrics.

Prowly. Our recent acquisition of Prowly provides purpose-built tools designed to help PR professionals find and manage media contacts, create and publish press releases.

- **Media Influencers.** Database of approximately 1 million media contacts with the ability to create targeted communication.
- **Customer Relationship Management ("CRM") System.** Allows tracking, management and easy access to communications history utilizing CRM software built for PR.
- **Email Outreach.** Send personalized emails at scale to media recipients with reliable delivery and customized design.
- **Newsroom.** Online newsroom software used to create custom layouts of a company's newsroom website. For PR agencies, the ability to manage multiple clients' newsrooms.

Sellerly. Toolbox for maintaining and growing Amazon seller businesses. Monitors listings, analytics on webpage traffic, and audit tools designed to help increase sales.

- **Listing Protection.** Alert system for sellers that helps companies quickly respond to unwanted listing changes and traffic loss. Tracks keyword positions, buy boxes, listing suppression, and prices.
- **Amazon Traffic Insights.** Analytics tool that compares and evaluates Amazon listings' traffic channels to help determine promotional strategies.
- **Listing Quality Check.** Audit tool that checks listings for incompleteness, Amazon guidelines fit and content errors, and provides recommendations for listing optimization.
- **Amazon Split Testing.** Split-testing tool for Amazon listings that manages product pages and delivers insights with real-time statistics on views and conversions.

Our Business Model

We offer our paid products and tools to customers via monthly or annual subscription plans, as well as one-time and ongoing add-ons. Our subscription-based model enables customers to select a plan based on their needs and license our platform on a per month basis. We currently have three paid subscription tiers for our core product, Pro, Guru, and Business, as well as several add-ons for an incremental cost. We offer time-limited free trials, which allow prospective customers to test the functionality of our Pro or Guru plans for a limited period of time. At the end of the trial period, prospective customers either become paying customers or are switched to free customers.

Free. Our free offering grants access to our platform and limits the number of results, keywords to track, and projects. Free accounts help generate demand for our paid offerings as active free customers experience the capabilities and functionality of our platform and are prompted to upgrade to a paid membership when they reach free customer usage limits.

Pro. Pro provides access to our platform and ongoing software updates. With Pro, customers have the ability to run their SEO, PPC, and SMM projects with over 50 advanced tools and features.

Guru. Guru provides the same features as Pro, with the addition of Content Marketing Platform, historical data, extended limits, and Google Data Studio Integration.

Business. Business provides all of the same features as Guru, plus white label reports, API access, extended limits and sharing options, and share of voice metric.

	Free	Pro \$119.95/mo	Guru \$229.95/mo	Business \$449.95/mo
Projects	1	5	15	40
Keywords to track (with daily updates)	10	500	1500	5000
Features	Content Marketing Platform	Limited	Limited	+
	API Access	-	-	+
	Historical data	Limited	Limited	+
Add-ons	Traffic Analytics	Limited	+\$200/mo	
	Listing Management (per location)	Limited	+\$20/mo	
	Market Place (per article)		starting from \$40	
	Price per additional user	-	+\$45/mo	+\$80/mo

We have a demonstrated track record of upgrading customers to higher price point plans. Customers upgrade to higher price point plans to increase usage limits and add features, including content marketing tools and historical data tracking. Within our subscription tiers, customers have the ability to purchase increased usage limits by adding the ability to create additional projects, keywords to track, and user licenses without moving to a higher price point plan. Our dynamic pricing model enables our customers to tailor a plan that is suitable for their strategic needs and affords us the ability to expand within our customer base as customers seek additional functionality from our platform. Paying customers who discontinue their subscriptions have the option to return as paying customers at a future time, continue to use our products and tools that are available to free customers, or discontinue using our products and tools entirely.

Additionally, we offer add-ons that are not included in our subscription plans and are sold on a one-time or monthly basis depending on the add-on. Our add-ons include: Competitive Research tools, Local Listing Management, and Marketplace, which can enhance customers' existing subscriptions.

Sales & Marketing

Our customer acquisition model is focused on promoting our brand, increasing market awareness of our platform and products, and driving customer demand, and a strong sales pipeline. We utilize our products to manage our online visibility and reach our prospective customers. Additionally, we use several other online marketing initiatives, including online advertising, webinars, blogs, podcasts, ebooks, customer success studies, and the Semrush Academy to build our brand and engage with our customer community. The Semrush Academy is a free online learning program that offers 40 courses across three languages and has served over 300,000 students, and has issued over 130,000 certificates. The Semrush Academy increases our brand awareness within the marketing community and helps us crowdsource best practices and innovations that we use to improve our existing offerings, advance new products, grow our brand, and engage with the marketing community.

After attracting a prospective customer to our site, we utilize a highly efficient, low-touch sales approach focused on driving customers to our platform through a self-service model. Customers often begin using our products either on a free basis or immediately become paying customers. Our sales team is largely focused on driving increased subscriptions of existing paying customers by encouraging our customers to fully recognize the potential benefit from the comprehensive platform we offer. We strive to

increase monetization from paying customers as they seek to add additional features within our higher priced subscription plans, purchase additional user licenses, purchase add-ons, and renew existing subscriptions.

Our sales organization is comprised of sales development representatives, onboarding specialists, sales executives, and our customer success team.

- Sales development representatives engage free customers to help them better understand our software and lead them towards a purchase that aligns with their specific needs.
- Onboarding specialists focus on engaging new paid customers to help them better understand our software and lead them towards products, tools, and add-ons that align with their unique use cases.
- Sales executives are responsible for managing customer engagement and increasing monetization of existing paying customers.
- Our customer success team is responsible for product demonstrations and training, assisting with onboarding and implementing our solutions, and ongoing client support.

We maintain partnerships with agencies and affiliates to further increase brand awareness and generate customer demand. Our agency partners have the ability to use tools to onboard clients onto our platform and are paid a commission. Our Semrush affiliate programs further increase our brand awareness and help generate customer demand by offering a commission on each new subscription, renewal of subscription or trial activation through an affiliate's promotion. These relationships collectively accounted for less than 10% of our total revenue for each of the years ended December 31, 2019 and 2020.

As of December 31, 2020, we had 308 full-time employees in our sales and marketing organization.

Product and Development

Our product and development team has delivered high-quality products and new capabilities to increase the functionality of our platform and maximize the value we deliver to our customers. Our product development organization plays a critical role in maintaining the effectiveness and differentiation of our technology in an evolving landscape and maximizing retention of our existing customers. Our online visibility management platform depends on innovating new tools and features to continually improve our offerings. We work closely with our customers and partners to understand their needs and incorporate their feedback as we innovate our platform.

We invest substantial resources in research and development to continue to drive our technology innovation. Our research and development efforts are focused on designing, testing, and refining our products, as well as operating and scaling our technology infrastructure. We will continue our investment to improve and increase our data assets, the accuracy of results, and the integration of new data assets. We plan to focus research and development investments to increase the functionality of our online visibility platform in order to adapt to the latest changes in the digital marketing landscape and ensure our platform maintains leading technology innovations. Research and development expenses accounted for \$14.2 million and \$17.5 million for the years ended December 31, 2019 and 2020, respectively.

As of December 31, 2020, we had 348 employees in our product and development organization. We have four primary development hubs in Prague, Czech Republic, Saint Petersburg, Russia, Limassol, Cyprus, and Warsaw, Poland. We operate two data centers in Ashburn, Virginia and Atlanta, Georgia.

Our Customers

We serve a range of customers from SMBs to enterprises and marketing agencies, across a wide variety of verticals, including consumer internet, digital media, education, financial services, healthcare, retail, software, and telecommunications, among others. As of December 31, 2020, we had over 67,000 paying customers and over 404,312 active free customers on our platform across over 142 countries. No single customer accounted for more than 1% of our revenue in 2020.

Customer Case Studies

TransferWise

Situation

TransferWise is a peer-to-peer money transfer service founded in 2011 that allows customers to easily manage multi-currency accounts and send money across international borders in over 50 different currencies. TransferWise needed to minimize customer acquisition costs and ensure that each marketing campaign produced a positive ROI. Prior to using Semrush, TransferWise did not have a SEO team or SEO strategy to help acquire and foster non-brand organic traffic.

Semrush solution

TransferWise turned to Semrush to better understand how to drive increased organic traffic, what their competitors were doing, make better content, and understand what products could be built for their customers. TransferWise's marketing team leveraged the Keyword magic tool and the SEO content template tool to define the best topics and article structures to create content briefs for the copywriting team to turn into effective content for increasing organic website traffic.

Key benefits

After implementing our platform, TransferWise quadrupled the amount of content produced in less than one year, creating over 200 articles of impactful, relevant content in over five languages per quarter. TransferWise increased organic search traffic from nearly zero to over 1,000,000 search results in less than 24 months, and increased to over 19 million search results, according to the latest traffic estimates. Furthermore, TransferWise boosted organic traffic by 1,000% in less than 12 months while maintaining customer acquisition cost targets.

Monash University

Situation

Monash University is Australia's largest university, with vast study options and extensive research output. The University's web presence is an equally large ecosystem, with more than 65,000 pages across hundreds of sites, subsites, and subdomains, governed by a distributed website model.

Before Semrush, Monash outsourced their SEO to a third-party, which caused the University to have limited visibility into search results and no control in driving organic traffic to the subsites of individual faculties.

Semrush solution

After exploring product solutions available in the market, Monash chose Semrush to help build out their digital marketing capabilities.

Starting with our Competitive Research tools, Monash uncovered that the top-level domain of the University was not ranking highly on search engine results pages when compared to other competing universities.

Monash ran a technical audit with the Site audit tool. They identified the need to implement HTTPS webpages in addition to fixing redirect chains and loops, multiple URLs, missing canonicals, alt tags, and broken links. Addressing these problems resulted in a positive user experience, better crawlability of the University's pages, improved search rankings, and reduced bounce rate.

Additionally, Monash utilized keyword research to identify content gaps and create effective website content.

Key benefits

Using our platform, Monash was able to double organic traffic growth on their main domain from 460,000 unique visits to over 1,000,000 — an increase of 117% in less than 12 months.

Based on the initial success of integrating Semrush, Monash then deployed our platform to the rest of the University, resulting in more than 100 employees engaged across 30 new projects to drive complementary and effective content marketing across the University.

Adactive

Situation

Adactive is a leading digital marketing agency providing data-driven tools for digital promotion and advanced reporting for customers globally across a broad range of industries. Before Semrush, Adactive relied on a several point solutions to track keywords and meet their customers' digital marketing needs, including content production, traffic generation, and brand awareness.

Semrush solution

Adactive chose our platform to replace various digital marketing point solutions and provide a comprehensive digital marketing toolkit to customers. Adactive leveraged our Competitive Research, Backlink analytics, and Content tools to uncover and suggest new subjects for its client's content and change their keyword strategy. Our Competitive Research tools allowed Adactive to introduce salary comparison tables in the same way competitors were, which helped boost traffic and rankings positions relative to their peers.

Key benefits

With Semrush, Adactive was better able to serve the digital marketing needs of their diverse customer base. Our platform has enabled Adactive to grow the online registrations of a leading supermarket chain's loyalty club at a rate of more than 1,000 new members per month compared to several dozen before using Semrush. For a government organization, Adactive was able to grow organic traffic by 73%, page results by 50%, and ranking positions by 100% in less than a year. Using our tools, Adactive has the ability to enhance the speed and quality of their marketing services to customers.

Smileworks

Situation

Smileworks is a dental practice in Liverpool, England that provides dental and medical aesthetics to patients. Before Semrush, Smileworks relied on outbound marketing tools that required considerable

investment and did not drive returning clients. Smileworks' website was not optimized to rank highly in search engine results relative to competitors and did not offer the content necessary to convert website visitors into customers.

Semrush solution

Smileworks turned to Semrush's site audit and competitive research tools. Smileworks identified keywords they wished to rank, worked with the insights tool to increase listings, conducted a site audit to work with the domain authority and used our content marketing tools, such as topic research, to fill the gaps in its content strategy and make its website more efficient.

Key benefits

Within ten months after starting to use Semrush, Smileworks saw a 4,773% increase in organic traffic to its website. Smileworks was able to obtain the number one position for over 380 keywords locally. In less than five quarters, Smileworks has grown its practice from a margin of (5%) to 38%, with an increase in top line revenue of 100%, enabling it to pay down its debt, minimize reliance on agencies, and cut advertisement spend by 90%.

Oneupweb

Situation

Oneupweb is a Michigan-based full-service digital marketing agency. The company began as one of the pioneers of SEO and has been in the industry for 20 years. Before Semrush, Oneupweb struggled with finding a reliable keyword research tool. Using existing free solutions involved a cumbersome process and yielded inaccurate results. Oneupweb also lacked a seamless workflow as everyday tasks were divided between a number of free and paid tools for research, tracking, technical SEO audits and reporting.

Semrush solution

After implementing our platform, Oneupweb replaced several legacy tools for keyword research and site auditing. Our Keyword gap tool helped them streamline the keyword research process and quickly map out a plan for filling content gaps. Using the Keyword gap tool together with the Keyword magic tool improved the success of Oneupweb's proprietary content calendar platform. In addition, Oneupweb uses Semrush products in its sales process, as demonstrating to a prospective client how they compare to their competition in the Keyword gap tool acts as a strong motivator to prospective clients to start working with Oneupweb.

Key benefits

With Semrush, Oneupweb was able to increase the number of clients with SEO/Content marketing retainers by 108%, developed three new revenue generating SEO products and achieved a 185% increase in revenue from its content calendar platform.

Arkadium

Situation

Arkadium is a creator of premium gaming content. Arkadium's games deliver hundreds of millions of gameplays annually from its own site as well as the websites of the world's biggest publishers and brands, including USA Today, the Los Angeles Times, the Washington Post and MSN. In a crowded

online landscape, Arkadium's key challenge was competing for online visibility against hundreds of online games.

Semrush solution

In 2018, Arkadium chose Semrush as a comprehensive solution to support its online visibility strategy. Arkadium leveraged the site audit tool to understand the technical updates required for reducing 404 errors and implementing redirects. Arkadium used keyword research to uncover the size of the search market, which was then used as a proxy to understand potential customer demand for games types and categories. Based on the success of site audit and keyword research, Arkadium expanded their usage of Semrush products, including domain analytics, to better understand competitors, and position tracking, to better understand search engine results.

Key benefits

Using Semrush's suite of online visibility products, Arkadium was able to scale traffic efficiently and quickly, driving an 850% increase in organic traffic since 2018 and a 361% increase in Mobile and Tablet traffic since 2018. Semrush also helped redefine Arkadium's game development process, by providing data on monthly search volumes for potential game types, developers can understand potential customer demand and build games accordingly.

Competition

The digital marketing and online visibility management market is highly fragmented and rapidly evolving. There are several established and emerging competitors that address specific aspects of online visibility management, but we believe that none of our competitors currently offer comparable comprehensive online visibility management solutions. While some companies use free, network-specific offerings, our primary competitors largely offer point solutions that fall into the following categories:

- SEO
- SEM
- Digital PR
- Content Marketing
- Social Media Management
- Competitive Intelligence

We believe that the principal competitive factors in our market include:

- Comprehensive software platform that offers solutions across the digital marketing spectrum;
- Depth and breadth of online visibility data sets;
- Product features, quality, functionality, and design;
- Ease of use with the ability to add value to customers in a short span of time;
- Ease of implementation;
- Ability to integrate with other applications and productivity tools; and

- Demonstrable ROI.

We believe we compete favorably with respect to all of these factors.

Intellectual Property

We protect our intellectual property through a combination of trademarks, domain names, copyrights, and trade secrets, as well as contractual provisions and restrictions on access to our proprietary technology.

“SEMRush” is our registered trademark in the United States, Australia, Bahrain, Belarus, Bosnia and Herzegovina, China, the European Union (“EU”), Iceland, India, Iran, Israel, Japan, Kazakhstan, Liechtenstein, Monaco, Montenegro, New Zealand, Norway, the Philippines, Russia, Serbia, Singapore, South Korea, Swaziland, Switzerland, Turkey, Ukraine, and Vietnam and pending “SEMRush” trademark applications in Brazil and Canada. We have two additional registered trademarks and nine pending trademarks in the United States. Other trademarks and trade names referred to in this prospectus are the property of their respective owners.

We are the registered holder of a variety of domestic and international domain names that include “www.semrush.com” and similar variations.

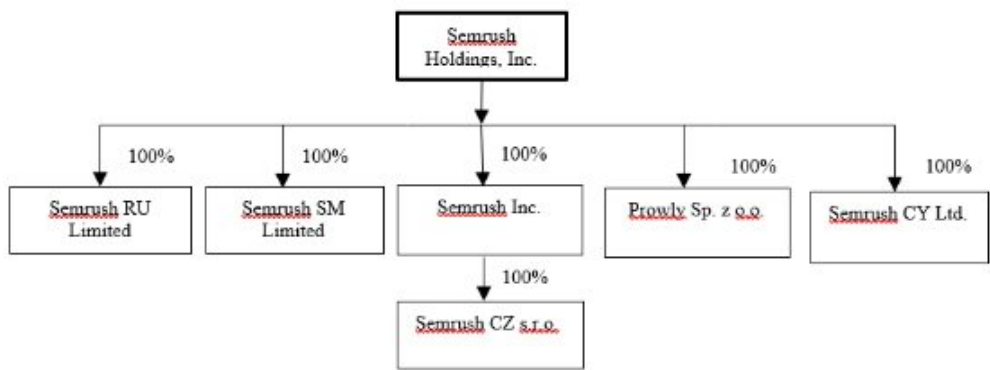
In addition to the protection provided by our intellectual property rights, we enter into confidentiality and proprietary rights or similar agreements with our employees, consultants, and contractors. Our employees, consultants, and contractors are also subject to invention assignment agreements. We further control the use of our proprietary technology and intellectual property through provisions in both general and product-specific terms of use.

Employees

As of December 31, 2020, we had over 980 full-time employees, consisting of 177 in the United States, 640 in Russia, 87 in the Czech Republic, 27 in Cyprus, 30 in Poland, and 18 located in other countries. None of our employees are represented by labor unions or covered by collective bargaining agreements. We consider our relationship with our employees to be good and we have not experienced any work stoppages.

Corporate Organizational Chart

The following diagram illustrates our current corporate structure.



From an operational perspective, our subsidiaries perform the following activities:

- Semrush Inc., a Delaware corporation incorporated in 2012, is our primary operating entity and serves as our corporate financial and administrative headquarters and also engages in sales and support of our products, tools, and add-ons;
- Semrush RU Limited, a Russian limited company formed in 2013, engages primarily in software development, maintenance, and engineering activities;
- Semrush SM Limited, a Russian limited company formed in 2017, engages primarily in sales related activities within Russia and marketing related activities within Russia, Europe, and the Asia Pacific region for our products, tools, and add-ons;
- Prowly Sp. z o.o., a Polish limited liability company formed in 2013, which was acquired by us in August 2020, engages in the development of the Prowly.com software product (“Prowly Software”) and in the worldwide sales and marketing of the Prowly Software;
- Semrush CY Ltd., a Cyprus limited company formed in 2013, engages in the development and technical support of our products, tools, and add-ons; and
- Semrush CZ s.r.o., a Czech Republic limited liability company formed in 2015, engages in the development of infrastructure, support and marketing for our products, tools, and add-ons.

Facilities

Our headquarters are located at 800 Boylston Street, Suite 2475, Boston, Massachusetts, USA 02199, where we lease 7,234 square feet of office space. The lease expires in 2021. We also lease a facility containing 122,031 square feet of office space in Saint Petersburg, Russia. The lease expires in 2024. Additionally, we lease 16,251 of office space in Trevoze, Pennsylvania, and 39,877 square feet of office space in Prague, Czech Republic. The leases expire in 2022 and 2025 respectively.

Legal Proceedings

From time to time we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

MANAGEMENT

Executive Officers and Directors

The following table provides information regarding our executive officers and directors as of the date of this prospectus:

Name	Age	Position
Executive Officers:		
Oleg Shchegolev	40	Co-Founder, Chief Executive Officer, and Director
Dmitry Melnikov	40	Co-Founder, Chief Operating Officer, and Director
Vitalii Obishchenko	36	Chief Product Officer
Delbert Humenik	60	Chief Revenue Officer
Eugene Levin	33	Chief Strategy and Corporate Development Officer
Evgeny Fetisov	46	Chief Financial Officer
Jeffrey Belanger	50	Chief Human Resources Officer
Non-Employee Directors:		
Mark Vranesh ⁽¹⁾⁽²⁾	53	Director
Dylan Pearce ⁽¹⁾⁽²⁾	39	Director
Roman Simonov ⁽²⁾	53	Director
Trynka Shineman Blake	46	Director

(1) Member of the audit committee.

(2) Member of the compensation committee.

(3) Member of the nominating and corporate governance committee.

Each executive officer serves at the discretion of our board of directors and holds office until his or her successor is duly elected and qualified or until his or her earlier resignation or removal. There are no familial relationships among any of our directors or executive officers.

Executive Officers

Oleg Shchegolev has served as our Chief Executive Officer, President, and a member of our board of directors since October 2012. Mr. Shchegolev received his Masters of Science in Computer Science from St. Petersburg State Polytechnic University. We believe that Mr. Shchegolev is qualified to serve as a member of our board of directors due to his perspective as our Chief Executive Officer and President, as well as his experience in online visibility management, search engine optimization, and the SaaS industry.

Dmitry Melnikov has served as our Chief Operating Officer and a member of our board of directors since October 2012. Mr. Melnikov received his Masters of Science in Radio Engineering from St. Petersburg Electrotechnical University. We believe that Mr. Melnikov is qualified to serve as a member of our board of directors due to his perspective as our Chief Operating Officer, as well as his experience in online visibility management, search engine optimization, and the SaaS industry.

Vitalii Obishchenko has served as our Chief Product Officer since May 2015. Prior to that he served as one of our Product Owners from July 2013 to May 2015 and as a Developer from September 2008 to June 2013. Prior to joining Semrush, Mr. Obishchenko was a developer at SEOquake.

Delbert Humenik has served as our Chief Revenue Officer since August 2017. Mr. Humenik previously served as the Chief Revenue Officer at Dex Media, Inc. (NASDAQ: DXM) from November

2010 to December 2015 and has also served as an Executive Vice President, Chief Operating Officer, and General Manager of Sales of Dex Media, Inc. Prior to that Mr. Humenik was the Senior Vice President, Sales and Marketing of Paychex (NASDAQ: PAYX), and the Vice President of Sales at VIS, a division of Verizon (NYSE: VZ). Mr. Humenik received his Bachelors of Science in Human Resources in Consumer Economics from the University of Delaware.

Eugene Levin has served as our Chief Strategy and Corporate Development Officer since March 2016. Mr. Levin served as an Investment Director of Target Global from March 2016 to March 2017 and prior to that as a Partner from November 2014 to March 2016. Prior to that, he served as the Co-Founder and Head of Marketing at AggroStudios from September 2013 to November 2014. Mr. Levin also served as a Partner of Foresight Ventures and as a Senior Systems Analyst at Cloudmach Inc. Mr. Levin received his Master's Degree in Information Technology from Saint Petersburg State Polytechnical University.

Evgeny Fetisov has served as our Chief Financial Officer since July 2019. Mr. Fetisov previously served as the Chief Financial Officer of Luxoft (NYSE: LXFT) from May 2017 to May 2019, and prior to that he served as the Chief Financial Officer of the Moscow Exchange (MOEX: MOEX) from February 2013 to March 2017. Prior to that, Mr. Fetisov was a member of the board of directors of B2B-Center and RTS Stock Exchange, and a Managing Director and Partner at Da Vinci Capital. Mr. Fetisov belongs to the CNBC Global CFO Council and received his Master's Degree in World Economics and Finance from the Finance University under the Government of the Russian Federation.

Jeffrey Belanger has served as our Chief Human Resources Officer since July 2020. Mr. Belanger previously served as a human resources executive at Buildium (acquired by RealPage Inc. in December 2019, NASDAQ: RP) from September 2018 to May 2020, and prior to that served as a human resources executive at Pandora Media (acquired by Sirius XM Holdings Inc. in 2018, NASDAQ: SIRI) from October 2015 to September 2018. Prior to that, Mr. Belanger served in various human resources related roles at IPG Mediabrands, Organic, and Kenexa (acquired by IBM in August 2012, NYSE: IBM). Mr. Belanger has served as an advisory board member of CultureHQ since May 2020. Mr. Belanger graduated from St. John Fisher College with a Bachelors of Arts in Political Science.

Non-Employee Directors

Mark Vranesh has served as a member of our board of directors since December 2019 and as an advisor from November 2017 to December 2019. Mr. Vranesh previously served as the Interim Chief Financial Officer for Tuneln, Inc. from January 2020 to July 2020, as the Chief Financial Officer of App Annie Inc. from August 2015 to April 2017, and prior to that served as Chief Financial Officer of Zynga, Inc. (NASDAQ: ZNGA) from May 2008 to August 2010, Chief Accounting Officer from August 2010 to April 2014, and as Chief Financial Officer from November 2012 to April 2014. Mr. Vranesh served as a member of the board of directors of BrightRoll, Inc. (acquired by Yahoo! Inc. in 2015) from May 2014 through January 2015 and of Catch Sitka Unlimited Co. since May 2020. Mr. Vranesh also serves on the Dean's Advisory Counsel and as an entrepreneur in residence for the Orfalea College of Business at California Polytechnic State University at San Luis Obispo since September 2015. Mr. Vranesh also serves as an advisor to a number of private companies, including adjust GmbH and ReviverMx, Inc. Mr. Vranesh received his Bachelors of Science in Business Administration from California Polytechnic State University at San Luis Obispo in 1990. We believe that Mr. Vranesh is qualified to serve on our board of directors because of his prior roles as director, chief financial officer and his financial expertise.

Dylan Pearce has served as a member of our board of directors since 2018. Mr. Pearce currently serves as a Partner at Greycroft Partners, which he joined in 2014. Mr. Pearce received a Master's in Business Administration from The Wharton School, University of Pennsylvania, and a Bachelor's of Science from the University of Southern California. We believe Mr. Pearce is qualified to serve on our board of directors because of his expertise in the area of software and internet companies.

Roman Simonov has served as a member of our board of directors since 2017. Mr. Simonov currently serves as a Managing Director at Siguler Guff & Company, LP (“SigulerGuff”), where he is the lead Portfolio Manager for the fund focusing on domestic and cross-border technology deals originating from CEE target countries. Prior to joining SigulerGuff in 2010, Mr. Simonov was a Managing Director at Delta Private Equity Partners from 2007 to 2009. Previously, Mr. Simonov worked at Intel Corporation from 1996 to 2007 in various financial, treasury, and strategic business development positions, including at Intel Capital from 2000 to 2007. Mr. Simonov graduated from the Moscow Civil Engineering University in 1989 and holds an MBA in Finance from Case Western Reserve University's Weatherhead School of Management, graduating in 1996. We believe Mr. Simonov is qualified to serve on our board of directors because of his expertise in the technology, media, and telecommunications sector.

Trynka Shineman Blake has served as a member of our board of directors since November 2020. Ms. Blake currently serves as a member of the board of directors of TripAdvisor, Inc. (NASDAQ: TRIP), a position she has held since March 2019. In addition, Ms. Blake has served on the board of directors of Ally Financial (NYSE: ALLY) since August 2018. Ms. Blake has also been a member of the board of trustees of the Mass Technology Leadership Council since June 2018. Previously, Ms. Blake was the CEO of Vistaprint, a global e-commerce company, from February 2017 to February 2019, and served as the President of Vistaprint from July 2014 to January 2017. Ms. Blake received her Bachelors of Arts in Psychology from Cornell University, and her MBA from Columbia Business School. We believe Ms. Blake is qualified to serve on our board of directors because of her experience as both a CEO, a marketing professional, and a public company board member.

Code of Conduct

Prior to the listing of our shares on the NYSE, our board of directors will adopt a code of conduct that will apply to all of our employees, officers, and directors, including our Chief Executive Officer, Chief Financial Officer and other executive and senior financial officers. Upon the listing of our shares on the NYSE, the full text of our code of conduct will be posted on our website. We intend to disclose any amendments to our code of conduct, or waivers of its requirements, on our website or in filings under the Securities Exchange Act of 1934, as amended, or the Exchange Act.

Board of Directors

Our business and affairs are managed under the direction of our board of directors. The number of directors will be fixed by our board of directors, subject to the terms of our amended and restated certificate of incorporation and amended and restated bylaws that will become effective immediately prior to the completion of this offering. Our board of directors currently consists of six directors, four of whom will qualify as “independent” under the NYSE listing standards.

In accordance with our amended and restated certificate of incorporation and our amended and restated bylaws, immediately after the completion of this offering our board of directors will be divided into three classes with staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Our directors will be divided among the three classes as follows:

- the Class I directors will be and , and their terms will expire at the annual meeting of stockholders to be held in 2022;
- the Class II directors will be and , and their terms will expire at the annual meeting of stockholders to be held in 2023; and
- the Class III directors will be and , and their terms will expire at the annual meeting of stockholders to be held in 2024.

Each director's term will continue until the election and qualification of his or her successor, or his or her earlier death, resignation or removal. Any increase or decrease in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors.

This classification of our board of directors may have the effect of delaying or preventing changes in control of our company.

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment, and affiliations, our board of directors has determined that Dylan Pearce, Trynka Shineman Blake, Mark Vranesh, and Roman Simonov do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the applicable rules and regulations of the SEC and the listing standards of the NYSE. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director, and the transactions involving them described in the section titled "Certain Relationships and Related Party Transactions."

Committees of the Board of Directors

Our board of directors has established or will establish, effective prior to the completion of this offering, an audit committee, a compensation committee, and a nominating and corporate governance committee. The composition and responsibilities of each of the committees of our board of directors is described below. Members will serve on these committees until their resignation or until as otherwise determined by our board of directors.

Audit Committee

Our audit committee consists of Mark Vranesh and Dylan Pearce, with Mr. Vranesh serving as Chairperson. Prior to the listing of our shares on the NYSE, the composition of our audit committee will meet the requirements for independence under current NYSE listing standards and SEC rules and regulations. Each member of our audit committee will meet the financial literacy and sophistication requirements of the NYSE listing standards. In addition, our board of directors has determined that is an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K under the Securities Act. Our audit committee will, among other things:

- select a qualified firm to serve as the independent registered public accounting firm to audit our financial statements;
- help to ensure the independence and performance of the independent registered public accounting firm;
- discuss the scope and results of the audit with the independent registered public accounting firm, and review, with management and the independent registered public accounting firm, our interim and year-end results of operations;
- develop procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- review our policies on risk assessment and risk management;

- review related party transactions;
- obtain and review a report (as required) by the independent registered public accounting firm that describes our internal control procedures, any material issues with such procedures, and any steps taken to deal with such issues; and
- approve (or, as permitted, pre-approve) all audit and all permissible non-audit services, other than de minimis non-audit services, to be performed by the independent registered public accounting firm.

Our audit committee will operate under a written charter that satisfies the applicable rules of the SEC and the listing standards of the NYSE.

Compensation Committee

Our compensation committee consists of Dylan Pearce, Roman Simonov, and Mark Vranesh, with Mr. Pearce serving as Chairperson. The composition of our compensation committee will meet the requirements for independence under the NYSE listing standards and SEC rules and regulations. Each member of the compensation committee is a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Exchange Act. The purpose of our compensation committee is to discharge the responsibilities of our board of directors relating to compensation of our executive officers. Our compensation committee, among other things:

- reviews and approves the goals and objectives relating to the compensation of our executive officers, including any long-term incentive components of our compensation programs;
- evaluates the performance of our executive officers in light of the goals and objectives of our compensation programs and determines each executive officer's compensation based on such evaluation;
- administers our stock and equity incentive plans;
- reviews and approves, or make recommendations to our board of directors regarding, incentive compensation and equity plans; and
- establishes and reviews general policies relating to compensation and benefits of our employees.

Our compensation committee will operate under a written charter that satisfies the applicable rules of the SEC and the listing standards of the NYSE.

Nominating and Corporate Governance Committee

Prior to the listing of our shares on the NYSE, our nominating and corporate governance committee will consist of and , with serving as Chairperson. The composition of our nominating and corporate governance committee meets the requirements for independence under the NYSE listing standards and SEC rules and regulations. Our nominating and corporate governance committee will, among other things:

- identify, evaluate, and make recommendations to our board of directors regarding, nominees for election to our board of directors and its committees;
- evaluate the performance of our board of directors and of individual directors;

- consider and make recommendations to our board of directors regarding the composition of our board of directors and its committees;
- review developments in corporate governance practices;
- evaluate the adequacy of our corporate governance practices and reporting; and
- develop and make recommendations to our board of directors regarding corporate governance guidelines and matters.

The nominating and corporate governance committee will operate under a written charter that satisfies the applicable listing requirements and rules of the NYSE.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee is or has been an officer or employee of our company. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee. See the section titled “Certain Relationships and Related Party Transactions” for information about related party transaction involving members of our compensation committee or their affiliates.

EXECUTIVE COMPENSATION

The following discussion contains forward-looking statements that are based on our current plans, considerations, expectations, and determinations regarding future compensation programs. The actual amount and form of compensation, and the compensation policies and practices that we adopt in the future may differ materially from currently planned programs as summarized in this discussion.

As an emerging growth company, we have opted to comply with the executive compensation disclosure rules applicable to “smaller reporting companies,” as such term is defined in the rules promulgated under the Securities Act. The compensation provided to our named executive officers for the year ended December 31, 2020 is detailed in the 2020 Summary Compensation Table and accompanying footnotes and narrative that follow. Our named executive officers for the year ended December 31, 2020 are:

- Oleg Shchegolev, our Chief Executive Officer;
- Delbert Humenik, our Chief Revenue Officer; and
- Jeffrey Belanger, our Chief Human Resources Officer.

To date, the compensation of our named executive officers has consisted of a combination of base salary, cash bonuses, and long-term incentive compensation in the form of stock options. Our named executive officers, like all full-time employees, are eligible to participate in our health and welfare benefit plans. As we transition from a private company to a publicly traded company, we intend to evaluate our compensation values and philosophy, and compensation plans and arrangements as appropriate.

2020 Summary Compensation Table

The following table presents information regarding the compensation awarded to, earned by, and paid to each individual who served as one of our named executive officers for services rendered to us in all capacities during the year ended December 31, 2020.

Name and Principal Position	Year	Salary (\$)	Option Awards (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$) ⁽²⁾	All Other Compensation (\$) ⁽³⁾	Total (\$)
Oleg Shchegolev <i>Co-Founder and Chief Executive Officer</i>	2020	324,000	—	129,600	4,134	457,734
Delbert Humenik <i>Chief Revenue Officer</i>	2020	341,667	—	140,000	2,081	483,748
Jeffrey Belanger <i>Chief Human Resources Officer(4)</i>	2020	137,500	294,569	53,644	1,363	487,076

(1) The amount reflects the grant date fair value of a stock option award granted in 2020, calculated in accordance with Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 718. Such grant date fair values do not take into account any estimated forfeitures related to service-based vesting conditions. The assumptions used in calculating the grant date fair value of the stock options reported in this column are set forth in Note 7 of our consolidated financial statements included elsewhere in this prospectus. The amounts reported in this column reflect the accounting cost for these stock options and do not correspond to the actual economic value that may be received by the named executive officer upon the exercise of the stock option or any sale of the underlying shares of Class B common stock.

(2) The amounts reflect the annual performance-based bonuses earned with respect to 2020 performance. For more information on these bonuses, see the description of the annual performance bonuses under “Annual Cash Bonuses” below.

(3) For Mr. Shchegolev, Mr. Belanger, and Mr. Humenik, the amounts reported reflect a parking benefit for the year ended December 31, 2020.

- (4) Mr. Belanger's start date with the company was July 6, 2020. The amount reported represents the base salary earned in 2020. His annualized base salary for 2020 was \$275,000.

Narrative Disclosure to Summary Compensation Table

Base Salaries

Each named executive officer's base salary is a fixed component of annual compensation for performing specific duties and functions, and has been established by our board of directors taking into account each individual's role, responsibilities, skills, and expertise. Base salaries are reviewed annually, typically in connection with our annual performance review process, approved by our board of directors, and adjusted from time to time to realign salaries with market levels after taking into account individual responsibilities, performance, and experience. For fiscal year 2020, the annual base salary paid to each of Messrs. Shchegolev, Humenik and Belanger was \$324,000, \$341,667, and \$275,000 (and such amount was pro-rated for Mr. Belanger for 2020 based on the date he commenced employment with us), respectively.

Annual Cash Bonuses

For the fiscal year ended December 31, 2020, each named executive officer was eligible to earn an annual cash bonus based on the achievement of certain corporate performance milestones. The target annual bonus for each of the named executive officers for fiscal year ended December 31, 2020 was 30% of their respective annual base salary.

Based upon the company's performance for the fiscal year ended December 31, 2021, the board of directors approved annual cash bonuses for each named executive officer for the fiscal year ended December 31, 2020 in an amount equal to 40% of his respective annual base salary, and such amounts are reported in the "Non-Equity Incentive Plan Compensation" column of the "2020 Summary Compensation Table" above.

Equity Compensation

Although we do not yet have a formal policy with respect to the grant of equity incentive awards to our executive officers, we believe that equity grants provide our executives with a strong link to our long-term performance, create an ownership culture and help to align the interests of our executives and our stockholders. In addition, we believe that equity grants promote executive retention because they incentivize our executive officers to remain in our employment during the vesting period. Accordingly, our board of directors periodically reviews the equity incentive compensation of our named executive officers and may grant equity incentive awards to them from time to time. During the year ended December 31, 2020, we granted Mr. Belanger an option to purchase shares of our Class B common stock, as described in more detail in the "Outstanding Equity Awards at 2020 Year-End" table below.

Outstanding Equity Awards at 2020 Year-End

The following table sets forth information concerning outstanding equity awards held by our named executive officers as of December 31, 2020.

Name	Option Awards ⁽¹⁾				
	Number of Securities Underlying Unexercised Options (#)		Vesting Commencement Date	Option Exercise Price (\$)	Option Expiration Date
	Exercisable	Unexercisable			
Oleg Shchegolev	—	—	—	—	—
Delbert Humenik	162,052	39,448	8/14/2017	2.37	8/21/2027
Jeffrey Belanger		109,500 ⁽²⁾	7/6/2020	5.57	7/28/2030

(1) Each of the outstanding equity awards in the table above was granted pursuant to our Amended and Restated 2019 Stock Option and Grant Plan, or the 2019 Plan.

(2) The shares underlying this option vest as follows: 25% of the shares vest on the first anniversary of the vesting commencement date and the remaining 75% vest in installments of 2.07% of the shares each month thereafter through the thirty-fifth (35th) month and 2.5% of the shares on the thirty-sixth (36th) month, subject to the named executive officer's continued service with us through the applicable vesting date. Vesting of this option shall fully accelerate upon a "sale event," as defined in the 2019 Plan, subject to the named executive officer's continuous service with us through the date of such sale event.

Employee Benefit and Equity Compensation Plans

Amended and Restated 2019 Stock Option and Grant Plan

Our 2019 Plan was initially approved by our board of directors and our stockholders on December 19, 2019, and was subsequently amended and restated by our board of directors on July 28, 2020 and approved by our stockholders on August 25, 2020. Under the 2019 Plan, we have reserved for issuance an aggregate of 3,387,924 shares of our Class B common stock. The number of shares of Class B common stock reserved for issuance is subject to adjustment in the event of any merger, consolidation, sale of all or substantially all of our assets, reorganization, recapitalization, reclassification, stock split, stock dividend, reverse stock split or other similar transaction.

The shares of Class B common stock underlying awards that are forfeited, canceled, reacquired by us prior to vesting, satisfied without the issuance of stock or otherwise terminated (other than by exercise) and shares of Class B common stock that are withheld upon exercise of an option or settlement of an award to cover the exercise price or tax withholding are currently added back to the shares of Class B common stock available for issuance under the 2019 Plan. Upon completion of this offering, such shares will be added to the shares of Class A common stock available under the 2021 Plan.

Our board of directors has acted as administrator of the 2019 Plan. The administrator has full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, and to determine the specific terms and conditions of each award, subject to the provisions of the 2019 Plan. Persons eligible to participate in the 2019 Plan are those employees, officers and directors of, and consultants and advisors to, our company as selected from time to time by the administrator in its discretion.

The 2019 Plan permits the granting of (1) options to purchase Class B common stock intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code of 1986, as amended, or the Code, and (2) options that do not so qualify. No more than 3,387,924 shares of our common stock may be issued pursuant to incentive stock options. The per share exercise price of each option is determined by the administrator but may not be less than 100% of the fair market value of the Class B common stock on the date of grant. The term of each option is fixed by the administrator but may not exceed 10 years from the date of grant. The administrator determines at what time or times each option

may be exercised. In addition, the 2019 Plan permits the granting of restricted shares of common stock, unrestricted shares of common stock, and restricted stock units.

The 2019 Plan provides that upon the occurrence of a “sale event,” as defined in the 2019 Plan, all outstanding stock options will terminate at the effective time of such sale event, unless the parties to the sale event agree that such awards will be assumed or continued by the successor entity. In the event of a termination of the 2019 Plan and all options issued thereunder in connection with a sale event, optionees will be provided an opportunity to exercise options that are then exercisable or will become exercisable as of the effective time of the sale event within a specified period of time prior to the consummation of the sale event. In addition, we have the right to provide for cash payment to holders of options, in exchange for the cancellation thereof, in an amount per share equal to the difference between the value of the consideration payable per share of common stock in the sale event and the per share exercise price of such options. In the event of, and subject to the consummation of, a sale event, restricted stock and restricted stock units (other than those becoming vested as a result of the sale event) will be forfeited immediately prior to the effective time of a sale event unless such awards are assumed or continued by the successor entity. In the event that shares of restricted stock are forfeited in connection with a sale event, such shares of restricted stock shall be repurchased at a price per share equal to the original per share purchase price of such shares. We have the right to provide for cash payment to holders of restricted stock or restricted stock units, in exchange for the cancellation thereof, in an amount per share equal to the value of the consideration payable per share of common stock in the sale event.

Additionally, the 2019 Plan provides for certain drag along rights pursuant to which grantees may be obligated to, on the request of the Company or the accepting requisite holder, sell, transfer, and deliver, or cause to be sold, transferred, and delivered, to a buyer, their shares in the event the Company or the accepting requisite holder determine to enter into a sale event with a buyer.

The board of directors may amend or discontinue the 2019 Plan at any time, subject to stockholder approval where such approval is required by applicable law. The administrator of the 2019 Plan may also amend or cancel any outstanding award, provided that no amendment to an award may adversely affect a participant’s rights without his or her consent. The administrator of the 2019 Plan is specifically authorized to exercise its discretion to reduce the exercise price of outstanding stock options or effect the repricing of such awards through cancellation and re-grants.

The 2019 Plan will automatically terminate upon the earlier of 10 years from the date on which the 2019 Plan was initially adopted by our board of directors or 10 years from the date the 2019 Plan was initially approved by our stockholders. As of December 31, 2020, options to purchase 2,537,086 shares of common stock were outstanding under the 2019 Plan. Our board of directors has determined not to make any further awards under the 2019 Plan upon the completion of this offering.

2021 Stock Option and Incentive Plan

Our 2021 Plan was adopted by our board of directors on _____, 2021, approved by our stockholders on _____, 2021 and will become effective upon the date immediately preceding the date on which the registration statement of which this prospectus is part is declared effective by the SEC. The 2021 Plan will replace the 2019 Plan as our board of directors has determined not to make additional awards under the 2019 Plan upon the completion of this offering. However, the 2019 Plan will continue to govern outstanding equity awards granted thereunder. The 2021 Plan allows us to make equity-based and cash-based incentive awards to our officers, employees, directors, and consultants.

We have initially reserved _____ shares of our Class A common stock for the issuance of awards under the 2021 Plan, or the Initial Limit. The 2021 Plan provides that the number of shares reserved and available for issuance under the 2021 Plan will automatically increase on January 1, 2022 and each January 1 thereafter, by _____ % of the outstanding number of shares of our Class A and Class B common stock on the immediately preceding December 31 or such lesser number of shares as determined by our

compensation committee, or the Annual Increase. Share limits under the 2021 Plan are subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

The shares we issue under the 2021 Plan will be authorized but unissued shares or shares that we reacquire. The shares of Class A and Class B common stock underlying any awards under the 2021 Plan and the 2019 Plan that are forfeited, cancelled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by us prior to vesting, satisfied without the issuance of stock, expire or are otherwise terminated (other than by exercise) will be added back to the shares of Class A common stock available for issuance under the 2021 Plan (provided that any such shares of Class B common stock will first be converted into shares of Class A common stock).

The maximum number of shares of Class A Common stock that may be issued in the form of incentive stock options shall not exceed the Initial Limit, cumulatively increased on January 1, 2022 and on each January 1 thereafter by the lesser of the Annual Increase for such year or shares of Class A common stock.

The grant date fair value of all awards made under our 2021 Plan and all other cash compensation paid by us to any non-employee director in any calendar year for services as a non-employee director shall not exceed \$750,000.

The 2021 Plan will be administered by our compensation committee. Our compensation committee has full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, and the number of shares subject to such awards, to make any combination of awards to participants, to accelerate at any time the exercisability or vesting of any award and to determine the specific terms and conditions of each award, subject to the provisions of the 2021 Plan. Persons eligible to participate in the 2021 Plan will be those full or part-time officers, employees, non-employee directors and consultants as selected from time to time by our compensation committee in its discretion.

The 2021 Plan permits the granting of both options to purchase Class A common stock intended to qualify as incentive stock options under Section 422 of the Code, and options that do not so qualify. The option exercise price of each option will be determined by our compensation committee but may not be less than 100% of the fair market value of our Class A common stock on the date of grant unless the option is granted (i) pursuant to a transaction described in, and in a manner consistent with Section 424(a) of the Code or (ii) to individuals who are not subject to U.S. income tax. The term of each option will be fixed by our compensation committee and may not exceed 10 years from the date of grant. Our compensation committee will determine at what time or times each option may be exercised.

Our compensation committee may award stock appreciation rights under the 2021 Plan subject to such conditions and restrictions as it may determine. Stock appreciation rights entitle the recipient to shares of Class A common stock, or cash, equal to the value of the appreciation in our stock price over the exercise price. The exercise price of each stock appreciation right may not be less than 100% of the fair market value of our Class A common stock on the date of grant. The term of each stock appreciation right will be fixed by our compensation committee and may not exceed 10 years from the date of grant. Our compensation committee will determine at what time or times each stock appreciation right may be exercised.

Our compensation committee may award restricted shares of Class A common stock and restricted stock units to participants subject to such conditions and restrictions as it may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment with us through a specified vesting period. Our compensation committee may also grant shares of Class A common stock that are free from any restrictions under the 2021 Plan. Unrestricted stock may be granted to participants in recognition of past services or for other valid consideration and may be issued in lieu of cash compensation due to such participant.

Our compensation committee may grant dividend equivalent rights to participants that entitle the recipient to receive credits for dividends that would be paid if the recipient had held a specified number of shares of Class A common stock.

Our compensation committee may grant cash bonuses under the 2021 Plan to participants, subject to the achievement of certain performance goals.

The 2021 Plan provides that upon the effectiveness of a “sale event,” as defined in the 2021 Plan, an acquirer or successor entity may assume, continue or substitute for the outstanding awards under the 2021 Plan. To the extent that awards granted under the 2021 Plan are not assumed or continued or substituted for by the successor entity, upon the effective time of the sale event, such awards shall terminate. In such case, all awards may become vested and exercisable or nonforfeitable in connection with a sale event in the administrator’s discretion or to the extent specified in the relevant award certificate. In the event of such termination, individuals holding options and stock appreciation rights will be permitted to exercise such options and stock appreciation rights (to the extent exercisable) within a specified period of time prior to the sale event. In addition, in connection with the termination of the 2021 Plan upon a sale event, we may make or provide for a payment, in cash or in kind, to participants holding vested and exercisable options and stock appreciation rights equal to the difference between the per share consideration payable to stockholders in the sale event and the exercise price of the options or stock appreciation rights and we may make or provide for a payment, in cash or in kind, to participants holding other vested awards.

Our board of directors may amend or discontinue the 2021 Plan and our compensation committee may amend or cancel outstanding awards for purposes of satisfying changes in law or any other lawful purpose, but no such action may adversely affect rights under an award without the holder’s consent. Certain amendments to the 2021 Plan require the approval of our stockholders. The administrator of the 2021 Plan is specifically authorized to exercise its discretion to reduce the exercise price of outstanding stock options and stock appreciation rights or effect the repricing of such awards through cancellation and re-grants without stockholder consent. No awards may be granted under the 2021 Plan after the date that is 10 years from the effective date of the 2021 Plan. No awards under the 2021 Plan have been made prior to the date of this prospectus.

2021 Employee Stock Purchase Plan

Our ESPP, was adopted by our board of directors on 2021, approved by our stockholders on 2021 and will become effective on the date immediately preceding the date on which the registration statement of which this prospectus forms a part is declared effective by the SEC. The ESPP is intended to qualify as an “employee stock purchase plan” within the meaning of Section 423 of the Code. The ESPP initially reserves and authorizes the issuance of up to a total of shares of our Class A common stock to participating employees. The ESPP provides that the number of shares reserved and available for issuance will automatically increase on January 1, 2022 and each January 1 thereafter through January 1, 2031, by the least of (i) shares of our Class A common stock, (ii) % of the outstanding number of shares of Class A and Class B common stock on the immediately preceding December 31, or (iii) such lesser number of shares of Class A common stock as determined by the plan administrator of the ESPP. The number of shares reserved under the ESPP is subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

All employees who are customarily employed by us or one of our designated Subsidiaries for more than 20 hours per week and who we have employed for at least six months are eligible to participate in the ESPP. However, any employee who owns 5% or more of the total combined voting power or value of all classes of our stock will not be eligible to purchase shares of our Class A common stock under the ESPP.

We may make one or more offerings each year to our employees to purchase shares under the ESPP. Offerings will usually begin on each August 15th and February 15th and will continue for six-month periods, referred to as offering periods. Each eligible employee may elect to participate in any offering by submitting an enrollment form at least 15 business days before the applicable offering date.

Each employee who is a participant in the ESPP may purchase shares of our Class A common stock by authorizing payroll deductions of up to 15% of his or her eligible compensation during an offering period. Unless the participating employee has previously withdrawn from the offering, his or her accumulated payroll deductions will be used to purchase shares of our Class A common stock on the last business day of the offering period at a price equal to 85% of the fair market value of the shares of our Class A common stock on the first business day or the last business day of the offering period, whichever is lower, provided that no more \$25,000 worth of common stock (or such other lesser maximum number of shares as may be established by the administrator) may be purchased by any one employee during any offering period. Under applicable tax rules, an employee may purchase no more than \$25,000 worth of shares of our Class A common stock, valued at the start of the purchase period, under the ESPP in any calendar year.

The accumulated payroll deductions of any employee who is not a participant on the last day of an offering period will be refunded. An employee's rights under the ESPP terminate upon voluntary withdrawal from the plan or when the employee ceases employment with us for any reason.

The ESPP may be terminated or amended by our board of directors at any time. An amendment that increases the number of shares of our Class A common stock authorized under the ESPP and certain other amendments require the approval of our stockholders.

Senior Executive Cash Incentive Bonus Plan

On , 2021 our board of directors adopted the Senior Executive Cash Incentive Bonus Plan, or the Bonus Plan. The Bonus Plan provides for annual cash bonus payments based upon the attainment of company and individual performance targets established by our compensation committee. The payment targets will be related to financial and operational measures or objectives with respect to our company, or the Corporate Performance Goals, as well as individual performance objectives.

Our compensation committee may select Corporate Performance Goals from among the following: cash flow (including, but not limited to, operating cash flow and free cash flow); revenue; corporate revenue; earnings before interest, taxes, depreciation, and amortization; net income (loss) (either before or after interest, taxes, depreciation and/or amortization); changes in the market price of our common stock; economic value-added; acquisitions or strategic transactions, including collaborations, joint ventures or promotion arrangements; operating income (loss); return on capital assets, equity, or investment; stockholder returns; return on sales; gross or net profit levels; productivity; expense efficiency; margins; operating efficiency; customer satisfaction; working capital; earnings (loss) per share of our common stock; bookings, new bookings or renewals; sales or market shares; number of customers, number of new customers or customer references; operating income and/or net annual recurring revenue, any of which may be measured in absolute terms, as compared to any incremental increase, in terms of growth, as compared to results of a peer group, against the market as a whole, compared to applicable market indices and/or measured on a pre-tax or post-tax basis.

Each executive officer who is selected to participate in the Bonus Plan will have a target bonus opportunity set for each performance period. The bonus formulas will be adopted in each performance period by the compensation committee and communicated to each executive. The Corporate Performance Goals will be measured at the end of each performance period after our financial reports have been published or such other appropriate time as the compensation committee determines. If the Corporate Performance Goals and individual performance objectives are met, payments will be made as soon as practicable following the end of each performance period, but no later than 74 days after the end

of the year in which such performance period ends. Subject to the rights contained in any agreement between the executive officer and us, an executive officer must be employed by us on the bonus payment date to be eligible to receive a bonus payment. The Bonus Plan also permits the compensation committee to approve additional bonuses to executive officers in its sole discretion.

401(k) Plan

We maintain a tax-qualified retirement plan that provides all regular U.S. employees with an opportunity to save for retirement on a tax-advantaged basis. Under our 401(k) plan, participants may elect to defer a portion of their compensation on a pre-tax basis and have it contributed to the plan subject to applicable annual limits under the Code. Pre-tax contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. Employee elective deferrals are 100% vested at all times. As a U.S. tax-qualified retirement plan, contributions to the 401(k) plan and earnings on those contributions are not taxable to the employees until distributed from the 401(k) plan and all contributions are deductible by us when made. We provide a matching contribution of 50% of employee contributions up to the lower of 3% of eligible compensation or the IRS annual pre-tax contribution limit.

Nonqualified Deferred Compensation

Our named executive officers did not participate in, or earn any benefits under, a nonqualified deferred compensation plan sponsored by us during the year ended December 31, 2020.

Other Benefits

Our named executive officers are eligible to participate in our employee benefit plans on the same basis as our other employees, including our health and welfare plans.

Director Compensation

2020 Director Compensation Table

The following table presents the total compensation for each person who served as a non-employee member of our board of directors during the year ended December 31, 2020. Other than as set forth in the table and described more fully below, we did not pay any compensation, make any equity awards or non-equity awards to, or pay any other compensation to any of the non-employee members of our board of directors in 2020 for their services as members of the board of directors. Oleg Shchegolev, our Chief Executive Officer, received no additional compensation for his service as a director. See the section titled "Executive Compensation" for more information on the compensation paid to or earned by Mr. Shchegolev as an employee for the year ended December 31, 2020.

Name	Fees Earned or Paid in Cash	Option Awards (\$) ⁽¹⁾	Total (\$)
Roman Simonov	—	—	—
Dylan Pearce	—	—	—
Trynka Shineman Blake	—	238,566	238,566
Mark Vranesh	—	238,566	238,566

(1) The amounts reflect the grant date fair value of stock option awards granted in 2020 in accordance with FASB ASC Topic 718. Such grant date fair values do not take into account any estimated forfeitures related to service-based vesting conditions. The assumptions used in calculating the grant date fair value of the stock options reported in this column are set forth in Note 7 of our consolidated financial statements included elsewhere in this prospectus. The amounts reported in this column reflect the accounting cost for these stock options and do not correspond to the actual economic value that may be received by our non-employee directors upon the exercise of the stock options or any sale of the underlying shares of Class B common stock.

(2) As of December 31, 2020, our non-employee directors held the following outstanding equity awards:

	Aggregate Number of Shares Subject to Stock Options
Trynka Shineman Blake	20,000
Mark Vranesh	56,900

Non-Employee Director Compensation Policy

In connection with this offering, we intend to adopt a non-employee director compensation policy that will become effective upon the date immediately preceding the date on which the registration statement of which this prospectus is a part is declared effective. The policy will be designed to enable us to attract and retain, on a long-term basis, highly qualified non-employee directors. Under the policy, each director who is not an employee will be paid cash compensation from and after the completion of this offering as set forth below:

Position	Annual Retainer
Board of Directors:	
Members	\$ 35,000
Lead independent director	\$ 15,000
Audit Committee:	
Members (other than chair)	\$ 10,000
Retainer for chair	\$ 20,000
Compensation Committee:	
Members (other than chair)	\$ 6,250
Retainer for chair	\$ 15,000
Nominating and Corporate Governance Committee:	
Members (other than chair)	\$ 4,000
Retainer for chair	\$ 8,000

In addition, the non-employee director compensation policy will provide that, upon initial election to our board of directors, each non-employee director will be granted an equity award of stock options or restricted stock units, or a combination thereof with a value of \$250,000 (the "Initial Grant"). The Initial Grant will vest one-third on the earlier of (i) the first anniversary of the grant date or (ii) our next annual meeting of stockholders and the remaining two-thirds will vest in equal monthly installments over two years, subject to continued service through the applicable vesting date. Furthermore, on the date of each of our annual meeting of stockholders upon the completion of this offering, each non-employee director who continues as a non-employee director following such meeting will be granted an annual equity award of stock options or restricted stock units, or a combination thereof with value of \$182,500 (the "Annual Grant"). The Annual Grant will vest in full on the earlier of (i) the first anniversary of the grant date or (ii) our next annual meeting of stockholders, subject to continued service through the applicable vesting date. Such awards are subject to full accelerated vesting upon the sale of the company and upon the death or disability of the non-employee director.

We will reimburse all reasonable out-of-pocket expenses incurred by non-employee directors for their attendance at meetings of our board of directors or any committee thereof.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the compensation arrangements, including employment, termination of employment and change in control arrangements and indemnification arrangements, discussed, when required, in the sections titled “Management” and “Executive Compensation” and the registration rights described in the section titled “Description of Capital Stock—Registration Rights,” the following is a description of each transaction since January 1, 2017 and each currently proposed transaction in which:

- we have been or are to be a participant;
- the amount involved exceeded or exceeds \$120,000; and
- any of our directors, executive officers or holders of more than 5% of our capital stock, or any immediate family member of, or person sharing the household with, any of these individuals, had or will have a direct or indirect material interest.

Share class titles, share numbers, and dollar amounts give effect to the 2019 Share Exchange.

Equity Financings

Series A Redeemable Convertible Preferred Stock Financing

In February 2017, SEMrush CY Ltd (“SEMrush CY”) sold an aggregate of 2,957,000 shares of its Series A redeemable convertible preferred stock at a purchase price of \$2.37 per share, for an aggregate purchase price of approximately \$7 million. In May 2017, SEMrush CY sold an aggregate of 422,400 shares of its Series A redeemable convertible preferred stock at a purchase price of \$2.37 per share, for an aggregate purchase price of approximately \$996,864. The following table summarizes these purchases by related persons:

Stockholder	Shares of Series A-1 Redeemable Convertible Preferred Stock	Total Purchase Price
SEMR Holdings Limited	2,957,000	\$ 6,999,991
Anton Timashev	422,400	\$ 996,864

Series B Convertible Preferred Stock Financing

In March 2018 and December 2018, SEMrush CY sold an aggregate of 4,681,400 shares of its Series B convertible preferred stock at a purchase price of \$5.13 per share, for an aggregate purchase price of \$24 million. The following table summarizes these purchases by related persons:

Stockholder	Shares of Series B Convertible Preferred Stock	Total Purchase Price
Greycroft Growth II, L.P.	2,870,000	\$ 14,713,724
e.ventures Growth II, LP	1,031,200	\$ 5,286,687
Fabstone Investments LLC	780,200	\$ 3,999,877

Series A-1 Redeemable Convertible Preferred Stock Financing

In February 2019, SEMrush CY sold an aggregate of 1,837,600 shares of its Series A-1 redeemable convertible preferred stock at a purchase price of \$2.72 per share, for an aggregate purchase price of approximately \$5 million. The following table summarizes these purchases by related persons:

Stockholder	Shares of Series A-1 Redeemable Convertible Preferred Stock	Total Purchase Price
SEMR Holdings Limited	1,837,000	\$ 4,999,926

Secondary Transfers

In connection with the Series B Convertible Preferred Stock Financing in March 2018, SEMrush CY agreed to waive certain restrictions on transfer in connection with, and to assist the administration of, transfers by its officers Oleg Shchegolev and Dmitry Melnikov of an aggregate of 1,567,800 and 783,800 shares, respectively, of its common stock at a purchase price of \$3.20 per share for an aggregate purchase price of approximately \$5.0 and \$2.5 million, respectively, to certain of our stockholders. The following table summarizes these transactions:

Seller	Purchaser	Shares of Common Stock	Total Purchase Price
Oleg Shchegolev	Greycroft Growth II, L.P.	694,200	\$ 2,224,362
	e.ventures Growth II, LP	249,500	\$ 799,450
	SEMR Holdings Limited	416,100	\$ 1,333,271
	Fabstone Investments LLC	208,000	\$ 666,475
Dmitry Melnikov	Greycroft Growth II, L.P.	347,100	\$ 1,112,181
	e.ventures Growth II, LP	124,700	\$ 399,565
	SEMR Holdings Limited	208,000	\$ 666,475
	Fabstone Investments LLC	104,000	\$ 333,238

In September 2020, we agreed to waive the restriction on transfer contained in our bylaws and certain rights of first refusal and co-sale held by us and holders of our preferred stock in connection with, and to assist the administration of, certain transfers of 17,128,980 shares of our common stock by Oleg Shchegolev and 8,564,580 shares of our common stock by Dmitry Melnikov to entities affiliated with each such person. The transfers were effected for estate planning purposes and no consideration was paid by the transferees for such shares. See the section titled "Principal and Selling Stockholders" for additional information on the current registered holders of these shares.

Corporate Reorganization and Agreements with Stockholders

In December 2019, we engaged in a corporate reorganization, a description of which is set forth in the section entitled "Prospectus Summary—Corporate Information".

In connection with our corporate reorganization, we entered into an investors' rights agreement, a right of first refusal and co-sale agreement, and voting agreement, in each case, with the holders of our preferred stock and certain holders of our common stock. The parties to these agreements include SEMR Holdings Limited and Greycroft Growth II, LP, which are affiliated with our directors Roman Simonov and Dylan Pearce, respectively, and our officers and directors Oleg Shchegolev and Dmitry Melnikov.

The right of first refusal and co-sale agreement provides for rights of first refusal and co-sale in respect of sales by certain holders of our capital stock. The voting agreement contains provisions

concerning the election of our board of directors and its composition, and initiation of a sale process upon the request of a requisite number of holders of shares of our preferred stock. The voting agreement entitles the holders of a majority of our Series A preferred stock to designate one director, the holders of a majority of our Series B preferred stock to designate one director, and Oleg Shchegolev and Dmitry Melnikov jointly, voting on an as-converted basis, to designate three directors. Currently, Roman Simonov is the designee of the holders of our Series A preferred stock, Dylan Pearce is the designee of the holders of our Series B preferred stock, and Oleg Shchegolev, Dmitry Melnikov and Mark Vranesh are the three designees of Oleg Shchegolev and Dmitry Melnikov. The rights under each of the right of first refusal and co-sale agreement and voting agreement will terminate immediately prior to the completion of this offering.

Our investors' rights agreement provides, among other things, certain holders of our preferred stock with a participation right to purchase their pro rata share of new securities that we may propose to sell and issue, subject to certain exceptions, certain information rights, and covenants regarding the operation of our business. Such rights will terminate immediately prior to the completion of this offering. Our investors' rights agreement also provides that certain holders of our capital stock have the right to demand that we file a registration statement or request that their shares of our capital stock be covered by a registration statement that we are otherwise filing. See the section titled "Description of Capital Stock—Registration Rights."

Directed Share Program

At our request, the underwriters have reserved for sale at the initial public offering price per share up to % of the shares of Class A common stock offered by this prospectus, to certain individuals through a directed share program, including our directors and friends and family members of such persons. See the section titled "Underwriting—Directed Share Program."

Other Transactions

We have granted stock options to our executive officers and certain of our directors. See the sections titled "Executive Compensation" and "Management—Non-Employee Director Compensation" for a description of these options.

In November 2017, SEMrush CY entered into a board advisor agreement with Mark Vranesh who was subsequently appointed to our board of directors. The agreement provided that Mr. Vranesh would provide SEMrush CY with certain services, such as serving on its advisory committee and providing strategic business advice. Under the agreement SEMrush CY agreed to indemnify Mr. Vranesh for losses incurred in connection with his service, reimburse Mr. Vranesh for his reasonable travel and related expenses incurred during the provision of his services and granted Mr. Vranesh an option to purchase 78,000 shares of its common stock for an aggregate purchase price of \$184,646, and Mr. Vranesh exercised options to purchase 41,100 shares of its common stock in July 2019. We reimbursed Mr. Vranesh less than \$10 thousand for travel and related expenses. The agreement was terminated in October 2020, and all future compensation to Mr. Vranesh will be pursuant to the director compensation policy we will adopt in connection with this offering.

Other than as described above under this section titled "Certain Relationships and Related Person Transactions," since January 1, 2017, we have not entered into any transactions, nor are there any currently proposed transactions, between us and a related party where the amount involved exceeds, or would exceed, \$120,000, and in which any related person had or will have a direct or indirect material interest. We believe the terms of the transactions described above were comparable to terms we could have obtained in arm's-length dealings with unrelated third parties.

Limitation of Liability and Indemnification of Officers and Directors

Prior to the completion of this offering, we expect to adopt an amended and restated certificate of incorporation, which will become effective immediately prior to the completion of this offering, and which will contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for the following:

- any breach of their duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which they derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the Delaware General Corporation Law is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the Delaware General Corporation Law.

In addition, prior to the completion of this offering, we expect to adopt amended and restated bylaws which will provide that we will indemnify, to the fullest extent permitted by law, any person who is or was a party or is threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was one of our directors or officers or is or was serving at our request as a director or officer of another corporation, partnership, joint venture, trust, or other enterprise. Our amended and restated bylaws are expected to provide that we may indemnify to the fullest extent permitted by law any person who is or was a party or is threatened to be made a party to any action, suit, or proceeding by reason of the fact that he or she is or was one of our employees or agents or is or was serving at our request as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise. Our amended and restated bylaws will also provide that we must advance expenses incurred by or on behalf of a director or officer in advance of the final disposition of any action or proceeding, subject to limited exceptions.

Further, prior to the completion of this offering, we expect to enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements will require us, among other things, to indemnify our directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements will also require us to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding. We believe that these agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

The limitation of liability and indemnification provisions that are expected to be included in our amended and restated certificate of incorporation, amended and restated bylaws, and in indemnification agreements that we enter into with our directors and executive officers may discourage stockholders from bringing a lawsuit against our directors and executive officers for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against our directors and executive officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be harmed to the extent that we pay the costs of settlement and damage awards against

directors and executive officers as required by these indemnification provisions. At present, we are not aware of any pending litigation or proceeding involving any person who is or was one of our directors, officers, employees or other agents or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

We have obtained insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to public securities matters, and to us with respect to payments that may be made by us to these directors and executive officers pursuant to our indemnification obligations or otherwise as a matter of law.

Certain of our non-employee directors may, through their relationships with their employers, be insured and/or indemnified against certain liabilities incurred in their capacity as members of our board of directors.

The underwriting agreement provides for indemnification by the underwriters of us and our officers, directors and employees for certain liabilities arising under the Securities Act, or otherwise.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling our company pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Policies and Procedures for Related Party Transactions

Upon the completion of this offering, our audit committee charter will provide that the audit committee will have the primary responsibility for reviewing and approving or disapproving "related party transactions," which are transactions between us and related persons in which the aggregate amount involved exceeds or may be expected to exceed \$120,000 and in which a related person has or will have a direct or indirect material interest. For purposes of this policy, a related person will be defined as a director, executive officer, nominee for director or greater than 5% beneficial owner of our common stock, in each case since the beginning of the most recently completed year, and their immediate family members. As of the date of this prospectus, we have not adopted any formal standards, policies or procedures governing the review and approval of related party transactions, but we expect that our audit committee will do so in the future.

All of the transactions described above were entered into prior to the adoption of this policy. Accordingly, each was approved by disinterested members of our board of directors after making a determination that the transaction was executed on terms no less favorable than those that could have been obtained from an unrelated third-party.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of December 31, 2020, as adjusted to reflect the sale of Class A common stock offered by us in this offering assuming no exercise of the underwriters' option to purchase additional shares, for:

- each of our named executive officers;
- each of our directors;
- all of our directors and executive officers as a group;
- each person known by us to be the beneficial owner of more than five percent of any class of our voting securities; and
- each selling stockholder.

We have determined beneficial ownership in accordance with the rules of the SEC, and thus it represents sole or shared voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all shares that they beneficially owned, subject to community property laws where applicable. We have deemed shares of our common stock subject to options that are currently exercisable or exercisable within 60 days of December 31, 2020 to be outstanding and to be beneficially owned by the person holding the option for the purpose of computing the percentage ownership of that person but have not treated them as outstanding for the purpose of computing the percentage ownership of any other person.

We have based percentage ownership of our common stock before this offering on 41,634,031 shares of our common stock outstanding as of December 31, 2020, which includes shares of Class B common stock resulting from the Preferred Stock Conversion immediately prior to the completion of this offering, shares of Class A common stock resulting from the Common Stock Reclassification, and shares of Class A common stock resulting from the Selling Stockholder Conversion, as if each of these conversions had occurred as of December 31, 2020. Percentage ownership of our Class A common stock after this offering assumes the sale by us and the selling stockholders of shares and shares, respectively, of Class A common stock in this offering. The table below excludes any purchases that may be made through our directed share program in this offering. See "Underwriting—Directed Share Program." Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o SEMrush Holdings, Inc., 800 Boylston Street, Suite 2475, Boston, MA 02199.

Name of Beneficial Owner	Shares Beneficially Owned Prior to the Offering		% Total Voting Power Prior to the Offering	Number of Shares of Class A Being Offered	Beneficially Owned After the Offering				% Total Voting Power After the Offering†
	Number	%			Class A		Class B		
					Number	%	Number	%	
5% Stockholders:									
Entities affiliated with Greycroft Growth II, LP (1)	3,911,300	9.4%	9.4%						
Entities affiliated with SEMR Holdings Limited (2)	5,418,700	13.0%	13.0%						
Named Executive Officers and Directors:									
Oleg Shchegolev (3)**	19,032,200	45.7%	45.7%						
Jeffrey Belanger	—	—	—						
Dmitry Melnikov (4)**	9,516,200	22.9%	22.9%						
Mark Vranesh (5)	78,000	*	*						
Dylan Pearce	—	—	—						
Roman Simonov	—	—	—						
Trynka Shineman Blake	—	—	—						
All directors and executive officers as a group (11 persons)	29,824,937	70.4%	70.4%						

* Represents less than 1%.

** Represents a selling stockholder.

† Represents the voting power with respect to all shares of our Class A common stock and Class B common stock, voting together as a single class. The holders of our Class B common stock are entitled to ten votes per share, and holders of our Class A common stock are entitled to one vote per share. See “Description of Capital Stock – Class A Common Stock and Class B Common Stock – Voting Rights.”

- Consists of 3,911,300 shares of Class B common stock held by Greycroft Growth II, L.P. (“GCG II”). Greycroft Growth II, LLC (“GCG II GP”) is the general partner of GCG II. The directors of GCG II GP are Dana Settle, Ian Sigalow, John Elton, and Mark Terbeek. As such, each of GCG II GP, Dana Settle, Ian Sigalow, John Elton, and Mark Terbeek may be deemed to beneficially own and have voting, investment, and dispositive power with respect to the shares held by GCG II. The address of each of GCG II, GCG II GP, Dana Settle, Ian Sigalow, John Elton, and Mark Terbeek is 292 Madison Ave., Fl. 8, New York, NY 10017.
- Consists of 5,418,700 shares of Class B common stock held by SEMR Holdings Limited, a private company limited by shares incorporated in Cyprus, an entity whose sole investment is the holding of shares in the Company, by entities affiliated with Siguler Guff & Company, LP. The directors of SEMR Holdings Limited are Donald Spencer, A.T.S. Directors Ltd., and A.T.S. Managers Ltd. The directors of A.T.S. Directors Ltd are Eftychia Spyrou and Stefani Orfanidou, and the directors of A.T.S. Managers Ltd are Nina Iosif and Artemis Orfanidou Kleanthous. Accordingly, Donald Spencer, Eftychia Spyrou and Stefani Orfanidou on behalf of A.T.S. Directors Limited, Nina Iosif and Artemis Orfanidou Kleanthous on behalf of A.T.S. Managers Limited may be deemed to hold voting and dispositive power over the shares held by SEMR Holdings Limited. The registered address of SEMR Holdings Limited is 2-4 Arch. Makarios III Avenue, 9th Floor, Capital Centre, Nicosia, P.C. 1065, Cyprus.
- Consists of (1) 1,903,220 shares of Class B common stock held by Mr. Shchegolev individually, (2) 2,078,994 shares of Class B common stock held by Shchegolev Holdings, LLC (the “Shchegolev LLC”), and (3) 15,049,986 shares of Class B common stock held by The Oleg Shchegolev Grantor Retained Annuity Trust I (the “Shchegolev GRAT”). Michael A. Bass is the sole Manager, and The Oleg Shchegolev Irrevocable GST Trust of 2020 (the “GST Trust” and together with the Shchegolev GRAT and the Shchegolev LLC, the “Shchegolev Trusts”) is the sole Member, of the Shchegolev LLC. Concord Trust Company (“Concord”) is the trustee of the GST Trust. The Shchegolev Trusts are established for the benefit of certain members of Mr. Shchegolev’s family. Mr. Shchegolev may be deemed to have beneficial ownership of the shares held by the Shchegolev Trusts.
- Consists of (1) 951,620 shares of Class B common stock held by Mr. Melnikov individually, (2) 1,974,865 shares of Class B common stock held by Min Choron LLC (the “Melnikov LLC”), and (3) 6,589,715 shares of Class B common stock held by The Dmitry Melnikov Grantor Retained Annuity Trust - One (the “Melnikov GRAT”). Dmitry Kunitsa is the sole Manager, and The Melnikov Family Dynasty Trust (the “Dynasty Trust” and together with the Melnikov GRAT and the Melnikov LLC, the “Melnikov Trusts”) is the sole Member, of the Melnikov LLC. Concord is the trustee of the Dynasty Trust. The Melnikov Trusts are established for the benefit of certain members of Mr. Melnikov’s family. Mr. Melnikov may be deemed to have beneficial ownership of the shares held by the Melnikov Trusts.
- Consists of 41,100 shares of Class B common stock held by Mr. Vranesh and 36,900 shares of Class B common stock subject to outstanding options held by Mr. Vranesh that are exercisable within 60 days of December 31, 2020.

DESCRIPTION OF INDEBTEDNESS

On January 12, 2021, we entered into our credit facility, consisting of a \$45.0 million revolving credit facility pursuant to a credit agreement among us and SEMrush US sub, each as a borrower, the lenders party thereto from time to time and JPMorgan Chase Bank, N.A., as the administrative agent. The availability of the credit facility is subject to the borrowing base based on an advance rate of 400% multiplied by annualized retention applied to monthly recurring revenue.

The credit facility has a maturity of three years and will mature on January 12, 2024.

As of February 28, 2021, we had \$40.9 million available under the revolving credit facility, with \$5.0 million of such revolving commitments available under the letter of credit sub-facility.

All of our obligations under our credit facility will be guaranteed by our future domestic subsidiaries and, subject to certain exceptions, secured by a security interest in substantially all of our tangible and intangible assets.

Borrowings under our credit facility bear interest at our option at (i) LIBOR, subject to a 0.50% floor, plus a margin, or (ii) the base rate, subject to a 3.25% floor (or 1.50% prior to an initial public offering or positive adjusted consolidated adjusted EBITDA as of the twelve months most recently ended), plus a margin. For LIBOR borrowings, the applicable rate margin is 2.75% (or 3.50% prior to an initial public offering or positive adjusted consolidated adjusted EBITDA as of the twelve months most recently ended). For base rate borrowings, the applicable margin is 0.00% (or 2.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of the twelve months most recently ended). We are also required to pay a 0.25% per annum fee on undrawn amounts under our revolving credit facility, payable quarterly in arrears.

Generally, we are permitted to make voluntary commitment reductions under our credit facility at any time.

Until we elect to have the covenant described in the succeeding sentence apply, our credit facility requires that our liquidity not be less than the greater of (i) \$5.0 million and (ii) cash burn, which is calculated as total unrestricted cash of the first day of the immediately preceding four month period minus total unrestricted cash as of the last day of such month for such four month period, and adjusted to exclude any changes in the cash balance as a result of debt and/or equity financings. Following our election, our credit facility requires us to maintain, as of the last day of each fiscal quarter, a maximum leverage ratio (based upon the ratio of consolidated total debt as of such date, less up to \$15.0 million of unrestricted cash to EBITDA for the four fiscal quarter period ending on such date) of 4.00 to 1.00, subject to a 0.50 step-up in the event of a material permitted acquisition, which we can elect to implement up to two times during the life of the credit facility.

Our credit facility contains a number of covenants restricting or limiting our ability to, among other things, (i) create, incur, assume or permit to exist additional indebtedness or guarantees; (ii) create, incur, assume or permit liens; (iii) enter into an agreement prohibiting the creation or assumption of any lien upon our properties or assets; (iv) make loans and investments; (v) declare dividends, make payments or redeem or repurchase capital stock; (vi) engage in mergers, acquisitions and other business combinations; (vii) prepay, redeem or purchase certain indebtedness; (viii) amend or otherwise alter terms of our indebtedness; (ix) sell assets; and (x) enter into transactions with affiliates. Our credit facility also contains customary default provisions.

DESCRIPTION OF CAPITAL STOCK

General

The following descriptions are summaries of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the completion of this offering. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description of the matters set forth in this section titled "Description of Capital Stock," you should refer to our amended and restated certificate of incorporation, amended and restated bylaws, and our investor' rights agreement, which are or will be included as exhibits to the registration statement of which this prospectus forms a part, and to the applicable provisions of Delaware law. Upon completion of this offering, our authorized capital stock will consist of shares of Class A common stock, \$0.00001 par value per share, shares of Class B common stock, \$0.00001 par value per share, and shares of undesignated preferred stock, \$0.00001 par value per share.

Assuming the Preferred Stock Conversion, the Common Stock Reclassification, and the Selling Stockholder Conversion, each of which will occur immediately prior to the completion of this offering, as of December 31, 2020, there were outstanding shares of Class A common stock and shares of our Class B common stock outstanding, held by stockholders of record, and no shares of our preferred stock outstanding. Our board of directors is authorized, without stockholder approval except as required by the listing standards of the NYSE to issue additional shares of our capital stock.

Class A Common Stock and Class B Common Stock

Upon the completion of this offering, we will have authorized a class of Class A common stock and a class of Class B common stock. All outstanding shares of our existing common stock and preferred stock will be reclassified into shares of our new Class B common stock. In addition, any options to purchase shares of our capital stock outstanding prior to the completion of this offering will become eligible to be settled in or exercisable for shares of our new Class B common stock.

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

Voting Rights

Holders of our Class A common stock will be entitled to one vote for each share, and holders of our Class B common stock are entitled to 10 votes per share, on all matters submitted to a vote of stockholders. The holders of our Class A common stock and Class B common stock will generally vote together as a single class on all matters submitted to a vote of our stockholders, unless otherwise required by Delaware law or our amended and restated certificate of incorporation. Delaware law could require either holders of our Class A common stock or Class B common stock to vote separately as a single class in the following circumstances:

- if we were to seek to amend our amended and restated certificate of incorporation to increase or decrease the par value of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment; and
- if we were to seek to amend our amended and restated certificate of incorporation in a manner that alters or changes the powers, preferences or special rights of a class of our capital stock in a

manner that affected its holders adversely, then that class would be required to vote separately to approve the proposed amendment.

We do not expect to provide for cumulative voting for the election of directors in our amended and restated certificate of incorporation. Our amended and restated certificate of incorporation and amended and restated bylaws will establish a classified board of directors that is divided into three classes with staggered three-year terms. Only the directors in one class will be subject to election by a plurality of the votes cast at each annual meeting of our stockholders, with the directors in the other classes continuing for the remainder of their respective three-year terms.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights, and is not subject to conversion, redemption or sinking fund provisions.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Conversion of Class B Common Stock

Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. Upon the completion of this offering, shares of Class B common stock will automatically convert into shares of Class A common stock upon sale or transfer, except certain transfers described in our amended and restated certificate of incorporation, including transfers for estate planning or tax purposes to: (i) family members, (ii) Qualifying Trustees of trusts for the benefit of the stockholder and/or their family members (except for remote contingent interests), and (iii) partnerships, corporations, and other entities owned by the stockholder or their family members or trusts described above. In addition, each outstanding share of Class B common stock held by a stockholder who is a natural person, or held by the permitted entities and permitted transferees of such natural person (as described in our amended and restated certificate of incorporation), will convert automatically into one share of Class A common stock upon the death of such natural person.

Each share of Class B common stock will convert automatically into one share of Class A common stock upon (i) the date specified by affirmative vote of the holders of two-thirds of the then outstanding shares of Class B common stock, (ii) the date on which the outstanding shares of Class B common stock represent less than 10% of the aggregate number of shares of the then outstanding Class A common stock and Class B common stock, or (iii) the seven year anniversary of the closing date of this Offering.

Once converted into a single class of common stock, the Class A and Class B common stock may not be reissued.

Fully Paid and Non-Assessable

All of the outstanding shares of our Class B common stock are, and the shares of our Class A common stock to be issued pursuant to this offering will be, fully paid, and non-assessable.

Preferred Stock

Upon the completion of this offering, our board of directors will be authorized, subject to limitations prescribed by Delaware law, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring, or preventing a change in control of our company and might adversely affect the market price of our Class A common stock and the voting and other rights of the holders of our Class A common stock and Class B common stock. We have no current plan to issue any shares of preferred stock.

Options

As of December 31, 2020, we had outstanding options to purchase an aggregate of 2,537,086 shares of our Class B common stock, with a weighted-average exercise price of \$4.12, pursuant to our 2019 Plan, which was adopted in December 2019.

Registration Rights

Certain holders of our Class B common stock are entitled to rights with respect to the registration of their shares under the Securities Act. These registration rights are contained in our Investors' Rights Agreement, or the IRA, dated as of December 19, 2019. We, along with certain holders of our Class B common stock (including shares of our common stock issued or issuable upon conversion of our preferred stock and any other convertible securities), including our founders, Oleg Shchegolev and Dmitry Melnikov, are parties to the IRA. The registration rights set forth in the IRA will expire upon the earliest to occur of a deemed liquidation event or, with respect to any particular stockholder, when such stockholder is able to sell all of its shares pursuant to Rule 144 of the Securities Act during any three-month period. We will pay the registration expenses (other than underwriting discounts and commissions) of the holders of the shares registered pursuant to the registrations described below, including the reasonable fees of one counsel for the selling holders. In an underwritten offering, the underwriters have the right, subject to specified conditions, to limit the number of shares such holders may include. In connection with this offering, each stockholder that has registration rights agreed not to sell or otherwise dispose of any securities without the prior written consent of the underwriters for a period of up to 180 days after the date of this prospectus, subject to certain terms and conditions. See the section titled "Underwriting" for more information regarding such restrictions.

Demand Registration Rights

After the completion of this offering, the holders of approximately 12,250,000 shares of our Class B common stock will be entitled to certain demand registration rights. We are obligated to effect only one such registration. If we determine that it would be materially detrimental to our stockholders to effect such a demand registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 120 days. Additionally, we will not be required to effect a demand registration during the period beginning 60 days prior to our good faith estimate of the date of the filing of, and ending up to 180 days following the effectiveness of, a registration statement relating to the public offering of our common stock.

Piggyback Registration Rights

After the completion of this offering, if we propose to register the offer and sale of our common stock under the Securities Act, in connection with the public offering of such common stock the holders of up to approximately 12,250,000 shares of our Class B common stock will be entitled to certain “piggyback” registration rights allowing the holders to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to (1) a registration related to a company stock plan, (2) a registration pursuant to Rule 145 of the Securities Act, (3) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the public offering of our common stock or (4) a registration in which the only common stock being registered is common stock issuable upon the conversion of debt securities that are also being registered, the holders of these shares are entitled to notice of the registration and have the right, subject to certain limitations, to include their shares in the registration.

S-3 Registration Rights

After the completion of this offering, the holders of up to approximately 12,250,000 shares of our Class B common stock may make a written request that we register the offer and sale of their shares on a registration statement on Form S-3 if we are eligible to file a registration statement on Form S-3 so long as the request covers at least that number of shares with an anticipated offering price, net of underwriting discounts and commissions, of at least \$5 million. These stockholders may make an unlimited number of requests for registration on Form S-3; however, we will not be required to effect a registration on Form S-3 if we have effected two such registrations within the 12-month period preceding the date of the request. If we determine that it would be materially detrimental to our stockholders to effect such a registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 90 days. Additionally, we will not be required to effect a registration on Form S-3 during the period beginning 30 days prior to our good faith estimate of the date of the filing of, and ending up to 90 days following the effectiveness of, a registration statement relating to the public offering of our common stock.

Anti-Takeover Provisions

The provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws, which are summarized below, may have the effect of delaying, deferring or discouraging another person from acquiring control of our company. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Delaware Law

We are governed by the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a public Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A “business combination” includes mergers, asset sales or other transactions resulting in a financial benefit to the stockholder. An “interested stockholder” is a person who, together with affiliates and associates, owns, or within three years did own, 15% or more of the corporation’s outstanding voting stock. These provisions may have the effect of delaying, deferring or preventing a change in our control.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaw Provisions

Our amended and restated certificate of incorporation and our amended and restated bylaws will include a number of provisions that could deter hostile takeovers or delay or prevent changes in control of our board of directors or management team, including the following:

- *Authorized but Unissued Shares.* The authorized but unissued shares of our common stock and our preferred stock are available for future issuance without stockholder approval, subject to any limitations imposed by the listing standards of the NYSE. These additional shares may be used for a variety of corporate finance transactions, acquisitions, and employee benefit plans. The existences of authorized but unissued and unreserved common stock and preferred stock could make more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.
- *Dual Class Stock.* As described above in the subsection titled “—Class A Common Stock and Class B Common Stock—Voting Rights,” our amended and restated certificate of incorporation will provide for a dual class common stock structure, which will provide our founders, current investors, executives, and employees with significant influence over all matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company of its assets.
- *Board of Directors Vacancies.* Our amended and restated certificate of incorporation and amended and restated bylaws will authorize only our board of directors to fill vacant directorships, including newly created seats. In addition, the number of directors constituting our board of directors will be permitted to be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions would prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. This will make it more difficult to change the composition of our board of directors and promote continuity of management.
- *Classified Board.* Our amended and restated certificate of incorporation and amended and restated bylaws will provide that our board of directors is classified into three classes of directors. A third-party may be discouraged from making a tender offer or otherwise attempting to obtain control of us as it is more difficult and time consuming for stockholders to replace a majority of the directors on a classified board of directors. See the section titled “Management—Board of Directors.”
- *Stockholder Action; Special Meeting of Stockholders.* Our amended and restated certificate of incorporation will provide that our stockholders may not take action by written consent but may only take action at annual or special meetings of our stockholders. As a result, a holder controlling a majority of our capital stock would not be able to amend our amended and restated bylaws or remove directors without holding a meeting of our stockholders called in accordance with our amended and restated bylaws. Our amended and restated bylaws will further provide that special meetings of our stockholders may be called only by a majority of our board of directors, thus prohibiting a stockholder from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.
- *Advance Notice Requirements for Stockholder Proposals and Director Nominations.* Our amended and restated bylaws will provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders. Our amended and restated bylaws will also specify certain requirements regarding the form and content of a stockholder’s notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of

stockholders or from making nominations for directors at our annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

- *No Cumulative Voting.* The Delaware General Corporation Law provides that stockholders are not entitled to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation will not provide for cumulative voting.
- *Directors Removed Only for Cause.* Our amended and restated certificate of incorporation will provide that stockholders may remove directors only for cause.
- *Amendment of Charter Provisions.* Any amendment of the above provisions in our amended and restated certificate of incorporation would require approval by holders of at least two-thirds of the voting power of our then outstanding capital stock.
- *Issuance of Undesignated Preferred Stock.* Our board of directors has the authority, without further action by the stockholders, to issue up to shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock would enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or other means.
- *Exclusive Forum.* Our amended and restated bylaws will provide that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any state law claim for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of or based on a fiduciary duty owed by any of our current or former directors, officers, or employees to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (including the interpretation, validity or enforceability thereof) or (4) any action asserting a claim that is governed by the internal affairs doctrine, in each case subject to the Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein, or the Delaware Forum Provision. The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Our amended and restated bylaws will further provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. In addition, our amended and restated bylaws will provide that any person or entity purchasing or otherwise acquiring any interest in shares of our common stock is deemed to have notice of and consented to the foregoing provisions; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. This exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation and bylaws has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable.

Transfer Agent and Registrar

Upon the completion of this offering, the transfer agent and registrar for our Class A common stock and Class B common stock will be Computershare Trust Company, N.A. The transfer agent and registrar's address is 250 Royall Street, Canton, Massachusetts 02021, and its telephone number is (800) 962-4284.

Listing

We intend to apply for the listing of our Class A common stock on the NYSE under the symbol "SEMR."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock, and we cannot predict the effect, if any, that market sales of shares of our common stock or the availability of shares of our common stock for sale will have on the market price of our common stock prevailing from time to time. Future sales of our Class A common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of our Class A common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Upon the completion of this offering, based on the number of shares of our capital stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion, the Common Stock Reclassification, and the Selling Stockholder Conversion, we will have a total of shares of our Class A common stock and shares of our Class B common stock outstanding. This includes shares of Class A common stock that we and the selling stockholders are selling in this offering. Of these outstanding shares, all of the shares of Class A common stock sold in this offering will be freely tradable, except that any shares purchased in this offering by our affiliates, as that term is defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with the Rule 144 limitations described below.

The remaining outstanding shares of our Class B common stock will be deemed “restricted securities” as defined in Rule 144. Restricted securities may be sold in the public market only if they are registered or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, which rules are summarized below. In addition, all of our executive officers, directors, and holders of substantially all of our common stock and securities convertible into or exchangeable for our Class B common stock have entered into market standoff agreements with us or lock-up agreements with the underwriters under which they have agreed, subject to specific exceptions, not to sell any of our stock for at least 180 days following the date of this prospectus. As a result of these agreements and the provisions of our investor rights’ agreement described above under the section titled “Description of Capital Stock—Registration Rights,” subject to the provisions of Rule 144 or Rule 701, based on an assumed offering date of , shares will be available for sale in the public market as follows:

- beginning on the date of this prospectus, the shares of Class A common stock sold in this offering will be immediately available for sale in the public market;
- beginning 181 days after the date of this prospectus, subject to extension as described in the section titled “Underwriting” below, additional shares of Class B common stock will become eligible for sale in the public market, of which shares will be held by affiliates and subject to the volume and other restrictions of Rule 144, as described below; and
- the remainder of the shares of Class B common stock will be eligible for sale in the public market from time to time thereafter, subject in some cases to the volume and other restrictions of Rule 144, as described below.

Lock-Up Agreements

We, our executive officers, directors, and holders of substantially all of our Class B common stock and securities convertible into or exchangeable for our Class B common stock, including the selling stockholders, have agreed or will agree that, subject to certain exceptions and early release triggers described in the section titled “Underwriting”, for a period of 180 days from the date of this prospectus, we and they will not, without the prior written consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC (who, in their discretion, may release any of the securities subject to these lock-up

agreements at any time), dispose of or hedge any shares or any securities convertible into or exchangeable for shares of our capital stock. Notwithstanding the foregoing, if at any time beginning 90 days after the date set forth on the final prospectus used to sell the shares of Class A common stock in this offering, (a) we have publicly furnished at least one earnings release under Item 2.02 of Form 8-K or filed at least one quarterly report on Form 10-Q or annual report on Form 10-K and (b) the last reported closing price of our Class A common Stock on the NYSE is at least 25% greater than the initial public offering price per share set forth on the cover page of the final prospectus relating to this offering for 10 out of 15 consecutive trading days, then (x) 33% of each Locked-up Party's shares of common stock, except for that of the selling stockholders, will be automatically released from such restrictions and (y) 15% of each of the selling stockholders shares can be sold pursuant to an existing Rule 10b5-1 Plan. This agreement is further described as set forth in the section titled "Underwriting."

In addition to the restrictions contained in the lock-up agreements described above, we have entered into agreements with certain security holders, including our investor rights agreement, that contain market stand-off provisions imposing restrictions on the ability of such security holders to offer, sell, or transfer our equity securities for a period of 180 days following the date of this prospectus.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to the public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates, is entitled to sell those shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then that person would be entitled to sell those shares without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell upon expiration of the lock-up agreements described above, within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately shares immediately after this offering; or
- the average weekly trading volume of our Class A common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

Rule 701 generally allows a stockholder who purchased shares of our common stock pursuant to a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required by that rule to wait until 90 days after the date of this prospectus before selling those shares pursuant to Rule 701.

Registration Rights

Pursuant to our investors' rights agreement, the holders of up to 12,500,000 shares of our Class B common stock, or their transferees, will be entitled to certain rights with respect to the registration of the offer and sale of those shares under the Securities Act. See the section titled "Description of Capital Stock—Registration Rights" for a description of these registration rights. If the offer and sale of these shares is registered, the shares will be freely tradable without restriction under the Securities Act, and a large number of shares may be sold into the public market.

Registration Statement on Form S-8

We intend to file a registration statement on Form S-8 under the Securities Act to register all of the shares of our Class A common stock and Class B common stock issued or reserved for issuance under our 2019 Plan and our 2021 Plan. We expect to file this registration statement as promptly as possible after the completion of this offering. Shares covered by this registration statement will be eligible for sale in the public market, subject to the Rule 144 limitations applicable to affiliates, vesting restrictions, and any applicable lock-up agreements and market standoff agreements. As of December 31, 2020, options to purchase a total of 2,537,086 shares of our Class B common stock pursuant to our 2019 Plan were outstanding, of which options to purchase 934,786 shares were exercisable, and no options were outstanding or exercisable under our 2021 Plan.

CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a general discussion of the material U.S. federal income tax considerations relating to ownership and disposition of our common stock by a non-U.S. holder. For purposes of this discussion, the term “non-U.S. holder” means a beneficial owner of our common stock that is not, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or of any political subdivision of the United States;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons (as defined in the Code) have authority to control all substantial decisions of the trust or if the trust has a valid election in effect to be treated as a U.S. person under applicable U.S. Treasury Regulations.

This discussion is based on current provisions of the Code, existing and proposed U.S. Treasury Regulations promulgated thereunder, current administrative rulings and judicial decisions, all as in effect as of the date of this prospectus, and all of which are subject to change or to differing interpretation, possibly with retroactive effect. Any change could alter the tax consequences to non-U.S. holders described in this prospectus. In addition, the Internal Revenue Service, or the IRS, could challenge one or more of the tax consequences described in this prospectus.

We assume in this discussion that each non-U.S. holder holds shares of our common stock as a capital asset (generally, property held for investment) within the meaning of Section 1221 of the Code. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular non-U.S. holder in light of that non-U.S. holder’s individual circumstances nor does it address any aspects of state, local or non-U.S. taxes, alternative minimum tax, or U.S. federal taxes other than income taxes. This discussion also does not consider any specific facts or circumstances that may apply to a non-U.S. holder and does not address any special tax rules that may apply to particular non-U.S. holders, such as:

- insurance companies;
- tax-exempt or governmental organizations;
- financial institutions;
- brokers or dealers in securities;
- pension plans;
- “controlled foreign corporations,” “passive foreign investment companies,” and corporations that accumulate earnings to avoid U.S. federal income tax
- owners that hold our common stock as part of a straddle, hedge, conversion transaction, synthetic security or other integrated investment;
- “qualified foreign pension funds,” or entities wholly owned by a “qualified foreign pension fund”;

- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- certain U.S. expatriates;
- persons who have elected to mark securities to market;
- persons subject to the unearned income Medicare contribution tax; or
- persons that acquire our common stock as compensation for services.

In addition, this discussion does not address the tax treatment of partnerships (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) or other entities that are transparent for U.S. federal income tax purposes or persons who hold their common stock through such entities. In the case of a holder that is classified as a partnership for U.S. federal income tax purposes, the tax treatment of a person treated as a partner in such partnership for U.S. federal income tax purposes generally will depend on the status of the partner and the activities of the partner and the partnership. A person treated as a partner in a partnership or who holds their stock through another transparent entity should consult his, her or its tax advisor regarding the tax consequences of the ownership and disposition of our common stock through a partnership or other transparent entity, as applicable.

Prospective investors should consult their tax advisors regarding the U.S. federal, state, local, and non-U.S. income and other tax considerations of acquiring, holding, and disposing of our common stock.

Distributions on our Common Stock

We do not currently expect to pay dividends. See the section titled “Dividend Policy” above in this prospectus. However, in the event that we do pay distributions of cash or property on our common stock, those distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, the excess will be treated as a tax-free return of the non-U.S. holder’s investment, up to such holder’s tax basis in our common stock. Any remaining excess will be treated as capital gain, subject to the tax treatment described below under the heading “Gain on Sale, Exchange or Other Taxable Disposition of Common Stock.”

Subject also to the discussions below under the headings “Information Reporting and Backup Withholding Tax” and “Foreign Account Tax Compliance Act,” dividends paid to a non-U.S. holder generally will be subject to withholding of U.S. federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder’s country of residence. If we are unable to determine, at a time reasonably close to the date of payment of a distribution on our common stock, what portion, if any, of the distribution will constitute a dividend, then we may withhold U.S. federal income tax on the basis of assuming that the full amount of the distribution will be a dividend. If we or another withholding agent apply over-withholding, a non-U.S. holder may be entitled to a refund or credit of any excess tax withheld by timely filing an appropriate claim with the IRS.

Dividends that are treated as effectively connected with a trade or business conducted by a non-U.S. holder within the United States, and, if an applicable income tax treaty so provides, that are attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder within the United States, are generally exempt from the 30% withholding tax if the non-U.S. holder satisfies applicable certification and disclosure requirements. To obtain this exemption, a non-U.S. holder must generally provide us with a properly executed original IRS Form W-8ECI properly certifying such exemption. However, such U.S. effectively connected income, net of specified deductions and credits, will be taxed at the same graduated U.S. federal income tax rates applicable to U.S. persons (as defined in the Code). Any U.S. effectively connected income received by a non-U.S. holder that is a corporation may also, under certain

circumstances, be subject to an additional “branch profits tax” at a 30% rate or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder’s country of residence.

A non-U.S. holder of our common stock who claims the benefit of an applicable income tax treaty between the United States and such holder’s country of residence generally will be required to provide a properly executed IRS Form W-8BEN or W-8BEN-E (or applicable successor form) and satisfy applicable certification and other requirements. Non-U.S. holders are urged to consult their tax advisors regarding their entitlement to benefits under a relevant income tax treaty.

A non-U.S. holder that is eligible for such lower rate of U.S. withholding tax as may be specified under an income tax treaty may obtain a refund or credit of any excess amounts withheld by timely filing an appropriate claim with the IRS.

Any documentation provided to an applicable withholding agent may need to be updated in certain circumstances. The certification requirements described above also may require a non-U.S. holder to provide its U.S. taxpayer identification number.

Gain on Sale, Exchange or Other Taxable Disposition of Common Stock

Subject to the discussions below under the headings “Information Reporting and Backup Withholding Tax” and “Foreign Account Tax Compliance Act,” a non-U.S. holder generally will not be subject to U.S. federal income tax or withholding tax on gain recognized on a sale, exchange or other taxable disposition of our common stock unless:

- the gain is effectively connected with the non-U.S. holder’s conduct of a trade or business in the United States, and, if an applicable income tax treaty so provides, the gain is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States; in these cases, the non-U.S. holder will be taxed on a net income basis at the regular graduated rates and in the manner applicable to U.S. persons, and, if the non-U.S. holder is a foreign corporation, an additional branch profits tax at a rate of 30%, or a lower rate as may be specified by an applicable income tax treaty, may also apply;
- the non-U.S. holder is an individual present in the United States for a period or periods aggregating 183 days or more in the taxable year of the disposition and certain other conditions are met, in which case the non-U.S. holder will be subject to a 30% tax (or such lower rate as may be specified by an applicable income tax treaty) on the amount by which the non-U.S. holder’s capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the disposition (without taking into account any capital loss carryovers); or
- we are or were a “U.S. real property holding corporation” during a certain look-back period, unless our common stock is regularly traded on an established securities market and the non-U.S. holder held no more than five percent of our outstanding common stock, directly or indirectly, during the shorter of the five-year period ending on the date of the disposition or the period that the non-U.S. holder held our common stock. Generally, a corporation is a “U.S. real property holding corporation” if the fair market value of its “U.S. real property interests” equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. Although there can be no assurance, we believe that we have not been and are not currently, and we do not anticipate becoming, a “U.S. real property holding corporation” for U.S. federal income tax purposes.

Information Reporting and Backup Withholding Tax

We (or the applicable paying agent) must report annually to the IRS and to each non-U.S. holder the gross amount of the distributions on our common stock paid to such holder and the tax withheld, if any, with respect to such distributions. Non-U.S. holders may have to comply with specific certification procedures to establish that the holder is not a U.S. person (as defined in the Code) in order to avoid backup withholding at the applicable rate with respect to dividends on our common stock. Generally, a holder will comply with such procedures if it provides a properly executed IRS Form W-8BEN or W-8BEN-E or otherwise meets documentary evidence requirements for establishing that it is a non-U.S. holder, or otherwise establishes an exemption.

Information reporting and backup withholding generally will apply to the proceeds of a disposition of our common stock by a non-U.S. holder effected by or through the U.S. office of any broker, U.S. or foreign, unless the holder certifies its status as a non-U.S. holder and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a non-U.S. holder where the transaction is effected outside the United States through a foreign broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker. Non-U.S. holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules to them.

Copies of information returns may be made available to the tax authorities of the country in which the non-U.S. holder resides or is incorporated under the provisions of a specific treaty or agreement. Any documentation provided to an applicable withholding agent may need to be updated in certain circumstances.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder may be refunded or credited against the non-U.S. holder's U.S. federal income tax liability, if any, provided that an appropriate claim is timely filed with the IRS.

Foreign Account Tax Compliance Act

Provisions of the Code commonly referred to as the Foreign Account Tax Compliance Act, or FATCA, generally impose a U.S. federal withholding tax at a rate of 30% on payments of dividends on our common stock paid to a foreign entity unless (i) if the foreign entity is a "foreign financial institution," such foreign entity undertakes certain due diligence, reporting, withholding, and certification obligations, (ii) if the foreign entity is not a "foreign financial institution," such foreign entity identifies certain of its U.S. investors, if any, or (iii) the foreign entity is otherwise exempt under FATCA. Such withholding may also apply to payments of proceeds of sales or other dispositions of our common stock, although under proposed U.S. Treasury Regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization), no withholding will apply to payments of gross proceeds. Under certain circumstances, a non-U.S. holder may be eligible for refunds or credits of this withholding tax. An intergovernmental agreement between the United States and an applicable foreign country may modify the requirements described in this paragraph. Non-U.S. holders should consult their tax advisors regarding the possible implications of this legislation on their investment in our common stock and the entities through which they hold our common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of the 30% withholding tax under FATCA.

The preceding discussion of material U.S. federal tax considerations is for general information only. It is not tax advice. Prospective investors should consult their tax advisors regarding the particular U.S. federal, state, local, and non-U.S. tax consequences of purchasing, holding, and disposing of our common stock, including the consequences of any proposed changes in applicable laws.

UNDERWRITING

We, the selling stockholders, and the underwriters named below propose to enter into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, we and the selling stockholders will agree to sell to the underwriters, and each underwriter will severally agree to purchase, the number of shares of Class A common stock indicated in the following table. Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, and Jefferies LLC are the representatives of the underwriters.

Underwriters	Number of Shares
Goldman Sachs & Co. LLC	
J.P. Morgan Securities LLC	
Jefferies LLC	
KeyBanc Capital Markets Inc.	
Piper Sandler & Co	
Stifel, Nicolaus & Company	
Total	

The underwriters will be committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

The underwriters will have an option to buy up to an additional _____ shares of Class A common stock from us to cover sales by the underwriters of a greater number of shares than the total number set forth in the table above. They may exercise that option for 30 days from the date of this prospectus. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above. If any additional shares are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share less the amount paid by the underwriters to us per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase _____ additional shares of Class A common stock.

	No Exercise	Full Exercise
Per Share	\$	\$
Total	\$	\$

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover page of this prospectus. Any shares of Class A common stock sold by the underwriters to securities dealers may be sold at a discount of up to \$ _____ per share from the initial public offering price. After the initial offering of the shares, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We, our officers, directors, and holders of substantially all of our common stock and securities convertible into or exchangeable for our common stock (collectively, the "Locked-up Parties"), including the selling stockholders, have agreed or will agree with the underwriters, subject to certain exceptions and the early release triggers, each as described below, not to dispose of or hedge any shares or any securities convertible into or exchangeable for shares of our common stock during the period from the

date of this prospectus continuing through the date 180 days after the date of this prospectus (the “lock-up restrictions”), except with the prior written consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC (together, the “Lock-up Release Agents”).

The restrictions described in the immediately preceding paragraph do not apply to certain transfers, dispositions or transactions, including:

- as a bona fide gift or gifts or as charitable contributions, provided that the transfer does not involve a disposition for value and the donee or donees thereof agree to be bound in writing by the lock-up restrictions, and provided further that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of common stock or derivatives instruments shall be made during the lock-up period unless required;
- by will or other testamentary document, intestacy or applicable laws of descent to or for the primary benefit of the legal representative, heir, beneficiary or a member of the immediate family (as defined below) of the Locked-up Party, or any trust for the direct or indirect benefit of the immediate family of the Locked-up Party, provided that the transfer does not involve a disposition for value and that the transferee agrees to be bound in writing by the lock-up restrictions, and provided further that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of common stock or derivatives instruments shall be made during the lock-up period unless required;
- to any immediate family member, other dependent or any investment fund or other entity controlled or managed by the Locked-up Party, provided that the transfer does not involve a disposition for value and that the transferee agrees to be bound in writing by the lock-up restrictions, and provided further that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of common stock or derivatives instruments shall be made during the lock-up period unless required;
- to any trust, partnership, limited liability company or other entity for the direct or indirect benefit of the Locked-up Party or the immediate family of the Locked-up Party, provided that the transfer does not involve a disposition for value and that the transferee agrees to be bound in writing by the lock-up restrictions, and provided further that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of common stock or derivatives instruments shall be made during the lock-up period unless required;
- if the Locked-up Party is the trustee of a trust, to a donor of such trust or beneficiary of such trust (including, without limitation, any trustee of a trust named as a beneficiary of such trust), provided that the transfer does not involve a disposition for value and that the transferee agrees to be bound in writing by the lock-up restrictions, and provided further that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of common stock or derivatives instruments shall be made during the lock-up period unless required;
- to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under the preceding exceptions, provided that the transfer does not involve a disposition for value and that the transferee agrees to be bound in writing by the lock-up restrictions, and provided further that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of common stock or derivatives instruments shall be made during the lock-up period unless required;

- by (a) the exercise of stock options solely with cash granted pursuant to equity incentive plans described in the Registration Statement, and the receipt by the Locked-up Party from the Company of shares of Common Stock upon such exercise, provided that, the underlying shares of Common Stock shall continue to be subject to the restrictions on transfer described in the immediately preceding paragraph; (b) transfers of shares of Common Stock to the Company upon the “net” or “cashless” exercise of stock options or other equity awards granted pursuant to equity incentive plans described in the registration statement of which this prospectus is a part; or (c) forfeitures of shares of Common Stock to the Company to satisfy tax withholding requirements of the Locked-up Party or the Company upon the vesting, during the lock-up period, of equity based awards granted under equity incentive plans or pursuant to other stock purchase arrangements, in each case described in the in the registration statement of which this prospectus is a part;
- acquired in the open market following the closing of this offering (other than shares purchased in the directed share program), and provided that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of common stock or derivatives instruments shall be made during the lock-up period unless required;
- to us or our subsidiaries upon or following death, disability, retirement, discharge, resignation or other termination of the Locked-up Party’s employment or service relationship;
- to the underwriters in connection with this offering pursuant to the underwriting agreement and any reclassification, conversion or exchange in connection with such sale of shares;
- after the closing of this offering, pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of shares of common stock involving a “change of control” (as defined below) of our company, provided that if such transaction is not consummated, the Locked-up Party’s shares of common stock shall remain subject to the lock-up restrictions;
- to establish or modify a written plan meeting the requirements of Rule 10b5-1 of the Exchange Act (a “Rule 10b5-1 Plan”) that does not provide for the sale or transfer of shares of common stock during the lock-up period, provided that no filing by the Locked-up Party, Semrush or any other person under the Exchange Act or other public announcement in connection with the establishment, modification or existence of such plan shall be required or shall be made voluntarily prior to the expiration of the lock-up period;
- pursuant to an order of a court or regulatory agency, by operation of law as a result of a divorce or to comply with, or as must be permitted to comply with, any regulations related to ownership by the Locked-up Party of the Locked-up Party’s shares; or
- if the Locked-up Party is a corporation, partnership, limited liability company or other business entity, by (a) distributions of shares of common stock or any derivative instrument to limited partners, general partners, members, stockholders holders of similar interests of the Locked-up Party (or in each case its nominee or custodian) or to any investment holding company controlled or managed by the Locked-up Party or (b) transfers of shares of common stock or any derivative instrument to affiliates (as defined in Rule 405 of the Securities Act of 1933, as amended (the “Securities Act”)) or other entities controlled or managed by the Locked-up Party or any of its affiliates (other than Semrush and its subsidiaries); provided that the transfer does not involve a disposition for value and that each distributee and transferee agrees to be bound in writing by the lock-up restrictions, and provided further that no filing under Section 16(a) of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares

of common stock or derivatives instruments shall be made during the lock-up period unless required.

Notwithstanding the foregoing, if at any time beginning 90 days after the date set forth on the final prospectus used to sell the shares of Class A common stock in this offering, (a) we have publicly furnished at least one earnings release under Item 2.02 of Form 8-K or filed at least one quarterly report on Form 10-Q or annual report on Form 10-K and (b) the last reported closing price of our Class A common Stock on the NYSE is at least 25% greater than the initial public offering price per share set forth on the cover page of the final prospectus relating to this offering for 10 out of 15 consecutive trading days, then (x) 33% of each Locked-up Party's shares of common stock, except for that of the Selling Stockholders, will be automatically released from such restrictions and (y) 15% of each of the Selling Stockholders shares can be sold pursuant to an existing Rule 10b5-1 Plan.

In the event that the Lock-up Release Agents waive or terminate, in full or in part, any lock-up restriction for any Locked-up Party that held at least 5% of our total outstanding shares of common stock prior to this offering, subject to certain exceptions (a "Triggering Release"), at the time of such Triggering Release, such provisions shall be waived or terminated, as applicable, for each Locked-up Party on a pro rata basis and on the same terms.

Prior to the offering, there has been no public market for the shares. The initial public offering price will be negotiated among the representatives and us. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be the information set forth in this prospectus and otherwise available to the representatives, our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related companies. Neither we nor the underwriters can assure investors that an active trading market will develop for our shares, or that the shares will trade in the public market at or above the initial public offering price.

We intend to list our Class A common stock on the NYSE under the symbol "SEMR."

In connection with the offering, the underwriters may purchase and sell shares of Class A common stock in the open market. These transactions may include short sales, stabilizing transactions, and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A "covered short position" is a short position that is not greater than the amount of additional shares for which the underwriters' option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to cover the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option described above. "Naked" short sales are any short sales that create a short position greater than the amount of additional shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our Class A common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of Class A common stock made by the underwriters in the open market prior to the completion of the offering. In considering whether to engage in a stabilizing transaction, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the shares, including that the underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our Class A common stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of our Class A common stock. As a result, the price of our Class A common stock may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on the NYSE, in the over-the-counter market or otherwise.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately \$. We have agreed to reimburse the underwriters for expenses related to the review and clearance by Financial Industry Regulatory Authority incurred by them in connection with this offering in an amount up to \$.

We and the selling stockholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act. The underwriters have agreed to reimburse us for certain out-of-pocket expenses incurred by us in connection with this offering.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage, and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to us and to persons and entities with relationships with us, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors, and employees may purchase, sell, or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of ours (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with us. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities, or instruments, and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities, and instruments.

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Directed Share Program

At our request, the underwriters have reserved up to _____ shares of our Class A common stock (“Reserved Shares”) to be issued by us and offered by this prospectus for sale, at the initial public offering price, to directors and certain friends and family members of such persons. Except for directors and executive officers who have entered into lock-up agreements as contemplated above, if purchased by these persons, these shares will be not subject to a 180-day lock-up restriction. We will offer these shares to the extent permitted under applicable regulations in the United States and applicable jurisdictions through a directed share program. Goldman Sachs & Co. LLC will administer the directed share program for our directors and certain friends and family members of such persons. The number of shares of common stock available for sale to the general public will be reduced to the extent these individuals purchase such Reserved Shares. Any Reserved Shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus.

Selling Restrictions

European Economic Area and United Kingdom

In relation to each Member State of the European Economic Area and the UK (each, a “Relevant State”), an offer to the public of our shares may not be made in that Relevant State, except that an offer to the public of our shares in that Relevant State may be made at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of shares shall require us, the selling stockholders, or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or a prospectus supplement pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

In addition, in the UK, this prospectus is only addressed to and directed at “qualified investors” (within the meaning of Section 86(7) of the Financial Services and Markets Act 2000 who are (i) persons who have professional experience in matter relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated, (all such persons together being referred to as “relevant persons”). Any investment or investment activity to which this prospectus relates is available only to relevant persons and will only be engaged with relevant persons. Any person who is not a relevant person should not act or rely on this prospectus or any of its contents.

Canada

Our Class A common stock may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("Companies (Winding Up and Miscellaneous Provisions) Ordinance") or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("Securities and Futures Ordinance"), or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA")) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more

individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for six months after that corporation has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation's securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore ("Regulation 32")

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for six months after that trust has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than \$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

Japan

Our Class A common stock has not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, "FIEA"). The shares may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

LEGAL MATTERS

Goodwin Procter LLP, Boston, Massachusetts, which has acted as our counsel and counsel to the selling stockholders in connection with this offering, will pass upon the validity of the shares of Class A common stock being offered by this prospectus. The underwriters are being represented by White & Case LLP, New York, New York in connection with this offering.

EXPERTS

The consolidated financial statements of SEMrush Holdings, Inc. at December 31, 2019 and 2020, and for the years then ended, appearing in this prospectus and registration statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

CHANGE IN ACCOUNTANTS

Dismissal of Ernst & Young LLC and Engagement of Ernst & Young LLP

Ernst & Young LLC, the Russian member firm of Ernst & Young Global Limited ("EY Russia"), was previously engaged as our independent auditors to perform an audit of SEMrush CY and its subsidiaries' consolidated financial statements for the years ended December 31, 2017 and 2018 in accordance with auditing standards generally accepted in the United States.

In connection with SEMrush CY and its subsidiaries becoming subsidiaries of Semrush through the 2019 Share Exchange, EY Russia was dismissed. Ernst & Young LLP, the U.S. member firm of Ernst & Young Global Limited ("EY US") was engaged to serve as our independent registered public accounting firm. Our board of directors approved the engagement of EY US on December 19, 2019. Notwithstanding the dismissal of EY Russia, EY Russia will continue to be our statutory auditor for filings in Russia.

The report of EY Russia on SEMrush CY's consolidated financial statements for the years ended December 31, 2017 and 2018 did not contain any adverse opinion or disclaimer of opinion, nor were such reports qualified or modified as to uncertainty, audit scope, or accounting principles.

During the years ended December 31, 2017 and 2018 and the subsequent period from January 1, 2019 through December 19, 2019, EY Russia did not have any "disagreement" (as such term is defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions thereto) with SEMrush CY on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreement, if not resolved to the satisfaction of EY Russia, would have caused EY Russia to make reference to the subject matter of the disagreement in connection with its report on the SEMrush CY's consolidated financial statements.

During the years ended December 31, 2017 and 2018 and the subsequent period from January 1, 2019 through December 19, 2019, there were no "reportable events" (as such term is defined in Item 304(a)(1)(v) of Regulation S-K and the related instructions thereto).

During the years ended December 31, 2017 and 2018, and the subsequent period from January 1, 2019 through the date of our engagement of EY US, neither we nor anyone on our behalf consulted with EY US, regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered with respect to our financial statements, and no written report or oral advice was provided to us by EY US that was an important factor considered by us in reaching a decision as to any accounting, auditing or financial reporting issue; or (ii) any matter that was the subject of a disagreement or reportable event pursuant to Regulation S-K Item

304(a). EY US has reported on our consolidated financial statements for the fiscal years ended December 31, 2019 and 2020.

Semrush has provided a copy of this disclosure to EY Russia and requested that they furnish a letter addressed to the SEC stating whether or not it agrees with the statements made herein. A copy of the letter, dated March 1, 2021, is filed as an Exhibit to the registration statement of which this prospectus is a part.

ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of Class A common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The SEC maintains an internet website that contains reports, proxy statements, and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

As a result of this offering, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with this law, will file periodic reports, proxy statements, and other information with the SEC. These periodic reports, proxy statements, and other information will be available for inspection and copying at the SEC's public reference facilities and the website of the SEC referred to above. We also maintain a website at www.semrush.com. Upon completion of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on our website is not a part of this prospectus and the inclusion of our website address in this prospectus is an inactive textual reference only.

SEMRUSH HOLDINGS, INC.

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of SEMrush Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of SEMrush Holdings, Inc. (the Company) as of December 31, 2019 and 2020, the related consolidated statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' equity (deficit), and cash flows for the years then ended, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019 and 2020, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2019.

Boston, Massachusetts
March 1, 2021

SEMRUSH HOLDINGS, INC.

CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	As of December 31,	
	2019	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 37,435	\$ 35,531
Accounts receivable	1,944	1,399
Deferred contract costs, current portion	2,961	4,049
Prepaid expenses and other current assets	2,491	2,649
Total current assets	44,831	43,628
Property and equipment, net	1,605	2,968
Intangible assets, net	408	2,231
Goodwill	—	1,991
Deferred contract costs, net of current portion	744	1,670
Other long-term assets	88	2,470
Total assets	\$ 47,676	\$ 54,958
Liabilities, redeemable convertible preferred stock and stockholders' deficit		
Current liabilities		
Accounts payable	\$ 6,818	\$ 8,654
Accrued expenses	4,112	7,719
Deferred revenue	19,218	26,537
Total current liabilities	30,148	42,910
Long-term liabilities		
Deferred revenue, net of current portion	448	123
Deferred tax liability	180	209
Other long-term liabilities	—	497
Total liabilities	30,776	43,739
Commitments and contingencies (Note 9)		
Series A redeemable convertible preferred stock, \$0.00001 par value - 3,379,400 shares authorized, issued and outstanding (liquidation value of \$8,000 at December 31, 2019 and 2020)	7,789	7,789
Series A-1 redeemable convertible preferred stock, \$0.00001 par value - 1,837,600 shares authorized, issued and outstanding (liquidation value of \$5,000 at December 31, 2019 and 2020)	10,270	10,270
Stockholders' deficit		
Series B convertible preferred stock, \$0.00001 par value - 4,681,400 shares authorized, issued and outstanding (liquidation value of \$24,000 at December 31, 2019 and 2020)	24,000	24,000
Common stock, \$0.00001 par value - 100,000,000 shares authorized; 31,530,900 and 31,735,631 shares issued at December 31, 2019 and 2020, respectively, and 31,530,900 and 31,683,347 shares outstanding at December 31, 2019 and 2020, respectively	—	—
Additional paid-in capital	3,644	4,975
Accumulated deficit	(28,803)	(35,815)
Total stockholders' deficit	(1,159)	(6,840)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	\$ 47,676	\$ 54,958

The accompanying notes are an integral part of these consolidated financial statements.

SEMRUSH HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except per share data)

	For the Year Ended December 31,	
	2019	2020
Revenue	\$ 92,109	\$ 124,875
Cost of revenue	22,540	29,930
Gross profit	69,569	94,945
Operating expenses		
Sales and marketing	41,719	54,518
Research and development	14,224	17,528
General and administrative	21,848	29,044
Total operating expenses	77,791	101,090
Loss from operations	(8,222)	(6,145)
Other expense, net	1,480	290
Loss before income taxes	(9,702)	(6,435)
Provision for income taxes	464	577
Net loss and comprehensive loss	<u>\$ (10,166)</u>	<u>\$ (7,012)</u>
Net loss per share attributable to common stockholders—basic and diluted:	<u>\$ (0.32)</u>	<u>\$ (0.22)</u>
Weighted-average number of shares of common stock used in computing net loss per share attributable to common stockholders—basic and diluted:	31,510	31,601

The accompanying notes are an integral part of these consolidated financial statements.

SEMRUSH HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands, except share data)

	Series A		Series A-1		Series B		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balances at December 31, 2018	3,379,400	\$ 7,789	—	\$ —	4,681,400	\$24,000	31,489,800	\$ —	\$ 3,043	\$ (18,637)	\$ 8,406
Issuance of Series A-1 redeemable convertible preferred stock upon exercise of share purchase option	—	—	1,837,600	10,270	—	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	41,100	—	97	—	97
Stock-based compensation expense	—	—	—	—	—	—	—	—	504	—	504
Net loss	—	—	—	—	—	—	—	—	—	(10,166)	(10,166)
Balances at December 31, 2019	3,379,400	7,789	1,837,600	10,270	4,681,400	24,000	31,530,900	—	3,644	(28,803)	(1,159)
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	152,447	—	252	—	252
Stock-based compensation expense	—	—	—	—	—	—	—	—	1,079	—	1,079
Net loss	—	—	—	—	—	—	—	—	—	(7,012)	(7,012)
Balances at December 31, 2020	3,379,400	\$ 7,789	1,837,600	\$10,270	4,681,400	\$24,000	31,683,347	\$ —	\$ 4,975	\$ (35,815)	\$ (6,840)

The accompanying notes are an integral part of these consolidated financial statements.

SEMRUSH HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Year Ended December 31,	
	2019	2020
Operating Activities		
Net loss	\$ (10,166)	\$ (7,012)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization expense	1,050	1,484
Amortization of deferred contract costs	3,134	4,623
Stock-based compensation expense	504	1,079
Deferred taxes	83	(90)
Change in fair value of share purchase option	903	—
Changes in operating assets and liabilities		
Accounts receivable	(744)	738
Deferred contract costs	(4,768)	(6,637)
Prepaid expenses and other current assets	(1,470)	(70)
Accounts payable	1,596	1,825
Accrued expenses	4,107	2,998
Deferred revenue	7,646	6,914
Net cash provided by operating activities	1,875	5,852
Investing Activities		
Purchases of property and equipment	(1,001)	(2,367)
Capitalization of internal-use software development costs	(162)	(1,032)
Cash paid for acquisition of business, net of cash acquired	—	(2,685)
Net cash used in investing activities	(1,163)	(6,084)
Financing Activities		
Proceeds from exercise of stock options	97	252
Proceeds from issuance of Series A-1 Preferred Stock upon exercise of share purchase option	5,000	—
Payment of credit facility costs	—	(324)
Payment of deferred offering costs	—	(1,600)
Net cash provided by (used in) financing activities	5,097	(1,672)
Increase in cash, cash equivalents and restricted cash	5,809	(1,904)
Cash, cash equivalents and restricted cash, beginning of year	31,714	37,523
Cash, cash equivalents and restricted cash, end of year	\$ 37,523	\$ 35,619
Supplemental cash flow disclosures		
Cash paid for income taxes	\$ 323	\$ 583
Reclassification of share purchase option liability to stockholders' deficit upon exercise	\$ 5,270	\$ —
Deferred offering costs incurred and not paid	\$ —	\$ 243
Credit facility costs incurred and not paid	\$ —	\$ 303
Accrued purchase consideration	\$ —	\$ 497

The accompanying notes are an integral part of these consolidated financial statements.

SEMRUSH HOLDINGS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2020

(in thousands, except share and per share data, unless otherwise noted)

1. Organization and Description of Business

On December 19, 2019, SEMrush Holdings, Inc. ("SEMrush Holdings"), was incorporated in the state of Delaware and entered into a Contribution and Exchange Agreement with SEMrush CY Ltd ("SEMrush CY") (a private limited liability company organized under the Cyprus Companies Law, Cap 113), pursuant to which the holders of all outstanding shares of capital stock of SEMrush CY contributed those shares to SEMrush Holdings in exchange for identical shares of capital stock of SEMrush Holdings (the "2019 Share Exchange"). Upon the 2019 Share Exchange, SEMrush Holdings became the holding company of SEMrush CY and its wholly owned subsidiaries and the historical consolidated financial statements of SEMrush CY became the historical consolidated financial statements of SEMrush Holdings. The 2019 Share Exchange and related transactions was completed on December 27, 2019.

SEMrush Holdings and its subsidiaries (together the "Group", the "Company", or "Semrush") is headquartered in Boston, Massachusetts. The principal activity of the Group is the provision of an online visibility management software-as-a-service platform. The Company's platform enables its subscribers to improve their online visibility and drive traffic, including on their websites and social media pages, and distribute highly relevant content to their customers on a targeted basis across various channels to drive high-quality traffic and measure the effectiveness of their digital marketing campaigns. The Company has wholly owned subsidiaries in Cyprus, Russia, the Czech Republic, Poland, and the United States.

The Company is subject to a number of risks and uncertainties common to companies in similar industries and stages of development that could affect future operations and financial performance. These risks include, but are not limited to, rapid technological change, competitive pressure from substitute products or larger companies, protection of proprietary technology, management of international activities, the need to obtain additional financing to support growth, and dependence on third parties and key individuals.

2. Summary of Significant Accounting Policies

The accompanying consolidated financial statements reflect the application of certain significant accounting policies as described below and elsewhere in these notes to the consolidated financial statements. The Company believes that a significant accounting policy is one that is both important to the portrayal of the Company's financial condition and results, and requires management's most difficult, subjective, or complex judgments, often as the result of the need to make estimates about the effect of matters that are inherently uncertain.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the Accounting Standards Codification ("ASC") and Accounting Standards Update ("ASU") of the Financial Accounting Standards Board ("FASB").

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant estimates relied upon in preparing these financial statements include, but are not limited to, revenue recognition, expected future cash flows used to evaluate the recoverability of long-lived assets, contingent liabilities, expensing and capitalization of research and development costs for internal-use software, the average period of benefit associated with costs capitalized to obtain revenue contracts, the determination of the fair value of stock-based awards issued, stock-based compensation expense, and the recoverability of the Company's net deferred tax assets and related valuation allowance.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates. Changes in estimates are recorded in the period in which they become known. The Company bases its estimates on historical experience and various other assumptions that it believes to be reasonable under the circumstances. Actual results may differ from management's estimates if these results differ from historical experience, or other assumptions do not turn out to be substantially accurate, even if such assumptions are reasonable when made.

Reclassification

Restricted cash totaling \$88 as of December 31, 2019 has been reclassified from cash and cash equivalents to other current term assets to conform to the current period presentation. Additionally, the Company has reclassified \$888 which was previously classified as accounts payable as of December 31, 2019 to accrued expenses to conform to the current period presentation. These reclassifications had no effect on the consolidated results of operation or cash flows for the year ended December 31, 2019.

Subsequent Events Considerations

The Company considers events or transactions that occur after the balance sheet date but prior to the issuance of the financial statements to provide additional evidence for certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated as required. See Note 13.

Revenue Recognition

The Company derives revenue from two sources: (1) subscription revenues via the Semrush Online Visibility Management Platform and the Prowly Public Relations Platform, which are comprised of subscription fees from customers accessing the Company's SaaS services and related customer support; and (2) the Semrush Marketplace, which allows customers to pay a set fee for services or products offered through the marketplace.

For the years ended December 31, 2019 and 2020, subscription revenue accounted for nearly all of the Company's revenue. Revenue related to the Semrush Marketplace was not material for the years ended December 31, 2019 and 2020.

The Company offers subscriptions to its platform primarily on a monthly or annual basis. The Company sells its products and services primarily through a self-service model and also directly through

its sales force. The Company's subscription arrangements provide customers the right to access the Company's hosted software applications. Customers do not have the right to take possession of the Company's software during the hosting arrangement. Subscriptions are generally non-cancellable during the contractual subscription term; however, subscription contracts contain a right to a refund if requested within seven days of purchase.

The Company recognizes revenue in accordance with ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration it expects to receive in exchange for those products or services. To achieve the core principle of ASC 606, the Company performs the following steps:

- 1) Identify the contract(s) with a customer;
- 2) Identify the performance obligations in the contract;
- 3) Determine the transaction price;
- 4) Allocate the transaction price to the performance obligations in the contract; and
- 5) Recognize revenue when (or as) the Company satisfies a performance obligation.

The Company recognizes subscription and support revenue ratably over the term of the contract, beginning on the date the customer is provided access to the Company's service. These subscriptions are generally stand-ready obligations as the customer has access to the service throughout the term of the subscription, and the Company's performance obligations are satisfied with the customer over time. The Company considers the Semrush Online Visibility Management Platform and related support services to have the same pattern of transfer to the customer. As such, they are accounted for as a single performance obligation.

Amounts that have been invoiced are recorded in accounts receivable and in deferred revenue or revenue, depending on whether the revenue recognition criteria have been met. The Company primarily invoices and collects payments from customers for its services in advance on a monthly or annual basis.

Deferred revenue represents amounts billed for which revenue has not yet been recognized. Deferred revenue that will be recognized during the succeeding 12-month period is recorded as current deferred revenue, and the remaining portion is recorded as long-term deferred revenue. Deferred revenue increased by \$7,646 and \$6,994 during the years ended December 31, 2019 and 2020, respectively. During the years ended December 31, 2019 and 2020, \$11,525 and \$19,218 of revenue was recognized that was included in deferred revenue at the beginning of each respective period.

The Company has elected to exclude amounts charged to customers for sales tax from the transaction price. Accordingly, revenue is presented net of any sales tax collected from customers.

Transaction Price Allocated to Future Performance Obligations

ASC 606 requires that the Company disclose the aggregate amount of the transaction price that is allocated to performance obligations that have not yet been satisfied as of the balance sheet dates reported.

For contracts with an original expected duration greater than one year, the aggregate amount of the transaction price allocated to the performance obligations that were unsatisfied as of December 31, 2019 and 2020 was \$1,437 and \$1,280, respectively, which the Company expects to recognize over the next 12 months.

For contracts with an original expected duration of one year or less, the Company has applied the practical expedient available under ASC 606 to not disclose the amount of transaction price allocated to unsatisfied performance obligations as of December 31, 2019 and 2020. For performance obligations not satisfied as of December 31, 2019 and 2020, and to which this expedient applies, the nature of the performance obligations is consistent with performance obligations satisfied as of December 31, 2019 and 2020. The remaining durations are less than one year.

Costs to Obtain a Contract

The incremental direct costs of obtaining a contract, which primarily consist of sales commissions paid for new subscription contracts, are deferred and recorded as deferred contract costs in the consolidated balance sheet and are amortized over a period of approximately 24 months on a systematic basis, consistent with the pattern of transfer of the goods or services to which the asset relates. The 24-month period represents the estimated benefit period of the customer relationship and has been determined by taking into consideration the type of product sold, the commitment term of the customer contract, the nature of the Company's technology development life-cycle, and an estimated customer relationship period based on historical experience and future expectations. Sales commissions for renewals and upgrade contracts are deferred and amortized on a straight-line basis over the remaining estimated customer relationship period of the related customer. Deferred contract costs that will be recorded as expense during the succeeding 12-month period is recorded as current deferred contract costs, and the remaining portion is recorded as deferred contract costs, net of current portion. Amortization of deferred contract costs is included in sales and marketing expense in the accompanying consolidated statement of operations and comprehensive loss.

Cost of Revenue

Cost of revenue primarily consists of expenses related to supporting and hosting the Company's SaaS platform, acquiring data and providing support to the Company's customers. These costs include salaries, benefits, incentive compensation, and stock-based compensation expense related to the management of the Company's data centers, the customer support team and the customer success team, and data acquisition costs. In addition to these expenses, the Company incurs third-party service provider costs, such as data center and networking expenses, allocated overhead costs, and depreciation and amortization expense associated with the Company's property and equipment and capitalized internal-use software development costs.

Cash, Cash Equivalents, and Restricted Cash

The Company considers all highly liquid instruments purchased with an original maturity date of 90 days or less from the date of purchase to be cash equivalents. Management determines the appropriate classification of investments at the time of purchase and re-evaluates such determination at each balance sheet date.

Cash and cash equivalents consist of cash on deposit with banks and amounts held in interest-bearing money market funds. Cash equivalents are carried at cost, which approximates their fair market value. At both December 31, 2019 and 2020, restricted cash was \$88, and related to cash held at a financial institution in an interest-bearing cash account as collateral for a letter of credit related to the contractual provisions for one of the Company's building leases. Restricted cash is included in "other assets" and in "prepaid expenses and other current assets" in the accompanying consolidated balance sheets as of December 31, 2019 and 2020, respectively, based on the maturity date of the letter of credit.

The following table is a reconciliation of cash, cash equivalents and restricted cash included in the accompanying consolidated balance sheets that sum to the total cash, cash equivalents and restricted cash included in the accompanying consolidated statements of cash flows.

	December 31, 2019	December 31, 2020
Cash and cash equivalents	\$ 37,435	\$ 35,531
Restricted cash included in "other assets" and "prepaid expenses and other current assets", respectively	88	88
	<u>\$ 37,523</u>	<u>\$ 35,619</u>

Concentrations of Credit Risk and Significant Customers

The Company has no off-balance sheet risk, such as foreign exchange contracts, option contracts, or other foreign hedging arrangements. Financial instruments that potentially expose the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivables. The Company maintains its cash and cash equivalents with multiple financial institutions that management believes to be of high-credit quality. At times, the deposits with these financial institutions may exceed federally insured limits.

Credit risk with respect to accounts receivable is dispersed due to the large number of customers of the Company. The Company routinely assesses the creditworthiness of its customers and generally does not require its customers to provide collateral or other security to support accounts receivable. Credit losses historically have not been significant and the Company generally has not experienced any material losses related to receivables from individual customers, or groups of customers. Due to these factors, no additional credit risk beyond amounts provided for collection losses is believed by management to be probable in the Company's accounts receivable.

As of December 31, 2019 and 2020, no individual customer represented more than 10% of the Company's accounts receivable. During the years ended December 31, 2019 and 2020, no individual customer represented more than 10% of the Company's revenue.

Allowance for doubtful accounts

The Company reduces gross trade accounts receivable by an allowance for doubtful accounts based upon the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable and based upon historical loss patterns, the number of days that billings are past due, and an evaluation of the potential risk of loss associated with specific accounts. Provisions for the allowance for doubtful accounts are recorded in general and administrative expense. As of December 31, 2019 and 2020, the Company did not record an allowance for doubtful accounts.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the related asset. The estimated useful lives of the Company's property and equipment are as follows:

	Estimated Useful Life (In Years)
Computer equipment	2 to 5
Furniture and office equipment	5 to 7
Leasehold improvements	2 to 4

Expenditures for maintenance and repairs are charged to expense as incurred, whereas major betterments are capitalized as additions to property and equipment.

Capitalized Software Development Costs

Costs incurred to develop software applications used in the Company's SaaS platform consist of certain direct costs of materials and services incurred in developing or obtaining internal-use computer software, and payroll and payroll-related costs for employees who are directly associated with, and who devote time to, the project. These costs generally consist of internal labor during configuration, coding, and testing activities. Research and development costs incurred during the preliminary project stage or costs incurred for data conversion activities, training, maintenance, and general and administrative or overhead costs are expensed as incurred. Once an application has reached the development stage, internal and external costs, if direct and incremental, are capitalized until the application is substantially complete and ready for its intended use. Qualified costs incurred during the operating stage of the Company's software applications relating to upgrades and enhancements are capitalized to the extent it is probable that they will result in added functionality, while costs incurred for maintenance of, and minor upgrades and enhancements to, internal-use software are expensed as incurred.

Capitalized software development costs are amortized on a straight-line basis over their estimated useful life of three years. Management evaluates the useful lives of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

During the years ended December 31, 2019 and 2020, the Company capitalized \$162 and \$1,032, respectively, of software development costs, which are classified as intangible assets on the accompanying consolidated balance sheets. The Company recorded amortization expense associated with its capitalized development costs of \$182 and \$305 for the years ended December 31, 2019 and 2020, respectively. As of December 31, 2019 and 2020, the capitalized internal-use software asset balances totaled \$408 and \$1,038, respectively.

Business Combinations

In accordance with ASC 805, *Business Combinations* (ASC 805), the Company recognizes the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values. Determining these fair values requires management to make significant estimates and assumptions, especially with respect to intangible assets.

The Company recognizes identifiable assets acquired and liabilities assumed at their acquisition date fair value. Goodwill as of the acquisition date is measured as the excess of consideration transferred over the net of the acquisition date fair value of the assets acquired and the liabilities assumed and represents the expected future economic benefits arising from other assets acquired that are not individually identified and separately recognized. While the Company uses its best estimates and assumptions as part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the acquisition date, its estimates are inherently uncertain and subject to refinement. Assumptions may be incomplete or inaccurate, and unanticipated events or circumstances may occur, which may affect the accuracy or validity of such assumptions, estimates or actual results. As a result, during the measurement period, which may be up to one year from the acquisition date, the Company records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill to the extent that it identifies adjustments to the preliminary purchase price allocation. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the consolidated statements of operations.

Goodwill and acquired intangible assets

Goodwill is not amortized, but is evaluated for impairment annually, or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The Company has determined that there is a single reporting unit for the purpose of conducting this goodwill impairment assessment and the fair value of its reporting unit has been determined based on the Company's enterprise value. As part of the annual goodwill impairment test, the Company has the option to perform a qualitative assessment to determine whether further impairment testing is necessary. Examples of events and circumstances that might indicate that the reporting unit's fair value is less than its carrying amount include macro-economic conditions such as deterioration in the entity's operating environment or industry or market considerations; entity-specific events such as increasing costs, declining financial performance, or loss of key personnel; or other events such as a sustained decrease in the stock price on either an absolute basis or relative to peers. If, as a result of its qualitative assessment, it is more likely than not (i.e., greater than 50% chance) that the fair value of the Company's reporting unit is less than its carrying amount, the quantitative impairment test will be required. Otherwise, no further testing will be required. The Company completed its qualitative assessment and concluded that as of October 1, 2020, it is not more likely than not that the fair value of the Company's reporting unit is less than its carrying amount.

Intangible assets acquired in a business combination are recorded at their estimated fair values at the date of acquisition. The Company amortizes acquired definite-lived intangible assets over their estimated useful lives based on the pattern of consumption of the economic benefits or, if that pattern cannot be readily determined, on a straight-line basis. The Company evaluates the recoverability of intangible assets periodically by taking into account events or circumstances that may warrant revised estimates of useful lives or that indicate the asset may be impaired. The Company considered potential impairment indicators of acquired intangible assets at December 31, 2020 and noted no indicators of impairment.

Impairment of Long-Lived Assets

Long-lived assets consist of property and equipment, intangible assets, and capitalized internal-use software development costs. Long-lived assets to be held and used are tested for recoverability whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Factors that the Company considers in deciding when to perform an impairment review include significant underperformance of the business in relation to expectations, significant negative industry or economic trends and significant changes or planned changes in the use of the assets. If an impairment review is performed to evaluate a long-lived asset group for recoverability, the Company compares forecasts of undiscounted cash flows expected to result from the use and eventual disposition of the long-lived asset group to its carrying value. An impairment loss would be recognized when estimated undiscounted future cash flows expected to result from the use of an asset group are less than its carrying amount. The impairment loss would be based on the excess of the carrying value of the impaired asset group over its fair value, determined based on discounted cash flows.

For the year ended December 31, 2019, the Company did not identify any indicators of impairment of its long-lived assets. For the year ended December 31, 2020, the Company recorded an immaterial amount of impairment expense relating to capitalized software.

Deferred Offering Costs

Deferred offering costs, which primarily consist of direct incremental legal and accounting fees relating to the IPO and to a credit facility (Note 13), are deferred. The deferred issuance costs relating to the IPO will be offset against IPO proceeds upon the consummation of the Company's proposed offering. In the event the IPO is terminated, or delayed more than 90 days, deferred offering costs relating to the IPO will be expensed. The deferred costs relating to the credit facility will be amortized to interest expense up through the maturity date of the facility. See Note 13 for further discussion on the terms of the credit facility. As of December 31, 2020, the Company had deferred offering costs relating to the IPO and

the credit facility of \$1,716 and \$754, respectively, which is classified in other long-term assets in the accompanying consolidated balance sheet. As of December 31, 2019, there were no deferred offering costs recorded.

Disclosure of Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses, approximated their fair values at December 31, 2019 and 2020, due to the short-term nature of these instruments.

The Company has evaluated the estimated fair value of financial instruments using available market information. The use of different market assumptions and/or estimation methodologies could have a significant effect on the estimated fair value amounts. See below for further discussion.

Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"), establishes a three-level valuation hierarchy for instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company's own assumptions (unobservable inputs). Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances.

This guidance further identifies fair value as the exchange price, or exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based on the highest and best use of the asset or liability. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. The Company uses valuation techniques to measure fair value that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

Level 1 inputs—Unadjusted observable quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 inputs—Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs—Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity's own assumptions about the assumptions that market.

To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized in Level 3. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Company evaluates assets and liabilities subject to fair value measurements on a recurring and nonrecurring basis to determine the appropriate level to classify them for each reporting period.

Cash equivalents include money market funds with original maturities of 90 days or less from the date of purchase. The fair value measurement of these assets is based on quoted market prices in active markets for identical assets and, therefore, these assets are recorded at fair value on a recurring basis

and classified as Level 1 in the fair value hierarchy. As of December 31, 2019 and 2020, cash equivalents held in money market funds totaled \$31,060 and \$29,369, respectively.

As of December 31, 2019 and 2020, the Company did not have any assets or liabilities measured at fair value on a recurring basis using significant other observable inputs (Level 2) or on a recurring basis using significant unobservable inputs (Level 3).

As discussed further in Note 7, in connection with the Series A Preferred Stock financing, the Company issued a call option to the Series A Preferred Stock investor, that allowed the investor to purchase additional shares of Preferred Stock (the "Share Purchase Option"). The call option expired two years from the date of issuance. The Company recorded the fair value of the Share Purchase Option at fair value on the date of issuance. Fair value of the Share Purchase Option was evaluated each reporting period and changes in fair value were recorded in the accompanying consolidated statement of operations and comprehensive loss up through the date of exercise in February 2019. See Note 7 for further discussion on the accounting for the Share Purchase Option.

The Company determined the fair value of the Share Purchase Options using Level 3 inputs during the year ended December 31, 2019.

A rollforward of the fair value measurements of the Share Purchase Option for the year end December 31, 2019, is as follows:

Balance as of January 1, 2019	\$	4,367
Change in fair value included in other expense		903
Reclassification to stockholders' deficit upon exercise		(5,270)
Balance as of December 31, 2019	\$	—

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense, which is included within sales and marketing expense in the consolidated statement of operations and comprehensive loss, was \$17,997 and \$25,467 for the years ended December 31, 2019 and 2020, respectively.

Leases

The Company categorizes leases at their inception as either operating or capital leases. On certain lease arrangements, the Company may receive rent holidays or other incentives. The Company recognizes lease costs on a straight-line basis once control of the space is achieved, without regard to deferred payment terms, such as rent holidays, that defer the commencement date of required payments or escalating payment amounts. The difference between required lease payments and rent expense has been recorded as deferred rent. Additionally, incentives received are treated as a reduction of costs over the term of the agreement, as they are considered an inseparable part of the lease agreement.

Foreign Currency Translation

The Group operates in a multi-currency environment having transactions in such currencies as the U.S. dollar, Russian rubles, Czech koruna, euros, and others. The reporting currency of the Company is the U.S. dollar. The functional currency of the Company's foreign subsidiaries is the U.S. dollar, with the exception of Prowly.com s.p.z.o.o ("Prowly"), where the functional currency is the local currency, the Zloty. The foreign currency translation adjustment as it relates to Prowly was immaterial for the year ended December 31, 2020. For all other entities, foreign currency transactions are measured initially in the functional currency of the recording entity by use of the exchange rate in effect at that date. At each subsequent balance sheet date, foreign currency denominated assets and liabilities of these international

subsidiaries are remeasured into U.S. dollars using the exchange rates in effect at the balance sheet date or historical rates, as appropriate. Any differences resulting from the remeasurement of foreign denominated assets and liabilities of the international subsidiaries to the U.S. dollar functional currency are recorded within other income (expense) in the consolidated statement of operations and comprehensive loss. The foreign currency exchange loss included in other expense for the years ended December 31, 2019 and 2020 was \$733 and \$672, respectively.

Income Taxes

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the Company's consolidated financial statements and tax returns. Deferred tax assets and liabilities are determined based upon the differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities and for loss and credit carryforwards, using enacted tax rates expected to be in effect in the year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that these assets may not be realized.

The Company provides reserves for potential payments of tax to various tax authorities related to uncertain tax positions. Amounts recognized are based on a determination of whether a tax benefit taken by the Company is more likely than not to be sustained upon audit. The amount recognized is equal to the largest amount that is more than 50% likely to be sustained. Interest and penalties associated with such uncertain tax positions are recorded as a component of income tax expense. As of December 31, 2019 and 2020, the Company has not identified any uncertain tax positions.

Net Loss Per Share

Net loss per share information is determined using the two-class method, which includes the weighted-average number of shares of common stock outstanding during the period and other securities that participate in dividends (a participating security). The Company considers the shares of Preferred Stock to be participating securities because they include rights to participate in dividends with the common stock.

Under the two-class method, basic net loss per share attributable to common stockholders is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share attributable to common stockholders is computed using the more dilutive of (1) the two-class method or (2) the if-converted method. The Company allocates net income first to the holders of the Preferred Stock based on dividend rights under the Company's certificate of incorporation and then to preferred and common stockholders based on ownership interests. Net losses are not allocated to preferred stockholders as they do not have an obligation to share in the Company's net losses.

Diluted net loss per share gives effect to all potentially dilutive securities. Potential dilutive securities consist of shares of common stock issuable upon the exercise of stock options, shares of common stock issuable upon the conversion of the outstanding shares of Preferred Stock, and shares of common stock issuable upon the vesting of restricted stock awards.

For the years ended December 31, 2019 and 2020, the net loss attributable to common stockholders is divided by the weighted-average number of shares of common stock outstanding during the period to calculate diluted earnings per share. The dilutive effect of common stock equivalents has been excluded from the calculation as their effect would have been anti-dilutive due to the net losses incurred for the period.

The following potentially dilutive common stock equivalents have been excluded from the calculation of diluted weighted-average shares outstanding for the period presented:

	Year ended December 31,	
	2019	2020
Stock options outstanding	1,987,700	2,537,086
Shares of Preferred Stock	9,898,400	9,898,400
Restricted stock outstanding	—	52,284

Stock-Based Compensation

The Company accounts for stock-based compensation awards in accordance with the provisions of ASC 718, *Compensation—Stock Compensation*, which requires the recognition of expense related to the fair value of stock-based compensation awards in the statements of operations. For service-based awards, the Company recognizes stock-based compensation expense on a straight-line basis over the requisite service period of the award with actual forfeitures recognized as they occur.

See Note 8 for further description of the Company's stock-based compensation plans and a summary of the stock-based award activity for the years ended December 31, 2019 and 2020.

Comprehensive loss

Comprehensive loss is comprised of two components: net loss and other comprehensive loss, which includes other changes in stockholders' deficit that result from transactions and economic events other than those with stockholders. The Company had no items qualifying as other comprehensive loss with the exception of an immaterial cumulative translation adjustment related to the Prowly entity; accordingly, comprehensive loss equaled total net loss for the years ended December 31, 2019 and 2020.

Contingent Liabilities

The Company has certain contingent liabilities that arise in the ordinary course of business activities. The Company accrues for loss contingencies when losses become probable and are reasonably estimable. If the reasonable estimate of the loss is a range and no amount within the range is a better estimate, the minimum amount of the range is recorded as a liability. The Company does not accrue for contingent losses that, in its judgment, are considered to be reasonably possible, but not probable; however, it discloses the range of such reasonably possible losses.

Segment Information

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions on how to allocate resources and assess performance. The Company's chief operating decision maker is the chief executive officer ("CEO"). The Company and the CEO view the Company's operations and manage its business as one operating segment.

In August 2020, the Company expanded its technological capabilities and solutions offerings through the acquisition of Prowly. In respect to this transaction, the Company concluded that Prowly does not qualify as a separate reporting unit for the purpose of segment reporting. Accordingly, the Company's revenue and assets incorporate those of Prowly in Note 12.

Emerging Growth Company Status

The Company is an "emerging growth company," as defined in the Jumpstart Our Business Startups Act, or JOBS Act, and may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies." The Company may take advantage of these exemptions until the Company is no longer an "emerging growth company." Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period afforded by the JOBS Act for the implementation of new or revised accounting standards. The Company has elected to use the extended transition period for complying with new or revised accounting standards and, as a result of this election, its financial statements may not be comparable to companies that comply with public company effective dates. The Company may take advantage of these exemptions up until the last day of the year following the fifth anniversary of an offering or such earlier time that it is no longer an emerging growth company. The Company would cease to be an emerging growth company if it has more than \$1.07 billion in annual revenue, has more than \$700.0 million in market value of its stock held by non-affiliates (and it has been a public company for at least 12 months, and has filed one annual report on Form 10-K), or it issues more than \$1.0 billion of non-convertible debt securities over a three-year period.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). ASU 2016-02 requires a lessee to recognize most leases on the balance sheet but recognize expenses on the income statement in a manner similar to current practice. The update states that a lessee will recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying assets for the lease term. Leases will continue to be classified as either financing or operating, with classification affecting the recognition, measurement, and presentation of expenses and cash flows arising from a lease. For public entities, ASU 2016-02 is effective for years beginning after December 15, 2019. For non-public companies, ASU 2016-02 is effective for fiscal years beginning after December 15, 2021 and interim periods in annual periods beginning after December 15, 2022. Early adoption is permitted. The Company plans to adopt this guidance in the year ended December 31, 2022. The Company is currently assessing the impact that adopting this guidance will have on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 requires that credit losses be reported as an allowance using an expected losses model, representing the entity's current estimate of credit losses expected to be incurred. The accounting guidance currently in effect is based on an incurred loss model. ASU 2016-13 affect loans, debt securities, trade receivables, net investments in leases, off balance sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. ASU 2016-13 is effective for public entities for annual reporting periods beginning after December 15, 2019, including interim periods within those fiscal years. For non-public companies, ASU 2016-13 is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. The Company plans to adopt this guidance in the year ended December 31, 2021. The Company is currently evaluating ASU 2016-13 and the potential impact on its consolidated financial statements and financial statement disclosures.

In August 2018, the FASB issued ASU No. 2018-15, *Intangible-Goodwill and Other Internal-Use Software (Subtopic 350-40)*. ASU 2018-15 updates guidance regarding accounting for implementation costs associated with a cloud computing arrangement that is a service contract. The amendments under

ASU 2018-15 are effective for public entities for years beginning after December 15, 2019, and interim periods within those years. For non-public companies, ASU 2081-15 is effective for annual reporting periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021, with early adoption permitted. The Company plans to adopt this guidance in the year ended December 31, 2021. The Company is currently assessing the impact that adopting this guidance will have on its consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, Income Taxes – *Simplifying the Accounting for Income Taxes*. The new guidance simplifies the accounting for income taxes by removing several exceptions in the current standard and adding guidance to reduce complexity in certain areas, such as requiring that an entity reflect the effect of an enacted change in tax laws or rates in the annual effective tax rate computation in the interim period that includes the enactment date. For public companies, the ASU is effective for years beginning after December 15, 2020, and interim periods within those years, with early adoption permitted. For non-public companies, the new standard is effective for years beginning after December 15, 2021, with early adoption permitted. The Company plans to adopt this guidance in the year ended December 31, 2021. The Company is currently assessing the impact that adopting this guidance will have on its consolidated financial statements.

3. Property and Equipment, Net

Property and equipment consists of the following:

	As of December 31,	
	2019	2020
Computer equipment	\$ 2,305	\$ 3,513
Furniture and office equipment	688	1,041
Leasehold improvements	97	667
Total property and equipment	3,090	5,221
Less: accumulated depreciation and amortization	(1,485)	(2,253)
Property and equipment, net	\$ 1,605	\$ 2,968

Depreciation and amortization expense related to property and equipment was \$868 and \$1,013 for the years ended December 31, 2019 and 2020, respectively.

4. Acquisitions, Acquired Intangible Assets, and Goodwill

Acquisitions

On August 27, 2020, the Company acquired 100% of the outstanding capital of Prowly for cash consideration of \$3,317. Of the total purchase consideration, \$497 is being held by the Company to secure post-closing claims and is payable 18 months from the closing date of the acquisition. The Company has classified this amount as a long-term liability in the accompanying consolidated balance sheet as of December 31, 2020. Aggregate acquisition-related costs associated with this business combination were \$420 for the fiscal year ended December 31, 2020, and were included in general and administrative expenses in the consolidated statement of operations and comprehensive loss. In addition to the purchase consideration, the founders of Prowly are eligible to earn up to a maximum of \$2,750 in aggregate additional consideration based on the satisfaction of certain earnings targets as defined in the purchase agreement. The additional consideration payable to the founders is contingent upon their continued employment with the Company. Accordingly, this amount will be recognized as compensation expense over the service period contractually required to earn such amounts, which is a three-year service period beginning on September 1, 2020. For the year ended December 31, 2020, the Company recognized compensation expense of \$328 as compensation expense related to the additional

consideration. The Company also issued \$291 of restricted stock units to the founders of Prowly. These awards will vest over time based on continued employment, and accordingly will be accounted for as stock-based compensation expense.

Upon the completion of the acquisition, Prowly became a wholly owned subsidiary of the Company. The results of operations of this business combination have been included in the Company's consolidated financial statements from its respective acquisition date.

The Company has accounted for this transaction as a business combination under the acquisition method. The total purchase price was allocated to the tangible and intangible assets acquired and the liabilities assumed based on their estimated fair values. The Company recorded the excess of the purchase price over those fair values as goodwill. The following table presents the purchase price allocation recorded in the Company's consolidated balance sheet as of the acquisition date, which was preliminary as of December 31, 2020:

	Purchase Price Allocation
Assets acquired	
Fair value of tangible assets:	
Cash	\$ 135
Accounts receivable	193
Other assets	8
Goodwill	1,991
Identifiable intangible assets	1,262
Total assets acquired	\$ 3,589
Liabilities assumed	
Accounts payable	\$ 11
Accrued expenses	60
Deferred revenue	80
Deferred tax liability	121
Total liabilities assumed	\$ 272
Net assets acquired	\$ 3,317

The Company believes the goodwill balance associated with this acquisition represents the synergies expected from expanded market opportunities when integrating the acquired developed technologies with the Company's offerings. The goodwill acquired in the acquisition is not deductible for tax purposes.

The Company allocated \$1,262 of the purchase price to identifiable intangible assets consisting of developed technology, to be amortized over six years using a straight-line amortization method and trade names, to be amortized over three years using a straight-line amortization method. The intangible assets acquired in the acquisition are not deductible for tax purposes.

This business combination did not have a material impact on the Company's consolidated financial statements. Therefore, actual results of operations subsequent to the acquisition date and pro forma results of operations have not been presented.

Intangible Assets

Intangible assets consisted of intangible assets resulting from the acquisition of Prowly and capitalized internal-use software development costs. Intangible assets consists of the following:

	As of December 31, 2020		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	1,194	(66)	1,128
Trade name	68	(3)	65
Capitalized internal-use software	1,561	(523)	1,038
Total as of December 31, 2020	<u>\$ 2,823</u>	<u>\$ (592)</u>	<u>\$ 2,231</u>

	As of December 31, 2019		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Capitalized internal-use software	626	(218)	408
Total as of December 31, 2019	<u>\$ 626</u>	<u>\$ (218)</u>	<u>\$ 408</u>

Amortization expense for acquired intangible assets was \$69 for the year ended December 31, 2020.

As of December 31, 2020, future amortization expense is expected to be as follows:

Fiscal Year Ended December 31,	Amount
2021	\$ 692
2022	546
2023	422
2024	208
2025 and thereafter	363
Total	<u>\$ 2,231</u>

Goodwill

The changes in the carrying value of goodwill were as follows:

	Amount
Balance as of January 1, 2020	\$ —
Prowly acquisition	1,991
Balance as of December 31, 2020	<u>\$ 1,991</u>

5. Accrued expenses

Accrued expenses consists of the following:

	As of December 31,	
	2019	2020
Employee compensation	\$ 2,810	\$ 4,478
Vacation reserves	373	465
Other current liabilities	929	2,776
Total accrued expenses	<u>\$ 4,112</u>	<u>\$ 7,719</u>

6. Income Taxes

Loss before income taxes consists of the following:

	Year Ended December 31,	
	2019	2020
United States	\$ (11,527)	\$ (8,772)
Foreign	1,825	2,337
Loss before income taxes	<u>\$ (9,702)</u>	<u>\$ (6,435)</u>

The provision for income taxes in the accompanying consolidated financial statements is comprised of the following:

	Year Ended December 31,	
	2019	2020
Current taxes:		
Federal	\$ —	\$ —
Foreign	356	640
State	25	27
Total current taxes	381	667
Deferred taxes:		
Federal	—	—
Foreign	83	(90)
State	—	—
Total deferred taxes	83	(90)
Provision for income taxes	\$ 464	\$ 577

The reconciliation of the United States statutory tax rate to the Company's effective tax rate included in the accompanying consolidated statements of operations is as follows:

	Year Ended December 31,	
	2019	2020
Expected benefit from income taxes	21.0%	21.0 %
State taxes, net of federal benefit	3.4	3.7
Foreign income tax rate differential	(6.5)	2.5
Non-deductible expenses	(2.8)	(10.7)
Net impact of GILTI	(4.0)	(3.1)
Deferred statutory rate changes	—	(1.1)
Non-taxable income	19.3	—
Change in valuation allowance	(38.7)	(21.3)
Intercompany restructuring	3.5	—
Effective tax rate	(4.8)%	(9.0)%

The Company's effective tax rate differs from the statutory rate each year primarily due to the valuation allowance maintained against the Company's net deferred tax assets, the jurisdictional earnings mix, and other permanent differences.

Interpretive guidance on the accounting for GILTI states that an entity can make an accounting policy election to either recognize deferred taxes for temporary basis differences expected to reverse as GILTI in future years or provide for the tax expense related to GILTI in the year the tax is incurred as a period expense only. The Company has made the accounting policy election to recognize GILTI as a period expense.

Deferred tax assets and liabilities reflect the net tax effects of net operating loss carryovers and the temporary differences between the assets and liabilities carrying value for financial reporting and the amounts used for income tax purposes. The Company's significant deferred tax assets (liabilities) components are as follows:

	Year Ended December 31,	
	2019	2020
Deferred tax assets:		
Net operating loss carryforwards	\$ 9,638	\$ 10,685
Accruals and reserves	412	1,102
Stock based compensation	13	17
Intangibles	387	345
Gross deferred tax assets	10,450	12,149
Valuation allowance	(9,735)	(11,278)
Total deferred tax assets	715	871
Deferred tax liabilities:		
Depreciation	(134)	(165)
Intangibles	—	(226)
Deferred commissions	(761)	(689)
Net deferred tax assets (liabilities)	\$ (180)	\$ (209)

In assessing the ability to realize the Company's net deferred tax assets, management considers various factors including taxable income in carryback years, future reversals of existing taxable temporary differences, tax planning strategies, and future taxable income projections to determine whether it is more likely than not that some portion or all of the net deferred tax assets will not be realized. Based on the negative evidence, including the worldwide cumulative losses that the Company has incurred, the Company has determined that the uncertainty regarding realizing its deferred tax assets is sufficient to warrant the need for a full valuation allowance against its worldwide net deferred tax assets.

As of December 31, 2020, the Company had U.S. federal net operating loss carryforwards of approximately \$28.0 million. U.S. federal net operating loss carryforwards generated through December 31, 2017 of approximately \$7.4 million expire at various dates through 2037, and U.S. federal net operating loss carryforwards generated in the tax years beginning after December 31, 2017 of approximately \$20.6 million do not expire. As of December 31, 2020, the Company had U.S. state net operating loss carryforwards of approximately \$14.1 million, substantially all of which expire at various dates through 2040. As of December 31, 2020, the Company had Cyprus net operating loss carryforwards of approximately \$28.8 million that expire at various dates through 2025. As of December 31, 2020, the Company had Poland net operating loss carryforwards of approximately \$1.0 million that expire at various dates through 2025.

Under Section 382 of the U.S. Internal Revenue Code, if a corporation undergoes an ownership change, the corporation's ability to use its pre-change net operating loss carryforwards to offset its post-change income and taxes may be limited. In general, an ownership change occurs if there is a 50 percent cumulative change in ownership of the Company over a rolling three-year period. Similar rules may apply under U.S. state tax laws. The Company has not conducted an assessment to determine whether there may have been a Section 382 ownership change from inception through December 31, 2020, however it does not believe it has experienced a restrictive ownership change. If a change in ownership were to have occurred during that period and resulted in the restriction of net operating loss carryforwards, the reduction in the related deferred tax asset would be offset with a corresponding reduction in the valuation allowance.

At December 31, 2019 and 2020, the Company had no recorded liabilities for uncertain tax positions. In addition, at December 31, 2019 and 2020, the Company had no accrued interest or penalties related to uncertain tax positions. The Company's accounting policy is to recognize interest and penalties related to uncertain tax positions in income tax expense.

The Company files income tax returns in the U.S. federal tax jurisdiction, various state, and various foreign jurisdictions. The Company is currently open to examination under the statute of limitations by the Internal Revenue Service and material state jurisdictions for the tax years ended 2017 through 2020. Since the Company is in a U.S. loss carryforward position, carryforward tax attributes generated in prior years may still be adjusted upon future examination if they have or will be used in a future period. Additionally, certain non-U.S. jurisdictions are no longer subject for income tax examinations by authorities for tax years before 2015.

The Company has not provided U.S. deferred income taxes or foreign withholding taxes on unremitted earnings of foreign subsidiaries of approximately \$4.7 million as such amounts are considered to be indefinitely reinvested in the business. The accumulated earnings in the foreign subsidiaries are primarily utilized to fund working capital requirements as its subsidiaries continue to expand their operations to service existing debt obligations and to fund future foreign acquisition. The amount of any unrecognized deferred tax liability related to undistributed foreign earnings is not expected to be material.

7. Redeemable Convertible Preferred Stock and Stockholders' Equity

As of December 31 2019 and 2020, the total number of shares of all classes of stock which the Company shall have authority to issue was (i) 100,000,000 shares of common stock, par value \$0.00001 per share, and (ii) 9,898,400 shares of Preferred Stock, par value \$0.00001 per share, of which 3,379,400 shares are designated Series A Preferred Stock, 1,837,600 shares are designated Series A-1 Preferred Stock, and 4,681,400 shares are designated Series B Preferred Stock.

Stock Split

On December 19, 2019, the Company's Board of Directors (the "Board") approved a 100-for-1 stock-split of the Company's common stock and preferred stock. Upon the effectiveness of the stock split, (i) every one share of common stock outstanding were increased to 100 shares of common stock, (ii) the number of shares of common stock into which each outstanding option to purchase common stock is exercisable was proportionally increased on a 100-for-1 basis, (iii) the exercise price of each outstanding option to common stock was proportionately decreased on a 100-for-1 basis, and (iv) every one share of each class of preferred stock outstanding were increased to 100 shares of preferred stock for the applicable class. All share and per share data shown in the accompanying consolidated financial statements and related notes have been retroactively revised to reflect the stock split.

Common Stock

Each share of common stock entitles the holder to one vote for each share on all matters submitted to a vote of the Company's stockholders at all meetings of stockholders and written actions in lieu of meetings.

Holders of common stock are entitled to receive dividends, when and if declared by the Board.

Preferred Stock

The holders of the Preferred Stock have certain rights, preferences, privileges and restrictions with respect to voting, dividends, liquidation and conversion as follows:

Voting Rights

The holders of the Preferred Stock are entitled to vote, together with the holders of common stock, on all matters submitted to stockholders for a vote. Each holder of Preferred Stock is entitled to one vote for

each whole share of common stock into which the shares of Preferred Stock held by such holder are convertible at the date of record.

Conversion

Each share of the Preferred Stock, at the option of the holder, is convertible into a number of fully paid and non-assessable shares of common stock as determined by dividing the respective Original Issue Price of the Series A, Series A-1 and Series B Preferred Stock by the conversion price in effect at the time. As of December 31, 2019 and 2020, the conversion price, which was equal to the Original Issue Price in all cases, is \$2.37 for Series A Preferred Stock, \$2.72 for Series A-1 Preferred Stock, and \$5.13 for Series B Preferred Stock, and is subject to adjustment in accordance with anti-dilution provisions contained in the Company's Certificate of Incorporation.

Conversion is mandatory upon the closing of an initial public offering of at least 15% of the then outstanding shares of the Company's common stock with gross proceeds to the Company of at least \$80,000.

The Company evaluated each series of its Preferred Stock and determined that each individual series is considered an equity host. In making this determination, the Company's analysis followed the whole instrument approach which compares an individual feature against the entire preferred stock instrument which includes that feature. The Company's analysis was based on a consideration of the economic characteristics and risks of each series of Preferred Stock. More specifically, the Company evaluated all of the stated and implied substantive terms and features, including: (1) whether the Preferred Stock included redemption features, (2) how and when any redemption features could be exercised, (3) whether the holders of Preferred Stock were entitled to dividends, (4) the voting rights of the Preferred Stock and (5) the existence and nature of any conversion rights. As a result of the Company's conclusion that the Preferred Stock represents an equity host, the conversion feature of all series of Preferred Stock is considered to be clearly and closely related to the associated Preferred Stock host instrument. Accordingly, the conversion feature of all series of Preferred Stock is not considered an embedded derivative that requires bifurcation.

The Company accounts for potential beneficial conversion features at the time of issuance. The Company's common stock into which each series of the Company's Preferred Stock is convertible had an estimated fair value less than the effective conversion prices of the Preferred Stock at the time of each of the issuances of Preferred Stock. Therefore, there was no intrinsic value on the respective commitment dates. In addition, the Company considered the other features included within the Preferred Stock and determined that none of the other features required bifurcation and separate accounting.

At December 31, 2019 and 2020, there were 9,898,400 shares of the Company's common stock that have been reserved for conversion of the outstanding shares of Preferred Stock.

Dividends

The holders of shares of Preferred Stock shall be entitled to receive noncumulative dividends, out of any assets legally available therefor, payable when, as, and if declared by the Company's Board of Directors. The Company may not pay any dividends on shares of common stock of the Company unless the holders of Preferred Stock then outstanding simultaneously receive dividends equal to 50% of the dividend declared. Any partial payment shall be made ratably among the holders of Preferred Stock in proportion to the payment each such holder would receive if the full amount of such dividends were paid.

Any additional dividends shall be distributed among all holders of common stock and all holders of Preferred Stock in proportion to the number of shares of common stock which would be held by each such holder if all shares of each such series of Preferred Stock were converted to common stock at the then effective conversion rate for such series of Preferred Stock.

Liquidation Preference

In the event of any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the holders of Series B Preferred Stock are entitled to receive an amount per share equal to the Original Issue Price, subject to appropriate adjustment, plus all dividends accrued or declared but unpaid (the "Series B Liquidation Amount"). No payment shall be made to the holders of Series A Preferred Stock, Series A-1 Preferred Stock or common stock unless and until full payment has been made to the holders of Series B Preferred Stock. If the funds available upon liquidation are insufficient to satisfy in full the Series B Liquidation Amount, the assets of the Company shall be shared ratably among the holders of the Series B Preferred Stock based upon their respective amounts, which would be payable with respect to the shares held by them if amounts were paid in full.

After payment has been made to the holders of Series B Preferred Stock, the holders of Series A and Series A-1 Preferred Stock are entitled to receive an amount per share equal to the Original Issue Price, subject to appropriate adjustment, plus all dividends accrued or declared but unpaid (the "Series A Liquidation Amount"). No payment shall be made to the holders of common stock unless and until full payment has been made to the holders of Series A and Series A-1 Preferred Stock. If the funds available upon liquidation are insufficient to satisfy in full the Series A Liquidation Amount, the assets of the Company shall be shared ratably among the holders of the Series A and Series A-1 Preferred Stock based upon their respective amounts, which would be payable with respect to the shares held by them if amounts were paid in full.

Thereafter, the remaining assets available for distribution shall be distributed among the holders of common stock, pro rata, based on the number of shares held by each such holder.

Redemption

At the discretion of the investor majority, the holders of the Series A and Series A-1 Preferred Stock may request that the Company redeem their shares in three equal installments at any time on or after March 6, 2022. The redemption price per share shall be equal to the greater of (i) the Original Issue Price of the Series A and A-1 Preferred Stock, less any Excess Dividends, and (ii) the fair market value, less any Excess Dividends. "Excess Dividend", as defined in the Company's certificate of incorporation, means with respect to each share of Preferred Stock the amount constituting cumulative excess of the Preferred Dividends actually received by the holder(s) of such Preferred Stock over the amount of dividends that such holder(s) of such Preferred Stock would have received pro-rata with the Common Stock on an as-converted to Common Stock basis. Additionally, a redemption request may be made from September 6, 2021 through March 6, 2022 if the highest valuation of the Company proposed by any acquirer is less than \$500 million and the stockholders (other than the holders of the Series A Preferred Stock and Series A-1 Preferred Stock) elected not to effect an Exit (as defined). If a redemption request is made pursuant to this provision, the redemption price per share shall be equal to the highest price per share of capital stock of the Company proposed by an Acquirer in an Exit Process.

If the Company does not have sufficient funds legally available to redeem all Preferred Shares to be redeemed at a redemption date or upon liquidation, then the Company will redeem or liquidate such shares ratably to the extent possible.

As the Series A and Series A-1 Preferred Stock may become redeemable upon an event that is outside of the control of the Company, the value of the Series A and A-1 Preferred Stock has been classified outside of permanent equity. The Company recorded all Series A and A-1 Preferred Stock at their respective transaction prices on the dates of issuance less issuance costs. The Company adjusts the carrying value of the Preferred Stock to the redemption value when it is probable that the redemption will occur. As of the date of issuance, and at each reporting period thereafter, the Company concluded that it was not probable that the Series A and A-1 Preferred Stock would become redeemable due to the

likelihood of events outside the Preferred Stockholder's control. As a result, the Company has not adjusted the carrying value of the redeemable convertible preferred stock.

The Series B Preferred Stock do not have redemption rights.

Share Purchase Option

In connection with the closing of the Series A Preferred Stock financing, the Company issued a Share Purchase Option to the Series A Preferred Stock investor that allowed the investor to purchase up to 1,837,600 additional shares of Preferred Stock with an exercise price of \$2.72 per share. The Share Purchase Option had a term of two years from the issuance date of the Series A Preferred Stock. In February 2019, the investor exercised the Share Purchase Option in full for a total purchase price of \$5,000.

The Company recorded the fair value of the Share Purchase Option on its consolidated balance sheet as the Share Purchase Option is a free-standing financial instrument that may require the Company to transfer equity upon exercise. The Share Purchase Option was recorded at fair value on the date of issuance (February 2017). Changes in fair value of the Share Purchase Option were recognized as a component of other income, net in the consolidated statements of operations and comprehensive loss. The Company continued to adjust the fair value of the Share Purchase Option until the exercise of such option in February 2019.

The estimated fair value of the Share Purchase Option as of December 31, 2018 was \$4,367. Upon exercise in February 2019, the estimated fair value of the Share Purchase Option was \$5,270. For the year ended December 31, 2019, the Company recorded other expense of \$903 related to the change in fair value of the Share Purchase Option. Upon exercise of the Share Purchase Option, the carrying value of the liability was reclassified to Series A-1 Preferred Stock.

The market approach was used to estimate the fair value of the Share Purchase Option at December 31, 2018 and at the exercise date in February 2019. This approach considers multiples of financial metrics based on guideline public companies with similar operating characteristics of the Company. These multiples are then applied to the Company's financial metrics to derive a range of indicated fair values. The Company utilized the Option Pricing Method, or OPM, to allocate the indicated total equity value of the Company fair value among the various holders of the Company's capital stock (preferred stock, common stock, and options) to derive the values of the Share Purchase Option. The following table represents the key inputs used in the fair value calculation as of the date of exercise (February 20, 2019):

Risk free interest rate	2.50 %
Time to exit (in years)	3
Expected volatility	40.9 %
Expected dividend yield	0.00 %
Fair value of Share Purchase Option (per share)	\$ 2.87

Common Stock Reserved for Future Issuance

As of December 31, 2020, the Company had reserved the following shares of common stock for future issuance:

Conversion of Series A Preferred Stock	3,379,400
Conversion of Series A-1 Preferred Stock	1,837,600
Conversion of Series B Preferred Stock	4,681,400
Options reserved for future issuance	646,107
Options outstanding	2,537,086
Restricted stock outstanding	52,284
Total authorized shares of common stock reserved for future issuance	13,133,877

8. Stock-Based Compensation

In 2019, the Board of Directors adopted the SEMrush Holdings, Inc. 2019 Stock Option and Grant Plan (the “Plan”), which provides for the grant of qualified incentive stock options and nonqualified stock options or other awards to the Company’s employees, officers, directors, advisors, and outside consultants for the purchase of up to 2,894,200 shares of the Company’s common stock. In July 2020, the Plan was amended to provide for the grant of qualified incentive stock options and nonqualified stock options or other awards to the Company’s employees, officers, directors, advisors, and outside consultants for the purchase of up to 3,387,924 shares of the Company’s common stock. Stock options generally vest over a 4-year period and expire 10 years from the date of grant. Certain options provide for accelerated vesting if there is a change in control (as defined in the Plan). The Company generally issues previously unissued shares of common stock for the exercise of stock options. As of December 31, 2019 and 2020, there were 906,500 and 646,107 shares, respectively, available for future grant under the Plan.

The Company accounts for stock-based compensation in accordance with the provisions of ASC 718, which requires the recognition of expense related to the fair value of stock-based compensation awards in the statements of operations. For stock-based awards issued under the Company’s stock-based compensation plans to employees and members of the Board of Directors (the Board) for their services on the Board, the fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model as discussed further below. For service-based awards, the Company recognizes compensation expense on a straight-line basis over the requisite service period of the award with actual forfeitures recognized as they occur.

Given the absence of an active market for the Company’s common stock, the Board, the members of which the Company believes have extensive business, finance, and venture capital experience, were required to estimate the fair value of the Company’s common stock at the time of each grant of a stock-based award. The Company and the Board utilized various valuation methodologies in accordance with the framework of the American Institute of Certified Public Accountants’ Technical Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, to estimate the fair value of its common stock. Each valuation methodology includes estimates and assumptions that require the Company’s judgment. These estimates and assumptions include a number of objective and subjective factors, in determining the value of the Company’s common stock at each grant date, including the following factors: (1) prices paid for the Company’s Preferred Stock, which the Company had sold to outside investors in arm’s-length transactions, and the rights, preferences, and privileges of the Company’s Preferred Stock and common stock; (2) valuations performed by an independent valuation specialist; (3) the Company’s stage of development and revenue growth; (4) the fact that the grants of stock-based awards involved illiquid securities in a private company; and (5) the likelihood of achieving a liquidity event for the common stock underlying the stock-based awards, such as an IPO or sale of the Company, given prevailing market conditions.

The Company believes this methodology to be reasonable based upon the Company's internal peer company analyses, and further supported by several arm's-length transactions involving the Company's Preferred Stock. As the Company's common stock is not actively traded, the determination of fair value involves assumptions, judgments, and estimates. If different assumptions were made, stock-based compensation expense, consolidated net income (loss) and consolidated net income (loss) per share could have been significantly different.

The Company has recorded stock-based compensation expense for stock options of \$504 and \$1,079 during the years ended December 31, 2019 and 2020, respectively. The following table shows stock-based compensation expense by where the stock-based compensation expense is recorded in the Company's consolidated statement of operations:

	For the Year Ended December 31,	
	2019	2020
Cost of revenue	\$ 9	\$ 18
Sales and marketing	53	166
Research and development	58	113
General and administrative	384	782
Total stock-based compensation	<u>\$ 504</u>	<u>\$ 1,079</u>

As of December 31, 2020, there was \$5,557 of unrecognized compensation cost related to unvested common stock option arrangements granted under the Plan, which is expected to be recognized over a weighted-average period of 3.31 years.

The fair value of each option award was estimated on the date of grant using the Black-Scholes option-pricing model. As there is no public market for its ordinary shares, the Company determined the expected volatility for options granted based on an analysis of reported data for a peer group of companies that issued options with substantially similar terms. The expected volatility of options granted has been determined using an average of the historical volatility measures of this peer group of companies. The expected life of options granted to employees was calculated using the simplified method, which represents the average of the contractual term of the option and the weighted-average vesting period of the option. The Company uses the simplified method because it does not have sufficient historical option exercise data to provide a reasonable basis upon which to estimate expected term. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected life of the share option. The Company has not paid, nor anticipates paying, cash dividends on its ordinary shares; therefore, the expected dividend yield is assumed to be zero.

The weighted-average assumptions utilized to determine the fair value of options granted to employees are presented in the following table:

	Year Ended December 31,	
	2019	2020
Expected volatility	45.7 %	51.0 %
Weighted-average risk-free interest rate	1.92 %	0.71 %
Expected dividend yield	—	—
Expected life – in years	6	6

A summary of option activity under the Plan as of December 31, 2020, and changes during the year then ended are as follows:

	Number of Options	Weighted-Average Exercise Price (per share)	Weighted-Average Remaining Contractual Term (in years)
Outstanding at December 31, 2019	1,987,700	\$ 2.99	9.04
Granted	727,300	6.66	
Exercised	(152,447)	1.65	
Forfeited	(25,467)	3.70	
Outstanding at December 31, 2020	2,537,086	4.12	8.40
Options exercisable at December 31, 2020	934,786	2.62	7.60

The weighted-average grant-date fair value of options granted during the years ended December 31, 2019 and 2020 was \$1.70 and \$6.04 per share, respectively. No tax benefits were realized from options during the year ended December 31, 2020.

The aggregate intrinsic value of options outstanding as of December 31, 2019 and 2020 was \$1,401 and \$36,816, respectively.

The aggregate intrinsic value for options exercised during the years ended December 31, 2019 and 2020 was \$55 and \$566, respectively.

The aggregate intrinsic value for options exercisable as of December 31, 2020 was \$14,967.

The aggregate intrinsic value was calculated based on the positive difference, if any, between the estimated fair value of the Company's common stock on December 31, 2019 and 2020, respectively, or the date of exercise, as appropriate, and the exercise price of the underlying options.

On July 28, 2020, the Company issued 52,284 shares of its restricted common stock ("Restricted Stock Issuance") to the founders of Prowly for a total fair value of \$291 under the Plan. This Restricted Stock Issuance vests over a three-year service period, applicable to both founders. The total of 52,284 shares under this Restricted Stock Issuance have been excluded from the total options outstanding as of December 31, 2020.

9. Commitments and Contingencies

The Company leases office facilities under noncancelable operating leases that expire at various dates through 2024. In addition, the Company has multi-year commitments with data centers. Some of these lease agreements contain escalating rent payments. Rent expense is recorded on a straight-line

basis. Rent expense was \$3,718 and \$4,334 for the years ended December 31, 2019 and 2020, respectively. The Company also has non-cancelable commitments related to its data centers.

Future minimum amounts payable as of December 31, 2020, under the office facilities operating leases and data center agreements are as follows:

Year Ending December 31,	Operating Leases	
2021	\$	4,029
2022		3,109
2023		1,381
2024		459
2025 and thereafter		—
Total minimum lease payments	\$	8,978

During the year ended December 31, 2020, the Company entered into two leases for certain data center equipment under non-cancelable capital leases. The lease arrangements have terms of 36 months beginning on the date the Company accepts the installation of the equipment subject to the lease. As of December 31, 2020, the equipment had not been installed and the Company had not accepted the equipment under these leases, and as such the lease commencement date had not begun. Upon lease commencement, the Company will be required to make total payments of \$6,045 over the term of the leases which is excluded from the table above.

In addition to the lease commitments above, the Company also has multi-year commitments with certain data providers. The Company is committed to spend approximately \$5,583, \$6,776, and \$1,874 for the years ending December 31, 2021, 2022, and 2023, respectively, for data services.

Litigation

The Company, from time to time, may be party to litigation arising in the ordinary course of its business. The Company was not subject to any material legal proceedings during the year ended December 31, 2020, and, to the best of its knowledge, no material legal proceedings are currently pending or threatened.

Indemnification

The Company typically enters into indemnification agreements with customers in the ordinary course of business. Pursuant to these agreements, the Company indemnifies and agrees to reimburse the indemnified party for losses suffered or incurred as a result of claims of intellectual property infringement. These indemnification agreements are provisions of the applicable customer agreement. Based on when clients first sign an agreement for the Company's service, the maximum potential amount of future payments the Company could be required to make under certain of these indemnification agreements is unlimited. Based on historical experience and information known as of December 31, 2020, the Company has not incurred any costs for the above guarantees and indemnities.

In certain circumstances, the Company warrants that its services will perform in all material respects in accordance with its standard published specification documentation in effect at the time of delivery of the services to the customer for the term of the agreement. To date, the Company has not incurred significant expense under its warranties and, as a result, the Company believes the estimated fair value of these agreements is immaterial.

10. Components of Other Expense (Income), Net

The components of other expense (income), net, are as follows:

	For the Year Ended December 31,	
	2019	2020
Revaluation of Share Purchase Option	\$ 903	\$ —
Foreign currency exchange loss	733	672
Other income, net	(156)	(382)
Other expense, net	<u>\$ 1,480</u>	<u>\$ 290</u>

11. Employee Benefit Plan

The Company maintains a defined contribution savings plan under Section 401(k) of the Internal Revenue Code (the “401(k) Plan”) covering all U.S. employees who satisfy certain eligibility requirements. The 401(k) Plan allows each participant to defer a percentage of their eligible compensation subject to applicable annual limits pursuant to the limits established by the Internal Revenue Service. The Company may, at the discretion of the Board of Directors, make contributions in the form of matching contributions or profit-sharing contributions. For the years ended December 31, 2019 and 2020, the Company made matching contributions of \$113 and \$177, respectively, to the plan.

12. Segment and Geographic Information

Disclosure requirements about segments of an enterprise and related information establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information of those segments to be presented in interim financial reports issued to shareholders. Operating segments are defined as components of an enterprise about which separate discrete financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is the chief executive officer, Oleg Shchegolev. The Company and the chief executive officer view the Company's operations and manage its business as one operating segment.

Geographic Data

The Company allocates, for the purpose of geographic data reporting, its revenue based upon the location of the customer. Total revenue by geographic area was as follows:

	For the Year Ended December 31,	
	2019	2020
Revenue:		
United States	\$ 42,159	\$ 57,231
United Kingdom	10,187	13,158
Other	39,763	54,486
Total revenue	<u>\$ 92,109</u>	<u>\$ 124,875</u>

Property and equipment, net by geographic location consists of the following:

	As of December 31,	
	2019	2020
Property and equipment, net:		
United States	\$ 299	\$ 1,023
Russia	1,093	1,450
Czech Republic	168	439
Other	45	56
Total assets	<u>\$ 1,605</u>	<u>\$ 2,968</u>

13. Subsequent Events

The Company has completed an evaluation of all subsequent events after the audited balance sheet date of December 31, 2020 through March 1, 2021, the date this Registration Statement on Form S-1 was filed with the SEC, to ensure that this filing includes appropriate disclosure of events both recognized in the financial statements as of December 31, 2020, and events which occurred subsequently but were not recognized in the financial statements. The Company has concluded that no subsequent events have occurred that require disclosure, except as disclosed within these financial statements and except as disclosed below.

Effects of COVID-19

The Company considered the potential effects of the novel strain of coronavirus (COVID-19) pandemic on the Company. In March 2020, the World Health Organization declared the outbreak of the novel coronavirus disease ("COVID-19") a pandemic. COVID-19 has rapidly impacted market and economic conditions globally. In an attempt to limit the spread of the virus, various governmental restrictions have been implemented, including restrictions with respect to business activities and travel restrictions, and "shelter-at-home" orders, that may have, an adverse impact on the Company's business and operations. In light of the evolving nature of COVID-19 and the uncertainty it has produced around the world, it is not possible to predict the COVID-19 pandemic's cumulative and ultimate impact on the Company's future business operations, results of operations, financial position, liquidity, and cash flows. The extent of the impact of the pandemic on the Company's business and financial results will depend largely on future developments, including the duration of the spread of the outbreak both globally and within the U.S., the impact on capital, foreign currencies exchange and financial markets, and governmental or regulatory orders that impact the Company's business, all of which are highly uncertain and cannot be predicted.

The Company will continue to actively monitor the current international and domestic impacts of and responses to COVID-19 and its related risks.

Opening of a Senior Secured Revolving Credit Facility

On January 12, 2021, the Company executed a credit agreement with JPMorgan Chase Bank, N.A., in the form of a revolving credit facility, that consists of a \$45.0 million revolving credit facility and a letter of credit sub-facility with an aggregate limit equal to the lesser of \$5.0 million and the aggregate unused amount of the revolving commitments then in effect. The availability of the credit facility is subject to the borrowing base based on an advance rate of 400% multiplied by annualized retention applied to monthly recurring revenue. The credit facility has a maturity of three years and will mature on January 12, 2024.

All obligations under the credit facility will be guaranteed by the Company's future domestic subsidiaries and, subject to certain exceptions, secured by a security interest in substantially all of the Company's tangible and intangible assets.

Borrowings under the credit facility bear interest at our option at (i) LIBOR, subject to a 0.50% floor, plus a margin, or (ii) the alternate base rate, subject to a 3.25% floor (or 1.50% prior to an initial public offering or positive consolidated adjusted earnings before interest, taxes, depreciation, and amortization ("adjusted EBITDA") as of the twelve months most recently ended), plus a margin. For LIBOR borrowings, the applicable rate margin is 2.75% (or 3.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of the twelve months most recently ended). For base rate borrowings, the applicable margin is 0.00% (or 2.50% prior to an initial public offering or positive consolidated adjusted EBITDA as of the twelve months most recently ended). The Company is also required to pay a 0.25% per annum fee on undrawn amounts under our revolving credit facility, payable quarterly in arrears.

Shares

SEMrush Holdings, Inc.

Class A Common Stock



Through and including _____, 2021 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth all expenses to be paid by us, other than underwriting discounts and commissions, in connection with this offering. All amounts shown are estimates except for the SEC registration fee, the FINRA filing fee and the listing fee.

SEC registration fee	*
FINRA filing fee	*
NYSE listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Transfer agent and registrar fees	*
Miscellaneous fees and expenses	*
Total	\$ *

* To be provided by amendment.

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law authorizes a corporation's board of directors to grant, and authorizes a court to award, indemnity to officers, directors, and other corporate agents.

Prior to the completion of this offering, we expect to adopt an amended and restated certificate of incorporation, which will become effective immediately prior to the completion of this offering, and which will contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for the following:

- any breach of their duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which they derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the Delaware General Corporation Law is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the Delaware General Corporation Law.

In addition, prior to the completion of this offering, we expect to adopt amended and restated bylaws which will provide that we will indemnify, to the fullest extent permitted by law, any person who is or was a

party or is threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was one of our directors or officers or is or was serving at our request as a director or officer of another corporation, partnership, joint venture, trust or other enterprise. Our amended and restated bylaws are expected to provide that we may indemnify to the fullest extent permitted by law any person who is or was a party or is threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was one of our employees or agents or is or was serving at our request as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise. Our amended and restated bylaws will also provide that we must advance expenses incurred by or on behalf of a director or officer in advance of the final disposition of any action or proceeding, subject to very limited exceptions.

Further, prior to the completion of this offering, we expect to enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements will require us, among other things, to indemnify our directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements will also require us to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding. We believe that these agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

The limitation of liability and indemnification provisions that are expected to be included in our amended and restated certificate of incorporation, amended restated bylaws, and in indemnification agreements that we enter into with our directors and executive officers may discourage stockholders from bringing a lawsuit against our directors and executive officers for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against our directors and executive officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be harmed to the extent that we pay the costs of settlement and damage awards against directors and executive officers as required by these indemnification provisions. At present, we are not aware of any pending litigation or proceeding involving any person who is or was one of our directors, officers, employees or other agents or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

We have obtained insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to public securities matters, and to us with respect to payments that may be made by us to these directors and executive officers pursuant to our indemnification obligations or otherwise as a matter of law.

The underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification by the underwriters of the Registrant and its officers and directors for certain liabilities arising under the Securities Act and otherwise.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

The following list sets forth information regarding all unregistered securities sold by us in the past three years. No underwriters were involved in the sales and appropriate legends were affixed to the securities restricting transfer of such securities without registration under the Securities Act or an applicable exemption from registration.

(a) Reorganization

On December 19, 2019, SEMrush Holdings, Inc., a Delaware corporation, was incorporated and entered into a Contribution and Exchange Agreement with SEMrush CY, pursuant to which the holders of

all outstanding shares of capital stock of SEMrush CY contributed those shares to SEMrush Holdings, Inc. in exchange for shares of capital stock of SEMrush Holdings, Inc. (the "2019 Share Exchange"). Upon the 2019 Share Exchange, the historical consolidated financial statements of SEMrush CY included in this prospectus became the historical consolidated financial statements of SEMrush Holdings, Inc. On December 27, 2019, we completed a series of transfer, assignment and assumption transactions pursuant to which, among other assets assigned from SEMrush CY to SEMrush Holdings, Inc. and SEMrush US Sub, each of SEMrush CY, SEMrush RU, SEMrush SM, and SEMrush US Sub became wholly owned subsidiaries of SEMrush Holdings, Inc. SEMrush CZ remains a wholly owned subsidiary of SEMrush US. Additionally, in August 2020, SEMrush completed its acquisition of Prowly. SEMrush CY, SEMrush RU, SEMrush SM, SEMrush US Sub, SEMrush CZ, and Prowly are collectively referred to herein as the "Subsidiaries".

(b) Sale of Securities

The following list sets forth information regarding all unregistered securities sold by us since our inception on December 19, 2019 through the date of this registration statement.

1. On December 19, 2019, we issued to ten investors an aggregate of 31,530,900 shares of our common stock, 3,379,400 shares of our Series A redeemable convertible preferred stock, 1,837,600 shares of our Series A-1 redeemable convertible preferred stock, and 4,681,400 shares of our Series B convertible preferred stock in connection with the 2019 Share Exchange.
2. Since December 19, 2019, we issued to certain of our employees, consultants, and board members options to purchase an aggregate of 2,726,500 shares of our common stock at exercise prices ranging from \$0.00001 to \$18.63, including 1,200,600 options issued resulting from the 2019 Share Exchange, in exchange for their services to us. Since December 19, 2019, we have issued 153,734 shares of our common stock upon the exercise of stock options pursuant to the 2019 Plan.
3. In August 2020, we granted restricted stock awards of 52,284 shares of our common stock under the 2019 Plan to former employees of Prowly in connection with their continued service to the Company following the acquisition of Prowly by the Company.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering. Unless otherwise stated, the sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were affixed to the securities issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits.

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
3.1†	Certificate of Incorporation of the Registrant, as currently in effect.
3.2*	Form of Amended and Restated Certificate of Incorporation of the Registrant to be in effect immediately prior to the completion of this offering.
3.3†	Bylaws of the Registrant, as currently in effect.
3.4*	Form of Amended and Restated Bylaws of the Registrant to be in effect immediately prior to the completion of this offering.
4.1*	Form of Class A common stock certificate of the Registrant.
4.2†	Investors' Rights Agreement, dated December 19, 2019, by and among the Registrant and certain of its stockholders.
5.1*	Opinion of Goodwin Procter LLP.
10.1*	Form of Indemnification Agreement between the Registrant and each of its directors and executive officers.
10.2#†	Amended and Restated 2019 Stock Option and Grant Plan, and forms of agreements thereunder.
10.3#*	2021 Equity Incentive Plan, and forms of agreements thereunder.
10.4#*	2021 Employee Stock Purchase Plan, and form of agreements thereunder.
10.5†	Agreement of Lease between the Registrant and BP Prucenter Acquisition LLC, dated November 19, 2018.
10.6†	Lease Agreement between Semrush CZ s.r.o and 4P – Immo. Praha s.r.o., dated December 14, 2016, as amended by Amendment No. 1 to the Lease Agreement, dated May 12, 2017, as further amended by Amendment No. 2 to the Lease Agreement, as further amended by Amendment No. 3 to the Lease Agreement, dated May 25, 2018, as further amended by Amendment No. 4 to the Lease Agreement, dated September 13, 2019, as further amended by Amendment No. 5 to the Lease Agreement, dated May 28, 2020.
10.7†	Lease Agreement between Krupyshev Mikhail Anatolievich and Semrush RU, LLC, dated May 1, 2020 (Floors Four and Five).
10.8†	Lease Agreement between Volkov-Kitain Grigory Valentinovich and Semrush RU, LLC, dated May 1, 2020 (Floor Three).
10.9†	Lease Agreement between Volkov-Kitain Grigory Valentinovich and Semrush RU, LLC, dated May 1, 2020 (Floors Two and Six).
10.10†	Lease Agreement between Neshaminy Interplex, LLC and Semrush, Inc., dated March 31, 2016, as amended by Amendment No. 1 to the Lease Agreement, dated March 29, 2017, as further amended by Amendment No. 2 to the Lease Agreement, dated September 1, 2020.
10.11†	Lease Agreement between Zbigniew Franciszek Oginski and Prowly.com Spokla z .o. o., dated March 29 2017, as amended by Amendment No. 1 to the Lease Agreement, dated July 1, 2020.
10.12#*	Senior Executive Incentive Bonus Plan.
10.13#*	Non-Employee Director Compensation Policy.
10.14#	Executive Employment Agreement between the Company and Delbert Humenik, dated August 14, 2017.

- 10.15# [Executive Employment Agreement between the Company and Jeffrey Belanger, dated June 8, 2020.](#)
- 10.16# [Executive Employment Agreement between the Company and Vitalii Obishchenko.](#)
- 10.17# [Executive Employment Agreement between the Company and Evgeny Fetisov.](#)
- 10.18 [Revolving Credit Agreement dated as of January 12, 2021.](#)
- 16.1 [Letter from Ernst & Young LLC to the Securities and Exchange Commission, dated March 1, 2021.](#)
- 21.1† [Subsidiaries of the Registrant.](#)
- 23.1 [Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.](#)
- 23.2* Consent of Goodwin Procter LLP (included in Exhibit 5.1).
- 24.1 [Power of Attorney \(included on signature page\).](#)

* To be filed by amendment.

† Previously filed.

Indicates management contract or compensatory plan, contract or agreement.

(b) Financial Statement Schedules.

All schedules are omitted because the required information is either not present, not present in material amounts or is presented within the consolidated financial statements included in the prospectus that is part of this registration statement.

ITEM 17. UNDERTAKINGS.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification by the Registrant for liabilities arising under the Securities Act may be permitted to directors, officers, and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

- (1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.
- (2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new

registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Boston, Massachusetts, on March 1, 2021.

SEMRUSH HOLDINGS, INC.

By: /s/ Oleg Shchegolev

Oleg Shchegolev
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Oleg Shchegolev, Evgeny Fetisov, and Sharon Levine, and each of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the Registration Statement on Form S-1 of SEMrush Holdings, Inc., and any or all amendments (including post-effective amendments) thereto and any new registration statement with respect to the offering contemplated thereby filed pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite or necessary to be done in connection therewith and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their, his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement on Form S-1 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Oleg Shchegolev</u> Oleg Shchegolev	Chief Executive Officer and Director (Principal Executive Officer)	March 1, 2021
<u>/s/ Dmitry Melnikov</u> Dmitry Melnikov	Chief Operating Officer and Director	March 1, 2021
<u>/s/ Evgeny Fetisov</u> Evgeny Fetisov	Chief Financial Officer (Principal Accounting and Financial Officer)	March 1, 2021
<u>/s/ Roman Simonov</u> Roman Simonov	Director	March 1, 2021
<u>/s/ Dylan Pearce</u> Dylan Pearce	Director	March 1, 2021
<u>/s/ Trynka Shineman Blake</u> Trynka Shineman Blake	Director	March 1, 2021
<u>/s/ Mark Vranesh</u> Mark Vranesh	Director	March 1, 2021

CERTIFICATE OF INCORPORATION
OF
SEMRUSH HOLDINGS, INC.

FIRST: The name of this corporation is SEMrush Holdings, Inc. (the “**Corporation**”).

SECOND: The address of the registered office of the Corporation in the State of Delaware is The Corporation Trust Company, 1209 Orange Street in the City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

FOURTH: The name and mailing address of the sole incorporator is as follows:

NAME	ADDRESS
Matthew Sarbanis	800 Boylston St, Suite 2475 Boston, MA 02199

FIFTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 100,000,000 shares of Common Stock, \$0.00001 par value per share (“**Common Stock**”) and (ii) 9,898,400 shares of Preferred Stock, \$0.00001 par value per share (“**Preferred Stock**”).

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of this Certificate of Incorporation) the

affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. PREFERRED STOCK

3,379,400 shares of the authorized and unissued Preferred Stock of the Corporation are hereby designated “**Series A Preferred Stock**”, 1,837,600 shares of the authorized and unissued Preferred Stock of the Corporation are hereby designated “**Series A-1 Preferred Stock**” and 4,681,400 shares of the authorized and unissued Preferred Stock of the Corporation are hereby designated “**Series B Preferred Stock**”, in each case with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations. Unless otherwise indicated, references to “sections” or “subsections” in this Part B of this Article Fifth refer to sections and subsections of Part B of this Article Fifth.

1. Dividends.

The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless (in addition to the obtaining of any consents required elsewhere in this Certificate of Incorporation) such dividend is paid in the following order: (i) for so long as the Excess Dividend is less than the Applicable Original Issue Price multiplied by 1.5 for any series of Preferred Stock, (A) first, an amount equal to 50% of the dividend declared by the Corporation shall be paid to the holders of such series of Preferred Stock, pro rata based on the number of shares of such series of Preferred Stock held by each such holder (the “**Preferred Dividend**”), and (B) second, an amount equal to 50% of the dividend declared by the Corporation shall be paid to the holders of the Common Stock, pro rata based on the number of shares held by each such holder; and (ii) once the Excess Dividend is equal to or exceeds the Applicable Original Issue Price multiplied by 1.5 for each series of Preferred Stock, (X) the holders of the Preferred Stock shall not be entitled to receive any Preferred Dividend, and (Y) all further dividends shall be paid to all holders of Common Stock and Preferred Stock, pro rata based on the number of shares of Common Stock held by each such holder on an as-converted to Common Stock basis. The “**Applicable Original Issue Price**” shall mean the Series A Original Issue Price with respect to the Series A Preferred Stock, the Series A-1 Original Issue Price with respect to the Series A-1 Preferred Stock, and the Series B Original Issue Price with respect to the Series B Preferred Stock. “**Series A Original Issue Price**” shall mean \$2.3673 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock. “**Series A-1 Original Issue Price**” shall mean \$2.7209 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A-1 Preferred Stock. “**Series B Original Issue Price**” shall mean \$5.1267 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock. “**Excess Dividend**” means with respect to each share of Preferred Stock the amount constituting cumulative excess of the Preferred Dividends actually received by the

holder(s) of such Preferred Stock over the amount of dividends that such holder(s) of such Preferred Stock would have received pro-rata with the Common Stock on an as-converted to Common Stock basis.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Preferential Payments to Holders of Series B Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders, and in the event of a Deemed Liquidation Event (as defined below), the holders of shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), as applicable, before any payment shall be made to the holders of Series A Preferred Stock, Series A-1 Preferred Stock and Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) one (1) times the Series B Original Issue Price, plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of Series B Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the “**Series B Liquidation Amount**”). If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series B Preferred Stock the full amount to which they shall be entitled under this Subsection 2.1, the holders of shares of Series B Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Preferential Payments to Holders of Series A Preferred Stock and Series A-1 Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation and after the payment of all preferential amounts required to be paid to the holders of the Series B Preferred Stock in accordance with Subsection 2.1, the holders of shares of Series A Preferred Stock and Series A-1 Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders, and in the event of a Deemed Liquidation Event (as defined below), the holders of shares of Series A Preferred Stock and Series A-1 Preferred Stock then outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), as applicable, before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) (A) in the case of the Series A Preferred Stock, one (1) times the Series A Original Issue Price, plus any dividends declared but unpaid thereon or (B) in the case of the Series A-1 Preferred Stock, one (1) times the Series A-1 Original Issue Price, plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of Series A Preferred Stock and Series A-1 Preferred Stock, as applicable,

been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the “**Series A Liquidation Amount**”). The Series B Liquidation Amount, in the case of the Series B Preferred Stock, and the Series A Liquidation Amount, in the case of the Series A Preferred Stock and the Series A-1 Preferred Stock, are hereafter referred to as the “**Applicable Liquidation Amount**”. If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock and Series A-1 Preferred Stock the full amount to which they shall be entitled under this Subsection 2.2, the holders of shares of Series A Preferred Stock and Series A-1 Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.3 Distribution of Remaining Assets. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after the payment in full of all Series B Liquidation Amounts and Series A Liquidation Amounts required to be paid to the holders of shares of Series B Preferred Stock, Series A Preferred Stock and Series A-1 Preferred Stock, respectively, the remaining assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Series B Preferred Stock pursuant to Subsection 2.1 and the holders of shares of Series A Preferred Stock and Series A-1 Preferred Stock pursuant to Subsection 2.2 or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares held by each such holder.

2.4 Deemed Liquidation Events.

2.4.1 Definition. For the purposes of this article, “**Competitor**” has the meaning given to it in that certain Investors’ Rights Agreement between the Corporation and certain of its stockholders dated on or about the Original Issue Date (“**IR Agreement**”). Each of the following events shall be considered a “**Deemed Liquidation Event**” unless (i) the holders (other than Competitors) of at least a majority of the outstanding shares of Series B Preferred Stock (the “**Series B Majority**”) and (ii) the holders (other than Competitors) of at least a majority of the outstanding shares of Series A Preferred Stock and Series A-1 Preferred Stock, voting together on an as-converted to Common Stock basis as a single class (the “**Series A Majority**”), in each case of (i) and (ii), voting separately as a class and on an as-converted to Common Stock basis (collectively, the “**Requisite Holders**”) elect otherwise by written notice sent to the Corporation at least ten (10) days prior to the effective date of any such event:

- (a) a merger or consolidation in which
 - (i) the Corporation is a constituent party or
 - (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues
-

shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation; or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) (1) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets or intellectual property of the Corporation and its subsidiaries taken as a whole, or (2) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one or more subsidiaries of the Corporation if substantially all of the assets or intellectual property of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.4.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.4.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the “**Merger Agreement**”) provides that the consideration payable to the stockholders of the Corporation in such Deemed Liquidation Event shall be paid to the holders of capital stock of the Corporation in accordance with Subsections 2.1, 2.2 and 2.3.

(b) In the event of a Deemed Liquidation Event referred to in Subsections 2.4.1(a)(ii) or 2.4.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause; (ii) to require the redemption of such shares of Preferred Stock, and (iii) if the Requisite Holders so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation (the “**Board**”)), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the “**Available Proceeds**”), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event, to redeem all outstanding shares of Preferred Stock at a price per share equal to the Applicable Liquidation Amount.

Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Preferred Stock, the Corporation shall first redeem a pro rata portion of each holder's shares of Preferred Stock to the fullest extent of such Available Proceeds, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the Available Proceeds were sufficient to redeem all such shares, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders, consistent with the seniority of right to receive payments set forth in Subsections 2.1 and 2.2. The provisions of Section 6 shall apply, with such necessary changes in the details thereof as are necessitated by the context, to the redemption of the Preferred Stock pursuant to this Subsection 2.4.2(b). Prior to the distribution or redemption provided for in this Subsection 2.4.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event or in the ordinary course of business.

2.4.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities to be paid or distributed to such holders pursuant to such Deemed Liquidation Event. The value of such property, rights or securities shall be determined in good faith by the Independent Expert (as defined below).

2.4.4 Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Subsection 2.4.1(a)(i), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the “**Additional Consideration**”), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the “**Initial Consideration**”) shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1, 2.2 and 2.3 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1, 2.2 and 2.3 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Subsection 2.4.4, consideration placed into escrow or retained as a holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as

provided by law or by the other provisions of this Certificate of Incorporation, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class and on an as-converted to Common Stock basis. The Corporation may create a new class or series of preferred stock and increase or decrease (but not below the number of shares thereof then outstanding) the number of authorized shares of such preferred stock and the Corporation's Preferred Stock (for the avoidance of doubt, other than the Series A Preferred Stock, Series A-1 Preferred Stock and Series B Preferred Stock as separate series) in connection with a Permitted Issuance by (in addition to any vote of the holders of one or more series of preferred stock of the Corporation that may be required by the terms of this Certificate of Incorporation) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

3.2 Election of Directors.

3.2.1 The holders of record of the shares of Series B Preferred Stock, exclusively and as a separate class, shall be entitled to elect one (1) director of the Corporation (the "**Series B Director**").

3.2.2 The holders of record of the shares of Series A Preferred Stock and Series A-1 Preferred Stock, voting together on an as-converted to Common Stock basis as a single class, shall be entitled to elect one (1) director of the Corporation (the "**Series A Director**" and together with the Series B Director, the "**Preferred Directors**").

3.2.3 The holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect three (3) directors of the Corporation (the "**Common Directors**").

3.2.4 Any director elected as provided in Subsections 3.2.1 through 3.2.3 may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. If the holders of shares of Series B Preferred Stock, Series A Preferred Stock and Series A-1 Preferred Stock, or Common Stock, as the case may be, fail to elect a sufficient number of directors to fill all directorships for which they are entitled to elect directors, voting exclusively and as a separate class, pursuant to Subsections 3.2.1, 3.2.2, or 3.2.3, as applicable, then any directorship not so filled shall remain vacant until such time as the holders of the Series B Preferred Stock, Series A Preferred Stock and Series A-1 Preferred Stock, or Common Stock, as the case may be, elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Corporation other than by the stockholders of the Corporation that are entitled to elect a person to fill such directorship, voting exclusively and as a separate series or class. The holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Preferred Stock), exclusively and voting together as a single class, shall be entitled to elect the balance of the total number of directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of

the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. Except as otherwise provided in this Subsection 3.2, a vacancy in any directorship filled by the holders of any class or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or series or by any remaining director or directors elected by the holders of such class or series pursuant to this Subsection 3.2.

3.3 Preferred Stock Protective Provisions. At any time when shares of Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Certificate of Incorporation) the written consent or affirmative vote of the Requisite Holders given in writing or by vote at a meeting, consenting or voting (as the case may be), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

3.3.1 liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any corporate restructuring, reorganization, merger or consolidation or other Deemed Liquidation Event, or consent to any of the foregoing;

3.3.2 permit the Corporation or any subsidiary: (i) to take any step to place itself into administration (whether by the filing of an administration application, a notice of intention to appoint an administrator or a notice of appointment); (ii) to propose or enter into any arrangement, scheme, moratorium, compromise or composition with its creditors or to apply for an interim order; or (iii) to invite the appointment of a receiver or administrative receiver over all or any part of its assets or undertaking;

3.3.3 amend, alter or repeal any provision of this Certificate of Incorporation or Bylaws of the Corporation other than any amendment in connection with the authorization and issuance of any shares of preferred stock at a price per share that is greater than the Series B Original Issue Price (a “**Permitted Issuance**”);

3.3.4 effect any alteration of the share capital (including any increase or removal of the limit on the number of shares that may be allotted and issued by the Corporation) or the rights attaching to any shares of capital stock of the Corporation or waive any right to receive dividends or other distributions on any of its shares in subsidiaries issued partly paid, other than any alterations in connection with a Permitted Issuance;

3.3.5 except, in all cases, in connection with a Permitted Issuance, create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock unless the same ranks junior to the Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends and rights of redemption, or increase the authorized number of shares of Preferred Stock or increase the authorized number of shares of any additional class or series of capital stock of the Corporation unless the same ranks junior to the Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends and rights of redemption;

3.3.6 (i) reclassify, alter or amend any existing security of the Corporation that is pari passu with the Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to the Preferred Stock in respect of any such right, preference, or privilege or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to the Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or pari passu with the Preferred Stock in respect of any such right, preference or privilege;

3.3.7 purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than (i) redemptions of or dividends or distributions on the Preferred Stock as expressly authorized herein, (ii) dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock and (iii) repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary in connection with the cessation of such employment or service at a price no greater than the original purchase price thereof or (iv) as approved by the Board, including the approval of both Preferred Directors;

3.3.8 create, or authorize the creation of, or issue, or authorize the issuance of any debt security or create any lien or security interest (except for purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similar persons arising or incurred in the ordinary course of business) or incur other indebtedness for borrowed money, including but not limited to obligations and contingent obligations under guarantees, or permit any subsidiary to take any such action with respect to any debt security lien, security interest or other indebtedness for borrowed money, if the aggregate indebtedness of the Corporation and its subsidiaries for borrowed money following such action would exceed: (i) \$1,000,000 if such action is within the ordinary course of business of the Corporation, or (ii) \$250,000 if such action is outside the ordinary course of business of the Corporation;

3.3.9 create, or hold capital stock in, any subsidiary (either directly or through one or more other subsidiaries) by the Corporation, or permit any subsidiary to create, or authorize the creation of, or issue or obligate itself to issue, any shares of any class or series of capital stock, or sell, transfer or otherwise dispose of any capital stock of, or dissolve, any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets or intellectual property of such subsidiary;

3.3.10 enter into any reorganization or acquisition (or sale) transaction, or series of transactions, with any third party involving more than \$250,000 (individually) or \$500,000 in the aggregate during the course of a fiscal year;

3.3.11 make any voluntary petition for bankruptcy or assignment for the benefit of the Corporation's creditors;

3.3.12 enter into any corporate strategic relationship (including any joint venture, partnership or strategic alliance) involving the payment, contribution, or assignment by the Corporation or to the Corporation of money or assets greater than \$100,000 or the incurrence by the Corporation of any liability in excess of \$100,000;

3.3.13 any of the above matters with respect to any subsidiary of the Corporation.

4. Optional Conversion.

The holders of the Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non-assessable shares of Common Stock as is determined by dividing the Applicable Original Issue Price by the Applicable Conversion Price (as defined below) in effect at the time of conversion. The "**Series B Conversion Price**" shall initially be equal to the Series B Original Issue Price. The "**Series A Conversion Price**" shall initially be equal to the Series A Original Issue Price. The "**Series A-1 Conversion Price**" shall initially be equal to the Series A-1 Original Issue Price. The "**Applicable Conversion Price**" shall mean the Series B Conversion Price with respect to the Series B Preferred Stock, the Series A Conversion Price with respect to the Series A Preferred Stock and the Series A-1 Conversion Price with respect to the Series A-1 Preferred Stock (each a "**Conversion Price**" and together the "**Conversion Prices**"). Such initial Conversion Prices, and the rate at which shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

4.1.2 Termination of Conversion Rights. In the event of a notice of redemption of any shares of Preferred Stock pursuant to Section 6, the Conversion Rights of the shares designated for redemption shall terminate at the close of business on the last full day preceding the date fixed for redemption, unless the redemption price is not fully paid on such redemption date, in which case the Conversion Rights for such shares shall continue until such price is paid in full. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Preferred Stock.

4.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board. Whether or not fractional shares would be issuable upon such conversion shall be

determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall (a) provide written notice to the Corporation's transfer agent at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of such holder's shares of Preferred Stock and, if applicable, any event on which such conversion is contingent and (b), if such holder's shares are certificated, surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the shares of Common Stock to be issued. If required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such notice and, if applicable, certificates (or lost certificate affidavit and agreement) shall be the time of conversion (the "**Conversion Time**"), and the shares of Common Stock issuable upon conversion of the specified shares shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time (i) issue and deliver to such holder of Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (ii) pay in cash such amount as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (iii) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

4.3.2 Reservation of Shares. The Corporation shall at all times when the Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without

limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Certificate of Incorporation. Before taking any action which would cause an adjustment reducing a Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the applicable series of Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock at such adjusted Applicable Conversion Price.

4.3.3 Effect of Conversion. All shares of Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Subsection 4.2 and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

4.3.4 No Further Adjustment. Upon any such conversion, no adjustment to the Applicable Conversion Price shall be made for any declared but unpaid dividends on the Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

4.3.5 Taxes. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4 Adjustments to Applicable Conversion Price for Diluting Issues.

4.4.1 Special Definitions. For purposes of this Article Fifth, the following definitions shall apply:

(a) “**Option**” shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(b) “**Original Issue Date**” shall mean the date on which this Certificate of Incorporation was filed with the Secretary of State of the State of Delaware.

(c) “**Convertible Securities**” shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(d) “**Additional Shares of Common Stock**” shall mean all shares of Common Stock issued (or, pursuant to Subsection 4.4.3 below, deemed to be issued) by the Corporation after the Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, “**Exempted Securities**”):

- (i) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on Preferred Stock;
 - (ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Subsection 4.5, 4.6, 4.7 or 4.8;
 - (iii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board, including the approval of the Preferred Directors;
 - (iv) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security;
 - (v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board, including the approval of the Preferred Directors;
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- (vi) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board, including the approval of the Preferred Directors ;
- (vii) shares of Common Stock, Options or Convertible Securities issued as acquisition consideration pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Board, including the approval of the Preferred Directors; or
- (viii) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Board, including the approval of the Preferred Directors.

4.4.2 No Adjustment of Conversion Price. No adjustment in the Applicable Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the Requisite Holders agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

4.4.3 Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of

such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to a Conversion Price pursuant to the terms of Subsection 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Applicable Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Applicable Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Applicable Conversion Price to an amount which exceeds the lower of (i) the Applicable Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Applicable Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Applicable Conversion Price pursuant to the terms of Subsection 4.4.4 (either because the consideration per share (determined pursuant to Subsection 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Applicable Conversion Price then in effect, or because such Option or Convertible Security was issued before the Original Issue Date), are revised after the Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Subsection 4.4.3(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Applicable Conversion Price pursuant to the terms of Subsection 4.4.4, such Applicable

Conversion Price shall be readjusted to such Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Applicable Conversion Price provided for in this Subsection 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Subsection 4.4.3). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Applicable Conversion Price that would result under the terms of this Subsection 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Applicable Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4.4.3), without consideration or for a consideration per share less than the Applicable Conversion Price in effect immediately prior to such issuance or deemed issuance, then such Applicable Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(a) “CP₂” shall mean the Applicable Conversion Price in effect immediately after such issuance or deemed issuance of Additional Shares of Common Stock

(b) “CP₁” shall mean the Applicable Conversion Price in effect immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock;

(c) “A” shall mean the number of shares of Common Stock outstanding immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issuance or deemed issuance or upon conversion or exchange of Convertible Securities (including the Preferred Stock))

outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

(d) “B” shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued or deemed issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

(e) “C” shall mean the number of such Additional Shares of Common Stock issued in such transaction.

4.4.5 Determination of Consideration. For purposes of this Subsection 4.4, the consideration received by the Corporation for the issuance or deemed issuance of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

- (i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;
- (ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and
- (iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board.

(a) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Subsection 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing:

- (i) The total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any
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provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

- (ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

4.5 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Original Issue Date effect a subdivision of the outstanding Common Stock, the Applicable Conversion Price for any series of Preferred Stock in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series of Preferred Stock shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Original Issue Date combine the outstanding shares of Common Stock, the Applicable Conversion Price in effect for any series of Preferred Stock immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series of Preferred Stock shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Applicable Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Applicable Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing (a) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Applicable Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Applicable Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (b) that no such adjustment shall be made if the holders of the applicable series of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

4.7 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event.

4.8 Adjustment for Merger or Reorganization, etc. Subject to the provisions of Subsection 2.4, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not one or more series of the Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Subsections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of the applicable series of Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of the applicable series of Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the applicable series of Preferred Stock, to the end that the provisions set forth in

this Section 4 (including provisions with respect to changes in and other adjustments of the Applicable Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the applicable series of Preferred Stock.

4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of a Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of the applicable series of Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the applicable series of Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of the applicable series of Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Applicable Conversion Price then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of the applicable series of Preferred Stock.

4.10 Notice of Record Date. In the event:

(a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security;

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

5. Mandatory Conversion.

5.1 Trigger Events. Upon either (a) the closing of the sale of shares of Common Stock representing at least 15% of the then outstanding shares of Common Stock to the public, in a firm-commitment underwritten public offering led by an independent internationally recognized underwriter or investment bank approved by the Board, pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least \$80,000,000 of gross proceeds to the Corporation, listed for trading on the Nasdaq Stock Market's National Market, the New York Stock Exchange or the London Stock Exchange or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the “**Mandatory Conversion Time**”), then (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate as calculated pursuant to Subsection 4.1.1, and (ii) such shares may not be reissued by the Corporation.

5.2 Procedural Requirements. All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Subsection 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Subsection 5.2. As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (b) pay cash as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such

appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

6. Redemption.

6.1 General. Unless prohibited by Delaware law governing distributions to stockholders, shares of Series A Preferred Stock and Series A-1 Preferred Stock shall be redeemed by the Corporation at a price equal to: (i) where a Redemption Request (as defined below) is made at any time from September 6, 2021 through March 6, 2022, with respect to each share of the Series A Preferred Stock and the Series A-1 Preferred Stock, the highest price per share of capital stock of the Corporation proposed by an Acquirer (as defined in that certain Voting Agreement between the Corporation and certain of its stockholders dated on or about the Original Issue Date (“**Voting Agreement**”)) in the Exit Process (as defined in the Voting Agreement), less the Excess Dividend with respect to such share of Series A Preferred Stock or Series A-1 Preferred Stock, as applicable; or (ii) where a Redemption Request is made at any time on or after March 6, 2022 (a “**Capped Redemption**”), the greater of: (I) (A) with respect to the Series A Preferred Stock, the Series A Original Issue Price per share less the Excess Dividend with respect to such share of Series A Preferred Stock, and (B) with respect to the Series A-1 Preferred Stock, the Series A-1 Original Issue Price per share less the Excess Dividend with respect to such share of Series A-1 Preferred Stock, and (II) (x) with respect to the Series A Preferred Stock, the fair market value (determined in the manner set forth below) of a single share of the Series A Preferred Stock, as of the date of the Corporation’s receipt of the Redemption Request less the Excess Dividend with respect to such share of Series A Preferred Stock and (y) with respect to the Series A-1 Preferred Stock the fair market value (determined in the manner set forth below) of a single share of the Series A-1 Preferred Stock, as of the date of the Corporation’s receipt of the Redemption Request less the Excess Dividend with respect to such share of Series A-1 Preferred Stock (the “**Redemption Price**”), in three (3) bi-annual installments commencing after receipt by the Corporation from the Series A Majority of written notice requesting redemption of all shares of Series A Preferred Stock and Series A-1 Preferred Stock (the “**Redemption Request**”). A Redemption Request may be made: (i) from September 6, 2021 through March 6, 2022 if the highest valuation of the Corporation proposed by any Acquirer is less than \$500,000,000 and the stockholders (other than the holders of the Series A Preferred Stock and Series A-1 Preferred Stock) elected not to effect an Exit (as defined in the Voting Agreement); or (ii) on or after March 6, 2022 if no Exit (as defined in the Voting Agreement) has been completed by such date and no Redemption Request has been made pursuant to clause (i) of this sentence. Upon receipt of a Redemption Request, the Corporation shall apply all of its assets to any such redemption, and to no other corporate purpose, except to the extent prohibited by Delaware law governing distributions to stockholders. For purposes of this Subsection 6.1, the fair market value of a single share of Series A Preferred Stock shall be the value of a single share of Series A Preferred Stock and the fair market value of a single share of Series A-1 Preferred Stock shall be the value of a single share of Series A-1 Preferred Stock, each as determined by the Independent Expert (as defined below). The date of each such installment provided in the Redemption Notice (as defined below) shall be referred to as a “**Redemption Date.**” On each Redemption Date, the Corporation shall redeem, on a pro rata basis in accordance with the number of shares of Series A Preferred Stock and Series A-1

Preferred Stock owned by each holder, (i) that number of outstanding shares of Series A Preferred Stock determined by dividing (A) the total number of shares of Series A Preferred Stock outstanding immediately prior to such Redemption Date by (B) the number of remaining Redemption Dates (including the Redemption Date to which such calculation applies) and (i) that number of outstanding shares of Series A-1 Preferred Stock determined by dividing (A) the total number of shares of Series A-1 Preferred Stock outstanding immediately prior to such Redemption Date by (B) the number of remaining Redemption Dates (including the Redemption Date to which such calculation applies), as applicable; provided, that the aggregate Redemption Price paid by the Corporation in a Capped Redemption shall not exceed the aggregate Applicable Original Issue Price of the shares redeemed by the Corporation in such Capped Redemption. If on any Redemption Date Delaware law governing distributions to stockholders prevents the Corporation from redeeming all shares of Series A Preferred Stock and Series A-1 Preferred Stock to be redeemed, the Corporation shall ratably redeem the maximum number of shares that it may redeem consistent with such law, and shall redeem the remaining shares as soon as it may lawfully do so under such law. The “**Independent Expert**” shall be (i) any of KPMG, Deloitte, PWC or EY jointly appointed by the Corporation and the Series A Majority; or (ii) in the absence of an agreement between the Corporation and the Series A Majority pursuant to clause (i) within ten (10) business days (i.e. any day other than a Saturday, Sunday or other day on which banks in New York, New York are required to be closed) following the Corporation’s receipt of the Redemption Notice, an independent accounting firm selected by the Board by written notice to the Series A Majority from the two independent leading independent accounting firms nominated in writing by the Series A Majority or, if no such selection is made within ten (10) days of nomination, any of such two independent accounting firms as notified by the Series A Majority to the Corporation.

6.2 Redemption Notice. The Corporation shall send written notice of the mandatory redemption (the “**Redemption Notice**”) to each holder of record of Series A Preferred Stock and/or Series A-1 Preferred Stock not less than forty (40) days prior to each Redemption Date. Each Redemption Notice shall state:

- (a) the number of shares of Series A Preferred Stock and Series A-1 Preferred Stock (if applicable) held by the holder that the Corporation shall redeem on the Redemption Date specified in the Redemption Notice;
- (b) the Redemption Date and the Redemption Price;
- (c) the date upon which the holder’s right to convert such shares terminates (as determined in accordance with Subsection 4.1); and
- (d) for holders of shares in certificated form, that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Preferred Stock to be redeemed.

If the Corporation receives, on or prior to the twentieth (20th) business day after the date of delivery of the Redemption Notice to a holder of Series A Preferred Stock and Series A-1 Preferred Stock (if applicable), written notice from such holder that such holder elects to be excluded from the redemption provided in this Section 6, then the shares of Series A Preferred

Stock and Series A-1 Preferred Stock (if applicable) registered on the books of the Corporation in the name of such holder at the time of the Corporation's receipt of such notice shall thereafter be "**Excluded Shares**." Excluded Shares shall not be redeemed or redeemable pursuant to this Section 6, whether on such Redemption Date or thereafter.

6.3 Surrender of Certificates; Payment. On or before the applicable Redemption Date, each holder of shares of Series A Preferred Stock and Series A-1 Preferred Stock (if applicable) to be redeemed on such Redemption Date, unless such holder has exercised his, her or its right to convert such shares as provided in Section 4, shall, if a holder of shares in certificated form, surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof. In the event less than all of the shares of Series A Preferred Stock and/or Series A-1 Preferred Stock (if applicable) represented by a certificate are redeemed, a new certificate, instrument, or book entry representing the unredeemed shares of Preferred Stock shall promptly be issued to such holder.

6.4 Rights Subsequent to Redemption. If the Redemption Notice shall have been duly given, and if on the applicable Redemption Date the Redemption Price payable upon redemption of the shares of Series A Preferred Stock and Series A-1 Preferred Stock (if applicable) to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that any certificates evidencing any of the shares of Series A Preferred Stock and Series A-1 Preferred Stock (if applicable) so called for redemption shall not have been surrendered, dividends with respect to such shares of Series A Preferred Stock or Series A-1 Preferred Stock, as applicable, shall cease to accrue after such Redemption Date and all rights with respect to such shares shall forthwith after the Redemption Date terminate, except only the right of the holders to receive the Redemption Price without interest upon surrender of any such certificate or certificates therefor.

7. Redeemed or Otherwise Acquired Shares. Any shares of Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following redemption.

8. Waiver. Any of the rights, powers, preferences and other terms of the Series B Preferred Stock set forth herein may be waived on behalf of all holders of Series B Preferred Stock by the affirmative written consent or vote of the Series B Majority. Any of the rights, powers, preferences and other terms of the Series A Preferred Stock and Series A-1 Preferred Stock set forth herein may be waived on behalf of all holders of Series A Preferred

Stock and Series A-1 Preferred Stock by the affirmative written consent or vote of the Series A Majority.

9. **Notices.** Any notice required or permitted by the provisions of this Article Fifth to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

SIXTH: Subject to any additional vote required by this Certificate of Incorporation or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

SEVENTH: Subject to any additional vote required by this Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. Each director shall be entitled to one vote on each matter presented to the Board; provided, however, that, so long as the holders of Preferred Stock are entitled to elect the Preferred Directors, the affirmative vote of both Preferred Directors (or the sole Preferred Director if the holders of Preferred Stock are no longer entitled to elect a Preferred Director pursuant to the Voting Agreement) shall be required for the authorization by the Board of any of the matters set forth in Section 5.3 of the Investors' Rights Agreement, dated on or about the Original Issue Date, by and among the Corporation and the other parties thereto, as such agreement may be amended from time to time.

EIGHTH: Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

NINTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board or in the Bylaws of the Corporation.

TENTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Tenth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Tenth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

ELEVENTH: To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Eleventh shall not (a) adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification or (b) increase the liability of any director of the Corporation with respect to any acts or omissions of such director, officer or agent occurring prior to, such amendment, repeal or modification.

TWELFTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An “**Excluded Opportunity**” is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Preferred Stock or any partner, member, director, stockholder, employee, affiliate or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, the persons referred to in clauses (i) and (ii) are “**Covered Persons**”), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person’s capacity as a director of the Corporation while such Covered Person is performing services in such capacity. Any repeal or modification of this Article Twelfth will only be prospective and will not affect the rights under this Article Twelfth in effect at the time of the occurrence of any actions or omissions to act giving rise to liability. Notwithstanding anything to the contrary contained elsewhere in this Certificate of Incorporation, the affirmative vote of the Requisite Holders, will be required to amend or repeal, or to adopt any provisions inconsistent with this Article Twelfth.

THIRTEENTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation’s stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation’s certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the

Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article Thirteenth shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article Thirteenth (including, without limitation, each portion of any sentence of this Article Thirteenth containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

* * *

IN WITNESS WHEREOF, this Certificate of Incorporation has been executed by the Sole Incorporator of this corporation on this 19th day of December, 2019.

By: /s/ Matthew Sarbanis

Matthew Sarbanis

Sole Incorporator

BY-LAWS
of
SEMRUSH HOLDINGS, INC.
(the “Corporation”)

Capitalized terms used but not expressly defined in these By-laws shall have the meaning given to them in the Certificate of Incorporation. In these By-laws:

“**Business Day**” means any day other than a Saturday, Sunday or other day on which banks in New York (state of New York, USA) or Moscow (Russia) are required to be closed;

“**Investor(s)**” has the meaning given to it in the Voting Agreement.

1. Stockholders

(a) Annual Meeting. The annual meeting of stockholders shall be held for the election of directors each year at such place, date and time as shall be designated by the Board of Directors of the Corporation (the “Board of Directors”). Any other proper business may be transacted at the annual meeting. If no date for the annual meeting is established or said meeting is not held on the date established as provided above, a special meeting in lieu thereof may be held or there may be action by written consent of the stockholders on matters to be voted on at the annual meeting, and such special meeting or written consent shall have for the purposes of these By-laws of the Corporation (the “By-Laws”) or otherwise all the force and effect of an annual meeting.

(b) Special Meetings. Special meetings of stockholders may be called by (i) the Chief Executive Officer (the “CEO”), if one is elected, or, if there is no CEO, a President of the Corporation (“President”), (ii) by the Board of Directors, (iii) by one or more stockholders representing, in aggregate, 10% or more of the shares of stock of the Corporation (on an as converted basis) then issued and outstanding, (iv) Series A Majority, or (v) Series B Majority, but such special meetings may not be called by any other person or persons. The call for the meeting shall state the place, date, hour and purposes of the meeting. Only the purposes specified in the notice of special meeting shall be considered or dealt with at such special meeting.

(c) Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice stating the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present and vote at such meeting, and, in the case of a special meeting, the purpose or purposes of the meeting, shall be given by the Secretary of the Corporation (“**Secretary**”) (or other person authorized by these By-laws or by law), where applicable within three (3) Business Days of receipt of the request from the requisitionists entitle to call a stockholder meeting under paragraph (b) above, not less than ten (10) nor more than fifteen (15) Business Days before the meeting to each stockholder entitled to vote thereat and to each stockholder who, under the Certificate of Incorporation of the Corporation (the “**Certificate of Incorporation**”) or under

these By-laws is entitled to such notice. If mailed, notice is given when deposited in the mail, postage prepaid, directed to such stockholder at such stockholder's address as it appears in the records of the Corporation. Without limiting the manner by which notice otherwise may be effectively given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law (the "**DGCL**").

If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken, except that if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(d) Quorum. Where any matter listed in Article Fourth(B)3.3 of the Certificate of Incorporation ("**Reserved Matter**") is to be voted on at a stockholder meeting (whether adjourned or not), the holders of a majority in interest of all stock issued, outstanding and entitled to vote at a meeting, always including the Requisite Holders, present in person or represented by proxy, shall constitute a quorum. Where no Reserved Matter is to be voted on at a stockholder meeting, the holders of a majority in interest of all stock issued, outstanding and entitled to vote at a meeting, including the Requisite Holders, present in person or represented by proxy, shall constitute a quorum, provided that if the Requisite Holders are not present at such first called meeting, their presence shall not be required at the adjourned meeting with the same agenda to constitute a quorum. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, whether or not a quorum is present.

(e) Voting and Proxies. Except as otherwise provided by the Certificate of Incorporation or by law, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by either written proxy or by a transmission permitted by Section 212(c) of the DGCL, but no proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period or is irrevocable and coupled with an interest. Proxies shall be filed with the Secretary of the meeting, or of any adjournment thereof. Except as otherwise limited therein, proxies shall entitle the persons authorized thereby to vote at any adjournment of such meeting.

(f) Action at Meeting. When a quorum is present, any matter before the meeting shall be decided by vote of the holders of a majority of the shares of stock voting on such matter except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. Any election of directors by stockholders shall be determined by a plurality of the votes cast, except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. The Corporation shall not directly or indirectly vote any share of its own

stock; provided, however, that the Corporation may vote shares which it holds in a fiduciary capacity to the extent permitted by law.

(g) Presiding Officer. Meetings of stockholders shall be presided over by the Chairman of the Board, if one is elected, or in his or her absence, the Vice Chairman of the Board, if one is elected, or if neither is elected or in their absence, a President or CEO. The Board of Directors shall have the authority to appoint a temporary presiding officer to serve at any meeting of the stockholders if the Chairman of the Board, the Vice Chairman of the Board or a President or CEO is unable to do so for any reason.

(h) Conduct of Meetings. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the presiding officer of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding officer of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) reasonable and necessary limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the presiding officer of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

(i) Action without a Meeting. Unless otherwise provided in the Certificate of Incorporation, any action required or permitted by law to be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office, by hand or by certified mail, return receipt requested, or to the Corporation's principal place of business or to the officer of the Corporation having custody of the minute book. Every written consent shall bear the date of signature and no written consent shall be effective unless, within sixty (60) days of the earliest dated consent delivered pursuant to these By-laws, written consents signed by a sufficient number of stockholders entitled to take action are delivered to the Corporation in the manner set forth in these By-laws. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

(j) Stockholder Lists. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders,

a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Nothing contained in this Section 1(j) shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting in the manner provided by law. The list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law.

2. Directors

(a) Powers. The business of the Corporation shall be managed by or under the direction of a Board of Directors who may exercise all the powers of the Corporation except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws. In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board until the vacancy is filled.

(b) Number and Qualification. Unless otherwise provided in the Certificate of Incorporation or in these By-laws, the number of directors which shall constitute the whole board shall be seven (7). Directors need not be stockholders.

(c) [Reserved].

(d) Tenure. Except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws, directors shall hold office until their successors are elected and qualified or until their earlier death, resignation or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. To the extent permitted by law, a director may be removed from office with or without cause in accordance with the Voting Agreement.

(f) Meetings. Regular meetings of the Board of Directors may be held without notice at such time, date and place as the Board of Directors may from time to time determine. Special meetings of the Board of Directors may be called, orally or in writing, by the CEO, if one is elected, or, if there is no CEO, the President, or by two or more Directors, designating the time, date and place thereof. Directors may participate in meetings of the Board of Directors by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting.

(g) Notice of Meetings. Notice of the time, date and place of all special meetings of the Board of Directors shall be given to each director by the Secretary, or Assistant Secretary, or in case of the death, absence, incapacity or refusal of such persons, by the officer or one of the directors calling the meeting. Notice shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communications, sent to such director's business or home address at least three (3) Business Days in advance of the

meeting, or by written notice mailed to such director's business or home address at least three (3) Business Days in advance of the meeting.

(h) Quorum. At any meeting of the Board of Directors, four directors (always including the Preferred Directors) shall constitute a quorum for the transaction of business, provided that if a Preferred Director is not present at the first called meeting, their presence shall not be required to constitute a quorum at the adjourned meeting with the same agenda. Less than a quorum may adjourn any meeting from time to time with prior notice to the absentee directors.

(i) Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, unless otherwise provided in the following sentence, a majority of the directors present may take any action on behalf of the Board of Directors, unless a larger number is required by law, by the Certificate of Incorporation or by these By-laws. So long as there are two (2) or fewer Directors, any action to be taken by the Board of Directors shall require the approval of all Directors.

(j) Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

(k) Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, establish one or more committees, each committee to consist of one or more directors. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval or (ii) adopting, amending or repealing any provision of these By-laws.

Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but in the absence of such rules its business shall be conducted so far as possible in the same manner as is provided in these By-laws for the Board of Directors. All members of such committees shall hold their committee offices at the pleasure of the Board of Directors, and the Board may abolish any committee at any time.

3. Officers

(a) Enumeration. The officers of the Corporation shall consist of one or more Presidents (who, if there is more than one, shall be referred to as Co-Presidents), a Treasurer, a

Secretary, and such other officers, including, without limitation, a CEO and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board of Directors may determine. The Board of Directors may elect from among its members a Chairman of the Board and a Vice Chairman of the Board.

(b) Election. The Presidents and Secretary shall be elected annually by the Board of Directors at their first meeting following the annual meeting of stockholders. The Treasurer shall be elected by the Requisite Holders and a majority of the holders of shares of common stock. Other officers may be chosen by the Board of Directors at such meeting or at any other meeting.

(c) Qualification. No officer need be a stockholder or Director. Any two or more offices may be held by the same person. Any officer may be required by the Board of Directors to give bond for the faithful performance of such officer's duties in such amount and with such sureties as the Board of Directors may determine.

(d) Tenure. Except as otherwise provided by the Certificate of Incorporation or by these By-laws, each of the officers of the Corporation shall hold office until the first meeting of the Board of Directors following the next annual meeting of stockholders and until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign by delivering his or her written resignation to the Corporation, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. The Treasurer may be removed from office by the Requisite Holders. Subject to the foregoing, the Board of Directors may remove any officer with or without cause by a vote of a majority of the directors then in office.

(f) Vacancies. Except for the Treasurer, any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

(g) Chairman of the Board and Vice Chairman. Unless otherwise provided by the Board of Directors, the Chairman of the Board of Directors, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Unless otherwise provided by the Board of Directors, in the absence of the Chairman of the Board, the Vice Chairman of the Board, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Vice Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(h) Chief Executive Officer. The CEO, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(i) Presidents. The Presidents shall, subject to the direction of the Board of Directors, each have general supervision and control of the Corporation's business and any action that would typically be taken by a President may be taken by any Co-President. If there is no Chairman of the Board or Vice Chairman of the Board, a President or CEO shall preside, when present, at all meetings of stockholders and the Board of Directors. The Presidents shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(j) Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(k) Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. The Treasurer shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Board of Directors may otherwise provide. The Treasurer shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(l) Secretary and Assistant Secretaries. The Secretary shall record the proceedings of all meetings of the stockholders and the Board of Directors (including committees of the Board) in books kept for that purpose. In the absence of the Secretary from any such meeting an Assistant Secretary, or if such person is absent, a temporary secretary chosen at the meeting, shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation) and shall have such other duties and powers as may be designated from time to time by the Board of Directors.

Any Assistant Secretary shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(m) Other Powers and Duties. Subject to these By-laws, each officer of the Corporation shall have in addition to the duties and powers specifically set forth in these By-laws, such duties and powers as are customarily incident to such officer's office, and such duties and powers as may be designated from time to time by the Board of Directors.

4. Capital Stock

(a) Certificates of Stock. The shares of the Corporation shall be represented by certificates, *provided that* the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Each holder of stock represented by certificates shall be entitled to a certificate signed by, or in the name of the Corporation by any two (2) authorized officers of the

Corporation. Such signatures may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. The Corporation shall be permitted to issue fractional shares.

(b) Transfers. Subject to any restrictions on transfer, shares of stock may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate therefor properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require.

(c) Record Holders. Except as may otherwise be required by law, by the Certificate of Incorporation or by these By-laws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these By-laws.

It shall be the duty of each stockholder to notify the Corporation of such stockholder's post office address.

(d) Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not precede the date on which it is established, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, more than ten (10) days after the date on which the record date for stockholder consent without a meeting is established, nor more than sixty (60) days prior to any other action. In such case only stockholders of record on such record date shall be so entitled notwithstanding any transfer of stock on the books of the Corporation after the record date.

If no record date is fixed, (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, (ii) the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in this state, to its principal place of business, or to an officer or

agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded, and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(e) Lost Certificates. The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation an affidavit and/or bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

5. Indemnification

(a) Definitions. For purposes of this Section 5:

(i) “Corporate Status” describes the status of a person who is serving or has served (A) as a Director of the Corporation, (B) as an Officer of the Corporation, (C) as a Non-Officer Employee of the Corporation, or (D) as a director, partner, trustee, officer, employee or agent of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity for which such person is or was serving at the request of the Corporation. For purposes of this Section 5(a)(i), a Director, Officer or Non-Officer Employee of the Corporation who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Corporation. Notwithstanding the foregoing, “Corporate Status” shall not include the status of a person who is serving or has served as a director, officer, employee or agent of a constituent corporation absorbed in a merger or consolidation transaction with the Corporation with respect to such person’s activities prior to said transaction, unless specifically authorized by the Board of Directors or the stockholders of the Corporation;

(ii) “Director” means any person who serves or has served the Corporation as a director on the Board of Directors of the Corporation;

(iii) “Disinterested Director” means, with respect to each Proceeding in respect of which indemnification is sought hereunder, a Director of the Corporation who is not and was not a party to such Proceeding;

(iv) “Expenses” means all reasonable attorneys fees, retainers, court costs, transcript costs, fees of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), travel expenses, duplicating costs, printing and binding costs, costs of preparation of demonstrative evidence and other courtroom presentation aids and devices, costs incurred in connection with document review, organization, imaging and computerization, telephone charges, postage, delivery service fees, and all other disbursements, costs or expenses of the type customarily incurred in connection with prosecuting, defending,

preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or otherwise participating in, a Proceeding;

(v) “Liabilities” means judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement;

(vi) “Non-Officer Employee” means any person who serves or has served as an employee or agent of the Corporation, but who is not or was not a Director or Officer;

(vii) “Officer” means any person who serves or has served the Corporation as an officer of the Corporation appointed by the Board of Directors of the Corporation;

(viii) “Proceeding” means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, inquiry, investigation, administrative hearing or other proceeding, whether civil, criminal, administrative, arbitral or investigative; and

(ix) “Subsidiary” shall mean any corporation, partnership, limited liability company, joint venture, trust or other entity of which the Corporation owns (either directly or through or together with another Subsidiary of the Corporation) either (i) a general partner, managing member or other similar interest or (ii) (A) 50% or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other entity, or (B) 50% or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other entity.

(b) Indemnification of Directors and Officers. Subject to the operation of Section 5(d) of these By-laws, each Director and Officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), and to the extent authorized in subsections (i) through (iv) of this Section 5(b).

(i) Actions, Suits and Proceedings Other than By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses and Liabilities that are incurred or paid by such Director or Officer or on such Director’s or Officer’s behalf in connection with any Proceeding or any claim, issue or matter therein (other than an action by or in the right of the Corporation), which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director’s or Officer’s Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(ii) Actions, Suits and Proceedings By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses that are incurred by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein by or in the right of the Corporation, which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, that no indemnification shall be made under this Section 5(b)(ii) in respect of any claim, issue or matter as to which such Director or Officer shall have been finally adjudged by a court of competent jurisdiction to be liable to the Corporation, unless, and only to the extent that, the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite adjudication of liability, but in view of all the circumstances of the case, such Director or Officer is fairly and reasonably entitled to indemnification for such Expenses that such court deems proper.

(iii) Survival of Rights. The rights of indemnification provided by this Section 5(b) shall continue as to a Director or Officer after he or she has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors, administrators and personal representatives.

(iv) Actions by Directors or Officers. Notwithstanding the foregoing, the Corporation shall indemnify any Director or Officer seeking indemnification in connection with a Proceeding initiated by such Director or Officer only if such Proceeding (including any parts of such Proceeding not initiated by such Director or Officer) was authorized in advance by the Board of Directors of the Corporation, unless such Proceeding was brought to enforce such Officer's or Director's rights to indemnification or, in the case of Directors, advancement of Expenses under these By-laws in accordance with the provisions set forth herein.

(c) Indemnification of Non-Officer Employees. Subject to the operation of Section 5(d) of these By-laws, each Non-Officer Employee may, in the discretion of the Board of Directors of the Corporation, be indemnified by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against any or all Expenses and Liabilities that are incurred by such Non-Officer Employee or on such Non-Officer Employee's behalf in connection with any threatened, pending or completed Proceeding, or any claim, issue or matter therein, which such Non-Officer Employee is, or is threatened to be made, a party to or participant in by reason of such Non-Officer Employee's Corporate Status, if such Non-Officer Employee acted in good faith and in a manner such Non-Officer Employee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The rights of indemnification provided by this Section 5(c) shall exist as to a Non-Officer Employee after he or she has ceased to be a Non-Officer Employee and shall inure to the benefit of his or her heirs, personal representatives, executors and administrators. Notwithstanding the foregoing, the Corporation may indemnify any Non-Officer Employee seeking indemnification in connection

with a Proceeding initiated by such Non-Officer Employee only if such Proceeding was authorized in advance by the Board of Directors of the Corporation.

(d) Determination. Unless ordered by a court, no indemnification shall be provided pursuant to this Section 5 to a Director, to an Officer or to a Non-Officer Employee unless a determination shall have been made that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. Such determination shall be made by (i) a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, (ii) a committee comprised of Disinterested Directors, such committee having been designated by a majority vote of the Disinterested Directors (even though less than a quorum), (iii) if there are no such Disinterested Directors, or if a majority of Disinterested Directors so directs, by independent legal counsel in a written opinion, or (iv) by the stockholders of the Corporation.

(e) Advancement of Expenses to Directors Prior to Final Disposition.

(i) The Corporation shall advance all Expenses incurred by or on behalf of any Director in connection with any Proceeding in which such Director is involved by reason of such Director's Corporate Status within thirty (30) days after the receipt by the Corporation of a written statement from such Director requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Director and shall be preceded or accompanied by an undertaking by or on behalf of such Director to repay any Expenses so advanced if it shall ultimately be determined that such Director is not entitled to be indemnified against such Expenses. Notwithstanding the foregoing, the Corporation shall advance all Expenses incurred by or on behalf of any Director seeking advancement of expenses hereunder in connection with a Proceeding initiated by such Director only if such Proceeding (including any parts of such Proceeding not initiated by such Director) was (A) authorized by the Board of Directors of the Corporation, or (B) brought to enforce such Director's rights to indemnification or advancement of Expenses under these By-laws.

(ii) If a claim for advancement of Expenses hereunder by a Director is not paid in full by the Corporation within thirty (30) days after receipt by the Corporation of documentation of Expenses and the required undertaking, such Director may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful in whole or in part, such Director shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such advancement of Expenses under this Section 5 shall not be a defense to an action brought by a Director for recovery of the unpaid amount of an advancement claim and shall not create a presumption that such advancement is not permissible. The burden of proving that a Director is not entitled to an advancement of expenses shall be on the Corporation.

(iii) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Director has not met any applicable standard for indemnification set forth in the DGCL.

(f) Advancement of Expenses to Officers and Non-Officer Employees Prior to Final Disposition.

(i) The Corporation may, at the discretion of the Board of Directors of the Corporation, advance any or all Expenses incurred by or on behalf of any Officer or any Non-Officer Employee in connection with any Proceeding in which such person is involved by reason of his or her Corporate Status as an Officer or Non-Officer Employee upon the receipt by the Corporation of a statement or statements from such Officer or Non-Officer Employee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Officer or Non-Officer Employee and shall be preceded or accompanied by an undertaking by or on behalf of such person to repay any Expenses so advanced if it shall ultimately be determined that such Officer or Non-Officer Employee is not entitled to be indemnified against such Expenses.

(ii) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Officer or Non-Officer Employee has not met any applicable standard for indemnification set forth in the DGCL.

(g) Contractual Nature of Rights.

(i) The provisions of this Section 5 shall be deemed to be a contract between the Corporation and each Director and Officer entitled to the benefits hereof at any time while this Section 5 is in effect, in consideration of such person's past or current and any future performance of services for the Corporation. Neither amendment, repeal or modification of any provision of this Section 5 nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Section 5 shall eliminate or reduce any right conferred by this Section 5 in respect of any act or omission occurring, or any cause of action or claim that accrues or arises or any state of facts existing, at the time of or before such amendment, repeal, modification or adoption of an inconsistent provision (even in the case of a proceeding based on such a state of facts that is commenced after such time), and all rights to indemnification and advancement of Expenses granted herein or arising out of any act or omission shall vest at the time of the act or omission in question, regardless of when or if any proceeding with respect to such act or omission is commenced. The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Section 5 shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such person.

(ii) If a claim for indemnification hereunder by a Director or Officer is not paid in full by the Corporation within sixty (60) days after receipt by the Corporation

of a written claim for indemnification, such Director or Officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, such Director or Officer shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such indemnification under this Section 5 shall not be a defense to an action brought by a Director or Officer for recovery of the unpaid amount of an indemnification claim and shall not create a presumption that such indemnification is not permissible. The burden of proving that a Director or Officer is not entitled to indemnification shall be on the Corporation.

(iii) In any suit brought by a Director or Officer to enforce a right to indemnification hereunder, it shall be a defense that such Director or Officer has not met any applicable standard for indemnification set forth in the DGCL.

(h) Non-Exclusivity of Rights. The rights to indemnification and advancement of Expenses set forth in this Section 5 shall not be exclusive of any other right which any Director, Officer, or Non-Officer Employee may have or hereafter acquire under any statute, provision of the Certificate or these By-laws, agreement, vote of stockholders or Disinterested Directors or otherwise.

(i) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer or Non-Officer Employee against any liability of any character asserted against or incurred by the Corporation or any such Director, Officer or Non-Officer Employee, or arising out of any such person's Corporate Status, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or the provisions of this Section 5.

(j) Other Indemnification. The Corporation's obligation, if any, to indemnify or provide advancement of Expenses to any person under this Section 5 as a result of such person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount such person may collect as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or enterprise (the "Primary Indemnitor"). Any indemnification or advancement of Expenses under this Section 5 owed by the Corporation as a result of a person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall only be in excess of, and shall be secondary to, the indemnification or advancement of Expenses available from the applicable Primary Indemnitor(s) and any applicable insurance policies.

6. Transfer Restrictions.

(a) Before any stockholder of shares of common stock of the Corporation ("Shares") may Transfer (as such term is defined below) Shares (or any interest therein) to another prospective holder, such stockholder must obtain the prior written consent of the

Corporation upon resolutions duly approved by the Board of Directors, which consent may be withheld in its sole discretion. "Transfer" shall mean with respect to any security, the direct or indirect assignment, sale, transfer, tender, pledge, hypothecation, or the grant, creation or suffrage of a lien or encumbrance in or upon, or the gift, placement in trust, or the Constructive Sale (as such term is defined below) or other disposition of such security (including transfer by testamentary or intestate succession, merger or otherwise by operation of law) or any right, title or interest therein (including, but not limited to, any right or power to vote to which the holder thereof may be entitled, whether such right or power is granted by proxy or otherwise), or the record or beneficial ownership thereof, the offer to make such a sale, transfer, Constructive Sale or other disposition, and each agreement, arrangement or understanding, whether or not in writing, to effect any of the foregoing. "Constructive Sale" shall mean, with respect to any security, a short sale with respect to such security, entering into or acquiring an offsetting derivative contract with respect to such security, entering into or acquiring a futures or forward contract to deliver such security, or entering into any other hedging or other derivative transaction that has the effect of materially changing the economic benefits and risks of ownership. Any purported Transfer of any shares of the Corporation's stock effected in violation of this section shall be null and void and shall have no force or effect and the Corporation shall not register any such purported Transfer.

(b) Exceptions for Certain Transfers.

Notwithstanding the foregoing, the provisions of Subsection 6(a) shall not apply to the following transactions:

- i. a Transfer by a stockholder of shares of common stock issued or issuable upon conversion of the preferred stock of the Corporation;
- ii. in the case of a stockholder who is an individual, the transfer without consideration of any Shares made for bona fide estate planning purposes, either during a stockholder's lifetime or on death by will or intestacy to (i) his or her spouse or Spousal Equivalent, child (natural or adopted), sibling, or any other direct lineal antecedent or descendant of such stockholder (or his or her spouse or Spousal Equivalent) (all of the foregoing collectively referred to as "family members"), or any other relative approved by the Corporation upon resolutions duly approved by the Board of Directors or (ii) any custodian or trustee of any trust, partnership or limited liability company solely for the benefit of, or the ownership interests of which are owned wholly by, such stockholder or any such family members. "Spousal Equivalent" as used herein shall mean an individual who is registered with any state governmental entity as a domestic partner of the relevant person to whom such individual may be a Spousal Equivalent (a "Registered Domestic Partner") or who (i) irrespective of whether or not the relevant person to whom such individual may be a Spousal Equivalent and the Spousal Equivalent are the same sex, was the sole spousal equivalent of the other for the last twelve (12) months, (ii) intended to remain so indefinitely, (iii) was not married to anyone else nor a Registered Domestic Partner with anyone else, (iv) was at least 18 years of age and mentally competent to consent to contract, (v) was not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (vi) was jointly

responsible for the other's common welfare and financial obligations, and (vii) resided with the other in the same residence for the last twelve (12) months and intends to do so indefinitely;

iii. in the case of a stockholder that is an entity, the transfer without consideration of any Shares by a stockholder to its stockholders, members, partners, other equity holders, or affiliates;

iv. a Transfer by a stockholder of Shares, provided that such transferred Shares are beneficially owned by such stockholder as of December 19, 2019;

v. a Transfer of Shares by an Investor or to one or more Investors;

vi. a Transfer of Shares which have to be offered to the Investors pursuant to the right of first refusal under the ROFR Agreement (as defined in the Voting Agreement) which have not yet been so offered; provided that the provisions of Subsection 6(a) shall apply to such Transfer of Shares if the Investors waive or do not exercise their right of first refusal under the ROFR Agreement with respect to such Transfer of Shares.

(c) Subsequent Transfers.

In the case of any transfer consented to by the Corporation or described in Subsection 6(b) above or otherwise, the transferee, assignee, or other recipient shall receive and hold the Shares subject to the provisions of this Section 6, and there shall be no further transfer of such stock except in accordance with Subsections (a), (b) and (c) of this Section 6.

(d) Termination of Restriction.

The restrictions in Subsection 6(a) shall terminate upon the earlier to occur of (i) the closing of a Sale Event (as defined below); or (ii) the first sale of common stock of the Corporation to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of such restrictions, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to below and delivered to each stockholder.

For purposes of these bylaws, "Sale Event" means the consummation of (i) the dissolution or liquidation of the Corporation, (ii) the sale of all or substantially all of the assets of the Corporation on a consolidated basis to an unrelated person or entity, (iii) a merger, reorganization or consolidation pursuant to which the holders of the Corporation's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity (or its ultimate parent, if applicable), (iv) the acquisition of all or a majority of the outstanding voting stock of the Corporation in a single transaction or a series of related transactions by a Person or group of Persons, or (v) any other acquisition of the business of the Corporation, as determined by the Board of Directors; *provided, however*, that the Corporation's Initial Public Offering, any subsequent public offering or another capital-raising event, or a merger effected solely to change the Corporation's domicile shall not constitute a "Sale Event".

“Person” shall mean any individual, corporation, partnership (limited or general), limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization or any similar entity.

“Initial Public Offering” means the consummation of the first firm commitment underwritten public offering pursuant to an effective registration statement under the Securities Act covering the offer and sale by the Corporation of its equity securities, as a result of or following which the Shares shall be publicly held.

e. Legend.

The certificate or certificates representing the Shares shall bear the following legend (as well as any legends required by applicable state and federal corporate and securities laws):

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER CONTAINED IN THE BYLAWS OF THE CORPORATION.

(f) Waiver.

The provisions of Subsection 6(a) may be waived, with respect to any transaction subject thereto, by the Corporation upon resolutions duly approved by the Board of Directors; *provided, however*, that such restrictions shall continue to apply to the Shares subsequent to such transaction.

7. Miscellaneous Provisions

(a) Fiscal Year. Except as otherwise determined by the Board of Directors, the fiscal year of the Corporation shall end on December 31 of each year.

(b) Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

(c) Execution of Instruments. Subject to any limitations which may be set forth in a resolution of the Board of Directors, all deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by, a President, or by any other officer, employee or agent of the Corporation as the Board of Directors may authorize.

(d) Voting of Securities. Unless the Board of Directors otherwise provides, a President, any Vice President or the Treasurer may waive notice of and act on behalf of this Corporation, or appoint another person or persons to act as proxy or attorney in fact for this Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or shareholders of any other corporation or organization, any of whose securities are held by this Corporation.

(e) Resident Agent. The Board of Directors may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

(f) Corporate Records. The original or attested copies of the Certificate of Incorporation, By-laws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock and transfer records, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, shall be kept at the principal office of the Corporation, at the office of its counsel, or at an office of its transfer agent.

(g) Certificate of Incorporation. All references in these By-laws to the Certificate of Incorporation shall be deemed to refer to the Certificate of Incorporation of the Corporation, as amended and in effect from time to time.

(h) Amendments. These By-laws may be altered, amended or repealed, and new By-laws may be adopted, by the stockholders or by the Board of Directors; provided, that (a) the Board of Directors may not alter, amend or repeal any provision of these By-laws which by law, by the Certificate of Incorporation or by these By-laws requires action by the stockholders and (b) any alteration, amendment or repeal of these By-laws by the Board of Directors and any new By-law adopted by the Board of Directors may be altered, amended or repealed by the stockholders.

(i) Waiver of Notice. Whenever notice is required to be given under any provision of these By-laws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting needs to be specified in any written waiver or any waiver by electronic transmission.

Adopted: December 19, 2019 (as amended on November 13, 2020)

INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT (this "**Agreement**"), is made as of the 19th day of December, 2019, by and among SEMrush Holdings, Inc., a Delaware corporation (the "**Company**"), and each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "**Investor**," and each of the stockholders listed on Schedule B hereto, each of whom is referred to herein as a "**Founder**" and any Additional Purchaser that becomes a party to this Agreement in accordance with Section 6.9 hereof.

RECITALS

WHEREAS, the Founders and the Investors previously held Series A Redeemable Preference Shares, Series B Preferred Shares, Non-voting Shares and Ordinary Shares (as each such term is defined in SEMrush CY's Articles of Association in effect as of immediately prior to the execution of this Agreement, and collectively the "**CY Shares**") of SEMrush CY LTD ("**SEMrush CY**") subject to the terms set forth in that certain Amended and Restated Shareholders Agreement, by and among SEMrush CY, the Founders and the Investors, dated February 16, 2018 (the "**Prior Shareholders Agreement**");

WHEREAS, the Investors and Founders exchanged such CY Shares for capital stock of the Company pursuant to that certain Contribution and Exchange Agreement, by and among the Company, SEMrush CY, the Founders and the Investors, dated on or about the date hereof (the "**Exchange Transaction**"), following which SEMrush CY became a wholly owned Subsidiary of the Company; and

WHEREAS, the Founders, the Investors and the Company desire to further induce the Founders and the Investors to exchange their CY Shares in connection with the Exchange Transaction.

NOW, THEREFORE, the Company, the Founders and the Investors each hereby agree as follows:

1. Definitions. Capitalized terms used but not expressly defined in this Agreement shall have the meaning given to them in the Certificate of Incorporation. For purposes of this Agreement:

1.1 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment adviser of, or shares the same management company or investment adviser with, such Person.

1.2 "**Board of Directors**" means the board of directors of the Company.

1.3 “**Business Day**” means any day other than a Saturday, Sunday or other day on which banks in New York (state of New York, USA) or Moscow (Russia) are required to be closed.

1.4 “**Certificate of Incorporation**” means the Company’s Certificate of Incorporation, as amended and/or restated from time to time.

1.5 “**Common Stock**” means shares of the Company’s common stock, par value \$0.00001 per share.

1.6 “**Competitor**” means a Person whom the Board of Directors has reasonably determined: (i) to be engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter)), in the then current line of business of the Company or any Subsidiary; (ii) to have annual revenues equal to twenty-five percent (25%) or more of the annual revenues of the Company and its Subsidiaries; and (iii) to generate at least fifty percent (50%) of its annual revenues from the sale of competitive intelligence software for online search marketing; but shall in any event exclude Greycroft or e.ventures or their Affiliates, so long as the Series B Director is not serving as a director, executive, strategic advisor, or in a similar role at any Competitor.

1.7 “**Control**” means, in relation to any Person, the possession, directly or indirectly, of: (i) the power to direct, or cause the direction of, the management and policies of that Person; or (ii) the power to appoint the senior management and/or more than half of directors or corporate officers of that Person; or (iii) such securities (or other rights) as confer on the holder thereof the right to exercise in excess of fifty percent (50%) in number of all votes exercisable in general meeting of all the members of such Person.

1.8 “**Damages**” means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.9 “**Derivative Securities**” means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

1.10 “**e.ventures**” means E.Ventures Growth II, LP.

1.11 “**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.12 “**Excluded Registration**” means (i) a registration relating to the sale or grant of securities to employees of the Company or a Subsidiary pursuant to a stock option, stock purchase, equity incentive or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.13 “**FOIA Party**” means a Person that, in the reasonable determination of the Board of Directors, may be subject to, and thereby required to disclose non-public information furnished by or relating to the Company under, the Freedom of Information Act, 5 U.S.C. 552 (“FOIA”), any state public records access law, any state or other jurisdiction’s laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement.

1.14 “**Form S-1**” means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.15 “**Form S-3**” means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits forward incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.16 “**GAAP**” means generally accepted accounting principles in the United States as in effect from time to time.

1.17 “**Greycroft**” means Greycroft Growth II, LP.

1.18 “**Holder**” means any holder of Registrable Securities who is a party to this Agreement.

1.19 “**Immediate Family Member**” means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.20 “**Initiating Holders**” means, collectively, Holders who properly initiate a registration request under this Agreement.

1.21 “**IPO**” means the Company’s first underwritten public offering of its Common Stock under the Securities Act.

1.22 “**Major Investor**” means (a) any Investor who originally acquired at least forty percent (40%) of (i) the Series A Preferred Stock and Series A-1 Preferred

Stock on an aggregate basis or (ii) Series B Preferred Stock, and continues to hold at least twenty-five percent (25%) of such Series A Preferred Stock and Series A-1 Preferred Stock, or Series B Preferred Stock, respectively, originally acquired; (b) Veeam, as long as Veeam remains an Investor and (c) e.ventures (or its Affiliates), as long as e.ventures (or its Affiliates) remains an Investor.

1.23 “**New Securities**” means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.24 “**Person**” means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.25 “**Preferred Stock**” means, collectively, shares of the Company’s Series A Preferred Stock, Series A-1 Preferred Stock and Series B Preferred Stock.

1.26 “**Registrable Securities**” means (i) the Common Stock issuable or issued upon conversion of the Preferred Stock; (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, held by the Investors as of the date hereof or acquired by the Investors after the date hereof; (iii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.

1.27 “**Registrable Securities then outstanding**” means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.28 “**Restricted Securities**” means the securities of the Company required to be notated with the legend set forth in Subsection 2.12(b) hereof.

1.29 “**SEC**” means the Securities and Exchange Commission.

1.30 “**SEC Rule 144**” means Rule 144 promulgated by the SEC under the Securities Act.

1.31 “**SEC Rule 145**” means Rule 145 promulgated by the SEC under the Securities Act.

1.32 “**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.33 “**Selling Expenses**” means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Subsection 2.6.

1.34 “**SEMrush Group**” means the Company and its Subsidiaries.

1.35 “**Series A Preferred Stock**” means shares of the Company’s Series A Preferred Stock, par value \$0.00001 per share.

1.36 “**Series A-1 Preferred Stock**” means shares of the Company’s Series A Preferred Stock, par value \$0.00001 per share.

1.37 “**Series B Preferred Stock**” means shares of the Company’s Series B Preferred Stock, par value \$0.00001 per share.

1.38 “**Shareholder**” means the Founders and the Investors.

1.39 “**Subsidiary**” means, with respect to any Person, any corporation, partnership, limited liability company or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or Controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof or (ii) if a partnership, limited liability company or other business entity, a majority of the partnership, limited liability company or other similar ownership interests thereof is at the time owned or Controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; and when used without a possessive, it means a Subsidiary of the Company. For purposes hereof, a Person or Persons is deemed to have a majority ownership interest in a partnership, limited liability company or other business entity if such Person or Persons is allocated a majority of partnership, limited liability company or other business entity gains or losses or is or Controls the managing director or general partner of such partnership, limited liability company or other business entity.

1.40 “**Veeam**” means Veeam Software Limited.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after one hundred eighty (180) days after the effective date of the registration statement for the IPO on a United States stock exchange, the Company receives a request from Holders of at least thirty percent (30%) of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement

with respect to the Registrable Securities then outstanding with an anticipated aggregate offering price, net of Selling Expenses, of at least \$15 million, then the Company shall (x) within ten (10) days after the date such request is given, give notice thereof (the “**Demand Notice**”) to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least thirty percent (30%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least \$5 million, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1 a certificate signed by the Company’s chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than one hundred twenty (120) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such one hundred twenty (120) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a) (i) during the period that is sixty (60) days before the Company’s good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided

that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected one registration pursuant to Subsection 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(b) (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Subsection 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Subsection 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Subsection 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Subsection 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Subsection 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Subsection 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Subsection 2.3, if the managing

underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Subsection 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below thirty percent (30%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Subsection 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling

Holder” shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such “selling Holder,” as defined in this sentence.

(c) For purposes of Subsection 2.1, a registration shall not be counted as “effected” if, as a result of an exercise of the underwriter’s cutback provisions in Subsection 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended for up to one hundred twenty (120) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements, not to exceed \$30,000, of one counsel for the selling Holders ("**Selling Holder Counsel**"), shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Subsection 2.1 if the registration request is

subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other

Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Subsections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Subsection 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Subsection 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Subsection 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Subsection 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Subsection 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Subsection 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Subsection 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from

others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Subsection 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Subsection 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Subsection 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to

such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company; and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that (i) would provide to such holder the right to include securities in any registration on other than either a pro rata basis with respect to the Registrable Securities or on a subordinate basis after all Holders have had the opportunity to include in the registration and offering all shares of Registrable Securities that they wish to so include; or (ii) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder; provided that this limitation shall not apply to Registrable Securities acquired by any additional Investor that becomes a party to this Agreement in accordance with Subsection 6.9.

2.11 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Subsection 2.11 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement and shall be applicable to the Holders only if all officers and directors are subject to the same

restrictions. The underwriters in connection with such registration are intended thirdparty beneficiaries of this Subsection 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Subsection 2.11 or that are necessary to give further effect thereto.

2.12 Restrictions on Transfer.

(a) The Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Subsection 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Subsection 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be

accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided that each transferee agrees in writing to be subject to the terms of this Subsection 2.12. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Subsection 2.12(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Subsections 2.1 or 2.2 shall terminate upon the earliest to occur of:

- (a) the closing of a Deemed Liquidation Event; and
- (b) such time after consummation of the IPO as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration.

3. Information and Observer Rights.

3.1 Delivery of Financial Statements. The Company shall deliver to each Major Investor other than a Competitor:

- (a) annual consolidated financial statements of the SEMrush Group (which shall include a balance sheet, a statement of income or loss, a statement of cash flows, and notes thereon, and a statement of stockholders' equity as of the end of such fiscal year), prepared in accordance with GAAP and audited and certified by independent public accountants of nationally recognized standing selected by the Company, within one hundred eighty (180) days after the end of each fiscal year of the Company;
- (b) unaudited quarterly management accounts of the SEMrush Group (which shall be substantially in the form attached at Schedule C and include unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet as of the end of such fiscal quarter), prepared in accordance with GAAP (except that such financial

statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP), within twenty (20) days of the end of each of the first three (3) financial quarters of the Company;

(c) as soon as practicable, but in any event within twenty one (21) days after the end of each quarter of the fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company;

(d) as soon as practicable, but in any event within twenty (20) days of the end of each month, unaudited monthly management accounts of the SEMrush Group (which shall be substantially in the form set out at Schedule D and include income statement and statement of cash flows for such month and an balance sheet as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP));

(e) as soon as practicable, but in any event no later than thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the “**Budget**”) for the SEMrush Group, prepared on a monthly basis, including key performance indicators, balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company; and

(f) such other information relating to the financial condition, business, prospects, or corporate affairs of the SEMrush Group as any Major Investor may from time to time reasonably request, promptly but in any event no later than 30 days after such request; provided, however, that the Company shall not be obligated under this Subsection 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the SEMrush Group and its counsel.

Notwithstanding anything else in this Subsection 3.1 to the contrary, the Company may cease providing the information set forth in this Subsection 3.1 during the period starting with the date thirty (30) days before the Company’s good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company’s covenants under this Subsection 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Major Investor other than a Competitor, at such Major Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Subsection 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Notifications. The Founders and the Company shall promptly provide each Major Investor with full details of any offer or proposed offer from any person wishing to enter into any sale or purchase any of the Company's assets or share capital or loan capital which may from time to time be brought to its or their attention. The Founders and the Company shall keep each Major Investor reasonably informed in a timely manner of all material developments concerning the business and prospects of the SEMrush Group.

3.4 Observer Rights. As long as SEMR Holdings Limited owns shares of the Preferred Stock, the Company shall invite two representatives (each, an "**Observer**") of SEMR Holdings Limited to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give each such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; provided, however, that such representative shall agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information so provided and shall enter into a nondisclosure agreement with the Company in a form acceptable to the Company; provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if such Investor or its representative is a Competitor; and provided further, that the Founders, acting reasonably and in good faith, shall be entitled to dismiss any Observer, and that dismissal by the Founders of any Observer shall not affect the right of SEMR Holdings Limited to appoint any other person to act as an Observer in accordance with this Section 3.4.

3.5 Termination of Information and Observer Rights. The covenants set forth in Subsection 3.1 to Subsection 3.4 (inclusive) shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, or (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon the closing of a Deemed Liquidation Event, whichever event occurs first.

3.6 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor

its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Subsection 3.6 by such Investor), (b) is or has been independently developed or conceived by such Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to such Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Subsection 3.6; (iii) to any Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, regulation, rule, court order or subpoena, provided that such Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

3.7 Notices. All notices, resolutions, minutes, documents and other information provided to a Major Investor or an Observer pursuant to this Section 3 shall be written in English (or accompanied by a true, complete and accurate translation thereof into English) and delivered to the address set forth on the signature pages, Schedule A or Schedule B (as applicable) hereto; provided, however, that any such notices, resolutions, minutes, documents and other information delivered to Greycroft and e.ventures shall be delivered through the Ipreo system (via email in Microsoft's Excel format).

4. Rights to Future Stock Issuances.

4.1 Right of First Offer. Subject to the terms and conditions of this Subsection 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Shareholder. An Investor shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among (i) itself, (ii) its Affiliates and (iii) its beneficial interest holders, such as limited partners, members or any other Person having "beneficial ownership," as such term is defined in Rule 13d-3 promulgated under the Exchange Act, of such Investor ("**Investor Beneficial Owners**"); provided that each such Affiliate or Investor Beneficial Owner (x) is not a Competitor or FOIA Party, unless such party's purchase of New Securities is otherwise consented to by the Board of Directors, (y) agrees to enter into this Agreement and each of the Voting Agreement (the "**Voting Agreement**") and Right of First Refusal and Co-Sale Agreement of even date herewith among the Company, the Investors and the other parties named therein, as an "**Investor**" under each such agreement (provided that any Competitor or FOIA Party

shall not be entitled to any rights as a Major Investor under Subsections 3.1 3.2 and 3.3, or as a Shareholder under this Subsection 4.1 hereof), and (z) agrees to purchase at least such number of New Securities as are allocable hereunder to the Shareholder holding the fewest number of Preferred Stock and any other Derivative Securities.

(a) The Company shall give notice (the “**Offer Notice**”) to each Shareholder at least twenty (20) Business Days prior to the proposed issuance of New Securities, stating (i) its bona fide intention to offer such New Securities, (ii) the number, class and type of such New Securities to be offered, (iii) the number of such New Securities that may be allocated to each Shareholder as set forth in Subsection 4.1(b) below, and (iv) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within fifteen (15) Business Days after the Offer Notice is given, each Shareholder may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Common Stock then held by such Shareholder (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held by such Shareholder) bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Preferred Stock and any other Derivative Securities then outstanding). At the expiration of such fifteen (15) Business Day period, the Company shall promptly notify each Shareholder that elects to purchase or acquire all the shares available to it (each, a “**Fully Exercising Investor**”) of any other Shareholder’s failure to do likewise. During the ten (10) Business Day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Shareholders were entitled to subscribe but that were not subscribed for by the Shareholders which is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Subsection 4.1(b) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Subsection 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Subsection 4.1(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Subsection 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived

and such New Securities shall not be offered unless first reoffered to the Shareholders in accordance with this Subsection 4.1.

(d) The right of first offer in this Subsection 4.1 shall not be applicable to (i) Exempted Securities; (ii) the issuance of New Securities that are exempted from the provisions of this Subsection 4.1 by the approval of the holders of at least a majority of the Registrable Securities then outstanding; and (iii) shares of Common Stock issued in the IPO.

4.2 Termination. The covenants set forth in Subsection 4.1 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon the closing of a Deemed Liquidation Event, whichever event occurs.

5. Additional Covenants.

5.1 Insurance. The Company shall continue to maintain, from financially sound and reputable insurers Directors and Officers liability insurance in an amount (provided that the Company shall be required to maintain a Directors and Officers liability insurance policy in an amount of at least \$1,000,000) and on terms and conditions satisfactory to the Board of Directors, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board of Directors determines that such insurance should be discontinued.

5.2 Employee Stock. Unless otherwise approved by the Board of Directors, including the Preferred Directors (or the sole Preferred Director if the holders of Preferred Stock are no longer entitled to elect a Preferred Director pursuant to the Voting Agreement), all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall only be entitled to receive shares of Common Stock not exceeding in the aggregate 7.5% of the entire outstanding capital stock of the Company on a fully diluted and as converted to Common Stock basis. Unless otherwise approved by the Board of Directors all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months, and (ii) a market stand-off provision substantially similar to that in Subsection 2.11. Without the prior approval by the Board of Directors, the Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any stock purchase, stock restriction or option agreement with any existing employee or service provider if such amendment would cause it to be inconsistent with this Subsection 5.2. In addition, unless otherwise approved by the Board of Directors, the Company shall retain (and not waive) a "right of first refusal" (secondary to the "right of first refusal of the Investors and Founders) on employee transfers until the Company's IPO and shall have the right to repurchase

unvested shares at cost upon termination of employment of a holder of restricted stock. The Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any stock option plan, stock purchase, stock restriction or option agreement with any existing employee or service provider without the prior written consent of the Requisite Holders if such amendment would adversely affect any of the Investors' rights of first refusal thereunder.

5.3 Matters Requiring Preferred Director Approval. So long as the holders of Preferred Stock are entitled to elect a Preferred Director pursuant to the Voting Agreement and the Certificate of Incorporation, the Company hereby covenants and agrees with each of the Investors that it shall not, without approval of the Board of Directors, which approval must include the affirmative vote of both of the Preferred Directors (or the sole Preferred Director if the holders of Preferred Stock are no longer entitled to elect a Preferred Director pursuant to the Voting Agreement):

- (a) approve, repeal or materially amend (where such amendment exceeds \$1,000,000) or alter the Company's annual Budget and operating plan;
- (b) make any capital expenditure in excess of \$1,000,000 in the ordinary course of business (or \$250,000 outside the ordinary course of business) except for trade accounts of the Company arising in the ordinary course of business or as otherwise provided for in the Board-approved annual Budget or operating plan;
- (c) enter into any reorganization or acquisition (or sale) transaction, or series of transactions, with any third party involving more than \$250,000 (individually) or \$500,000 in the aggregate during the course of a fiscal year;
- (d) create or dissolve a Subsidiary;
- (e) sell, transfer, assign, pledge, license or otherwise encumber any assets, including intellectual property rights, of the Company exceeding in book or market value \$250,000 in aggregate;
- (f) (i) enter into compensation, bonus, benefits or other incentive arrangements with any officer or employee of the Company in excess of \$100,000 per year, or (ii) otherwise adopt, enter into or be a party to any employee stock option (including restricted stock) plan, similar motivation schemes for employees or consultants of the Company or any transaction with any officer or employee of the Company or any "associate" (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such Person, including without limitation any "management bonus" or similar plan providing payments to employees in connection with a Deemed Liquidation Event, except for (A) transactions contemplated by this Agreement, or (B) transactions resulting in payments to or by the Company in an aggregate amount less than \$100,000 per year;
- (g) enter into any transactions or agreements with any director, executive officer or stockholder of the Company or any Subsidiary or their any of their respective Immediate Family Members or Affiliates, other than any transaction between the

Company and/or any of its Subsidiaries in the ordinary course of business and/or any transaction provided in the Budget;

- (h) change the principal business of the Company, enter new lines of business, or exit the current line of business;
- (i) waive or enter into a settlement agreement relating to any actual or threatened claim, demand, suit or proceeding which the Company may be entitled or subject to;
- (j) declare or pay any dividends on or declare or make any other distribution on account of any shares of Preferred Stock or Common Stock;
- (k) appoint or remove the auditors or legal advisers of the Company;
- (l) approve the annual financial statements of the Company; or
- (m) effect any of the above matters with respect of any Subsidiary of the Company.

5.4 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. The Company shall reimburse the nonemployee directors for all reasonable out-of-pocket travel expenses (including business class travel expenses not to exceed \$5,000 for each director for each attendance of a meeting of the Board of Directors) incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board of Directors. Each non-employee director shall be entitled in such person's discretion to be a member of any committee of the Board of Directors.

5.6 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company's By-laws, the Certificate of Incorporation, or elsewhere, as the case may be.

5.6 Indemnification Matters. The Company hereby acknowledges that one (1) or more of the directors nominated to serve on the Board of Directors by the Investors (each an "**Investor Director**") may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Investors and certain of their Affiliates (collectively, the "**Investor Indemnitors**"). The Company hereby agrees (a) that it is the indemnitor of first resort (*i.e.*, its obligations to any such Investor Director are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Investor Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Investor Director and shall be liable for the full

amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Investor Director to the extent legally permitted and as required by the Certificate of Incorporation or Bylaws of the Company (or any agreement between the Company and such Investor Director), without regard to any rights such Investor Director may have against the Investor Indemnitors, and, (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any such Investor Director with respect to any claim for which such Investor Director has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Investor Director against the Company. The Investor Directors and the Investor Indemnitors are intended thirdparty beneficiaries of this Subsection 5.6 and shall have the right, power and authority to enforce the provisions of this Subsection 5.6 as though they were a party to this Agreement.

5.7 Right to Conduct Activities. The Company hereby agrees and acknowledges that certain of the Investors together with their respective Affiliates (including, without limitation, Greycroft and e.ventures) are professional investment organizations, and as such review the business plans and related proprietary information of many enterprises, some of which may compete directly or indirectly with the Company's business (as currently conducted or as currently propose to be conducted). The Company hereby agrees that, to the extent permitted under applicable law, each such Investor and its Affiliates shall not be liable to the Company for any claim arising out of, or based upon, (i) the investment by such Investor or its Affiliates in any entity competitive with the Company, or (ii) actions taken by any partner, officer, employee or other representative of such Investor or its Affiliates to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) any of the Investors from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

5.8 Corrupt Practices. Each of the Founders and the Company undertakes to procure that the Company (nor any officer, director, member of the Board of Directors, agent or employee purporting to act on behalf of the Company) shall at any time, directly or indirectly:

(a) make, offer to make, provide or pay any unlawful contributions, gifts, entertainment or other unlawful expenses to any candidate for political office, or fail to disclose fully any such contributions in violation of any applicable law;

(b) make, or offer to make, any payment to any local, state, federal or any other type of governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or allowed by applicable law (including the United States Foreign Corrupt Practices Act of 1977 and the UK Bribery Act 2010, as amended, to the extent applicable);

(c) make, or offer to make, any payment to any agent, employee, officer or director of any entity with which any member of the SEMrush Group does business or accept or solicit any payment from any person in each case for the purposes of influencing such person to do business with the Company or influencing the Company to do business with such person or to obtain or retain any advantage in the conduct of business of the Company;

(d) engage in any transactions, maintain any bank account or use any corporate funds for or on behalf of the Company, except for transactions, bank accounts and funds which have been and are reflected in the normally maintained books and records of the Company;

(e) violate any provision of the United States Foreign Corrupt Practices Act of 1977 or the UK Bribery Act 2010, as amended (to the extent applicable); or

(f) make, offer to make, accept or solicit any payment in the nature of criminal bribery or any other unlawful payment in violation of any applicable law or engage in any activity, practice or conduct which would constitute an offence under any applicable law related to anti-corruption.

5.9 Export Requirements. Each of the Founders and the Company hereby undertakes that the Company shall not:

(a) export, re-export or transfer any commodities or software (collectively “**Products**”) or any technology, or furnish any services, to any other person, firm, corporation or other entity without first obtaining any required export license from the U.S. Department of Commerce or any other agency or department of the United States Government or otherwise in any manner contrary to the United States Export Administration Regulations, 15 C.F.R. Parts 730-774;

(b) without limiting the generality of this Subsection 5.9, export, re-export or transfer any Products or technology, or furnish any services, to any person, firm, corporation or other entity that is engaged, directly or indirectly, in any activities related to the design, development, production, stockpiling or testing of any weapons of mass destruction (nuclear, chemical or biological weapons or missiles);

(c) export, re-export or transfer any Products or technology, or furnish any services, to any country for which:

- (i) the United States Government; or
- (ii) the government of any other country,

(in the case of both Subsections 5.9(c)(i) and 5.9(c)(ii) to the extent applicable), requires an export license or any other government authorization, without first obtaining that export license or government authorization; or

(d) export, re-export or transfer any Products or technology to, furnish any service to, or have any other dealings, directly or indirectly, with:

(i) Cuba, Iran, Sudan, Crimea, North Korea or Syria;

(ii) any entity that is owned or controlled by, or affiliated with, the government of Cuba, Iran, Sudan, North Korea, Syria, or Venezuela;

(iii) any person or entity listed on any list of prohibited and restricted parties, including any terrorist organization, published by the European Union or the United Nations;

(iv) any person or entity listed on any list of prohibited and restricted parties, including any terrorist organization, published by the United States Government where applicable to the relevant member of the SEMrush Group (and where not so applicable any person or entity which the relevant member of the SEMrush Group knew at the relevant time was listed on any list of prohibited and restricted parties, including any terrorist organization, published by the United States Government),

and in this Subsection 5.9(d), “knew” shall mean only the actual, implied or imputed knowledge of the Company at the relevant time.

5.10 Trade Sanctions and Embargoes.

(a) Each of the Founders and the Company hereby acknowledges that the holders of the Preferred Stock are organized and conduct business in the United States, and also conduct business throughout the European Union and in other countries. Each of the Founders and the Company further acknowledge that the holders of the Preferred Stock are United States persons for the purposes of United States economic sanctions laws and regulations and are therefore subject to those laws and regulations, as well as potentially to the economic sanctions laws and regulations of the European Union and other countries including the economic sanctions laws, regulations and orders taken against Russia by the United States, European Union and other countries (“**Sanctions Regulations**”). Each of the Founders and the Company undertakes that they will not take any actions that would cause the Company or the holders of the Preferred Stock or their Affiliates to violate or be in violation of any of the Sanctions Regulations.

(b) Each of the Founders and the Company hereby acknowledges that certain persons, entities, and groups have been designated under the Sanctions Regulations for Sanctions and that the holders of the Preferred Stock would be in violation of the Sanctions Regulations if the holders of the Preferred Stock were to conduct business or other transactions directly or indirectly with those designated persons, entities, or groups (“**Proscribed Persons**”). Without limiting the generality of this Section 5.10, the Company is not aware that any of its directors, employees, owners, shareholders, customers, lenders and business partners

(“**Applicable Persons**”) is subject to any trade sanction or embargo, including by virtue of his or her designation for sanctions and inclusion on:

- (i) the Specially Designated Nationals List maintained by the U.S. Department of the Treasury, Office of Foreign Assets Control;
- (ii) any list of persons, entities and bodies subject to restrictive measures implemented by the European Union; or
- (iii) any UN Security Council resolution identifying sanctioned or restricted parties; or is otherwise a Proscribed Person.

Each of the Founders and the Company undertakes to screen all Applicable Persons against the lists of denied and restricted parties as described in the preceding sentence. The Founders and/or the Company shall promptly, and in any event, within five (5) Business Days of becoming aware, advise the holders of the Preferred Stock in writing of any actions that would reasonably be likely to cause the Company or any of the holders of the Preferred Stock to violate or be in violation of any of the Sanctions Regulations or the occurrence of any matter, fact or circumstance which is reasonably likely to result in any such violation (“**Sanctions Violation Notice**”).

(c) Each of the Founders and the Company severally agrees to fully cooperate with the holders of the Preferred Stock and/or their representatives to resolve questions concerning the compliance of the Company with the Sanctions Regulations.

(d) If the holders of the Preferred Stock receive a Sanctions Violation Notice or if any member of the SEMrush Group has defaulted, or, in the good faith reasonable judgment of the Requisite Holders, will imminently default, on the performance of or compliance with any of its obligation set out in, or breach, this Section 5.10, then the holders of the Preferred Stock may, in their discretion, exercise their rights under Section 5.15. The holders of the Preferred Stock shall not be obligated to perform any of their obligations under this Agreement and/or any other agreement to which they are parties relating to the Company if such performance would result in violation of the Sanctions Regulations. Each of the Founders and the Company severally agrees to fully cooperate with the holders of the Preferred Stock and/or their representatives to resolve questions concerning the compliance of the SEMrush Group with the Sanctions Regulations, including granting the holders of the Preferred Stock or their representatives reasonable access to records and personnel during normal business hours on no less than two (2) Business Days’ written notice. The Company acknowledges that the resolution of the compliance concern may involve the submission of a disclosure to the United States Government by the relevant member of the SEMrush Group, or the holders of the Preferred Stock or all of them, strengthening compliance measures, additional training of the SEMrush Group personnel, changing business practices or some combination of the foregoing. No failure or delay on the part of the holders of the Preferred Stock to exercise any right under this Section 5.10 shall operate as a waiver hereof and thereof, nor shall any single or partial exercise of any right under this Section 5.10 preclude any other or further exercise hereof and thereof, or the exercise of any other right.

5.11 Compliance.

(a) The Company will not enter into any legally binding commitment to acquire any share or securities in, or otherwise invest in, or enter into partnership with, any other company without obtaining a covenant from such company on terms substantially similar to those set out in Sections 5.7 and 5.8.

(b) As a further and separate undertaking, each of the Founders undertakes:

(i) that it shall exercise such powers of control (if any) which it may have in relation to the conduct of the affairs of the Company, so as to seek to procure (so far as it is within its power to do so) the compliance of the Company with Sections 5.7 through 5.9 (both inclusive); and

(ii) to promptly notify the holders of the Preferred Stock if it becomes aware of any breach of any of Sections 5.7 through 5.9 (both inclusive).

(c) The Company shall require any Person who performs services for or on behalf of the Company to comply with the business conduct obligations stipulated by its written policy (which shall always reflect provisions of Sections 5.7 through 5.9) ("**Policy**"), the Foreign Corrupt Practices Act 1977 and the UK Bribery Act 2010 and other applicable law, as amended and not to engage in any activity, practice or conduct which would constitute an offence under any applicable law related to such business conduct or anti-corruption compliance. The Company shall:

(i) update such Policy as required from time to time; and

(ii) adopt adequate procedures as may be required pursuant to applicable law to procure and monitor the compliance of any such Person who performs services for or on behalf of the Company with such Policy.

5.12 Tax Matters.

(a) The Company has timely filed all material tax returns and reports as required by law. These returns and reports are true and correct in all material respects. The Company has paid all taxes and other assessments due.

(b) The Company is treated as a U.S. corporation for U.S. federal income tax purposes.

(c) Tax Covenants. Notwithstanding any other provision of this Agreement or the Articles, as amended from time to time, to the contrary:

(i) If any Investor that is a professional investment organization reasonably concludes that the rights granted in this Agreement should be altered in order to preserve the qualification of such Investor as a venture capital operating company within the meaning of U.S. Department of Labor Regulation Section 2510.3-101(d), or otherwise to ensure that the assets of such Investor is not considered "plan assets" for the purposes of

Employee Retirement Income Security Act of 1974, as amended, the parties agree to amend the Agreement to effect any such alteration provided that any such alteration does not have any material adverse consequences for the Company or any Investors. The costs and expenses incurred by all parties to this Agreement in connection with any such alterations shall be paid for by each of the Investors that are a professional investment organization, as applicable.

(ii) The Company shall determine, in consultation with its U.S. tax advisors, prior to March 1 of each year whether, for the immediate preceding taxable year ending December 31, (i) any of its subsidiaries was a controlled foreign corporation as defined in Section 957 of the Internal Revenue Code of 1986, as amended (the “**Code**”) and (ii) any of Greycroft or e.ventures was a “United States shareholder” as defined in Section 951(b) of the Code with respect to any such subsidiary.

(iii) The Company shall consider in good faith any reasonable request by any Investors that are a professional investment organization to make or refrain from making (or to cause its subsidiaries to make or refrain from making) any U.S. tax election, provided however that the Company shall not elect to be treated as a partnership for U.S. federal income tax purposes without the consent of the holders of a majority of the Preferred Stock held by such Investors, such consent not to be unreasonably withheld.

(iv) If the tax advisors of any Investors that are a professional investment organization or its Partners (as defined below) determine that they are subject to U.S. information and reporting requirements that require the disclosure of information about the Company, its subsidiaries or Company transactions not readily available to such Investor or its Partners, upon request by a such an Investor, the Company agrees to use commercially reasonable efforts to provide such information to such Investor as may be reasonably necessary to allow such Investor and its Partners to fulfill any U.S. tax reporting obligations. The term “Partner” means each shareholder, partner, member, or other equity holder of an Investor that is a professional investment organization or any person holding an option to acquire a share, partnership interest, membership interest, or other equity interest in such an Investor and any direct or indirect equity owner of such shareholder, partner, member, other equity holder, or optionholder.

(v) The Company will not withhold any amounts payable or distributable to an Investor that is a professional investment organization without providing notice of such withholding and a reasonable opportunity to obtain reduced rates of withholding or other available exemptions, if any.

5.13 Founder Covenants.

(a) Non-Competition.

(i) Each of the Founders undertakes (for the benefit of the holders of the Preferred Stock and the Company) that it shall not (and that it shall procure that any of its Affiliates shall not):

A. directly or indirectly engage in any business that directly or indirectly competes with the Company’s, or any Subsidiary’s, business and/or

systems, technologies or algorithms developed by the Company or any Subsidiary (“**Restricted Business**”) in any country in which the Company or any Subsidiary engages in any Restricted Business from time to time (the “**Restricted Area**”);

B. hold any direct or indirect interest in, or be engaged by, any company or business which is directly or indirectly engaged in any Restricted Business in the Restricted Area (except for any share, security or other equity instrument held in companies listed on an internationally recognized investment exchange and representing less than one per cent of such company’s outstanding equity);

C. on behalf of any Restricted Business in the Restricted Area, directly or indirectly solicit or entice, or attempt to solicit or entice, away from the Company or any Subsidiary, the business or custom of any Person;

D. directly or indirectly cause or encourage any Person to cease to supply goods and/or services to the Company or any Subsidiary or to otherwise materially reduce the level, or adversely vary the terms, of any business transacted between the Company and/or Subsidiary, and such Person;

E. directly or indirectly solicit or entice, or attempt to solicit or entice, away from the Company or any Subsidiary any person engaged by the Company and/or any Subsidiary in a senior management position (including, without limitation, any managing director, director or vice president (or similar designation)), engaged in product development (including, without limitation, any designer or engineer) or in a customer relationship role (including, without limitation, any person whose role within the Company or any Subsidiary includes significant publicity, marketing or sales activities), provided that the related Founder shall not be in breach of this paragraph as a result of running a national advertising campaign open to all comers and not specifically targeted at any of the staff or the customers of the Company and/or any Subsidiary; or

F. encourage, assist or facilitate any person undertaking any of those matters described in Subsections 5.13(a)(i)B to 5.13(a)(i)D. in each case for so long as the related Founder remains an officer, director, shareholder, employee or consultant of the Company and/or Subsidiary and for a period of two years thereafter.

(b) Restrictions Distinct. Each of the restrictions contained Subsection 5.13(a) is separate and distinct and is to be construed separately from the other such restrictions.

(c) Reasonableness. Each of the Founders hereby acknowledges that he considers the restrictions contained in Subsection 5.13(a) to be reasonable and that the duration, extent and application of each of these restrictions is no greater than is necessary for the protection of the goodwill of the business of the Company and that the holders of the Preferred Stock have entered into this agreement in reliance thereon.

(d) Affirmative Founder Covenants. For so long as he/she is a director, officer, employee or consultant of the Company or any Subsidiary, each Founder shall devote the entirety of his/her business time, professional activity and attention to the business of the Company and/or the Subsidiaries, as applicable.

(e) Negative Founder Covenants. Each of the Founder shall not (i) accept and/or hold any position on any board of directors (or similar governing body) of any Person other than the Company or any Subsidiary, and (ii) provide any consultancy, advisory, mentoring or similar services to any Person other than in connection with the business of the Company or any Subsidiary if such services would interfere with the Founder's obligations under Subsection 5.13(d).

5.14 Termination of Covenants. The covenants set forth in this Section 5, except for Subsections 5.5 and 5.6, shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event, whichever event occurs first.

5.15 Brand Protection Remedies. Without limitation to any other rights or remedies available to the holders of the Preferred Stock, in the event of any breach of any of Sections 5.9 to 5.11 (inclusive) that is not remedied within thirty (30) days of the Company's awareness of such breach, each holder of the Preferred Stock will have the right (at its sole discretion) to:

(a) in respect of any shares of capital stock in the Company held by it, transfer or otherwise dispose of such shares to such Person(s) as it may in its absolute discretion determine; and each party hereto irrevocably consents to the making of any such transfer or disposal free from any rights of pre-emption, first refusal and other impediments and restrictions (including those set out in the Certificate of Incorporation and this Agreement), and the Shareholders (other than the holders of the Preferred Stock) undertake to execute such documents, do such things and vote in favour of such resolutions as may be reasonably necessary or desirable to permit any such transfer or disposal to occur; and/or

(b) require that any loans and other amounts owed to such holder by any member of the SEMrush Group be immediately repaid in full; and/or

(c) terminate any or all agreement(s) and other arrangement(s) between itself and any member of the SEMrush Group with immediate effect and without any liability on the part of itself or any of its Affiliates (if applicable), other than any liability accrued prior to the date of such termination.

The Founders and the Company shall procure the compliance by each member of the SEMrush Group with the provisions of this Section 5.15.

5.16 Dividends. To the full extent permitted by applicable laws, the Company shall distribute (and the Shareholders shall procure that the Company distributes) as dividends under the proceeds of (i) a sale, license, lease or other disposal of a substantial portion of the assets of the SEMrush Group or (ii) a transfer, assignment or licensing of a substantial portion of the SEMrush Group's intellectual property, in each case, not constituting a Deemed Liquidation Event.

6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is an Affiliate of a Holder; (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; or (iii) after such transfer, holds the lesser of (A) all of the share of Registrable Securities held by such transferring Holder or (B) at least 10,000 shares of Registrable Securities (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations); provided, however, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Subsection 2.11. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall, as a condition to the applicable transfer, establish a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices.

(a) All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on the signature pages, Schedule A or Schedule B (as applicable) hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Subsection 6.5. If notice is given to the Company, a copy shall also be sent to Goodwin Procter LLP, 100 Northern Avenue, Boston, MA 02210, Attn: Jared Fine, jfine@goodwinlaw.com.

(b) Consent to Electronic Notice. Each Investor and Founder consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "DGCL"), as amended or superseded from time to time, by electronic transmission pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address or the facsimile number set forth below such Investor's or Founder's name on the signature pages or Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic transmission is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted Electronic Notice shall be ineffective and deemed to not have been given. Each Investor and Founder agrees to promptly notify the Company of any change in such stockholder's electronic mail address, and that failure to do so shall not affect the foregoing.

6.6 Amendments and Waivers. Any term of this Agreement may be amended, modified or terminated and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of (a) the Company, (b) the Investors that hold at least a majority of the Registrable Securities then outstanding issuable or issued upon conversion of the Series A Preferred Stock and Series A-1 Preferred Stock (voting together on an as-converted basis as a single class) held by the Investors, and (c) the Investors that hold at least a majority of the Registrable Securities then outstanding issuable or issued upon conversion of the Series B Preferred Stock held by the Investors; provided that the Company may in its sole discretion waive compliance with Subsection 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Subsection 2.12(c) shall be deemed to be a waiver); and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing:

(a) Subsections 3.1, 3.2 and 3.3 and any other section of this Agreement applicable to the Major Investors (including this Subsection 6.6(a)) may not be amended, modified, terminated or waived without the written consent of the holders of at least a majority of the Registrable Securities then outstanding and held by the Major Investors.

(b) This Agreement may not be amended, modified or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, modification, termination, or waiver applies to all Investors in the same fashion (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Investors in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Investors may nonetheless, by agreement with the Company, purchase securities in such transaction).

(c) Subsection 3.4 and this Subsection 6.6(c) may not be amended, modified terminated, or waived without the written consent of SEMR Holdings Limited.

(d) Notwithstanding the foregoing, Schedule A and Schedule B hereto may be amended by the Company from time to time without the consent of the other parties hereto to add transferees of any Registrable Securities in compliance with the terms of this Agreement or to add information regarding any additional Investor who becomes a party to this Agreement in accordance with Subsection 6.9.

(e) This Agreement may not be amended, modified or terminated, and no provision hereof may be waived, in each case, in any way which would adversely affect the rights of the Founders hereunder in a manner disproportionate to any adverse effect such amendment, modification, termination or waiver would have on the rights of the Investors hereunder, without the written consent of each Founder.

(f) Notwithstanding the foregoing, the Company may, without the consent of the other parties hereto, amend or modify this Agreement to implement the addition of shares issued in a Permitted Issuance if such amendments or modifications do not adversely affect the rights of the Investors hereunder (for the sake of clarity, the addition of such shares and the holders of such shares by itself shall not be deemed to be adverse to the rights of the Investors).

The Company shall give prompt notice of any amendment, modification or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, modification, termination, or waiver. Any amendment, modification, termination, or waiver effected in accordance with this Subsection 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed

and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's Preferred Stock after the date hereof (the Person to which such additional shares are issued, the "**Additional Purchaser**"), any purchaser of such shares of Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

16.10 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled. Upon the effectiveness of this Agreement, the Prior Shareholders Agreement shall terminate and be of no further force or effect, without prejudice to any accrued rights and obligations of the parties thereunder.

6.11 Dispute Resolution. The parties hereby irrevocably and unconditionally agree that any unresolved controversy or claim arising out of or relating to this Agreement, except as (i) otherwise provided in this Agreement, or (ii) any such controversies or claims arising out of either party's intellectual property rights for which a provisional remedy or equitable relief is sought, shall be submitted to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within thirty (30) days after names of potential arbitrators have been proposed by the American Arbitration Association (the "AAA"), then by one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and who is chosen by the AAA. The arbitration shall take place in Boston, Massachusetts, in accordance with the AAA Commercial Arbitration Rules and Mediation Procedures then in effect except as modified herein, and judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof. There shall be limited discovery prior to the arbitration hearing and after the entry of a mutually-agreed upon confidentiality agreement and order as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to or arising out of the issues to be arbitrated, (b) depositions of all party witnesses and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. Depositions shall be conducted in accordance with the Massachusetts Rules of Civil Procedure, the arbitrator shall be required to provide in

writing to the parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings.

The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the U.S. District Court for the District of Massachusetts or any court of the Commonwealth of Massachusetts having subject matter jurisdiction.

6.12 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[Remainder of Page Intentionally Left Blank]

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

SEMRUSH HOLDINGS, INC.

By: _____

Name: _____

Title: _____

FOUNDERS:

Signature: _____

Name: _____

INVESTORS:

By: _____

Name: _____

Title: _____

SCHEDULE A

Investors

Veeam Software Limited

Greycroft Growth II, LP

SEMR Holdings Limited

e.ventures Growth II, LP

SCHEDULE B

Founders

Dmitry Melnikov

Oleg Shchegolev

Part 1:

Form of Monthly Accounts

[illegible][illegible]

		Previous 12 Months												Previous Month	This Month	Change MoM %	Change YoY %
	Units	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16				
Rent and Utilities	\$K																
General and Admin	\$K																
Personnel Expenses (excl sales and marketing)	\$K																
Senior team relocation and new hires	\$K																
Software	\$K																
Events	\$K																
HR	\$K																
Professional fees	\$K																
Total Operating Expenses	\$K																
% of revenue	%																
EBITDA	\$K																
% margin	%																
Depreciation & Amortization	\$K																
FOREX	\$K																
Taxes	\$K																
Net Income	\$K																
% margin	%																
Revenue by Subscription type																	
Pro	\$K																
Guru	\$K																
Business	\$K																
Enterprise	\$K																

		Previous 12 Months												Previous Month	This Month	Change MoM %	Change YoY %
	Units	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16				
Custom	\$K																
API	\$K																
Other	\$K																
Revenue by Subscription duration																	
Monthly	\$K																
Annual	\$K																
Semi-annual	\$K																
Other	\$K																
Enterprise sales																	
Revenue	\$K																
Cost	\$K																
Users																	
Paying users BOP	#																
New Paying users	#																
Churn	#																
churn %	%																
Paying users EOP	#																
CAC	\$																
Conversions																	
Visitors	#																

		Previous 12 Months												Previous Month	This Month	Change MoM %	Change YoY %
	Units	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16				
Exceeded Limit	#																
Registered	#																
%	%																
Did Not Exceeded Limit	#																
Registered	#																
%	%																
Total Registrations	#																
% of visitors	%																
1st Day Subscriptions	#																
% of registrations	%																
Headcount																	
Russia	# ppl																
Research & Development	# ppl																
Sales, Marketing, Customer Success	# ppl																
Admin	# ppl																
Management	# ppl																
USA	# ppl																
Research & Development	# ppl																
Sales, Marketing, Customer Success	# ppl																

		Previous 12 Months												Previous Month	This Month	Change MoM %	Change YoY %
	Units	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16				
Admin	# ppl																
Management	# ppl																
Cyprus	# ppl																
Research & Development	# ppl																
Sales, Marketing, Customer Success	# ppl																
Admin	# ppl																
Management	# ppl																
Czech Rep.	# ppl																
Research & Development	# ppl																
Sales, Marketing, Customer Success	# ppl																
Admin	# ppl																
Management	# ppl																
Payroll																	
Russia	\$K																
Research & Development	\$K																
Sales, Marketing, Customer Success	\$K																
Admin	\$K																
Management	\$K																
USA	\$K																
Research & Development	\$K																

[illegible]

SEMRUSH HOLDINGS, INC.**AMENDED AND RESTATED 2019 STOCK OPTION AND GRANT PLAN****SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS**

The name of the plan is the SEMrush Holdings, Inc. 2019 Stock Option and Grant Plan (the “*Plan*”). The purpose of the Plan is to encourage and enable the officers, employees, directors and Consultants of SEMrush Holdings, Inc., a Delaware corporation (including any successor entity, the “*Company*”) and its Subsidiaries, upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business, to acquire a proprietary interest in the Company.

Capitalized terms used but not defined in this Plan have the meaning given to them in the Right of First Refusal and Co-Sale Agreement (as defined in Section 9 below). The following terms shall be defined as set forth below:

“*Affiliate*” of any Person means a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the first mentioned Person. A Person shall be deemed to control another Person if such first Person possesses directly or indirectly the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise.

“*Award*” or “*Awards*,” except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock Awards, Unrestricted Stock Awards, Restricted Stock Units or any combination of the foregoing.

“*Award Agreement*” means a written or electronic agreement setting forth the terms and provisions applicable to an Award granted under the Plan. Each Award Agreement may contain terms and conditions in addition to those set forth in the Plan; *provided, however*, in the event of any conflict in the terms of the Plan and the Award Agreement, the terms of the Plan shall govern.

“*Board*” means the Board of Directors of the Company.

“*Cause*” shall have the meaning as set forth in the Award Agreement(s). In the case that any Award Agreement does not contain a definition of “*Cause*,” it shall mean (i) the grantee’s dishonest statements or acts with respect to the Company or any Affiliate of the Company, or any current or prospective customers, suppliers vendors or other third parties with which such entity does business; (ii) the grantee’s commission of (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (iii) the grantee’s failure to perform his assigned duties and responsibilities to the reasonable satisfaction of the Company which failure continues, in the reasonable judgment of the Company, after written notice given to the grantee by the Company; (iv) the grantee’s gross negligence, willful misconduct or insubordination with respect to the Company or any Affiliate of the Company; or (v) the grantee’s material violation of any provision of any agreement(s) between the grantee and the Company relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions.

“*Chief Executive Officer*” means the Chief Executive Officer of the Company or, if there is no Chief Executive Officer, then the President of the Company.

“*Code*” means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.

“*Committee*” means the Committee of the Board referred to in Section

“*Consultant*” means any natural person that provides bona fide services to the Company (including a Subsidiary), and such services are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company’s securities.

“*Disability*” means “disability” as defined in Section 422(c) of the Code.

“*Effective Date*” means the date on which the Plan is adopted as set forth on the final page of the Plan.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

“*Fair Market Value*” of the Stock on any given date means the fair market value of the Stock determined in good faith by the Committee based on the reasonable application of a reasonable valuation method not inconsistent with Section 409A of the Code. If the Stock is admitted to trade on a national securities exchange, the determination shall be made by reference to the closing price reported on such exchange. If there is no closing price for such date, the determination shall be made by reference to the last date preceding such date for which there is a closing price. If the date for which Fair Market Value is determined is the first day when trading prices for the Stock are reported on a national securities exchange, the Fair Market Value shall be the “Price to the Public” (or equivalent) set forth on the cover page for the final prospectus relating to the Company’s Initial Public Offering.

“*Founders*” means Dmitry Melnikov and Oleg Shchegolev, stockholders of the Company as of the date of adoption of this Plan.

“*Good Reason*” shall have the meaning as set forth in the Award Agreement(s). In the case that any Award Agreement does not contain a definition of “*Good Reason*,” it shall mean (i) a material diminution in the grantee’s base salary except for across-the-board salary reductions similarly affecting all or substantially all similarly situated employees of the Company or (ii) a change of more than 50 miles in the geographic location at which the grantee provides services to the Company, so long as the grantee provides at least 90 days’ notice to the Company following the initial occurrence of any such event and the Company fails to cure such event within 30 days thereafter.

“*Grant Date*” means the date that the Committee designates in its approval of an Award in accordance with applicable law as the date on which the Award is granted, which date may not precede the date of such Committee approval.

“*Holder*” means, with respect to an Award or any Shares, the Person holding such Award or Shares, including the initial recipient of the Award or any Permitted Transferee.

“*Incentive Stock Option*” means any Stock Option designated and qualified as an “incentive stock option” as defined in Section 422 of the Code.

“*Initial Public Offering*” means the consummation of the first firm commitment underwritten public offering pursuant to an effective registration statement under the Securities Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Stock shall be publicly held.

“*Non-Qualified Stock Option*” means any Stock Option that is not an Incentive Stock Option.

“*Option*” or “*Stock Option*” means any option to purchase shares of Stock granted pursuant to Section 5.

“*Permitted Transferees*” shall mean any of the following to whom a Holder may transfer Shares hereunder (as set forth in Section 9(a)(ii)(A)), subject in all respects to the transfer restrictions set forth in the Company’s bylaws: the Holder’s child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Holder’s household (other than a tenant or employee), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons control the management of assets, and any other entity in which these persons own more than fifty percent of the voting interests; *provided, however*, that any such trust does not require or permit distribution of any Shares during the term of the Award Agreement unless subject to its terms.

“*Person*” shall mean any individual, corporation, partnership (limited or general), limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization or any similar entity.

“*Restricted Stock Award*” means Awards granted pursuant to Section 6 and “*Restricted Stock*” means Shares issued pursuant to such Awards.

“*Restricted Stock Unit*” means an Award of phantom stock units to a grantee, which may be settled in cash or Shares as determined by the Committee, pursuant to Section 8.

“*Sale Event*” means the consummation of (i) the dissolution or liquidation of the Company, (ii) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (iii) a merger, reorganization or consolidation pursuant to which the holders of the Company’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity (or its ultimate parent, if applicable), (iv) the acquisition of all or a majority of the outstanding voting stock of the Company in a single transaction or a series of related transactions by a Person or group of Persons, or (v) any other acquisition of the business of the Company, as determined by the Board; *provided, however*, that the Company’s Initial Public Offering, any

subsequent public offering or another capital raising event, or a merger effected solely to change the Company's domicile shall not constitute a "*Sale Event*."

"*Section 409A*" means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"*Series A Preferred Stock*" means the Series A Preferred Stock, \$0.00001 par value per share, of the Company.

"*Series A-1 Preferred Stock*" means Series A-1 Preferred Stock, \$0.00001 par value per share, of the Company.

"*Series B Preferred Stock*" means the Series B Preferred Stock, \$0.00001 par value per share, of the Company.

"*Service Relationship*" means any relationship as a full-time employee, part-time employee, director or Consultants of the Company or any Subsidiary or any successor entity (e.g., a Service Relationship shall be deemed to continue without interruption in the event an individual's status changes from full-time employee to part-time employee or Consultant).

"*Shares*" means shares of Stock.

"*Stock*" means the Common Stock, par value \$0.00001 per share, of the Company.

"*Subsidiary*" means any corporation or other entity (other than the Company) in which the Company has more than a 50 percent interest, either directly or indirectly.

"*Ten Percent Owner*" means an employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10 percent of the combined voting power of all classes of stock of the Company or any parent of the Company or any Subsidiary.

"*Termination Event*" means the termination of the Award recipient's Service Relationship with the Company and its Subsidiaries for any reason whatsoever, regardless of the circumstances thereof, and including, without limitation, upon death, disability, retirement, discharge or resignation for any reason, whether voluntarily or involuntarily. The following shall not constitute a Termination Event: (i) a transfer to the service of the Company from a Subsidiary or from the Company to a Subsidiary, or from one Subsidiary to another Subsidiary or (ii) an approved leave of absence for military service or sickness, or for any other purpose approved by the Committee, if the individual's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing.

"*Unrestricted Stock Award*" means any Award granted pursuant to Section 7 and "*Unrestricted Stock*" means Shares issued pursuant to such Awards.

SECTION 2. ADMINISTRATION OF PLAN; COMMITTEE AUTHORITY TO SELECT GRANTEES AND DETERMINE AWARDS

(a) Administration of Plan. The Plan shall be administered by the Board, or at the discretion of the Board, by a committee of the Board, comprised of not less than two directors. All references herein to the “*Committee*” shall be deemed to refer to the group then responsible for administration of the Plan at the relevant time (i.e., either the Board of Directors or a committee or committees of the Board, as applicable).

(b) Powers of Committee. The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

- (i) to select the individuals to whom Awards may from time to time be granted;
- (ii) to determine the time or times of grant, and the amount, if any, of Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock Awards, Unrestricted Stock Awards, Restricted Stock Units, or any combination of the foregoing, granted to any one or more grantees;
- (iii) to determine the number of Shares to be covered by any Award and, subject to the provisions of the Plan, the price, exercise price, conversion ratio or other price relating thereto;
- (iv) to determine and, subject to Section 12, to modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and grantees, and to approve the form of Award Agreements;
- (v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;
- (vi) to impose any limitations on Awards, including limitations on transfers, repurchase provisions and the like, and to exercise repurchase rights or obligations;
- (vii) subject to Section 5(a)(ii) and any restrictions imposed by Section 409A, to extend at any time the period in which Stock Options may be exercised; and
- (viii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including Award Agreements); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Committee shall be binding on all persons, including the Company and all Holders.

(c) Award Agreement. Awards under the Plan shall be evidenced by Award Agreements that set forth the terms, conditions and limitations for each Award.

(d) Indemnification. Neither the Board nor the Committee, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board and the Committee (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under the Company's governing documents, including its certificate of incorporation or bylaws, or any directors' and officers' liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Company.

(e) Foreign Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Company and any Subsidiary operate or have employees or other individuals eligible for Awards, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Subsidiaries, if any, shall be covered by the Plan; (ii) determine which individuals, if any, outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply with applicable foreign laws; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Committee determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to the Plan as appendices); *provided, however*, that no such subplans and/or modifications shall increase the share limitation contained in Section 3(a) hereof; and (v) take any action, before or after an Award is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals.

SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS AND OTHER TRANSACTIONS; SUBSTITUTION

(a) Stock Issuable. The maximum number of Shares reserved and available for issuance under the Plan shall be 3,387,924 Shares, subject to adjustment as provided in Section 3(b). For purposes of this limitation, the Shares underlying any Awards that are forfeited, canceled, reacquired by the Company prior to vesting, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) and Shares that are withheld upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding shall be added back to the Shares available for issuance under the Plan. Subject to such overall limitations, Shares may be issued up to such maximum number pursuant to any type or types of Award, and no more than 3,387,924 Shares may be issued pursuant to Incentive Stock Options. The Shares available for issuance under the Plan may be authorized but unissued Shares or Shares reacquired by the Company.

(b) Changes in Stock. Subject to Section 3(c) hereof, if, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Company's capital stock, the outstanding Shares are increased or

decreased or are exchanged for a different number or kind of shares or other securities of the Company, or additional Shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such Shares or other securities, in each case, without the receipt of consideration by the Company, or, if, as a result of any merger or consolidation, or sale of all or substantially all of the assets of the Company, the outstanding Shares are converted into or exchanged for other securities of the Company or any successor entity (or a parent or subsidiary thereof), the Committee shall make an appropriate and proportionate adjustment in (i) the maximum number of Shares reserved for issuance under the Plan, (ii) the number and kind of Shares or other securities subject to any then outstanding Awards under the Plan, (iii) the repurchase price, if any, per Share subject to each outstanding Award, and (iv) the exercise price for each Share subject to any then outstanding Stock Options under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of Stock Options) as to which such Stock Options remain exercisable. The Committee shall in any event make such adjustments as may be required by Section 25102(o) of the California Corporation Code and the rules and regulations promulgated thereunder. The adjustment by the Committee shall be final, binding and conclusive. No fractional Shares shall be issued under the Plan resulting from any such adjustment, but the Committee in its discretion may make a cash payment in lieu of fractional shares.

(c) Sale Events.

(i) Options.

(A) In the case of and subject to the consummation of a Sale Event, the Plan and all outstanding Options issued hereunder shall terminate upon the effective time of any such Sale Event unless assumed or continued by the successor entity, or new stock options or other awards of the successor entity or parent thereof are substituted therefor, with an equitable or proportionate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree (after taking into account any acceleration hereunder and/or pursuant to the terms of any Award Agreement).

(B) In the event of the termination of the Plan and all outstanding Options issued hereunder pursuant to Section 3(c), each Holder of Options shall be permitted, within a period of time prior to the consummation of the Sale Event as specified by the Committee, to exercise all such Options which are then exercisable or will become exercisable as of the effective time of the Sale Event; *provided, however*, that the exercise of Options not exercisable prior to the Sale Event shall be subject to the consummation of the Sale Event.

(C) Notwithstanding anything to the contrary in Section 3(c)(i)(A), in the event of a Sale Event, the Company shall have the right, but not the obligation, to make or provide for a cash payment to the Holders of Options, without any consent of the Holders, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the value as determined by the Committee of the consideration payable per share of Stock pursuant to the Sale Event (the “*Sale Price*”) times the number of Shares subject to outstanding Options being cancelled (to the extent then vested and exercisable,

including by reason of acceleration in connection with such Sale Event, at prices not in excess of the Sale Price) and (B) the aggregate exercise price of all such outstanding vested and exercisable Options.

(ii) Restricted Stock and Restricted Stock Unit Awards.

(A) In the case of and subject to the consummation of a Sale Event, all unvested Restricted Stock and unvested Restricted Stock Unit Awards (other than those becoming vested as a result of the Sale Event) issued hereunder shall be forfeited immediately prior to the effective time of any such Sale Event unless assumed or continued by the successor entity, or awards of the successor entity or parent thereof are substituted therefor, with an equitable or proportionate adjustment as to the number and kind of shares subject to such awards as such parties shall agree (after taking into account any acceleration hereunder and/or pursuant to the terms of any Award Agreement).

(B) In the event of the forfeiture of Restricted Stock pursuant to Section 3(c)(ii)(A), such Restricted Stock shall be repurchased from the Holder thereof at a price per share equal to the original per share purchase price paid by the Holder (subject to adjustment as provided in Section 3(b)) for such Shares.

(C) Notwithstanding anything to the contrary in Section 3(c)(ii)(A), in the event of a Sale Event, the Company shall have the right, but not the obligation, to make or provide for a cash payment to the Holders of Restricted Stock or Restricted Stock Unit Awards, without consent of the Holders, in exchange for the cancellation thereof, in an amount equal to the Sale Price times the number of Shares subject to such Awards, to be paid at the time of such Sale Event or upon the later vesting of such Awards.

SECTION 4. ELIGIBILITY

Grantees under the Plan will be such full or part-time officers and other employees, directors and Consultants of the Company and any Subsidiary who are selected from time to time by the Committee in its sole discretion; *provided, however*, that Awards shall be granted only to those individuals described in Rule 701(c) of the Securities Act.

SECTION 5. STOCK OPTIONS

Upon the grant of a Stock Option, the Company and the grantee shall enter into an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee, and such terms and conditions may differ among individual Awards and grantees.

Stock Options granted under the Plan may be either Incentive Stock Options or Non- Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Company or any Subsidiary that is a “subsidiary corporation” within the meaning of Section 424(f) of the Code. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

(a) Terms of Stock Options. The Committee in its discretion may grant Stock Options to those individuals who meet the eligibility requirements of Section 4. Stock Options shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable.

(i) Exercise Price. The exercise price per share for the Shares covered by a Stock Option shall be determined by the Committee at the time of grant but shall not be less than 100 percent of the Fair Market Value on the Grant Date. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the exercise price per share for the Shares covered by such Incentive Stock Option shall not be less than 110 percent of the Fair Market Value on the Grant Date.

(ii) Option Term. The term of each Stock Option shall be fixed by the Committee, but no Stock Option shall be exercisable more than ten years from the Grant Date. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five years from the Grant Date.

(iii) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable and/or vested at such time or times, whether or not in installments, as shall be determined by the Committee at or after the Grant Date. The Award Agreement may permit a grantee to exercise all or a portion of a Stock Option immediately at grant; *provided* that the Shares issued upon such exercise shall be subject to restrictions and a vesting schedule identical to the vesting schedule of the related Stock Option, such Shares shall be deemed to be Restricted Stock for purposes of the Plan, and the optionee may be required to enter into an additional or new Award Agreement as a condition to exercise of such Stock Option. An optionee shall have the rights of a stockholder only as to Shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options. An optionee shall not be deemed to have acquired any Shares unless and until a Stock Option shall have been exercised pursuant to the terms of the Award Agreement and this Plan and the optionee's name has been entered on the books of the Company as a stockholder.

(iv) Method of Exercise. Stock Options may be exercised by an optionee in whole or in part, by the optionee giving written or electronic notice of exercise to the Company, specifying the number of Shares to be purchased. Payment of the purchase price may be made by one or more of the following methods (or any combination thereof) to the extent provided in the Award Agreement:

(A) In cash, by certified or bank check, by wire transfer of immediately available funds, or other instrument acceptable to the Committee;

(B) If permitted by the Committee, by the optionee delivering to the Company a promissory note, if the Board has expressly authorized the loan of funds to the optionee for the purpose of enabling or assisting the optionee to effect the exercise of his or her Stock Option; *provided*, that at least so much of the exercise price as represents the par value of the Stock shall be paid in cash if required by state law;

(C) If the Initial Public Offering has occurred (or the Stock otherwise becomes publicly-traded), through the delivery (or attestation to the ownership) of Shares that have been purchased by the optionee on the open market or that are beneficially owned by the optionee and are not then subject to restrictions under any Company plan. To the extent required to avoid variable accounting treatment under ASC 718 or other applicable accounting rules, such surrendered Shares if originally purchased from the Company shall have been owned by the optionee for at least six months. Such surrendered Shares shall be valued at Fair Market Value on the exercise date;

(D) If permitted by the Committee, by the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the purchase price; *provided* that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Committee shall prescribe as a condition of such payment procedure; or

(E) If permitted by the Committee, and only with respect to Stock Options that are not Incentive Stock Options, by a “net exercise” arrangement pursuant to which the Company will reduce the number of Shares issuable upon exercise by the largest whole number of Shares with a Fair Market Value that, as of the date when the exercise price is to be paid to the Company, does not exceed the aggregate exercise price.

Payment instruments will be received subject to collection. No certificates for Shares so purchased will be issued to the optionee or, with respect to uncertificated Stock, no transfer to the optionee on the records of the Company will take place, until the Company has completed all steps it has deemed necessary to satisfy legal requirements relating to the issuance and sale of the Shares, which steps may include, without limitation, (i) receipt of a representation from the optionee at the time of exercise of the Option that the optionee is purchasing the Shares for the optionee’s own account and not with a view to any sale or distribution of the Shares or other representations relating to compliance with applicable law governing the issuance of securities, (ii) the legending of the certificate (or notation on any book entry) representing the Shares to evidence the foregoing restrictions, and (iii) obtaining from optionee payment or provision for all withholding taxes due as a result of the exercise of the Option. The delivery of certificates representing the shares of Stock (or the transfer to the optionee on the records of the Company with respect to uncertificated Stock) to be purchased pursuant to the exercise of a Stock Option will be contingent upon (A) receipt from the optionee (or a purchaser acting in his or her stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such Shares and the fulfillment of any other requirements contained in the Award Agreement or applicable provisions of laws and (B) if required by the Company, the optionee shall have entered into any stockholders agreements or other agreements with the Company and/or certain other of the Company’s stockholders relating to the Stock. In the event an optionee chooses to pay the purchase price by previously-owned Shares through the attestation method, the number of Shares transferred to the optionee upon the exercise of the Stock Option shall be net of the number of Shares attested to.

(b) Annual Limit on Incentive Stock Options. To the extent required for “incentive stock option” treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the Grant Date) of the Shares with respect to which Incentive Stock Options granted under the Plan and any other plan of the Company or its parent and any Subsidiary that become exercisable for the first time by an optionee during any calendar year shall not exceed \$100,000 or such other limit as may be in effect from time to time under Section 422 of the Code. To the extent that any Stock Option exceeds this limit, it shall constitute a Non-Qualified Stock Option.

(c) Termination. Any portion of a Stock Option that is not vested and exercisable on the date of termination of an optionee’s Service Relationship shall immediately expire and be null and void. Once any portion of the Stock Option becomes vested and exercisable, the optionee’s right to exercise such portion of the Stock Option (or the optionee’s representatives and legatees as applicable) in the event of a termination of the optionee’s Service Relationship shall continue until the earliest of: (i) the date which is: (A) 12 months following the date on which the optionee’s Service Relationship terminates due to death or Disability (or such longer period of time as determined by the Committee and set forth in the applicable Award Agreement), or (B) three months following the date on which the optionee’s Service Relationship terminates if the termination is due to any reason other than death or Disability (or such longer period of time as determined by the Committee and set forth in the applicable Award Agreement), or (ii) the Expiration Date set forth in the Award Agreement; *provided* that notwithstanding the foregoing, an Award Agreement may provide that if the optionee’s Service Relationship is terminated for Cause, the Stock Option shall terminate immediately and be null and void upon the date of the optionee’s termination and shall not thereafter be exercisable.

SECTION 6. RESTRICTED STOCK AWARDS

(a) Nature of Restricted Stock Awards. The Committee may, in its sole discretion, grant (or sell at par value or such other purchase price determined by the Committee) to an eligible individual under Section 4 hereof a Restricted Stock Award under the Plan. The Committee shall determine the restrictions and conditions applicable to each Restricted Stock Award at the time of grant. Conditions may be based on continuing employment (or other Service Relationship), achievement of pre-established performance goals and objectives and/or such other criteria as the Committee may determine. Upon the grant of a Restricted Stock Award, the Company and the grantee shall enter into an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee, and such terms and conditions may differ among individual Awards and grantees.

(b) Rights as a Stockholder. Upon the grant of the Restricted Stock Award and payment of any applicable purchase price, a grantee of Restricted Stock shall be considered the record owner of and shall be entitled to vote the Restricted Stock if, and to the extent, such Shares are entitled to voting rights, subject to such conditions contained in the Award Agreement. The grantee shall be entitled to receive all dividends and any other distributions declared on the Shares; *provided, however*, that the Company is under no duty to declare any such dividends or to make any such distribution. Unless the Committee shall otherwise determine, certificates evidencing the Restricted Stock shall remain in the possession of the

Company until such Restricted Stock is vested as provided in subsection (d) below of this Section, and the grantee shall be required, as a condition of the grant, to deliver to the Company a stock power endorsed in blank and such other instruments of transfer as the Committee may prescribe.

(c) Restrictions. Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the Award Agreement. Except as may otherwise be provided by the Committee either in the Award Agreement or, subject to Section 12 below, in writing after the Award Agreement is issued, if a grantee's Service Relationship with the Company and any Subsidiary terminates, the Company shall have the right, as may be specified in the relevant instrument, to repurchase some or all of the Shares subject to the Award at such purchase price as is set forth in the Award Agreement.

(d) Vesting of Restricted Stock. The Committee at the time of grant shall specify in the Award Agreement the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which the substantial risk of forfeiture imposed shall lapse and the Restricted Stock shall become vested, subject to such further rights of the Company as may be specified in the Award Agreement.

SECTION 7. UNRESTRICTED STOCK AWARDS

The Committee may, in its sole discretion, grant (or sell at par value or such other purchase price determined by the Committee) to an eligible person under Section 4 hereof an Unrestricted Stock Award under the Plan. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration, or in lieu of cash compensation due to such grantee.

SECTION 8. RESTRICTED STOCK UNITS

(a) Nature of Restricted Stock Units. The Committee may, in its sole discretion, grant to an eligible person under Section 4 hereof Restricted Stock Units under the Plan. The Committee shall determine the restrictions and conditions applicable to each Restricted Stock Unit at the time of grant. Vesting conditions may be based on continuing employment (or other Service Relationship), achievement of pre-established performance goals and objectives and/or other such criteria as the Committee may determine. Upon the grant of Restricted Stock Units, the grantee and the Company shall enter into an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee and may differ among individual Awards and grantees. On or promptly following the vesting date or dates applicable to any Restricted Stock Unit, but in no event later than March 15 of the year following the year in which such vesting occurs, such Restricted Stock Unit(s) shall be settled in the form of cash or shares of Stock, as specified in the Award Agreement. Restricted Stock Units may not be sold, assigned, transferred, pledged, or otherwise encumbered or disposed of.

(b) Rights as a Stockholder. A grantee shall have the rights of a stockholder only as to Shares, if any, acquired upon settlement of Restricted Stock Units. A grantee shall not be deemed to have acquired any such Shares unless and until the Restricted Stock Units shall have been settled in Shares pursuant to the terms of the Plan and the Award Agreement, the Company shall have issued and delivered a certificate representing the Shares to the grantee (or transferred

on the records of the Company with respect to uncertificated stock), and the grantee's name has been entered in the books of the Company as a stockholder.

(c) Termination. Except as may otherwise be provided by the Committee either in the Award Agreement or in writing after the Award Agreement is issued, a grantee's right in all Restricted Stock Units that have not vested shall automatically terminate upon the grantee's cessation of Service Relationship with the Company and any Subsidiary for any reason.

SECTION 9. TRANSFER RESTRICTIONS; RIGHT OF FIRST REFUSAL; COMPANY REPURCHASE RIGHTS

(a) Restrictions on Transfer.

(i) Non-Transferability of Stock Options. Stock Options and, prior to exercise, the Shares issuable upon exercise of such Stock Option, shall not be transferable by the optionee otherwise than by will, or by the laws of descent and distribution or pursuant to a domestic relations order, and all Stock Options shall be exercisable, during the optionee's lifetime, only by the optionee, or by the optionee's legal representative or guardian in the event of the optionee's incapacity. Notwithstanding the foregoing, the Committee, in its sole discretion, may provide in the Award Agreement regarding a given Stock Option that the optionee may transfer by gift, without consideration for the transfer, his or her Non-Qualified Stock Options to his or her family members (as defined in Rule 701 of the Securities Act), to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners (to the extent such trusts or partnerships are considered "family members" for purposes of Rule 701 of the Securities Act), provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of this Plan and the applicable Award Agreement, including the execution of a stock power upon the issuance of Shares. Stock Options, and the Shares issuable upon exercise of such Stock Options, shall be restricted as to any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" (as defined in the Exchange Act) or any "call equivalent position" (as defined in the Exchange Act) prior to exercise.

(ii) Shares. No Shares shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law, unless (i) the transfer is in compliance with the terms of the applicable Award Agreement, the Company's bylaws, all applicable securities laws (including, without limitation, the Securities Act), and with the terms and conditions of this Section 9, (ii) the transfer does not cause the Company to become subject to the reporting requirements of the Exchange Act, and (iii) the transferee consents in writing to be bound by the provisions of the Plan and the Award Agreement, including this Section 9. In connection with any proposed transfer, the Committee may require the transferor to provide at the transferor's own expense an opinion of counsel to the transferor, satisfactory to the Committee, that such transfer is in compliance with all foreign, federal and state securities laws (including, without limitation, the Securities Act). Any attempted transfer of Shares not in accordance with the terms and conditions of this Section 9 shall be null and void, and the Company shall not reflect on its records any change in record ownership of any Shares as a result of any such transfer, shall otherwise refuse to recognize any such transfer and shall not in any way give effect to any such

transfer of Shares. The Company shall be entitled to seek protective orders, injunctive relief and other remedies available at law or in equity including, without limitation, seeking specific performance or the rescission of any transfer not made in strict compliance with the provisions of this Section 9. Subject to the foregoing general provisions, and unless otherwise provided in the applicable Award Agreement, Shares may be transferred pursuant to the following specific terms and conditions (provided that with respect to any transfer of Restricted Stock, all vesting and forfeiture provisions shall continue to apply with respect to the original recipient):

(A) Transfers to Permitted Transferees. The Holder may transfer any or all of the Shares to one or more Permitted Transferees; *provided, however*, that following such transfer, such Shares shall continue to be subject to the terms of this Plan (including this Section 9) and such Permitted Transferee(s) shall, as a condition to any such transfer, deliver a written acknowledgment to that effect to the Company and shall deliver a stock power to the Company with respect to the Shares. Notwithstanding the foregoing, the Holder may not transfer any of the Shares to a Person whom the Company reasonably determines is a direct competitor or a potential competitor of the Company or any of its Subsidiaries.

(B) Transfers Upon Death. Upon the death of the Holder, any Shares then held by the Holder at the time of such death and any Shares acquired after the Holder's death by the Holder's legal representative shall be subject to the provisions of this Plan, and the Holder's estate, executors, administrators, personal representatives, heirs, legatees and distributees shall be obligated to convey such Shares to the Permitted Transferees of the Holder in accordance with paragraph (A) above or to the ROFR Holders or the Company in accordance with Section 9(b) below and otherwise on the terms contemplated by the Plan and the Award Agreement.

(b) Right of First Refusal. In the event that a Holder desires at any time to sell or otherwise transfer all or any part of his or her Shares (other than shares of Restricted Stock which by their terms are not transferrable), the Holder first shall, not later than forty-five (45) Business Days and not earlier than sixty (60) Business Days prior to consummation of such transfer, give written notice to the Company of the Holder's intention to make such transfer ("*Transfer Notice*"). The Transfer Notice shall state the number of Shares that the Holder proposes to sell (the "*Offered Shares*"), the price and the terms at which the proposed sale is to be made and the name and address of the proposed transferee. The Company shall promptly and in any event within three (3) Business Days of receipt forward the Transfer Notice to each Investor and Founder (each a "*ROFR Holder*"). Each ROFR Holder shall have the right of first refusal to purchase up to its pro rata portion (based upon the total number of shares of Capital Stock then held by all ROFR Holders on an as-converted to Common Stock basis) of the Offered Shares, at the price and on the terms and conditions specified in the Transfer Notice by delivering a written notice ("*ROFR Notice*") to the Company within fifteen (15) Business Days after delivery of the Transfer Notice to such ROFR Holder ("*Exercise Period*") specifying the number of Offered Shares to be purchased by such ROFR Holder. If the right to purchase the Offered Shares has been exercised by the ROFR Holders with respect to some but not all of the Offered Shares by the end of the Exercise Period, then the Company shall, within five (5) Business Days after the expiration of the Exercise Period, send written notice (the "*Undersubscription Notice*") to those

ROFR Holders who fully exercised their right of first refusal within the Exercise Period (the “*Exercising Holders*”). Each Exercising Holder shall, subject to the provisions of this Section 9(b), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed Offered Shares on the terms and conditions set forth in the Transfer Notice. To exercise such option, an Exercising Holder must deliver an Undersubscription Notice to the Company within ten (10) Business Days after the expiration of the Exercise Period (“*Overallotment Notice Period*”). In the event there are two (2) or more such Exercising Holders that choose to exercise the last-mentioned option for a total number of remaining Offered Shares in excess of the number available, the remaining shares available for purchase shall be allocated to such Exercising Holders pro rata based on the number of Offered Shares such Exercising Holders have elected to purchase pursuant to the right of first refusal (without giving effect to any shares of Transfer Stock that any such Exercising Holder has elected to purchase pursuant to the Undersubscription Notice). If the right to purchase the remaining Offered Shares is exercised in full by the Exercising Holders, the Company shall immediately notify all of the Exercising Holders and the selling Holder of that fact. If the ROFR Holders have not elected to purchase all Offered Shares pursuant to the provisions above, the Company shall have a secondary right of first refusal to purchase any such Offered Shares not elected to be purchased by the ROFR Holders at the price and on the terms and conditions specified in the Transfer Notice. The Company shall exercise this right by mailing or delivering written notice to the Holder within the 30-day period following the Overallotment Notice Period. If the ROFR Holders or the Company, as applicable, elect to exercise their purchase rights under this Section 9(b), the closing for such purchase shall, in any event, take place by the later of (i) the date specified in the Transfer Notice as the intended date of the proposed transfer; and (ii) ninety (90) Business Days after delivery of the Transfer Notice. In the event that the ROFR Holders and the Company do not elect to exercise such purchase right, or in the event that the ROFR Holders or the Company, as applicable, do not pay the full purchase price at or before closing, the Holder shall be required to pay a transaction processing fee of \$10,000 to the Company (unless waived by the Committee) and then may, within 60 days thereafter, sell the Offered Shares to the proposed transferee and at the same price and on the same terms as specified in the Transfer Notice. Any Shares not sold to the proposed transferee shall remain subject to the Plan. If the Holder is a party to any stockholders agreements or other agreements with the Company and/or certain other of the Company’s stockholders relating to the Shares, (i) the transferring Holder shall comply with the requirements of such stockholders agreements or other agreements relating to any proposed transfer of the Offered Shares, and (ii) any proposed transferee that purchases Offered Shares shall enter into such stockholders agreements or other agreements with the Company and/or certain of the Company’s stockholders relating to the Offered Shares on the same terms and in the same capacity as the transferring Holder. For the avoidance of doubt, in the event of any conflict between this Section 9(b) and the terms of that certain Right of First Refusal and Co-Sale Agreement between the Company and certain of its stockholders dated as of December 19, 2019, for so long as such agreement is in effect and as the same may be amended or amended and restated from time to time (the “*Right of First Refusal and Co-Sale Agreement*”), the terms of this Section 9(b) shall be subordinate to the terms of the Right of First Refusal and Co-Sale Agreement and the terms of the Right of First Refusal and Co-Sale Agreement shall govern.

(c) Company's Right of Repurchase.

(i) Right of Repurchase for Unvested Shares Issued Upon the Exercise of an Option. Upon a Termination Event, the Company shall have the right and option to repurchase from a Holder of Shares acquired upon exercise of a Stock Option which are still subject to a risk of forfeiture as of the Termination Event. Such repurchase rights may be exercised by the Company within the later of (A) six months following the date of such Termination Event or (B) seven months after the acquisition of Shares upon exercise of a Stock Option. The repurchase price shall be equal to the lower of the original per share price paid by the Holder, subject to adjustment as provided in Section 3(b) of the Plan, or the current Fair Market Value of such Shares as of the date the Company elects to exercise its repurchase rights.

(ii) Right of Repurchase With Respect to Restricted Stock. Upon a Termination Event, the Company shall have the right and option to repurchase from a Holder of Shares received pursuant to a Restricted Stock Award any Shares that are still subject to a risk of forfeiture as of the Termination Event. Such repurchase right may be exercised by the Company within six months following the date of such Termination Event. The repurchase price shall be the lower of the original per share purchase price paid by the Holder, subject to adjustment as provided in Section 3(b) of the Plan, or the current Fair Market Value of such Shares as of the date the Company elects to exercise its repurchase rights.

(iii) Procedure. Any repurchase right of the Company shall be exercised by the Company by giving the Holder written notice on or before the last day of the repurchase period of its intention to exercise such repurchase right. Upon such notification, the Holder shall promptly surrender to the Company, free and clear of any liens or encumbrances, any certificates representing the Shares being purchased, together with a duly executed stock power for the transfer of such Shares to the Company. Upon the Company's receipt of the certificates from the Holder, the Company shall deliver to him, her or them a check for the applicable repurchase price; *provided, however*, that the Company may pay the repurchase price by offsetting and canceling any indebtedness then owed by the Holder to the Company.

(d) Drag Along Right. Capitalized terms used but not defined in this Section 9(d) have the meaning given to them in the Voting Agreement between the Company and certain of its stockholders made on or about the date of adoption of this Plan, as amended from time to time ("*Voting Agreement*"). In the event eligible stockholders or the Company determine to effect an Exit, a Holder of Shares, including any Permitted Transferee, shall be obligated to and shall upon the written request of the Company or the Accepting Requisite Holder: (a) sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Acquirer(s), his or her Shares (including for this purpose all of such Holder's Shares that presently or as a result of any such transaction may be acquired upon the exercise of an Option (following the payment of the exercise price therefor)) on substantially the same terms applicable to the Accepting Requisite Holder (with appropriate adjustments to reflect the conversion of convertible securities, the redemption of redeemable securities and the exercise of exercisable securities as well as the relative preferences and priorities of preferred stock); and (b) execute and deliver such instruments of conveyance and transfer and take such other action, including voting such Shares in favor of any Exit proposed by the Accepting Requisite Holder and executing any purchase

agreements, merger agreements, indemnity agreements, escrow agreements or related documents as the Accepting Requisite Holder or the Acquirer(s) may reasonably require in order to carry out the terms and provisions of this Section 9(d).

(e) Escrow Arrangement.

(i) Escrow. In order to carry out the provisions of this Section 9 of this Plan more effectively, the Company shall hold any Shares issued pursuant to Awards granted under the Plan in escrow together with separate stock powers executed by the Holder in blank for transfer. The Company shall not dispose of the Shares except as otherwise provided in this Plan. In the event of any repurchase by the Company, the Company is hereby authorized by the Holder, as the Holder's attorney-in-fact, to date and complete the stock powers necessary for the transfer of the Shares being purchased and to transfer such Shares in accordance with the terms hereof. At such time as any Shares are no longer subject to the Company's repurchase and first refusal rights, the Company shall, at the written request of the Holder, deliver to the Holder a certificate representing such Shares with the balance of the Shares to be held in escrow pursuant to this Section.

(ii) Remedy. Without limitation of any other provision of this Plan or other rights, in the event that a Holder or any other Person is required to sell a Holder's Shares pursuant to the provisions of Sections 9(b) or (c) hereof and in the further event that he or she refuses or for any reason fails to deliver to the Company or its designated purchaser of such Shares the certificate or certificates evidencing such Shares together with a related stock power, the Company or such designated purchaser may deposit the applicable purchase price for such Shares with a bank designated by the Company, or with the Company's independent public accounting firm, as agent or trustee, or in escrow, for such Holder or other Person, to be held by such bank or accounting firm for the benefit of and for delivery to him, her, them or it, and/or, in its discretion, pay such purchase price by offsetting any indebtedness then owed by such Holder as provided above. Upon any such deposit and/or offset by the Company or its designated purchaser of such amount and upon notice to the Person who was required to sell the Shares to be sold pursuant to the provisions of Sections 9(b) or (c), such Shares shall at such time be deemed to have been sold, assigned, transferred and conveyed to such purchaser, such Holder shall have no further rights thereto (other than the right to withdraw the payment thereof held in escrow, if applicable), and the Company shall record such transfer in its stock transfer book or in any appropriate manner.

(f) Lockup Provision. If requested by the Company, a Holder shall not sell or otherwise transfer or dispose of any Shares (including, without limitation, pursuant to Rule 144 under the Securities Act) held by him or her for such period following the effective date of a public offering by the Company of Shares as the Company shall specify reasonably and in good faith. If requested by the underwriter engaged by the Company, each Holder shall execute a separate letter confirming his or her agreement to comply with this Section.

(g) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding Shares are increased or decreased or are exchanged for a different number or kind of securities of the Company, the restrictions

contained in this Section 9 shall apply with equal force to additional and/or substitute securities, if any, received by Holder in exchange for, or by virtue of his or her ownership of, Shares.

(h) Termination. The terms and provisions of Section 9(b) and Section 9(c) (except for the Company's right to repurchase Shares still subject to a risk of forfeiture upon a Termination Event) shall terminate upon the closing of the Company's Initial Public Offering or upon consummation of any Sale Event, in either case as a result of which Shares are registered under Section 12 of the Exchange Act and publicly-traded on any national security exchange.

SECTION 10. TAX WITHHOLDING

(a) Payment by Grantee. Each grantee shall, no later than the date as of which the value of an Award or of any Shares or other amounts received thereunder first becomes includable in the gross income of the grantee for income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Company with respect to such income. The Company and any Subsidiary shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the grantee. The Company's obligation to deliver stock certificates (or evidence of book entry) to any grantee is subject to and conditioned on any such tax withholding obligations being satisfied by the grantee.

(b) Payment in Stock. The Company's required tax withholding obligation may be satisfied, in whole or in part, by the Company (i) withholding from Shares to be issued pursuant to an Award a number of Shares having an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due or (ii) causing its transfer agent to sell a number of Shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due and remitting the proceeds from such sale to the Company.

SECTION 11. SECTION 409A AWARDS

To the extent that any Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A (a "*409A Award*"), the Award shall be subject to such additional rules and requirements as may be specified by the Committee from time to time. In this regard, if any amount under a 409A Award is payable upon a "separation from service" (within the meaning of Section 409A) to a grantee who is considered a "specified employee" (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the grantee's separation from service, or (ii) the grantee's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A. The Company makes no representation or warranty and shall have no liability to any grantee under the Plan or any other Person with respect to any penalties or taxes under Section 409A that are, or may be, imposed with respect to any Award.

SECTION 12. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Committee may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or

for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the consent of the holder of the Award. The Committee may exercise its discretion to reduce the exercise price of outstanding Stock Options or effect repricing through cancellation of outstanding Stock Options and by granting such holders new Awards in replacement of the cancelled Stock Options. To the extent determined by the Committee to be required either by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code or otherwise, Plan amendments shall be subject to approval by the Company stockholders entitled to vote at a meeting of stockholders. Nothing in this Section 12 shall limit the Board's or Committee's authority to take any action permitted pursuant to Section 3(c). The Board reserves the right to amend the Plan and/or the terms of any outstanding Stock Options to the extent reasonably necessary to comply with the requirements of the exemption pursuant to paragraph (f)(4) of Rule 12h-1 of the Exchange Act.

SECTION 13. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a grantee, a grantee shall have no rights greater than those of a general creditor of the Company unless the Committee shall otherwise expressly so determine in connection with any Award.

SECTION 14. GENERAL PROVISIONS

(a) No Distribution; Compliance with Legal Requirements. The Committee may require each person acquiring Shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the Shares without a view to distribution thereof. No Shares shall be issued pursuant to an Award until all applicable securities law and other legal and stock exchange or similar requirements have been satisfied. The Committee may require the placing of such stop-orders and restrictive legends on certificates for Stock and Awards as it deems appropriate.

(b) Delivery of Stock Certificates. Stock certificates to grantees under the Plan shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have mailed such certificates in the United States mail, addressed to the grantee, at the grantee's last known address on file with the Company; *provided* that stock certificates to be held in escrow pursuant to Section 9 of the Plan shall be deemed delivered when the Company shall have recorded the issuance in its records. Uncertificated Stock shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have given to the grantee by electronic mail (with proof of receipt) or by United States mail, addressed to the grantee, at the grantee's last known address on file with the Company, notice of issuance and recorded the issuance in its records (which may include electronic "book entry" records).

(c) No Rights to Continued Services. The adoption of the Plan and the grant of Awards do not confer upon any Person any right to continued employment or Service Relationship with the Company or any Subsidiary.

(d) Trading Policy Restrictions. Option exercises and other Awards under the Plan shall be subject to the Company's insider trading policy-related restrictions, terms and conditions

as may be established by the Committee, or in accordance with policies set by the Committee, from time to time.

(e) Designation of Beneficiary. Each grantee to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award on or after the grantee's death or receive any payment under any Award payable on or after the grantee's death. Any such designation shall be on a form provided for that purpose by the Committee and shall not be effective until received by the Committee. If no beneficiary has been designated by a deceased grantee, or if the designated beneficiaries have predeceased the grantee, the beneficiary shall be the grantee's estate.

(f) Legend. Any certificate(s) representing the Shares shall carry substantially the following legend (and with respect to uncertificated Stock, the book entries evidencing such shares shall contain the following notation):

The transferability of this certificate and the shares of stock represented hereby are subject to the restrictions, terms and conditions (including repurchase and restrictions against transfers) contained in the SEMrush Holdings, Inc. Amended and Restated 2019 Stock Option and Grant Plan and any agreements entered into thereunder by and between the company and the holder of this certificate (a copy of which is available at the offices of the company for examination).

(g) Information to Holders of Options. In the event the Company is relying on the exemption from the registration requirements of Section 12(g) of the Exchange Act contained in paragraph (f)(1) of Rule 12h-1 of the Exchange Act, the Company shall provide the information described in Rule 701(e)(3), (4) and (5) of the Securities Act to all holders of Options in accordance with the requirements thereunder. The foregoing notwithstanding, the Company shall not be required to provide such information unless the optionholder has agreed in writing, on a form prescribed by the Company, to keep such information confidential.

(h) Third party rights. Each Founder and Investor (as defined in the Right of First Refusal and Co-Sale Agreement) and each Accepting Requisite Holder (as defined in the Voting Agreement) is a beneficiary of the provisions set out in Sections 9(b) and 9(d) which confer rights or benefits on him or it and may enforce such provisions against the Company, the Holder and their respective assigns, personal representatives and successors.

SECTION 15. EFFECTIVE DATE OF PLAN

The Plan shall become effective upon adoption by the Board and shall be approved by stockholders in accordance with applicable state law and the Company's certificate of incorporation and bylaws within 12 months thereafter. If the stockholders fail to approve the Plan within 12 months after its adoption by the Board of Directors, then any Awards granted or sold under the Plan shall be rescinded and no additional grants or sales shall thereafter be made under the Plan. Subject to such approval by stockholders and to the requirement that no Shares may be issued hereunder prior to such approval, Stock Options and other Awards may be granted

hereunder on and after adoption of the Plan by the Board. No grants of Stock Options and other Awards may be made hereunder after the tenth anniversary of the date the Plan is adopted by the Board or the date the Plan is approved by the Company’s stockholders, whichever is earlier.

SECTION 16. GOVERNING LAW

This Plan, all Awards and any controversy arising out of or relating to this Plan and all Awards shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to conflict of law principles that would result in the application of any law other than the law of the Commonwealth of Massachusetts.

DATE ADOPTED BY THE BOARD OF DIRECTORS:	July 28, 2020
DATE APPROVED BY THE STOCKHOLDERS:	August 25, 2020

**INCENTIVE STOCK OPTION AGREEMENT
UNDER THE SEMRUSH HOLDINGS, INC. 2019
STOCK OPTION AND INCENTIVE PLAN**

Name of Optionee: _____ (the "Optionee")

No. of Option Shares: _____ Shares

Grant Date: _____

Option Price Per Share: \$ _____ (the "Option Exercise Price")

Expiration Date: _____ (the "(Expiration Date)")

Pursuant to the SEMrush Holdings, Inc. Amended and Restated 2019 Stock Option and Grant Plan (the "Plan"), SEMrush Holdings, Inc. a Delaware corporation (together with any successor, the "Company"), has granted to the individual named below, an option (the "Stock Option") to purchase on or prior to the Expiration Date, or such earlier date as is specified herein, all or any part of the number of shares of Common Stock, par value \$0.00001 per share ("Common Stock"), of the Company indicated below (the "Shares"), at the Option Exercise Price per share, subject to the terms and conditions set forth in this Incentive Stock Option Grant Notice (the "Grant Notice"), the attached Incentive Stock Option Agreement (the "Agreement") and the Plan. This Stock Option is intended to qualify as an "incentive stock option" as defined in Section 422(b) of the Internal Revenue Code of 1986, as amended from time to time (the "Code"). To the extent that any portion of the Stock Option does not so qualify, it shall be deemed a non qualified stock option. [This Stock Option replaces any and all options to purchase Non-voting Shares of SEMrush CY LTD ("SEMrush CY") previously granted by SEMrush CY to the Optionee prior to the Grant Date (collectively, the "Prior Grant"). By executing the Agreement and accepting the Stock Option, the Optionee hereby acknowledges and agrees that (i) the internal reorganization of SEMrush CY does not constitute an "M&A Event" or "Change in Control" for purposes of the Prior Grant, (ii) he/she shall have no further right to purchase any Non-Voting Shares of SEMrush CY, and (iii) he/she shall have no further right to receive any additional Non-Voting Shares or Shares in exchange for the Prior Grant.]

1. Vesting, Exercisability and Termination.

- (a) No portion of this Stock Option may be exercised until such portion shall have vested and become exercisable.
- (b) Except as set forth below, and subject to the determination of the Committee in its sole discretion to accelerate the vesting schedule hereunder, this Stock Option shall be vested and exercisable on the respective dates indicated below:
 - (i) This Stock Option shall initially be unvested and unexercisable.
 - (ii) This Stock Option shall vest and become exercisable in accordance with the Vesting Schedule set forth in the Grant Notice.

(c) Termination. Except as may otherwise be provided by the Committee, if the Optionee's Service Relationship is terminated, the period within which to exercise this Stock Option will be subject to earlier termination as set forth below (and if not exercised within such period, shall thereafter terminate subject, in each case, to Section 3(c) of the Plan):

(i) Termination Due to Death or Disability. If the Optionee's Service Relationship terminates by reason of such Optionee's death or Disability, this Stock Option may be exercised, to the extent exercisable on the date of such termination, by the Optionee, the Optionee's legal representative or legatee for a period of 12 months from the date of death or Disability or until the Expiration Date, if earlier.

(ii) Other Termination. If the Optionee's Service Relationship terminates for any reason other than death or Disability, and unless otherwise determined by the Committee, this Stock Option may be exercised, to the extent exercisable on the date of termination, for a period of 90 days from the date of termination or until the Expiration Date, if earlier; provided, however, if the Optionee's Service Relationship is terminated for Cause, this Stock Option shall terminate immediately upon the date of such termination.

For purposes hereof, the Committee's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and his or her representatives or legatees. Any portion of this Stock Option that is not vested and exercisable on the date of termination of the Service Relationship shall terminate immediately and be null and void.

(d) It is understood and intended that this Stock Option is intended to qualify as an "incentive stock option" as defined in Section 422 of the Code to the extent permitted under applicable law. Accordingly, the Optionee understands that in order to obtain the benefits of an incentive stock option under Section 422 of the Code, no sale or other disposition may be made of Shares for which incentive stock option treatment is desired within the one year period beginning on the day after the day of the transfer of such Shares to him or her, nor within the two year period beginning on the day after Grant Date of this Stock Option and further that this Stock Option must be exercised within three months after termination of employment as an employee (or 12 months in the case of death or disability) to qualify as an incentive stock option. If the Optionee disposes (whether by sale, gift, transfer or otherwise) of any such Shares within either of these periods, he or she will notify the Company within 30 days after such disposition. The Optionee also agrees to provide the Company with any information concerning any such dispositions required by the Company for tax purposes. Further, to the extent this Stock Option and any other incentive stock options of the Optionee having an aggregate Fair Market Value in excess of \$100,000 (determined as of the Grant Date) first become exercisable in any year, such options will not qualify as incentive stock options.

2. Exercise of Stock Option

(a) The Optionee may exercise this Stock Option only in the following manner: Prior to the Expiration Date, the Optionee may deliver a Stock Option exercise notice (an "Exercise Notice") in the form of Appendix A hereto indicating his or her election to purchase some or all of the Shares with respect to which this Stock Option is then exercisable.

Such notice shall specify the number of Shares to be purchased. Payment of the purchase price may be made by one or more of the methods described in Section 5 of the Plan, subject to the limitations contained in such Section of the Plan, including the requirement that the Committee specifically approve in advance certain payment methods.

(b) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date.

3. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan.

4. Transferability of Stock Option. This Stock Option is personal to the Optionee and is not transferable by the Optionee in any manner other than by will or by the laws of descent and distribution or pursuant to a domestic relations order. The Stock Option may be exercised during the Optionee's lifetime only by the Optionee (or by the Optionee's guardian or personal representative in the event of the Optionee's incapacity). The Optionee may elect to designate a beneficiary by providing written notice of the name of such beneficiary to the Company, and may revoke or change such designation at any time by filing written notice of revocation or change with the Company; such beneficiary may exercise the Optionee's Stock Option in the event of the Optionee's death to the extent provided herein. If the Optionee does not designate a beneficiary, or if the designated beneficiary predeceases the Optionee, the legal representative of the Optionee may exercise this Stock Option to the extent provided herein in the event of the Optionee's death.

5. Restrictions on Transfer of Shares. The Shares acquired upon exercise of the Stock Option shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan and the By-Laws of the Company, as amended and in effect (the "By-laws"). The Shares acquired upon exercise of the Stock Option and all other shares of the Company's Common Stock, par value \$0.00001 per share, currently owned by the Optionee, or that the Optionee may acquire in the future (collectively, "Owned Shares"), may not be sold, assigned, transferred, pledged, encumbered or in any manner disposed of except in compliance with the By-laws. Certificates representing Owned Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Owned Shares will include similar restrictive notations. The Optionee acknowledges that a copy of the By-laws has been made available to the Optionee.

6. Miscellaneous Provisions.

(a) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(b) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reincorporation, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding shares of Common Stock are increased or decreased or are exchanged for a different number or kind of

securities of the Company, the restrictions contained in this Agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, this Stock Option or Shares acquired pursuant thereto.

(c) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Optionee.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to conflict of law principles that would result in the application of any law other than the law of the Commonwealth of Massachusetts.

(e) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(f) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(g) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(h) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(i) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

(j) Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

7. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or this Stock Option, this Agreement, or the breach, termination or validity of the Plan, this Stock

Option or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the "J.A.M.S. Rules"). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1 16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Boston, Massachusetts.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Optionee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 7 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above named courts, that its property is exempt or immune from attachment or execution (except as protected by applicable law), that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

8. Waiver of Statutory Information Rights. The Optionee understands and agrees that, but for the waiver made herein, the Optionee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Optionee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Optionee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Optionee under any other written agreement between the Optionee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned as of the date first above written.

SEMRUSH HOLDINGS, INC.

By: _____

Name: _____

Title: _____

Address: _____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof, and understands that this Stock Option is subject to the terms of the Plan and of this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE RESTRICTIONS ON TRANSFER IMPOSED BY THE BY-LAWS, THE RESTRICTIONS ON TRANSFER IMPOSED BY SECTION 5 OF THIS AGREEMENT, THE ARBITRATION PROVISIONS SET FORTH IN SECTION 7 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 8 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

OPTIONEE:

Name: _____

Address: _____

[SPOUSE’S CONSENT

I acknowledge that I have read the foregoing Incentive Stock Option Agreement and understand the contents thereof.

_____]

DESIGNATED BENEFICIARY:

Beneficiary's Address:

Appendix A
STOCK OPTION EXERCISE NOTICE

SEMrush Holdings, Inc.

Attention: []

Pursuant to the terms of the grant notice and stock option agreement between the undersigned and SEMrush Holdings, Inc. (the "Company") dated _____ (the "Agreement") under the SEMrush Holdings, Inc. Amended and Restated 2019 Stock Option and Grant Plan, I, [Insert Name] _____, hereby [Circle One] partially/fully exercise such option by including herein payment in the amount of \$ _____ representing the purchase price for [Fill in number of Shares] _____ Shares. I have chosen the following form(s) of payment:

- ☐ 1. Cash
- ☐ 2. Certified or bank check payable to SEMrush Holdings, Inc.
- ☐ 3. Other (as referenced in the Agreement and described in the Plan (please describe)) _____

In connection with my exercise of the option as set forth above, I hereby represent and warrant to the Company as follows:

- i. I am purchasing the Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.
- ii. I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.
- iii. I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.
- iv. I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period of time.
- v. I understand that the Shares may not be registered under the Securities Act of 1933 (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirement thereof). I further

acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

vi. I have read and understand the Plan and acknowledge and agree that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

vii. I understand and agree that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

viii. I understand and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

ix. I understand and agree that I may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

x. I understand and agree to the waiver of statutory information rights as set forth in Section 8 of the Agreement.

xi. I understand and agree that the Shares and all other shares of the Company's Common Stock, par value \$0.00001 per share, that I currently own, or that I may acquire in the future (collectively, "Owned Shares"), may not be sold, assigned, transferred, pledged, encumbered or in any manner disposed of except in compliance with the Company's By-Laws, as amended and in effect (the "By-laws"). I further acknowledge and agree that (a) certificates representing Owned Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Owned Shares will include similar restrictive notations and (b) a copy of the By-laws has been made available to me.

xii. I understand and agree that, if requested by the Company at its sole discretion, as a condition to the issuance of the Shares hereunder, I will become a party to:

(A) that certain Right of First Refusal and Co-Sale Agreement between the Company and certain of its stockholders dated as of [] [], 2019, for so long as such agreement is in effect and as the same may be amended or amended and restated from time to time (the "Right of First Refusal and Co-Sale Agreement"), and I shall thereby be bound by, and subject to, all the terms and provisions of the Right of First Refusal and Co-Sale Agreement applicable to a Key Holder thereunder, and that I will execute a counterpart signature page thereto promptly upon such request; and

(B) that certain Voting Agreement between the Company and certain of its stockholders dated as of [] [], 2019, for so long as such agreement is in effect and as the same may be amended or amended and restated from time to time (the "Voting Agreement"), and I shall thereby be bound by, and subject to, all the terms and provisions of the Voting Agreement applicable to a Key Holder thereunder, and that I will execute an Adoption Agreement thereto promptly upon such request.

Sincerely yours,

Name:

Address:

**NON-QUALIFIED STOCK OPTION AGREEMENT
UNDER THE SEMRUSH HOLDINGS, INC. 2019
STOCK OPTION AND GRANT PLAN**

Name of Optionee: _____ (the "Optionee")

No. of Shares: _____ Shares of Common Stock

Grant Date: _____

Vesting Commencement Date: _____ (the "Vesting Commencement Date")

Expiration Date: _____ (the "(Expiration Date)")

Option Exercise Price/Share: \$ _____ (the "Option Exercise Price")

Vesting Schedule:

25 percent of the Shares shall vest and become exercisable on the first anniversary of the Vesting Commencement Date; provided that the Optionee continues to have a Service Relationship with the Company at such time. Thereafter, the remaining 75 percent of the Shares shall vest and become exercisable in 36 equal monthly installments following the first anniversary of the Vesting Commencement Date, provided the Optionee continues to have a Service Relationship with the Company on each vesting date. Notwithstanding anything in the Agreement to the contrary, in the case of a Sale Event, this Stock Option and the Shares shall be treated as provided in Section 3(c) of the Plan[; provided, however, INSERT ANY ACCELERATED VESTING PROVISION HERE].

Pursuant to the SEMrush Holdings, Inc. Amended and Restated 2019 Stock Option and Grant Plan (the "Plan"), SEMrush Holdings, Inc., a Delaware corporation (together with any successor, the "Company"), has granted to the individual named below, an option (the "Stock Option") to purchase on or prior to the Expiration Date, or such earlier date as is specified herein, all or any part of the number of shares of Common Stock, par value \$0.00001 per share ("Common Stock"), of the Company indicated below (the "Shares"), at the Option Exercise Price per share, subject to the terms and conditions set forth in this Non-Qualified Stock Option Grant Notice (the "Grant Notice"), the attached Non-Qualified Stock Option Agreement (the "Agreement") and the Plan. This Stock Option is not intended to qualify as an "incentive stock option" as defined in Section 422(b) of the Internal Revenue Code of 1986, as amended from time to time (the "Code"). This Stock Option replaces any and all options to purchase non-voting ordinary shares of SEMrush CY LTD ("SEMrush CY") previously granted by SEMrush CY to the Optionee prior to the Grant Date (collectively, the "Prior Grant"). [By executing the Agreement and accepting the Stock Option, the Optionee hereby acknowledges and agrees that (i) the internal reorganization of SEMrush CY does not constitute an "M&A Event" or "Change in Control" for purposes of the Prior Grant, (ii) he/she shall have no further right to purchase any non-voting ordinary shares of SEMrush CY, and (iii) he/she shall have no further right to receive

any additional non-voting ordinary shares of SEMrush CY, Shares, or any other equity interests in exchange for the Prior Grant.]

Attachments: Non-Qualified Stock Option Agreement, Amended and Restated 2019 Stock Option and Grant Plan

1. Vesting, Exercisability and Termination.

(a) No portion of this Stock Option may be exercised until such portion shall have vested and become exercisable.

(b) Except as set forth below, and subject to the determination of the Committee in its sole discretion to accelerate the vesting schedule hereunder, this Stock Option shall be vested and exercisable on the respective dates indicated below:

(i) This Stock Option shall initially be unvested and unexercisable.

(ii) This Stock Option shall vest and become exercisable in accordance with the Vesting Schedule set forth in the Grant Notice.

(c) Termination. Except as may otherwise be provided by the Committee, if the Optionee's Service Relationship is terminated, the period within which to exercise this Stock Option will be subject to earlier termination as set forth below (and if not exercised within such period, shall thereafter terminate subject, in each case, to Section 3(c) of the Plan):

(i) Termination Due to Death or Disability. If the Optionee's Service Relationship terminates by reason of such Optionee's death or Disability, this Stock Option may be exercised, to the extent exercisable on the date of such termination, by the Optionee, the Optionee's legal representative or legatee for a period of 12 months from the date of death or Disability or until the Expiration Date, if earlier.

(ii) Other Termination. If the Optionee's Service Relationship terminates for any reason other than death or Disability, and unless otherwise determined by the Committee, this Stock Option may be exercised, to the extent exercisable on the date of termination, for a period of 90 days from the date of termination or until the Expiration Date, if earlier; provided, however, if the Optionee's Service Relationship is terminated for Cause, this Stock Option shall terminate immediately upon the date of such termination.

For purposes hereof, the Committee's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and his or her representatives or legatees and any Permitted Transferee. Any portion of this Stock Option that is not vested and exercisable on the date of termination of the Service Relationship shall terminate immediately and be null and void.

2. Exercise of Stock Option.

(a) The Optionee may exercise this Stock Option only in the following manner: Prior to the Expiration Date, the Optionee may deliver a Stock Option exercise notice (an "Exercise Notice") in the form of Appendix A hereto indicating his or her election to

purchase some or all of the Shares with respect to which this Stock Option is then exercisable. Such notice shall specify the number of Shares to be purchased. Payment of the purchase price may be made by one or more of the methods described in Section 5 of the Plan, subject to the limitations contained in such Section of the Plan, including the requirement that the Committee specifically approve in advance certain payment methods.

(b) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date.

3. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan.

4. Transferability of Stock Option. This Stock Option is personal to the Optionee and is not transferable by the Optionee in any manner other than by will or by the laws of descent and distribution, or pursuant to a domestic relations order. The Stock Option may be exercised during the Optionee's lifetime only by the Optionee (or by the Optionee's guardian or personal representative in the event of the Optionee's incapacity). The Optionee may elect to designate a beneficiary by providing written notice of the name of such beneficiary to the Company, and may revoke or change such designation at any time by filing written notice of revocation or change with the Company; such beneficiary may exercise the Optionee's Stock Option in the event of the Optionee's death to the extent provided herein. If the Optionee does not designate a beneficiary, or if the designated beneficiary predeceases the Optionee, the legal representative of the Optionee may exercise this Stock Option to the extent provided herein in the event of the Optionee's death.

5. Restrictions on Transfer of Shares. The Shares acquired upon exercise of the Stock Option shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan and the By-Laws of the Company, as amended and in effect (the "By-laws"). The Shares acquired upon exercise of the Stock Option and all other shares of the Company's Common Stock, par value \$0.00001 per share, currently owned by the Optionee, or that the Optionee may acquire in the future (collectively, "Owned Shares"), may not be sold, assigned, transferred, pledged, encumbered or in any manner disposed of except in compliance with the By-laws. Certificates representing Owned Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Owned Shares will include similar restrictive notations. The Optionee acknowledges that a copy of the By-laws has been made available to the Optionee.

6. Miscellaneous Provisions.

(a) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(b) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reincorporation, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding shares of

Common Stock are increased or decreased or are exchanged for a different number or kind of securities of the Company, the restrictions contained in this Agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, this Stock Option or Shares acquired pursuant thereto.

(c) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Optionee.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to conflict of law principles that would result in the application of any law other than the law of the Commonwealth of Massachusetts.

(e) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(f) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(g) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(h) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(i) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

(j) Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

7. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or this Stock Option, this Agreement, or the breach, termination or validity of the Plan, this Stock Option or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the “J.A.M.S. Rules”). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1-16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Boston, Massachusetts.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party’s witness or expert. The arbitrator’s decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator’s decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Optionee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a “Party”) covenants and agrees that such party will participate in the arbitration in good faith. This Section 7 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above named courts, that its property is exempt or immune from attachment or execution (except as protected by applicable law), that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction

and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

8. Waiver of Statutory Information Rights. The Optionee understands and agrees that, but for the waiver made herein, the Optionee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Optionee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Optionee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Optionee under any other written agreement between the Optionee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned as of the date first above written.

SEMRUSH HOLDINGS, INC.

By: _____

Name: _____

Title: _____

Address: _____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof, and understands that this Stock Option is subject to the terms of the Plan and of this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE RESTRICTIONS ON TRANSFER IMPOSED BY THE BY-LAWS, THE RESTRICTIONS ON TRANSFER IMPOSED BY SECTION 5 OF THIS AGREEMENT, THE ARBITRATION PROVISIONS SET FORTH IN SECTION 7 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 8 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

OPTIONEE:

Name: _____

Address: _____

[SPOUSE’S CONSENT

I acknowledge that I have read the foregoing Non-Qualified Stock Option Agreement and understand the contents thereof.

_____]

DESIGNATED BENEFICIARY:

Beneficiary's Address:

Appendix A
STOCK OPTION EXERCISE NOTICE

SEMrush Holdings, Inc.

Attention: [_____]

Pursuant to the terms of the grant notice and stock option agreement between the undersigned and SEMrush Holdings, Inc. (the “Company”) dated _____ (the “Agreement”) under the SEMrush Holdings, Inc. Amended and Restated 2019 Stock Option and Grant Plan, I, [Insert Name] _____, hereby [Circle One] partially/fully exercise such option by including herein payment in the amount of \$_____ representing the purchase price for [Fill in number of Shares] _____ Shares. I have chosen the following form(s) of payment:

- ☐ 1. Cash
- ☐ 2. Certified or bank check payable to SEMrush Holdings, Inc.
- ☐ 3. Other (as referenced in the Agreement and described in the Plan (please describe)) _____

In connection with my exercise of the option as set forth above, I hereby represent and warrant to the Company as follows:

- (i) I am purchasing the Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.
- (ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.
- (iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.
- (iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period of time.
- (v) I understand that the Shares may not be registered under the Securities Act of 1933 (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or “blue sky” laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or “blue sky” laws (or exemptions from the registration requirement thereof). I further
-

acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

(vi) I have read and understand the Plan and acknowledge and agree that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

(vii) I understand and agree that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

(viii) I understand and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

(ix) I understand and agree that I may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

(x) I understand and agree to the waiver of statutory information rights as set forth in Section 8 of the Agreement.

(xi) I understand and agree that the Shares and all other shares of the Company's Common Stock, par value \$0.00001 per share, that I currently own, or that I may acquire in the future (collectively, "Owned Shares"), may not be sold, assigned, transferred, pledged, encumbered or in any manner disposed of except in compliance with the Company's By-Laws, as amended and in effect (the "By-laws"). I further acknowledge and agree that (a) certificates representing Owned Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Owned Shares will include similar restrictive notations and (b) a copy of the By-laws has been made available to me.

(xii) I understand and agree that, if requested by the Company at its sole discretion, as a condition to the issuance of the Shares hereunder, I will become a party to:

(A) that certain Right of First Refusal and Co-Sale Agreement between the Company and certain of its stockholders dated as of [] [], 2019, for so long as such agreement is in effect and as the same may be amended or amended and restated from time to time (the "Right of First Refusal and Co-Sale Agreement"), and I shall thereby be bound by, and subject to, all the terms and provisions of the Right of First Refusal and Co-Sale Agreement applicable to a Key Holder thereunder, and that I will execute a counterpart signature page thereto promptly upon such request; and

(B) that certain Voting Agreement between the Company and certain of its stockholders dated as of [] [], 2019, for so long as such agreement is in effect and as the same may be amended or amended and restated from time to time (the "Voting Agreement"), and I shall thereby be bound by, and subject to, all the terms and provisions of the Voting Agreement applicable to a

Key Holder thereunder, and that I will execute an Adoption Agreement thereto promptly upon such request.

Sincerely yours,

Name:

Address:

Date: _____

**RESTRICTED STOCK AWARD
AGREEMENT UNDER THE SEMRUSH
HOLDINGS, INC. AMENDED AND RESTATED 2019 STOCK OPTION AND GRANT PLAN**

Name of Optionee: _____ (the “Grantee”)

No. of Shares: _____ Shares of Common Stock (the “Shares”)

Grant Date: _____

Date of Purchase of Shares: _____

Vesting Commencement Date: _____ (the “Vesting Commencement Date”)

Per Share Purchase Price: \$ _____ (the “Per Share Purchase Price:”)

Vesting Schedule: 25 percent of the Shares shall vest on the first anniversary of the Vesting Commencement Date; provided that the Grantee continues to have a Service Relationship with the Company at such time. Thereafter, the remaining 75 percent of the Shares shall vest in 36 equal monthly installments following the first anniversary of the Vesting Commencement Date, provided the Grantee continues to have a Service Relationship with the Company at such time. Notwithstanding anything in the Agreement to the contrary in the case of a Sale Event, the Shares of Restricted Stock shall be treated as provided in Section 3(c) of the Plan [; provided, however, INSERT ANY ACCELERATED VESTING PROVISION HERE].

Pursuant to the SEMrush Holdings, Inc. Amended and Restated 2019 Stock Option and Grant Plan (the “Plan”), SEMrush Holdings, Inc., a Delaware corporation (together with any successor, the “Company”), hereby grants, sells and issues to the individual named below, the Shares at the Per Share Purchase Price, subject to the terms and conditions set forth in this Restricted Stock Award Notice (the “Award Notice”), the attached Restricted Stock Agreement (the “Agreement”) and the Plan. The Grantee agrees to the provisions set forth herein and acknowledges that each such provision is a material condition of the Company’s agreement to issue and sell the Shares to him or her. The Company hereby acknowledges receipt of \$ _____ in full payment for the Shares. All references to share prices and amounts herein shall be equitably adjusted to reflect stock splits, stock dividends, recapitalizations, mergers, reorganizations and similar changes affecting the capital stock of the Company, and any shares of capital stock of the Company received on or in respect of Shares in connection with any such event (including any shares of capital stock or any right, option or warrant to receive the same or any security convertible into or exchangeable for any such shares or received upon conversion of any such shares) shall be subject to this Agreement on the same basis and extent at the relevant

time as the Shares in respect of which they were issued, and shall be deemed Shares as if and to the same extent they were issued at the date hereof.

Attachments: Restricted Stock Agreement, Amended and Restated 2019 Stock Option and Grant Plan

Purchase and Sale of Shares; Vesting; Investment Representations.

Purchase and Sale. The Company hereby sells to the Grantee, and the Grantee hereby purchases from the Company, the number of Shares set forth in the Award Notice for the Per Share Purchase Price.

Vesting. Initially, all of the Shares are non-transferable and subject to a substantial risk of forfeiture and are Shares of Restricted Stock. The risk of forfeiture shall lapse with respect to the Shares on the respective dates indicated on the Vesting Schedule set forth in the Award Notice.

Investment Representations. In connection with the purchase and sale of the Shares contemplated by Section 1(a) above, the Grantee hereby represents and warrants to the Company as follows:

The Grantee is purchasing the Shares for the Grantee's own account for investment only, and not for resale or with a view to the distribution thereof.

The Grantee has had such an opportunity as he or she has deemed adequate to obtain from the Company such information as is necessary to permit him or her to evaluate the merits and risks of the Grantee's investment in the Company and has consulted with the Grantee's own advisers with respect to the Grantee's investment in the Company.

The Grantee has sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

The Grantee can afford a complete loss of the value of the Shares and is able to bear the economic risk of holding such Shares for an indefinite period.

The Grantee understands that the Shares are not registered under the Act (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Act and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirements thereof). The Grantee further acknowledges that certificates representing the Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

The Grantee has read and understands the Plan and acknowledges and agrees that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

The Grantee understands and agrees that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

The Grantee understands and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

The Grantee understands and agrees that the Grantee may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

Repurchase Right. Upon a Termination Event, the Company shall have the right to repurchase Shares of Restricted Stock that are unvested as of the date of such Termination Event as set forth in Section 9(c) of the Plan.

Restrictions on Transfer of Shares. The Shares (whether or not vested) shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan and the By-Laws of the Company, as amended and in effect (the “By-laws”). The Shares and all other shares of the Company’s Common Stock, par value \$0.00001 per share, currently owned by the Grantee, or that the Grantee may acquire in the future (collectively, “Owned Shares”), may not be sold, assigned, transferred, pledged, encumbered or in any manner disposed of except in compliance with the By-laws. Certificates representing Owned Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Owned Shares will include similar restrictive notations. The Grantee acknowledges that a copy of the By-laws has been made available to the Grantee. The Grantee acknowledges and agrees that, if requested by the Company in its sole discretion, as a condition to the issuance of the Shares hereunder, the Grantee will become a party to:

That certain Right of First Refusal and Co-Sale Agreement between the Company and certain of its stockholders dated as of December 19, 2019, for so long as such agreement is in effect and shall thereby be bound by, and subject to, all the terms and provisions of such Right of First Refusal and Co-Sale Agreement applicable to a Key Holder thereunder, and the Grantee agrees that the Grantee will execute a counterpart signature page thereto promptly upon such request; and

That certain Voting Agreement between the Company and certain of its stockholders dated as of December 19, 2019, for so long as such agreement is in effect and shall thereby be bound by, and subject to, all the terms and provisions of such Voting Agreement applicable to a Key Holder thereunder, and the Grantee agrees that the Grantee will execute an Adoption Agreement thereto promptly upon such request.

Incorporation of Plan. Notwithstanding anything herein to the contrary, this Restricted Stock Award shall be subject to and governed by all the terms and conditions of the Plan.

Miscellaneous Provisions.

Record Owner; Dividends. The Grantee and any Permitted Transferees, during the duration of this Agreement, shall be considered the record owners of and shall be entitled to vote the Shares if and to the extent the Shares are entitled to voting rights. The Grantee and any Permitted Transferees shall be entitled to receive all dividends and any other distributions declared on the Shares; provided, however, that the Company is under no duty to declare any such dividends or to make any such distribution.

Section 83(b) Election. The Grantee shall consult with the Grantee's tax advisor to determine whether it would be appropriate for the Grantee to make an election under Section 83(b) of the Code with respect to this Award. Any such election must be filed with the Internal Revenue Service within 30 days of the date of this Award. If the Grantee makes an election under Section 83(b) of the Code, the Grantee shall give prompt notice to the Company (and provide a copy of such election to the Company). A sample Section 83(b) election is attached to this Agreement as Exhibit A.

Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Grantee.

Governing Law. This Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to conflict of law principles that would result in the application of any law other than the law of the Commonwealth of Massachusetts.

Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Grantee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

Dispute Resolution.

Except as provided below, any dispute arising out of or relating to the Plan or the Shares, this Agreement, or the breach, termination or validity of the Plan, the Shares or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the “J.A.M.S. Rules”). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1 - 16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Boston, Massachusetts.

The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party’s witness or expert. The arbitrator’s decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator’s decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

The Company, the Grantee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a “Party”) covenants and agrees that such party will participate in the arbitration in good faith. This Section 6 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above named courts, that its property is exempt or immune from attachment or execution (except as protected by applicable law), that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

Waiver of Statutory Information Rights. The Grantee understands and agrees that, but for the waiver made herein, the Grantee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Grantee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Grantee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Grantee under any other written agreement between the Grantee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Restricted Stock Agreement is hereby accepted and the terms and conditions thereof are hereby agreed to by the undersigned as of the date of purchase of Shares above written.

SEMRUSH HOLDINGS, INC.

By: _____
Name: _____
Title: _____
Address: _____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof and understands that the Shares granted hereby are subject to the terms of the Plan and of this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Award Notice and this Agreement, SPECIFICALLY INCLUDING THE RESTRICTIONS ON TRANSFER IMPOSED BY THE BY-LAWS, THE RESTRICTIONS ON TRANSFER IMPOSED BY SECTION 3 OF THIS AGREEMENT, THE ARBITRATION PROVISIONS SET FORTH IN SECTION 6 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 7 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

GRANTEE:

Name: _____
Address: _____

[SPOUSE’S CONSENT
I acknowledge that I have read the
foregoing Restricted Stock Agreement
and understand the contents thereof.
_____]

EXHIBIT A
Section 83(b) Election

The undersigned hereby elects pursuant to §83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares.

1. The name, taxpayer identification number, address of the undersigned, and the taxable year for which this election is being made are:

Name: _____

Address: _____

Social Security No.: _____

Taxable Year: Calendar Year 20__

2. The property which is the subject of this election is [number of unvested shares] shares of common stock of SEMrush Holdings, Inc.

3. The property was transferred to the undersigned on [date of purchase/transfer].

4. The property is subject to the following restrictions:

The Shares will be subject to restrictions on transfer and risk of forfeiture upon termination of service relationship and in certain other events.

5. The fair market value of the property at time of transfer (determined without regard to any restrictions other than nonlapse restrictions as defined in §1.83-3(h) of the Income Tax Regulations) is \$[current FMV] per share x [number of unvested shares] shares = \$_____.

6. For the property transferred, the undersigned paid \$[purchase price] per share x [number of unvested shares] shares = \$_____.

7. The amount to include in gross income is \$[amount reported in Item 5 minus the amount reported in Item 6].

The undersigned taxpayer will file this election with the Internal Revenue Service Office with which the taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property, at the IRS address listed for the taxpayer's state under "Are you not including a check or money order . . ." given in Where Do You File in the Instructions for Form 1040 and the Instructions for Form 1040A (which information can also be found at: <https://www.irs.gov/uac/where-to-file-addresses-for-taxpayers-and-tax-professionals>). A copy of the election will also be furnished to the person for whom the services were performed. The

undersigned is the person performing services in connection with which the property was transferred.

Dated: _____, 20 _____
Taxpayer

LEASE AGREEMENT

BETWEEN

BP PRUCENTER ACQUISITION LLC, a Delaware limited liability company

as Landlord

AND

SEMRUSH INC., a Delaware Corporation

as Tenant

Prudential Center

RETAIL LEASE
BASIC LEASE INFORMATION

Date: Nov. 19, 2020

Landlord: BP Prucenter Acquisition LLC

Tenant: SEMRUSH Inc.

Building: Prudential Center

Premises: Portion of 24th Floor

Rentable Area 7,234 square feet

Scheduled Delivery Date: January 26, 2017

Rent Commencement Date: Earlier of (1) Commencement Date and (2) December 16, 2018

Expiration Date: Thirty-six months (36) from the Commencement Date

Base Rent:

Rent Years	Rate PSF	Annual Rate
1	\$73.00	\$528,082.00
2	\$74.83	\$541,320.22
3	\$76.70	\$554,847.80

Security Deposit: \$88,013.67 in form of Letter of Credit

Broker: NAI Hunneman

Base Year: 2017

Permitted Use of Premises: General office purposes.

Tenant's Address for Notices:

From and after Commencement Date:

Landlord's Address for Notice:

c/o Boston Properties Limited Partnership

Exhibits and Schedules:

Exhibit A: Floor Plan

Exhibit B: Building Rules

TENANT

SEMURISH Inc.

LANDLORD

BP PRUCENTER ACQUISITION LLC

PRUDENTIAL CENTER

**PRUDENTIAL TOWER
800 BOYLSTON STREET
BOSTON, MASSAHUSETTS**

Lease Dated November 19, 2018

THIS INSTRUMENT IS AN INDENTURE OF LEASE in which the Landlord and the Tenant are the parties hereinafter named, and which relates to space in the building known as the Prudential Tower, Boston Massachusetts 02199.

The parties to this instrument hereby agree with each other as follows:

ARTICLE 1

Reference Data

1.1 Subjects Referred To

Each reference in this Lease to any of the following subject shall be constructed to incorporate the data stated for that subject in this Article:

Landlord:	BP PRUCENTER ACQUISITION LLC, a Delaware limited liability company
Present Mailing Address of Landlord:	c/o Boston Properties Limited Partnership Prudential Center 800 Boylston Street, Suite 1900 Boston, Massachusetts 02199-8103
Landlord's Construction Representative:	E.J.Winslow
Tenant:	SEMRUSH Inc., a Delaware corporation
Present Mailing Address of Tenant:	7 Neshaminy Interplex, Suite 301 Trevose, PA 19053-6980
Tenant's Email Address for Information Regarding Billings and Statements:	invoice@semrush.com
Tenant's Construction Representative:	Ainella Mussina
Expiration Date:	The date which is thirty-six (36) full calendar months (plus the partial month, if any) immediately following the Commencement Date.
Term or Lease Term (sometimes called the "Original Lease Term"):	The period beginning on the Commencement Date and ending on the Expiration Date, unless sooner terminated as hereinafter provided.

Lease Year:

A period of twelve (12) consecutive calendar months, commencing on the first day of January in each year, except that the first Lease Year of the Lease Term hereof shall be the period commencing on the Commencement Date and ending on the succeeding December 31, and the last Lease Year of the Lease Term hereof shall be the period commencing on January 1 of the calendar year in which the Lease Term ends, and ending with the date on which the Lease Term ends.

Rent Year:

Any twelve (12) month period during the Term of the Lease commencing as of the Rent Commencement Date, or as of any anniversary of the Rent Commencement Date, except that if the Rent Commencement Date does not occur on the first day of a calendar month, then (i) the first Rent Year shall further include the partial calendar month in which the first anniversary of the Rent Commencement Date occurs, and (ii) the remaining Rent Years shall be the successive twelve-(12)-month periods following the end of such first Rent Year.

Commencement Date:

The date on which Landlord delivers the Premises to Tenant with the Landlord's Work substantially complete.

Rent Commencement Date:

The earlier of: (i) the Commencement Date, and (ii) December 16, 2018, except that if the Commencement Date has occurred and Tenant takes occupancy of the Premises or any portion thereof for any purpose (e.g., business operations, etc.) prior to December 16, 2018, then the Rent Commencement Date shall be the date on which such occupancy first occurs.

Premises:

A portion of the twenty-fourth (24th) floor of the Building, in accordance with the floor plan annexed hereto as Exhibit D and incorporated herein by reference, as further defined and limited in Section 2.1 hereof.

Rentable Floor Area of the Premises: 7,234 square feet.

Annual Fixed Rent:

During the Term of this Lease, Annual Fixed Rent shall be payable by Tenant as follows:

Rent Years	Rate PSF	Annual Rate
1	\$73.00	\$528,082.00
2	\$74.83	\$541,320.22
3	\$76.70	\$554,847.80

Tenant Electricity: See Section 5.2

Additional Rent:

All charges and other sums payable by Tenant as set forth in this Lease, in addition to Annual Fixed Rent.

Total Rentable Floor Area of the Building: 1,226,539 square feet.

Building:

For the purposes of this Lease, the Building shall mean the building commonly known as The Prudential Tower located in the Prudential Center (as hereinafter defined), as the same may be altered, expanded, reduced or otherwise changed by Landlord from time to time.

Prudential Center or Site:

For purposes of this Lease, the Prudential Center or Site shall mean the land described on Exhibit A and the buildings, garages, together with all common areas and other improvements thereon, commonly known as Prudential Center, as the same may be altered, expanded, reduced or otherwise changed from time to time.

Permitted Use: General office purposes.

PruOwner:

Each owner of record or tenant under a ground lease, from time to time, of all or any portion of the Prudential Center.

Broker: NAI Hunneman

Security Deposit: \$88,013.67 in the form of a Letter of Credit in accordance with Section 16.26

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1.3 Exhibits

The following Exhibits attached hereto are a part of this Lease, are incorporated herein by reference, and are to be treated as a part of this Lease for all purposes. Undertakings contained in such Exhibits are agreements on the part of Landlord and Tenant, as the case may be, to perform the obligations stated therein to be performed by Landlord and Tenant, as and where stipulated therein.

Exhibit A -- Legal Description of the Prudential Center
Exhibit B -- Plan Depicting Configuration of Premises
Exhibit C -- Landlord's Services
Exhibit D -- Floor Plan
Exhibit E -- Form of Declaration Affixing the Commencement Date of Lease
Exhibit F -- List of Mortgages
Exhibit G -- Form of Letter of Credit
Exhibit H -- Form of Certificate of Insurance

ARTICLE II

Premises

2.1 Demise and Lease of Premises

Landlord hereby demises and leases to Tenant, and Tenant hereby hires and accepts from Landlord, the Premises in the Building, excluding exterior faces of exterior walls, the common stairways and stairwells, elevators and elevator walls, mechanical rooms, electric and telephone closets, janitor closets, and pipes, ducts, shafts, conduits, wires and appurtenant fixtures serving exclusively or in common other parts of the Building, and if the Premises includes less than the entire rentable area of any floor, excluding the common corridors, elevator lobbies and restrooms located on such floor. Tenant hereby agrees with Landlord that, upon the written request of Landlord made from time to time, but in no event less than thirty (30) days in advance, Tenant shall relocate from the Premises then demised to Tenant under this Lease (the "Original Premises") to other premises (the "Relocated Premises") within the Building or the buildings located at the Prudential Center known as 800 Boylston Street, 111 Huntington Avenue, 101 Huntington Avenue or 888 Boylston Street and upon such relocation the Relocated Premises shall become the premises demised under this Lease and wherever the term "Premises" is used herein the same thereafter shall mean and refer to the Relocated Premises. Landlord, at its sole cost and expense, shall perform the partitioning of the Relocated Premises and shall place the same into substantially equivalent condition to that in which the Original Premises were in prior to such relocation, and Landlord shall also reimburse Tenant for Tenant's reasonable out-of-pocket moving expenses in so relocating to the Relocated Premises upon billing therefor from Tenant, which billing shall include reasonable evidence thereof in the form of paid invoices, receipts and the like. Tenant shall not be required to vacate the Original Premises and to relocate to the Relocated Premises until the Relocated Premises shall be substantially complete subject to punch list items and items of long lead time. Upon any such relocation the Tenant shall enter into an amendment to this Lease confirming such relocation, but the Tenant's failure to enter into such amendment shall not affect in any manner the relocation of the Premises demised under this Lease from the Original Premises to the Relocated Premises.

2.2 Appurtenant Rights and Reservations

Subject to Landlord's or any other PruOwner's right to change or alter any of the following in Landlord's discretion as herein provided, Tenant shall have, as appurtenant to the Premises, the non-exclusive right to use in common with others, but not in a manner or extent that would materially interfere with the normal operation and use of the Building as a multi-tenant office building and subject to reasonable rules of general applicability to tenants of the Building from time to time made by Landlord or any other PruOwner of which Tenant is given notice: (a) the common lobbies, corridors, stairways, and elevators of the Building, and the pipes, ducts, shafts, conduits, wires and appurtenant meters and equipment serving the Premises in common with others, (b) the loading areas serving the Building and the common walkways and driveways necessary for access to the Building, (c) if the Premises include less than the entire rentable floor area of any floor, the common restrooms,

corridors and elevator lobby of such floor and (d) the plazas and other common areas of the Prudential Center as Landlord or any other PruOwner makes the same available from time to time; and no other appurtenant rights and easements. Notwithstanding anything to the contrary herein, Landlord has no obligation to allow any particular telecommunication service provider to have access to the Building or to the Premises. If Landlord permits such access, Landlord may condition such access upon the payment to Landlord by the service provider of fees assessed by Landlord in its sole discretion.

Landlord reserves for its benefit and the benefit of any other PruOwner the right from time to time, without unreasonable interference with Tenant's use: (a) to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building, or either, pipes, ducts, conduits, wires and appurtenant fixtures, wherever located in the Premises or the Building, and (b) to alter or relocate any other common facility, provided that substitutions are substantially equivalent or better. Installations, replacements and relocations referred to in clause (a) above shall be located so far as practicable in the central core area of the Building, above ceiling surfaces, below floor surfaces or within perimeter walls of the Premises. Except in the case of emergencies or for normal cleaning and maintenance operations, Landlord agrees to use all reasonable efforts to give, or cause such PruOwner to give, Tenant reasonable advance notice of any of the foregoing activities which require work in the Premises.

Landlord reserves and excepts for its benefit and the benefit of any other PruOwner all rights of ownership and use in all respects outside the Premises, including without limitation, the Building and all other structures and improvements and plazas and common areas in the Prudential Center, except that at all times during the Lease Term Tenant shall have a reasonable means of access from a public street to the Premises. Without limitation of the foregoing reservation of rights by Landlord, it is understood that in its sole discretion Landlord or any other PruOwner, as the case may be, shall have the right to change and rearrange the plazas and other common areas, to change, relocate and eliminate facilities therein, to erect new buildings thereon, to permit the use of or lease all or part thereof for exhibitions and displays and to sell, lease or dedicate all or part thereof to public use; and further that Landlord or any other PruOwner, as the case may be, shall have the right to make changes in, additions to and eliminations from the Building and other structures and improvements in the Prudential Center, the Premises excepted; provided however that Tenant, its employees, agents, clients, customers, and invitees shall at all times have reasonable access to the Building and Premises. Subject to (i) Tenant's compliance with Landlord's reasonable security program for the Building, and (ii) temporary interruption resulting from fire, casualty, maintenance activity, the actions of governmental authorities and other conditions not reasonably within Landlord's control, Tenant shall have access to the Premises 24 hours per day, 365 days per year, except that Landlord is not under any obligation to permit individuals without proper building identification and satisfaction of Building rules and regulations to enter the Building after 6:00 p.m. or on weekends or holidays.

ARTICLE III

Lease Term

3.1 Term

The Term of this Lease shall be the period specified in Section 1.1 hereof as the "Lease Term," unless sooner terminated as herein provided.

In the case where the Premises are to be delivered in their AS-IS condition, the day on which the Premises are delivered by Landlord to Tenant shall be the date on which the Landlord delivers the Premises to Tenant free and clear of all other tenants and occupants. In the case where the Landlord is to perform work to the Premises as provided in Article IV, the Premises shall be considered delivered by the Landlord to the Tenant on the day when the Premises are deemed to be substantially complete, as defined in Article IV.

As soon as may be convenient after the Commencement Date has been determined, Landlord and Tenant agree to join with each other in the execution, in the form of Exhibit E hereto, of a written Declaration Affixing the Commencement Date of Lease in which the Commencement Date and specified Lease Term shall be stated. If Tenant shall fail to execute such Declaration Affixing the Commencement Date of Lease, the Commencement Date and Lease Term shall be as reasonably determined by Landlord in accordance with the terms of this Lease.

ARTICLE IV

Condition of Premises; Alterations

4.1 Landlord's Work

Landlord shall deliver the Premises to Tenant in the configuration depicted in the plan attached hereto as Exhibit B (excluding work identified in Exhibit B to be performed by Tenant). Landlord shall perform the following work in the Premises at Landlord's sole cost and expense (the "Landlord's Work"): (i) re-paint the Premises; and (ii) re-carpet the Premises. At the direction of Tenant, and at Tenant's sole cost and expense, Landlord shall paint select locations of the Premises, as determined by Landlord, with "IdeaPaint." Subject to obtaining the Landlord's consent in accordance with Article IX, Tenant may, at Tenant's sole cost and expense, perform the following additional work, to be performed by a contractor approved by Landlord (the "Tenant's Work"): (i) install new doors; (ii) install additional lighting; (iii) install marker wallpaper; and (iv) install additional cabling. Tenant's Work shall be considered "alterations" for purposes of this Lease and shall be subject to the provisions of Article IX.

Landlord shall use reasonable efforts to substantially complete the Landlord's Work by December 16, 2018. Landlord shall use reasonable efforts to notify Tenant, orally or in writing, of any circumstances of which Landlord is aware that have caused or may cause a delay in the substantial completion of the Landlord's Work. Notwithstanding anything to the contrary herein, Landlord's Work shall become part of the Premises and shall become the property of Landlord and remain upon the Premises as a part thereof upon the expiration or earlier termination of the Lease Term.

4.2 As-Is Condition

Except for Landlord's Work, Tenant shall accept the Premises in their as-is condition without any obligation on Landlord's part to perform any additions, alterations, improvements, demolition or other work therein or pertaining thereto. Without limiting the generality of the foregoing, Tenant shall be responsible, at its sole cost and expense, for the installation of all of its furniture, tel-data wiring and security systems, and for all of its moving expenses.

ARTICLE V

Annual Fixed Rent and Electricity

5.1 Fixed Rent

Tenant agrees to pay to Landlord, on the Rent Commencement Date, and thereafter monthly, in advance, on the first day of each and every calendar month during the Original Lease Term, a sum equal to one-twelfth (1/12th) of the Annual Fixed Rent specified in Section 1.1 hereof. Until notice of some other designation is given, fixed rent and all other charges for which provision is herein made shall be paid by remittance to or for the order of Boston Properties Limited Partnership, as agent of Landlord. All remittances received by BOSTON PROPERTIES LIMITED PARTNERSHIP, as agent as aforesaid, or by any subsequently designated recipient, shall be treated as a payment to Landlord.

Annual Fixed Rent for any partial month shall be paid by Tenant to Landlord at such rate on a pro rata basis, and, if the Rent Commencement Date shall be other than the first day of a calendar month, the first payment of Annual Fixed Rent which Tenant shall make to Landlord shall be a payment equal to a proportionate part of such monthly Annual Fixed Rent for the partial month from the Rent Commencement Date to the first day of the succeeding calendar month.

Additional Rent payable by Tenant on a monthly basis, as elsewhere provided in this Lease, likewise shall be prorated, and the first payment on account thereof shall be determined in similar fashion and shall commence on the Rent Commencement Date and other provisions of this Lease calling for monthly payments shall be read as incorporating this undertaking by Tenant.

Notwithstanding that the payment of Annual Fixed Rent payable by Tenant to Landlord shall not commence until the Rent Commencement Date, Tenant shall be subject to, and shall comply with, all other provisions of

this Lease as and at the times provided in this Lease. The Annual Fixed Rent and all other charges for which provision is made in this Lease shall be paid by Tenant to Landlord without setoff, deduction or abatement.

5.2 Payment of Electricity Charges

The Premises shall be separately metered for electricity and Tenant shall use a meter assigned to Tenant in order to monitor electricity usage in the Premises. Commencing as of the Rent Commencement Date, Tenant shall be responsible for the cost of all electricity consumed within the Premises and shall pay all such electricity charges directly to the supplier of the same. Tenant's failure to make payment when due to the utility company shall be considered to be a failure in the payment of rent hereunder for which Landlord shall have all its rights and remedies under this Lease and at law and in equity.

ARTICLE VI

Taxes

6.1 Definitions

With reference to the real estate taxes referred to in this Article VI, it is agreed that terms used herein are defined as follows:

- (a) "Tax Year" means the 12-month period beginning July 1 each year during the Lease Term or if the appropriate Governmental tax fiscal period shall begin on any date other than July 1, such other date.
 - (b) "Landlord's Tax Expenses Allocable to the Premises" means the same proportion of Landlord's Tax Expenses as Rentable Floor Area of Tenant's Premises bears to 95% of the Rentable Floor Area of the Building.
 - (c) "Landlord's Tax Expenses" with respect to any Tax Year means the aggregate "real estate taxes" (hereinafter defined) with respect to that Tax Year, reduced by any net abatement receipts with respect to that Tax Year.
 - (d) "Real estate taxes" means all taxes and special assessments of every kind and nature and user fees and other like fees assessed by any governmental authority (including, but not limited to, any tax, assessment or charge resulting from the creation of a special improvement district) on, or allocable to the Building and reasonable expenses of and fees for any formal or informal proceedings for negotiation or abatement of taxes (collectively, "Abatement Expenses"), which Abatement Expenses shall be excluded from Base Taxes. The amount of special taxes or special assessments to be included shall be limited to the amount of the installment (plus any interest other than penalty interest payable thereon) of such special tax or special assessment required to be paid during the year in respect of which such taxes are being determined. There shall be excluded from such taxes all income, estate, succession, inheritance and transfer taxes; provided, however, that if at any time during the Lease Term the present system of ad valorem taxation of real property shall be changed so that in lieu of, or in addition to, the whole or any part of the ad valorem tax on real property, there shall be assessed on Landlord a capital levy or other tax on the gross rents received with respect to the Building, or a Federal, State, County, Municipal, or other local income, franchise, excise or similar tax, assessment, levy or charge (distinct from any now in effect in the jurisdiction in which the Prudential Center is located) measured by or based, in whole or in part, upon any such gross rents, then any and all of such taxes, assessments, levies or charges, to the extent so measured or based, shall be deemed to be included within the term "real estate taxes" but only to the extent that the same would be payable if the Building, were the only property of Landlord. To the extent that the Building is not separately assessed for real estate tax purposes, but is assessed as part of a larger parcel, then the Landlord shall make a reasonable allocation as to the amount of the real estate taxes that should be allocated to the Building for the purposes of determination of the Tenant's share of increases in real estate taxes under this
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Lease. The Landlord's allocation, if made in good faith, shall be final. For the purposes of this Lease, real estate taxes shall include any payment in lieu of taxes or any payments made under Chapter 121A of the Massachusetts General Laws or any similar law.

- (e) "Base Taxes" means Landlord's Tax Expenses (hereinbefore defined) for fiscal tax year 2019 (that is the period beginning July 1, 2018 and ending June 30, 2019).
- (f) "Base Taxes Allocable to the Premises" means the same proportion of Base Taxes as the Rentable Floor Area of Tenant's Premises bears to 95% of the Total Rentable Floor Area of the Building.
- (g) If during the Lease Term the Tax Year is changed by applicable law to less than a full 12-month period, the Base Taxes and Base Taxes Allocable to the Premises shall each be proportionately reduced.

6.2 Tenant's Share of Real Estate Taxes

If with respect to any full Tax Year or fraction of a Tax Year falling within the Lease Term Landlord's Tax Expenses Allocable to the Premises for a full Tax Year exceed Base Taxes Allocable to the Premises or for any such fraction of a Tax Year exceed the corresponding fraction of Base Taxes Allocable to the Premises (such amount being hereinafter referred to as the "Tax Excess"), then Tenant shall pay to Landlord, as Additional Rent, the amount of such Tax Excess. Payments by Tenant on account of the Tax Excess shall be made monthly at the time and in the fashion herein provided for the payment of Annual Fixed Rent. The amount so to be paid to Landlord shall be an amount from time to time reasonably estimated by Landlord to be sufficient to provide Landlord, in the aggregate, a sum equal to the Tax Excess, at least ten (10) days before the day on which tax payments by Landlord would become delinquent. Not later than ninety (90) days after Landlord's Tax Expenses Allocable to the Premises are determinable for the first such Tax Year or fraction thereof and for each succeeding Tax Year or fraction thereof during the Lease Term, Landlord shall render Tenant a statement in reasonable detail certified by a representative of Landlord showing for the preceding year or fraction thereof, as the case may be, real estate taxes allocated to the Building, abatements and refunds, if any, of any such taxes and assessments, expenditures incurred in seeking such abatement or refund, the amount of the Tax Excess, the amount thereof already paid by Tenant and the amount thereof overpaid by, or remaining due from, Tenant for the period covered by such statement. Within thirty (30) days after the receipt of such statement, Tenant shall pay any sum remaining due. Any balance shown as due to Tenant shall be credited against Annual Fixed Rent next due, or refunded to Tenant if the Lease Term has then expired and Tenant has no further obligation to Landlord. Expenditures for legal fees and for other expenses incurred in obtaining an abatement or refund may be charged against the abatement or refund before the adjustments are made for the Tax Year. Only Landlord shall have the right to institute tax reduction or other proceedings to reduce real estate taxes or the valuation of the Building.

To the extent that real estate taxes shall be payable to the taxing authority in installments with respect to periods less than a Tax Year, the statement to be furnished by Landlord shall be rendered and payments made on account of such installments.

ARTICLE VII

Landlord's Repairs and Services and Tenant's Escalation Payments

7.1 Structural Repairs

Except for (a) normal and reasonable wear and use and (b) damage caused by fire or casualty and by eminent domain, Landlord shall, throughout the Lease Term, subject to provisions for reimbursement by Tenant as contained in Section 7.5, keep and maintain, or cause to be kept and maintained, in good order, condition and repair the following portions of the Building: the structural portions of the roof, the exterior and load bearing walls, the foundation, the structural columns and floor slabs and other structural elements of the Building; provided however, that Tenant shall pay to Landlord, as Additional Rent, the cost of any and all such repairs

which may be required as a result of repairs, alterations, or installations made by Tenant or any subtenant, assignee, licensee or concessionaire of Tenant or any agent, servant, employee or contractor of any of them or to the extent of any loss, destruction or damage caused by the omission or negligence of Tenant, any assignee or subtenant or any agent, servant, employee, customer, visitor or contractor of any of them.

7.2 Other Repairs to be Made by Landlord

Except for (a) normal and reasonable wear and use and (b) damage caused by fire or casualty and by eminent domain, and except as otherwise provided in this Lease, and subject to provisions for reimbursement by Tenant as contained in Section 7.5, Landlord agrees to keep and maintain, or cause to be kept and maintained, in good order, condition and repair the common areas and facilities of the Building, including heating, ventilating, air conditioning, plumbing and other Building systems equipment servicing the Premises, except that Landlord shall in no event be responsible to Tenant for (a) the condition of glass in and about the Premises (other than for glass in exterior walls for which Landlord shall be responsible unless the damage thereto is attributable to Tenant's negligence or misuse, in which event the responsibility therefor shall be Tenant's), or (b) any condition in the Premises or the Building caused by any act or neglect of Tenant or any agent, employee, contractor, assignee, subtenant, licensee, concessionaire or invitee of Tenant. Without limitation, Landlord shall not be responsible to make any improvements or repairs to the Building or the Premises other than as expressly provided in Section 7.1 or in this Section 7.2, unless expressly otherwise provided in this Lease.

7.3 Services to be Provided by Landlord

In addition, and except as otherwise provided in this Lease and subject to (i) provisions for reimbursement by Tenant as contained in Section 7.5 and in Exhibit C hereto and (ii) Tenant's responsibilities in regard to electricity as provided in Section 5.2, Landlord agrees to furnish services, utilities, facilities and supplies as set forth in said Exhibit C equal in quality comparable to those customarily provided by landlords in high quality buildings in Boston. In addition, Landlord agrees to furnish, at Tenant's expense, reasonable additional Building operation services which are usual and customary in similar Class A office buildings in Boston, Massachusetts, and such additional special services as may be mutually agreed upon by Landlord and Tenant, upon reasonable and equitable rates from time to time established by Landlord. Tenant agrees to pay to Landlord, as Additional Rent, the cost of any such additional Building services requested by Tenant and for the cost of any additions, alterations, improvements or other work performed by Landlord in the Premises at the request of Tenant within thirty (30) days after being billed therefor.

7.4 Operating Costs Defined

"Operating Expenses Allocable to the Premises" means the same proportion of the Operating Expenses for the Building (as hereinafter defined) as Rentable Floor Area of the Premises bears to 95% of the Total Rentable Floor Area of the Building. "Base Operating Expenses" means Operating Expenses for the Building for calendar year 2018 (that is the period beginning January 1, 2018 and ending December 31, 2018). Base Operating Expenses shall not include (i) market-wide cost increases due to extraordinary circumstances, including but not limited to, Force Majeure (as defined in Section 14.1), boycotts, strikes, conservation surcharges, security concerns, embargoes or shortages and (ii) the cost of any "Permitted Capital Expenditures" (as defined hereinbelow in this Section 7.4). "Base Operating Expenses Allocable to the Premises" means the same proportion of Base Operating Expenses as the Rentable Floor Area of Tenant's Premises bears to 95% of the Total Rentable Floor Area of the Building. "Operating Expenses for the Building" means the cost of operation of the Building and the Building's share of the cost of operating other areas of the Prudential Center as more specifically provided below in Section 7.4, including those incurred in discharging the obligations under Sections 7.2 and 7.3; however there shall be excluded from the Operating Expenses for the Building the cost of operation of the Garage. In addition, such costs shall exclude payments of debt service and any other mortgage charges, brokerage commissions, real estate taxes (to the extent paid pursuant to Section 6.2 hereof), and costs of special services rendered to tenants (including Tenant) for which a separate charge is made, but shall include, without limitation:

- (a) compensation, wages and all fringe benefits, workmen's compensation insurance premiums and payroll taxes paid to, for or with respect to all persons for their services in the operating, maintaining, managing, insuring or cleaning of the Building or the Prudential Center;
 - (b) payments under service contracts with independent contractors for operating, maintaining or cleaning of the Building or the Prudential Center;
 - (c) steam, water, sewer, gas, oil, electricity and telephone charges (excluding such utility charges separately chargeable to tenants for additional or separate services and electricity charges paid by Tenant in the manner set forth in Section 5.2) and costs of maintaining letters of credit or other security as may be required by utility companies as a condition of providing such services;
 - (d) cost of maintenance, cleaning and repairs and replacements (other than repairs reimbursed from contractors under guarantees);
 - (e) cost of snow removal and care of landscaping;
 - (f) cost of building and cleaning supplies and equipment;
 - (g) premiums for insurance carried with respect to the Building or Prudential Center (including, without limitation, liability insurance, insurance against loss in case of fire or casualty and of monthly installments of Annual Fixed Rent and any Additional Rent which may be due under this Lease and other leases of space in the Building for not more than twelve (12) months in the case of both Annual Fixed Rent and Additional Rent and, if there be any first mortgage on the Building, including such insurance as may be required by the holder of such first mortgage);
 - (h) management fees at reasonable rates for self-managed buildings consistent with the type of occupancy and the services rendered;
 - (i) the Building's share (as reasonably determined by Landlord) of Operating Expenses for the Building (as herein defined in this Section 7.4) related to the operation of the open areas, public areas and amenities, plazas, common areas, facilities and other non-leasable areas of the Prudential Center and other mixed use common area maintenance costs incurred by Landlord or any other PruOwner and allocated to the Building and any shuttle buses and other like amenities, for use of tenants of the Building either alone or in common with tenants of other buildings in the Prudential Center;
 - (j) depreciation for capital improvements made by Landlord during the Lease Term (x) to reduce Operating Expenses if Landlord reasonably shall have determined that the annual reduction in Operating Expenses shall exceed depreciation therefor or (y) to comply with Legal Requirements (the capital expenditures described in subsections (x) and (y) being hereinafter referred to as "Permitted Capital Expenditures") plus, in the case of both (x) and (y), an interest factor, reasonably determined by Landlord, as being the interest rate then charged for long term mortgages by institutional lenders on like properties within the general locality in which the Building is located, and depreciation in the case of both (x) and (y) shall be determined by dividing the original cost of such capital expenditure by the number of years of useful life of the capital item acquired, which useful life shall be determined reasonably by Landlord in accordance with generally accepted accounting principles and practices in effect at the time of acquisition of the capital item; provided, however, if Landlord reasonably concludes on the basis of engineering estimates that a particular capital expenditure will effect savings in other Operating Expenses, including, without limitation, energy related costs, and that such projected savings will, on an annual basis ("Projected Annual Savings"), exceed the annual depreciation therefor, then and in such event the amount of depreciation for such capital expenditure shall be increased to an amount equal to the Projected Annual Savings;
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and in such circumstance, the increased depreciation (in the amount of the Projected Annual Savings) shall be made for such period of time as it would take to fully amortize the cost of the item in question, together with interest thereon at the interest rate as aforesaid in equal monthly payments, each in the amount of 1/12th of the Projected Annual Savings, with such payment to be applied first to interest and the balance to principal;

- (k) all costs of applying and reporting for the Building or any part thereof to seek or maintain certification under the U.S. EPA's Energy Star® rating system, the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system or a similar system or standard; and
- (l) all other reasonable and necessary expenses paid in connection with the operating, cleaning and maintenance of the Building or the Prudential Center or said common areas and facilities and properly chargeable against income.

Notwithstanding the foregoing, in determining the amount of Operating Expenses for the Building for any calendar year or portion thereof falling within the Lease Term, if less than ninety-five percent (95%) of the Total Rentable Floor Area of the Building shall have been occupied by tenants at any time during the period in question, then, at Landlord's election, those components of Operating Expenses for the Building that vary based on occupancy for such period shall be adjusted to equal the amount such components of Operating Expenses for the Building would have been for such period had occupancy been ninety-five percent (95%) throughout such period.

7.5 Tenant's Escalation Payments

- (A) If with respect to any calendar year falling within the Lease Term, or fraction of a calendar year falling within the Lease Term at the beginning or end thereof, the Operating Expenses Allocable to the Premises (as defined in Section 7.4) for a full calendar year exceed Base Operating Expenses Allocable to the Premises (as defined in Section 7.4) or for any such fraction of a calendar year exceed the corresponding fraction of Base Operating Expenses Allocable to the Premises (such amount being hereinafter referred to as the "Operating Cost Excess"), then Tenant shall pay to Landlord, as Additional Rent, on or before the thirtieth (30th) day following receipt by Tenant of the statement referred to below in this Section 7.5, the amount of such excess.
- (B) Payments by Tenant on account of the Operating Cost Excess shall be made monthly at the time and in the fashion herein provided for the payment of Annual Fixed Rent. The amount so to be paid to Landlord shall be an amount from time to time reasonably estimated by Landlord to be sufficient to cover, in the aggregate, a sum equal to the Operating Cost Excess for each calendar year during the Lease Term.
- (C) No later than one hundred twenty (120) days after the end of the first calendar year or fraction thereof ending December 31 and of each succeeding calendar year during the Lease Term or fraction thereof at the end of the Lease Term, Landlord shall render Tenant a statement in reasonable detail and according to usual accounting practices certified by a representative of Landlord, showing for the preceding calendar year or fraction thereof, as the case may be, the Operating Expenses for the Building and the Operating Expenses Allocable to the Premises. Said statement to be rendered to Tenant also shall show for the preceding year or fraction thereof, as the case may be, the amounts already paid by Tenant on account of Operating Cost Excess and the amount of Operating Cost Excess remaining due from, or overpaid by, Tenant for the year or other period covered by the statement.

If such statement shows a balance remaining due to Landlord, Tenant shall pay same to Landlord on or before the thirtieth (30th) day following receipt by Tenant of said statement. Any balance shown as due to Tenant shall be credited against Annual Fixed Rent next due, or refunded to Tenant if the Lease Term has then expired and Tenant has no further obligation to Landlord.

Any payment by Tenant for the Operating Cost Excess shall not be deemed to waive any rights of Tenant to claim that the amount thereof was not determined in accordance with the provisions of this Lease.

7.6 No Damage

Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from the necessity of Landlord or its agents entering the Premises for any purposes in this Lease authorized, or for repairing the Premises or any portion of the Building or Prudential Center however the necessity may occur. In case Landlord is prevented or delayed from making any repairs, alterations or improvements, or furnishing any services or performing any other covenant or duty to be performed on Landlord's part, by reason of any cause reasonably beyond Landlord's control, including, without limitation, by reason of Force Majeure (as defined in Section 14.1 hereof) or for any cause due to any act or neglect of Tenant or Tenant's servants, agents, employees, licensees or any person claiming by, through or under Tenant, Landlord shall not be liable to Tenant therefor, nor, except as expressly otherwise provided in this Lease, shall Tenant be entitled to any abatement or reduction of rent by reason thereof, or right to terminate this Lease, nor shall the same give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial, eviction from the Premises.

Landlord reserves the right to stop any service or utility system, when necessary by reason of accident or emergency, or until necessary repairs have been completed; provided, however, that in each instance of stoppage, Landlord shall exercise reasonable diligence to eliminate the cause thereof. Except in case of emergency repairs, Landlord will give Tenant at least twenty-four (24) hours' notice of any contemplated stoppage and will use reasonable efforts to avoid unnecessary inconvenience to Tenant by reason thereof.

ARTICLE VIII

Tenant's Repairs

8.1 Tenant's Repairs and Maintenance

Tenant covenants and agrees that, from and after the date that possession of the Premises is delivered to Tenant and until the end of the Lease Term, Tenant will keep neat and clean and maintain in good order, condition and repair the Premises and every part thereof, excepting only for those repairs for which Landlord is responsible under the terms of Article VII of this Lease and damage by fire or casualty and as a consequence of the exercise of the power of eminent domain. Tenant shall not permit or commit any waste, and Tenant shall be responsible for the cost of repairs which may be made necessary by reason of damages to common areas in the Building or Prudential Center by Tenant, Tenant's agents, employees, contractors, sublessees, licensees, concessionaires or invitees. Tenant shall maintain all its equipment, furniture and furnishings in good order and repair.

If repairs are required to be made by Tenant pursuant to the terms hereof, Landlord may demand that Tenant make the same forthwith, and if Tenant refuses or neglects to commence such repairs and complete the same with reasonable dispatch after such demand, Landlord may (but shall not be required to do so) make or cause such repairs to be made and shall not be responsible to Tenant for any loss or damage that may accrue to Tenant's stock or business by reason thereof. If Landlord makes or causes such repairs to be made, Tenant agrees that Tenant will forthwith on demand, pay to Landlord as Additional Rent the cost thereof together with interest thereon at the rate specified in Section 16.21, and if Tenant shall default in such payment, Landlord shall have the remedies provided for non-payment of rent or other charges payable hereunder.

ARTICLE IX

Alterations

9.1 Landlord's Approval

Tenant covenants and agrees not to make alterations, additions or improvements to the Premises, whether before or during the Lease Term, except in accordance with plans and specifications therefor first approved by Landlord in writing, which approval shall not be unreasonably withheld or delayed. However, Landlord's determination of matters relating to aesthetic issues relating to alterations, additions or improvements which are visible outside the Premises shall be in Landlord's sole discretion. Without limiting such standard, Landlord shall not be deemed unreasonable:

- (a) for withholding approval of any alterations, additions or improvements which (i) in Landlord's opinion might affect any structural or exterior element of the Building, any area or element outside of the Premises or any facility or base building mechanical system serving any area of the Building outside of the Premises, or (ii) involve or affect the exterior design, size, height or other exterior dimensions of the Building, or (iii) enlarge the Rentable Floor Area of the Premises, or (iv) are inconsistent, in Landlord's judgment, with alterations satisfying Landlord's standards for new alterations in the Building, or (v) will require unusual expense to readapt the Premises to normal office use on Lease termination or increase the cost of construction or of insurance or taxes on the Building or of the services called for by Section 7.3 unless Tenant first gives assurance acceptable to Landlord for payment of such increased cost and that such readaptation will be made prior to such termination without expense to Landlord.
- (b) for making its approval conditional on Tenant's agreement to restore the Premises to its condition prior to such alteration, addition, or improvement at the expiration or earlier termination of the Lease Term.

Landlord's review and approval of any such plans and specifications and consent to perform work described therein shall not be deemed an agreement by Landlord that such plans, specifications and work conform with applicable Legal Requirements and requirements of insurers of the Building and the other requirements of the Lease with respect to Tenant's insurance obligations (herein called "Insurance Requirements") nor deemed a waiver of Tenant's obligations under this Lease with respect to applicable Legal Requirements and Insurance Requirements nor impose any liability or obligation upon Landlord with respect to the completeness, design sufficiency or compliance of such plans, specifications and work with applicable Legal Requirements and Insurance Requirements. Further, Tenant acknowledges that Tenant is acting for its own benefit and account, and that Tenant shall not be acting as Landlord's agent in performing any work in the Premises, accordingly, no contractor, subcontractor or supplier shall have a right to lien Landlord's interest in the Prudential Center in connection with any such work. Within 30 days after receipt of an invoice from Landlord, Tenant shall pay to Landlord, as a fee for Landlord's review of any plans or work (including any review of plans or work relating to any assignment or subletting), as Additional Rent, an amount equal to the sum of : (i) \$150.00 per hour, plus (ii) reasonable third party expenses incurred by Landlord to review Tenant's plans and Tenant's work.

9.2 Conformity of Work

Tenant covenants and agrees that any alterations, additions, improvements or installations made by it to or upon the Premises shall be done in a good and workmanlike manner and in compliance with all applicable Legal Requirements and Insurance Requirements now or hereafter in force, that materials of first and otherwise good quality shall be employed therein, that the structure of the Building shall not be endangered or impaired thereby and that the Premises shall not be diminished in value thereby.

9.3 Performance of Work, Governmental Permits and Insurance

All of Tenant's alterations and additions and installation of furnishings shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations and not to damage the Building or Prudential Center or interfere with Building construction or operation and, except for installation of furnishings, shall be performed by Landlord's general contractor or by contractors or workers first approved by Landlord. Except for work by Landlord's general contractor, Tenant shall procure all necessary governmental permits before making any repairs, alterations, other improvements or installations. Tenant agrees to save harmless and indemnify Landlord from any and all injury, loss, claims or damage to any person or property occasioned by or arising out of the doing of any such work whether the same be performed prior to or during the Lease Term. At Landlord's election, Tenant shall cause its contractor to maintain a payment and performance bond in such amount and with such companies as Landlord shall reasonably approve. In addition, Tenant shall cause each contractor to carry insurance in accordance with Section 13.14 hereof and to deliver to Landlord certificates of all such insurance. Tenant shall also prepare and submit to Landlord a set of as-built plans, in both print and electronic forms, showing such work performed by Tenant to the Premises promptly after any such alterations, improvements or installations are substantially complete and promptly after any wiring or cabling for Tenant's computer, telephone and other communications systems is installed by Tenant or Tenant's contractor. Without limiting any of Tenant's obligations hereunder, Tenant shall be responsible, as Additional Rent, for the costs of any alterations, additions or improvements in or to the Building that are required in order to comply with Legal Requirements as a result of any work performed by Tenant. Landlord shall have the right to provide rules and regulations relative to the performance of any alterations, additions, improvements and installations by Tenant hereunder and Tenant shall abide by all such reasonable rules and regulations and shall cause all of its contractors to so abide including, without limitation, payment for the costs of using Building services. Tenant acknowledges and agrees that Landlord shall be the owner of any additions, alterations and improvements in the Premises or the Building to the extent paid for by Landlord.

9.4 Liens

Tenant covenants and agrees to pay promptly when due the entire cost of any work done on the Premises by Tenant, its agents, employees or contractors, and not to cause or permit any liens for labor or materials performed or furnished in connection therewith to attach to the Premises or the Building or the Prudential Center and immediately to discharge any such liens which may so attach.

9.5 Nature of Alterations

All work, construction, repairs, alterations, other improvements or installations made to or upon the Premises (including, but not limited to, the construction performed by Landlord under Article IV), shall become part of the Premises and shall become the property of Landlord and remain upon and be surrendered with the Premises as a part thereof upon the expiration or earlier termination of the Lease Term, except as follows:

- (a) All trade fixtures whether by law deemed to be a part of the realty or not, installed at any time or times by Tenant or any person claiming under Tenant shall remain the property of Tenant or persons claiming under Tenant and may be removed by Tenant or any person claiming under Tenant at any time or times during the Lease Term or any occupancy by Tenant thereafter and shall be removed by Tenant at the expiration or earlier termination of the Lease Term if so requested by Landlord. Tenant shall repair any damage to the Premises occasioned by the removal by Tenant or any person claiming under Tenant of any such property from the Premises.
 - (b) At the expiration or earlier termination of the Lease Term, Tenant shall remove: (i) any wiring, cables or other installations appurtenant thereto for Tenant's computer, telephone and other communication systems and equipment whether located in the Premises or in any other portion of the Building, including all risers (collectively, "Cable"), unless Landlord notifies Tenant in writing that such Cable shall remain in the Premises, and (ii) any alterations, additions and improvements made with Landlord's consent during the Lease Term for which such removal was made a condition of such consent under Section 9.1(b). Upon such removal
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Tenant shall restore the Premises to their condition prior to such alterations, additions and improvements and repair any damage occasioned by such removal and restoration.

- (c) If Tenant shall make any alterations, additions or improvements to the Premises for which Landlord's approval is required under Section 9.1 without obtaining such approval, then at Landlord's request at any time during the Lease Term, and at any event at the expiration or earlier termination of the Lease Term, Tenant shall remove such alterations, additions and improvements and restore the Premises to their condition prior to same and repair any damage occasioned by such removal and restoration. Nothing herein shall be deemed to be a consent to Tenant to make any such alterations, additions or improvements, the provisions of Section 9.1 being applicable to any such work.

9.6 Increases in Taxes

Tenant shall pay, as Additional Rent, one hundred percent (100%) of any increase in real estate taxes on the Building which shall, at any time after the Rent Commencement Date, result from alterations, additions or improvements to the Premises made by Tenant if the taxing authority specifically determines such increase results from such alterations, additions or improvements made by Tenant.

ARTICLE X

Parking

10.1 Parking Privileges

Landlord shall provide to Tenant monthly parking privileges in the Prudential Center Garage (the "Garage") for four (4) passenger automobiles for the parking of motor vehicles in unreserved stalls in the Garage by Tenant's employees commencing on the Commencement Date. In the event that the Rentable Floor Area of the Premises decreases at any time during the Lease Term, the number of parking privileges provided to Tenant hereunder shall be reduced proportionately.

10.2 Parking Charges

Tenant shall pay for such parking privileges at the prevailing monthly rates from time to time charged by the operator or operators of the Garage, whether or not such operator is an affiliate of Landlord. Such monthly parking charges for parking privileges shall constitute Additional Rent and shall be payable monthly as directed by Landlord upon billing therefor by Landlord or such operator. Tenant acknowledges that said monthly charges to be paid under this Section are for the use by the Tenant of the parking privileges referred to herein, and not for any other service.

10.3 Garage Operation

Unless otherwise determined by Landlord or the operator of such garage (the "Garage Operator"), the Garage is to be operated on a self-parking basis, and Tenant shall be obligated to park and remove its own automobiles, and Tenant's parking shall be on an unreserved basis, Tenant having the right to park in any available stalls. Tenant's access and use privileges with respect to the Garage shall be in accordance with regulations of uniform applicability to the users of the Garage from time to time established by the Landlord or the Garage Operator. Tenant shall receive one (1) identification sticker or pass and one (1) magnetic card so-called, or other suitable device providing access to the Garage, for each parking privilege paid for by Tenant. Tenant shall supply Landlord with an identification roster listing, for each identification sticker or pass, the name of the employee and the make, color and registration number of the vehicle to which it has been assigned, and shall provide a revised roster to Landlord monthly indicating changes thereto. Any automobile found parked in the Garage during normal business hours without appropriate identification will be subject to being towed at said automobile owner's expense. The parking privileges granted herein are non-transferable (other than to a permitted assignee or subtenant pursuant to the applicable provisions of Article XII hereof). Landlord or the Garage Operator may

institute a so-called valet parking program for the Garage, and in such event Tenant shall cooperate in all respects with such program. Landlord reserves for itself and any other PruOwner the right to alter the Garage as it sees fit and in such case to change the Garage including the reduction in area of the same, Tenant acknowledging that in connection with the potential expansion of buildings in the Prudential Center or the addition of other buildings thereto, it may be necessary to make significant changes to the Garage which may result in the reduction of the amount of parking available in the Garage and the change of location of such parking or may change the access to or egress from the Garage, all of which Landlord or any other PruOwner may perform in its sole and exclusive discretion, without limitation to its other rights in respect thereof.

10.4 Limitations

Tenant agrees that it and all persons claiming by, through and under it, shall at all times abide by all reasonable rules and regulations promulgated by Landlord or the Garage Operator with respect to the use of the Garage. Except to the extent of gross negligence or willful acts, neither the Landlord nor the Garage Operator assumes any responsibility whatsoever for loss or damage due to fire or theft or otherwise to any automobile or to any personal property therein, however caused, and Tenant agrees, upon request from the Landlord, from time to time, to notify its officers, employees and agents then using any of the parking privileges provided for herein, of such limitation of liability. Tenant further acknowledges and agrees that a license only is hereby granted, and no bailment is intended or shall be created.

ARTICLE XI

Certain Tenant Covenants

Tenant covenants and agrees to the following during the Lease Term and for such further time as Tenant occupies any part of the Premises:

- 11.1 To pay when due all Annual Fixed Rent and Additional Rent and all charges for utility services rendered to the Premises and service inspections therefor except as otherwise provided in Exhibit C and, as further Additional Rent, all charges for additional and special services rendered pursuant to Section 7.3. In the event Tenant pays any utilities for the Premises directly to the utility company or provider, Tenant shall grant Landlord access to Tenant's account with such utility company or provider so that Landlord can review the utility bills relating to the Premises.
 - 11.2 To use and occupy the Premises for the Permitted Use only, and not to injure or deface the Premises or the Building or Prudential Center and not to permit in the Premises any auction sale, vending machine or flammable fluids or chemicals, or nuisance, or the emission from the Premises of any objectionable noise or odor, nor to permit in the Premises anything which would in any way result in the leakage of fluid or the growth of mold, and not to use or devote the Premises or any part thereof for any purpose other than the Permitted Use, nor any use thereof which is inconsistent with the maintenance of the Building as an office building of the first-class in the quality of its maintenance, use and occupancy, or which is improper, offensive, contrary to law or ordinance or liable to invalidate or increase the premiums for any insurance on the Building or its contents or liable to render necessary any alteration or addition to the Building. Further, (i) Tenant shall not, nor shall Tenant permit its employees, invitees, agents, independent contractors, contractors, assignees or subtenants to, keep, maintain, store or dispose of (into the sewage or waste disposal system or otherwise) or engage in any activity which might produce or generate any substance which is or may hereafter be classified as a hazardous material, waste or substance (collectively "Hazardous Materials"), under federal, state or local laws, rules and regulations, including, without limitation, 42 U.S.C. Section 6901 et seq., 42 U.S.C. Section 9601 et seq., 42 U.S.C. Section 2601 et seq., 49 U.S.C. Section 1802 et seq. and Massachusetts General Laws, Chapter 21E and the rules and regulations promulgated under any of the foregoing, as such laws, rules and regulations may be amended from time to time (collectively "Hazardous Materials Laws"), (ii) Tenant shall immediately notify Landlord of any incident in, on or about the Premises, the Building or the Prudential Center that would require the filing of a notice under any Hazardous Materials Laws, (iii) Tenant shall comply and shall cause its employees, invitees, agents, independent contractors, contractors, assignees and subtenants to comply with each of the foregoing and (iv) Landlord shall have the right to make such inspections (including testing) as Landlord shall elect from time to time to determine that Tenant is complying with the foregoing.
 - 11.3 Not to obstruct in any manner any portion of the Building not hereby leased or any portion thereof or of the Prudential Center used by Tenant in common with others; not without prior consent of Landlord to permit the painting or placing of any signs, curtains, blinds, shades, awnings, aerials or flagpoles, or the like, visible from outside the Premises; and to comply with all reasonable rules and regulations or the requirements of any
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customer handbook currently in existence or hereafter implemented, of which Tenant has been given notice, for the care and use of the Building and the Prudential Center and their facilities and approaches, but Landlord shall not be liable to Tenant for the failure of other occupants of the Building to conform to such rules and regulations. If and to the extent there is any conflict between the provisions of this Lease and any rules and regulations or customer handbook for the Building, the provisions of this Lease shall control.

- 11.4 To comply with all applicable Legal Requirements now or hereafter in force regarding the operation of Tenant's business and the use, condition, configuration and occupancy of the Premises, including without limitation, all applicable standards and regulations of the Federal Occupational Safety and Health Administration ("OSHA Requirements"), which obligation shall include ensuring that all contractors (including sub-contractors) that Tenant utilizes to perform work in the Premises comply with OSHA Requirements and that all required training is provided for such work. In addition, Tenant shall, at its sole cost and expense, promptly comply with any Legal Requirements that relate to the Base Building (as hereinafter defined), but only to the extent such obligations are triggered by Tenant's use of the Premises, other than for general office use, or alterations, additions or improvements in the Premises performed or requested by Tenant. "Base Building" shall include the structural portions of the Building, the public restrooms and the Building mechanical, electrical and plumbing systems and equipment located in the internal core of the Building on the floor or floors on which the Premises are located. Tenant shall promptly pay all fines, penalties and damages that may arise out of or be imposed because of its failure to comply with the provisions of this Section 11.4.
- 11.5 Not to place a load upon any floor in the Premises exceeding an average rate of 70 pounds of live load (including partitions) per square foot of floor area; and not to move any safe, vault or other heavy equipment in, about or out of the Premises except in such manner and at such time as Landlord shall in each instance authorize. Tenant's business machines and mechanical equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient to absorb and prevent vibration or noise that may be transmitted to the Building structure or to any other space in the Building.
- 11.6 To pay promptly when due all taxes which may be imposed upon personal property (including, without limitation, fixtures and equipment) in the Premises to whomever assessed.
- 11.7 To pay, as Additional Rent, all reasonable costs, counsel and other fees incurred by Landlord in connection with the successful enforcement by Landlord of any obligations of Tenant under this Lease or in connection with any bankruptcy case involving Tenant or any guarantor.
- 11.8 To comply with all applicable Legal Requirements now or hereafter in force which shall impose a duty on Landlord or Tenant relating to or as a result of the use or occupancy of the Premises; provided that Tenant shall not be required to make any alterations or additions to the structure, roof, exterior and load bearing walls, foundation, structural floor slabs and other structural elements of the Building unless the same are required by such Legal Requirements as a result of or in connection with Tenant's use or occupancy of the Premises beyond normal use of space of this kind. Tenant shall promptly pay all fines, penalties and damages that may arise out of or be imposed because of its failure to comply with the provisions of this Section 11.8.
- 11.9 The word "Prudential" alone or in any combination other than "Prudential Center" shall not be used by the Tenant for any purpose whatsoever. Tenant shall not use the words "Prudential Center" other than as part of the business address of Tenant and then only in such manner as will not appear to be part of Tenant's name. Tenant shall not use the words "Prudential Center" in any manner which is undignified, confusing, detrimental or misleading in Landlord's opinion and shall give no greater prominence to the words "Prudential Center" than to any other part of the business address of Tenant and shall give less prominence to the words "Prudential Center" than to Tenant's name. The Tenant shall not utilize signage or advertising which contains (a) any description of the Prudential Center or the description of the location of the Premises other than "Prudential Center," "at Prudential Center," or an official street address such as "Boylston Street" or "Huntington Avenue" or a regional locator such as "Boston" or "Back Bay" and (b) any name of a building, space or area within the Prudential Center other than "Prudential Tower" if Tenant is located within the Prudential Tower in order to describe the location of the Premises.

In order to reduce peak-hour trip generation of employees at the Prudential Center, the Landlord encourages all employers at the Prudential Center to adopt flexible work schedules for its employees. The Landlord encourages all employers at the Prudential Center to participate in the Corporate Pass Program of the Massachusetts Bay Transit Authority which is designed to encourage the use of mass transit by persons working in Boston. As of June 1988, one hundred and twenty-five greater Boston companies provided subsidies for the purchase by their employees of monthly transit passes through this program with subsidies ranging from 10% to 100% of the cost of the transit pass. The provision of transit pass subsidies may also offer certain benefits to employers under tax law. The Landlord encourages all employers at the Prudential Center to participate in this program and to inform their employees of the benefits of using monthly transit passes.

- 11.10 Any vendors engaged by Tenant to perform services in or to the Premises including, without limitation, janitorial contractors and moving contractors shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations and not to damage the Building or Prudential Center or interfere with Building construction or operation and shall be performed by vendors first approved by Landlord.
- 11.11 As an inducement to Landlord to enter into this Lease, Tenant hereby represents and warrants that: (i) Tenant is not, nor is fifty percent (50%) or more of Tenant owned or controlled directly or indirectly by, any person, group, entity or nation named on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control of the United States Treasury ("OFAC") (any such person, group, entity or nation being hereinafter referred to as a "Prohibited Person"); (ii) Tenant is not (nor is fifty percent (50%) or more of Tenant owned, controlled, directly or indirectly, by any person, group, entity or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) Tenant (and any person, group, or entity which Tenant controls, directly or indirectly) has not conducted nor will conduct business nor has engaged nor will engage in any transaction or dealing with any Prohibited Person that either may cause or causes Landlord to be in violation of any OFAC rule or regulation, including without limitation any assignment of this Lease or any subletting of all or any portion of the Premises. In connection with the foregoing, it is expressly understood and agreed that (x) any breach by Tenant of the representations and warranties in this Section 11.11 shall be deemed an immediate Event of Default by Tenant under Section 15.1(d) of this Lease (without the benefit of notice or grace) and shall be covered by the indemnity provisions of Section 13.1 below, and (y) the representations and warranties contained in this subsection shall be continuing in nature and shall survive the expiration or earlier termination of this Lease.

ARTICLE XII

Assignment and Subletting

12.1 Restrictions on Transfer

Except as otherwise expressly provided herein, Tenant covenants and agrees that it shall not assign, mortgage, pledge, hypothecate or otherwise transfer this Lease and/or Tenant's interest in this Lease or sublet (which term, without limitation, shall include granting of concessions, licenses or the like) the whole or any part of the Premises. If and so long as Tenant is a corporation with fewer than five hundred (500) shareholders or a limited liability company or a partnership, an assignment, within the meaning of this Article XII, shall be deemed to include one or more sales or transfers of stock or membership or partnership interests, by operation of law or otherwise, or the issuance of new stock or membership or partnership interests, by which an aggregate of more than fifty percent (50%) of Tenant's stock or membership or partnership interests shall be vested in a party or parties who are not stockholders or members or partners as of the date hereof (a "Majority Interest Transfer"). For the purpose of this Section 12.1, ownership of stock or membership or partnership interests shall be determined in accordance with the principles set forth in Section 544 of the Internal Revenue Code of 1986, as amended from time to time, or the corresponding provisions of any subsequent law. In addition, the following shall be deemed an assignment within the meaning of this Article XII: (a) the merger or consolidation of Tenant into or with any other entity, or the sale of all or substantially all of its assets, and (b) the establishment by the Tenant or a permitted successor or assign of one or more series of (1) members, managers, limited liability company interests or assets, which may have separate rights, powers or duties with respect to specified property or obligations of the Tenant (or such successor or assignee) or profits or losses associated with specified property or obligations of the Tenant (or such successor or assignee), pursuant to §18-215 of the Delaware Limited Liability Company Act, as amended, or similar laws of other states or otherwise, or (2) limited partners, general partners, partnership interests or assets, which may have separate rights, powers or duties with respect to specified property or obligations of the Tenant (or such successor or assignee) or profits or losses associated with specified property or obligations of the Tenant (or such successor or assignee) pursuant to §17-218 of the Delaware Revised Uniform Limited Partnership Act, as amended, or similar laws of other states or otherwise (a "Series Reorganization"). Any assignment, mortgage, pledge, hypothecation, transfer or subletting not expressly permitted in or consented to by Landlord under this Article XII shall, at Landlord's election, be void; shall be of no force and effect; and shall confer no rights on or in favor of third parties. In addition, Landlord shall be entitled to seek specific performance of or other equitable relief with respect to the provisions hereof. The limitations of this Section 12.1 shall be deemed to apply to any guarantor(s) of this Lease.

12.2 Tenant's Notice

Notwithstanding the provisions of Section 12.1 above, in the event Tenant desires to assign this Lease or to sublet the whole (but not part) of the Premises (no partial subletting being permitted other than as provided in

Section 12.5 below), Tenant shall give Landlord notice (the "Proposed Transfer Notice") of any proposed sublease or assignment, and said notice shall specify the provisions of the proposed assignment or subletting, including (a) the name and address of the proposed assignee or subtenant, (b) in the case of a proposed assignment or subletting pursuant to Section 12.4 below, such information as to the proposed assignee's or proposed subtenant's net worth and financial capability and standing as may reasonably be required for Landlord to make the determination referred to in said Section 12.4 (provided, however, that Landlord shall hold such information confidential having the right to release same to its officers, accountants, attorneys and mortgage lenders on a confidential basis), (c) all of the terms and provisions upon which the proposed assignment or subletting is to be made, (d) in the case of a proposed assignment or subletting pursuant to Section 12.4 below, all other information necessary to make the determination referred to in said Section 12.4 and (e) in the case of a proposed assignment or subletting pursuant to Section 12.5 below, such information as may be reasonably required by Landlord to determine that such proposed assignment or subletting complies with the requirements of said Section 12.5.

12.3 Landlord's Termination Right

Landlord shall have the right at its sole option, to be exercised within thirty (30) days after receipt of Tenant's Proposed Transfer Notice (the "Acceptance Period"), to terminate this Lease as of a date specified in a notice to Tenant, which date shall not be earlier than sixty (60) days nor later than one hundred and twenty (120) days after Landlord's notice to Tenant; provided, however, that upon the termination date as set forth in Landlord's notice, all obligations relating to the period after such termination date (but not those relating to the period before such termination date) shall cease and promptly upon being billed therefor by Landlord, Tenant shall make final payment of all Annual Fixed Rent and Additional Rent due from Tenant through the termination date. In the event that Landlord shall not exercise its termination rights as aforesaid, or shall fail to give any or timely notice pursuant to this Section the provisions of Sections 12.4, 12.6 and 12.7 shall be applicable. If Landlord exercises its termination right, then Landlord shall be free to lease the Premises or applicable portion thereof, to any person or persons, including, without limitation, to Tenant's prospective assignee or subtenant. This Section 12.3 shall not be applicable to an assignment or sublease pursuant to Section 12.5.

12.4 Consent of Landlord

Notwithstanding the provisions of Section 12.1 above, but subject to the provisions of this Section 12.4 and the provisions of Sections 12.6 and 12.7 below, in the event that Landlord shall not have exercised the termination right as set forth in Section 12.3, or shall have failed to give any or timely notice under Section 12.3, then for a period of ninety (90) days (i) after the receipt of Landlord's notice stating that Landlord does not elect the termination right, or (ii) after the expiration of the Acceptance Period, in the event Landlord shall not give any or timely notice under Section 12.3 as the case may be, Tenant shall have the right to assign this Lease or sublet the whole (but not part) of the Premises in accordance with the Proposed Transfer Notice provided that, in each instance, Tenant first obtains the express prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed.

Without limiting the foregoing standard, Landlord shall not be deemed to be unreasonably withholding its consent to such a proposed assignment or subleasing if:

- (a) the proposed assignee or subtenant is an occupant of the Building or elsewhere in the Prudential Center or is (or within the previous sixty (60) days has been) in active negotiation with Landlord or an affiliate of Landlord for premises in the Building or elsewhere in the Prudential Center or is not of a character consistent with the operation of a first class office building (by way of example Landlord shall not be deemed to be unreasonably withholding its consent to an assignment or subleasing to any governmental or quasi-governmental agency), or
 - (b) the proposed assignee or subtenant is not of good character and reputation, or
 - (c) the proposed assignee or subtenant does not possess adequate financial capability to perform the Tenant obligations as and when due or required, or
 - (d) the assignee or subtenant proposes to use the Premises (or part thereof) for a purpose other than the purpose for which the Premises may be used as stated in Section 1.1 hereof, or
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- (e) the character of the business to be conducted or the proposed use of the Premises by the proposed subtenant or assignee shall (i) be likely to increase Operating Expenses for the Building beyond that which Landlord now incurs for use by Tenant; (ii) be likely to increase the burden on elevators or other Building systems or equipment over the burden generated by normal and customary office usage; or (iii) violate or be likely to violate any provisions or restrictions contained herein relating to the use or occupancy of the Premises, or
- (f) there shall be existing an Event of Default (defined in Section 15.1) or there have been three (3) or more Event of Default occurrences during the Lease Term, or
- (g) the proposed rent and other charges to be payable by the proposed assignee or subtenant are less than the market rent and other charges for first class office space for properties of a similar character in the Boston Downtown market, or
- (h) any part of the rent payable under the proposed assignment or sublease shall be based in whole or in part on the income or profits derived from the Premises or if any proposed assignment or sublease shall potentially have any adverse effect on the real estate investment trust qualification requirements applicable to Landlord and its affiliates, or
- (i) the holder of any mortgage or ground lease on property which includes the Premises does not approve of the proposed assignment or sublease, or
- (j) due to the identity or business of a proposed assignee or subtenant, such approval would cause Landlord to be in violation of any covenant or restriction contained in another lease or other agreement affecting space in the Building or elsewhere in the Prudential Center.

If Landlord shall consent to the proposed assignment or subletting, as the case may be, then, in such event, Tenant may thereafter sublease (the whole but not part of the Premises) or assign pursuant to Tenant's notice, as given hereunder; provided, however, that if such assignment or sublease shall not be executed and delivered to Landlord within ninety (90) days after the date of Landlord's consent, the consent shall be deemed null and void and the provisions of Section 12.2 shall be applicable.

12.5 Exceptions

Notwithstanding the provisions of Sections 12.1, 12.3 and 12.4 above, but subject to the provisions of Section 12.2 above and Section 12.7 below, Tenant shall have the right:

- (x) to assign this Lease or to sublet the Premises (in whole or in part) to any other entity (the "Successor Entity") (i) which controls or is controlled by Tenant or Tenant's parent corporation or which is under common control with Tenant, provided that such transfer or transaction is for a legitimate regular business purpose of Tenant other than a transfer of Tenant's interest in this Lease, or (ii) which purchases all or substantially all of the assets of Tenant, or (iii) which purchases all or substantially all of the stock of (or other ownership or membership interests in) Tenant or (iv) which merges or combines with Tenant, or
- (y) to effect a Series Reorganization, or
- (z) to engage in a Majority Interest Transfer,

provided that in any of the foregoing events as described in clauses (y) or (z) above the transaction is for a legitimate business purpose of Tenant other than the limitation or segregation of the liabilities of Tenant, and provided further that in any of the foregoing events as described in clauses (x), (y) and (z), the entity to which this Lease is so assigned or which so sublets the Premises or the series established by the Series Reorganization has a credit worthiness (e.g. net assets on a pro forma basis using generally accepted accounting principles consistently applied and using the most recent financial statements) which is the same or better than the Tenant as of the date of this Lease (the foregoing transferees referred to, individually or collectively, as a "Permitted

Transferee"). Except in cases of statutory merger or a Series Reorganization, in which case the surviving entity in the merger or the series to which this Lease has been designated shall be liable as the Tenant under this Lease, Tenant shall continue to remain fully liable under this Lease, on a joint and several basis with the Permitted Transferee. If any parent, affiliate or subsidiary of Tenant to which this Lease is assigned or the Premises sublet (in whole or in part) shall cease to be such a parent, affiliate or subsidiary, such cessation shall be considered an assignment or subletting requiring Landlord's consent.

12.6 Profit on Subleasing or Assignment

In the case of any assignment or subleasing as to which Landlord may consent (other than an assignment or subletting permitted under Section 12.5 above) such consent shall be upon the express and further condition, covenant and agreement, and Tenant hereby covenants and agrees that, in addition to the Annual Fixed Rent, Additional Rent and other charges to be paid pursuant to this Lease, fifty percent (50%) of the "Assignment/Sublease Profits" (hereinafter defined), if any, shall be paid to Landlord. The "Assignment/Sublease Profits" shall be the excess, if any, of (a) the "Assignment/Sublease Net Revenues" as hereinafter defined over (b) the Annual Fixed Rent and Additional Rent and other charges provided in this Lease (provided, however, that for the purpose of calculating the Assignment/Sublease Profits in the case of a sublease, appropriate proportions in the applicable Annual Fixed Rent, Additional Rent and other charges under this Lease shall be made based on the percentage of the Premises subleased and on the terms of the sublease). The "Assignment/Sublease Net Revenues" shall be the fixed rent, additional rent and all other charges and sums payable either initially or over the term of the sublease or assignment plus all other profits and increases to be derived by Tenant as a result of such subletting or assignment, less the reasonable costs of Tenant incurred in such subleasing or assignment (the definition of which shall be limited to brokerage commissions and alteration allowances, in each case actually paid), as set forth in a statement certified by an appropriate officer of Tenant and delivered to Landlord within thirty (30) days of the full execution of the sublease or assignment document, amortized over the term of the sublease or assignment.

All payments of the Assignment/Sublease Profits due Landlord shall be made within ten (10) days of receipt of same by Tenant.

12.7 Additional Conditions

(A) It shall be a condition of the validity of any assignment or subletting consented to under Section 12.4 above, or any assignment or subletting of right under Section 12.5 above, that both Tenant and the assignee or sublessee enter into a separate written instrument directly with Landlord in a form and containing terms and provisions reasonably required by Landlord, including, without limitation, the agreement of the assignee or sublessee to be bound directly to Landlord for all the obligations of the Tenant under this Lease (including any amendments or extensions thereof), including, without limitation, the obligation (a) to pay the rent and other amounts provided for under this Lease (but in the case of a partial subletting pursuant to Section 12.5, such subtenant shall agree on a pro rata basis to be so bound) and (b) to comply with the provisions of Article XII hereof and (c) to indemnify the "Landlord Parties" (as defined in Section 13.13) as provided in Section 13.1 hereof. Such assignment or subletting shall not relieve the Tenant named herein of any of the obligations of the Tenant hereunder and Tenant shall remain fully and primarily liable therefor and the liability of Tenant and such assignee (or subtenant, as the case may be) shall be joint and several. Further, and notwithstanding the foregoing, the provisions hereof shall not constitute a recognition of the sublease or the subtenant thereunder, as the case may be, and at Landlord's option, upon the termination or expiration of the Lease (whether such termination is based upon a cause beyond Tenant's control, a default of Tenant, the agreement of Tenant and Landlord or any other reason), the sublease shall be terminated.

(B) As Additional Rent, Tenant shall pay to Landlord as a fee for Landlord's review of any proposed assignment or sublease requested by Tenant and the preparation of any associated documentation in connection therewith, within thirty (30) days after receipt of an invoice from Landlord, an amount equal to the sum of (i) \$1,000.00 and/or (ii) reasonable out of pocket legal fees or other expenses incurred by Landlord in connection with such request.

(C) If this Lease be assigned, or if the Premises or any part thereof be sublet or occupied by anyone other than Tenant, Landlord may upon prior notice to Tenant, at any time and from time to time, collect rent and other charges from the assignee, sublessee or occupant and apply the net amount collected to the rent and other charges herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or a waiver of the provisions of Article XII hereof, or the acceptance of the assignee, sublessee or

occupant as a tenant or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained, the Tenant herein named to remain primarily liable under this Lease.

(D) The consent by Landlord to an assignment or subletting under Section 12.4 above, or the consummation of an assignment or subletting of right under Section 12.5 above, shall in no way be construed to relieve Tenant from obtaining the express consent in writing of Landlord to any further assignment or subletting.

(E) On or after the occurrence of an "Event of Default" (defined in Section 15.1), Landlord shall be entitled to one hundred percent (100%) of any Assignment/Sublease Profits.

(F) Without limiting Tenant's obligations under Article IX, Tenant shall be responsible, at Tenant's sole cost and expense, for performing all work necessary to comply with Legal Requirements and Insurance Requirements in connection with any assignment or subletting hereunder including, without limitation, any work in connection with such assignment or subletting.

ARTICLE XIII

Indemnity and Insurance

13.1 Tenant's Indemnity

- (a) Indemnity. To the fullest extent permitted by law, Tenant waives any right to contribution against the Landlord Parties (as hereinafter defined) and agrees to indemnify and save harmless the Landlord Parties from and against all claims of whatever nature by a third party arising from or claimed to have arisen from (i) any act, omission or negligence of the Tenant Parties (as hereinafter defined); (ii) any accident, injury or damage whatsoever caused to any person, or to the property of any person, occurring in or about the Premises from the earlier of (A) the date on which any Tenant Party first enters the Premises for any reason or (B) the Commencement Date, and thereafter throughout and until the end of the Lease Term, and after the end of the Lease Term for so long after the end of the Lease Term as any of Tenant's Property (as defined in Section 13.4) remains on the Premises, or Tenant or anyone acting by, through or under Tenant may use, be in occupancy of any part of, or have access to the Premises or any portion thereof; (iii) any accident, injury or damage whatsoever occurring outside the Premises but within the Building or the Garage, or on common areas or the Prudential Center, where such accident, injury or damage results, or is claimed to have resulted, from any act, omission or negligence on the part of any of the Tenant Parties; or (iv) any breach of this Lease by Tenant. Tenant shall pay such indemnified amounts as they are incurred by the Landlord Parties. This indemnification shall not be construed to deny or reduce any other rights or obligations of indemnity that any of the Landlord Parties may have under this Lease. The indemnification rights of Landlord Parties provided in this Lease are their exclusive indemnification rights with respect to this Lease. Landlord Parties waive any additional rights to indemnification they may have against Tenant Parties with respect to this Lease under common law. Notwithstanding anything contained herein to the contrary, Tenant shall not be obligated to indemnify a Landlord Party for any claims to the extent that such Landlord Party's damages in fact result from matters included in Landlord's indemnity in Section 13.1.1 of this Article.
 - (b) Breach. In the event that either party hereto breaches any of its indemnity obligations hereunder: (i) such party shall pay to the other party all liabilities, loss, cost, or expense (including reasonable attorneys' fees) incurred as a result of said breach, and the reasonable value of time expended by the other party as a result of said breach; and (ii) the Landlord Parties may deduct and offset from any amounts due to Tenant under this Lease any amounts owed by Tenant pursuant to this Section 13.1(b).
 - (c) No limitation. The indemnification obligations under this Section 13.1 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant or any subtenant or other occupant of the Premises under workers' compensation acts, disability benefit acts, or other employee benefit acts. Tenant waives any immunity from or limitation on its indemnity or contribution liability to the Landlord Parties based upon such acts.
 - (d) Subtenants and other occupants. Tenant shall require its subtenants and other occupants of the Premises to provide similar indemnities to the Landlord Parties in a form reasonably acceptable to Landlord.
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- (e) Survival. The terms of this Section 13.1 shall survive any termination or expiration of this Lease.
- (f) Costs. The foregoing indemnity and hold harmless agreement shall include indemnity for all costs, expenses and liabilities (including, without limitation, attorneys' fees and disbursements) incurred by the Landlord Parties in connection with any such claim or any action or proceeding brought thereon, and the defense thereof. In addition, in the event that any action or proceeding shall be brought against one or more Landlord Parties by reason of any such claim, Tenant, upon request from the Landlord Party, shall resist and defend such action or proceeding on behalf of the Landlord Party by counsel appointed by Tenant's insurer (if such claim is covered by insurance without reservation) or otherwise by counsel reasonably satisfactory to the Landlord Party. The Landlord Parties shall not be bound by any compromise or settlement of any such claim, action or proceeding without the prior written consent of such Landlord Parties.
- (g) Landlord Parties and Tenant Parties. The term "Landlord Party" or "Landlord Parties" shall mean Landlord, any affiliate of Landlord, Landlord's managing agents for the Building, each mortgagee (if any), each ground lessor (if any), and each of their respective direct or indirect partners, officers, shareholders, directors, members, trustees, beneficiaries, servants, employees, principals, contractors, licensees, agents or representatives. For the purposes of this Lease, the term "Tenant Party" or "Tenant Parties" shall mean Tenant, any affiliate of Tenant, any permitted subtenant or any other permitted occupant of the Premises, and each of their respective direct or indirect partners, officers, shareholders, directors, members, trustees, beneficiaries, servants, employees, principals, contractors, licensees, agents, invitees or representatives.

13.1.1 13.1.1 Landlord's Indemnity. Subject to the limitations in Section 16.24 and in Section 13.2 and Section 13.13 of this Article, and to the extent not resulting from any act, omission, fault, negligence or misconduct of Tenant or its contractors, licensees, invitees, agents, servants or employees, Landlord waives its right to contribution and agrees to indemnify and save harmless Tenant from and against any claim by a third party arising from (i) any injury to any person occurring in the Premises or in the Complex after the date that possession of the Premises is first delivered to Tenant and until the expiration or earlier termination of the Lease Term, to the extent such injury results from the negligence or willful misconduct of Landlord or Landlord's employees, or from any breach or default by Landlord in the performance or observance of its covenants or obligations under this Lease; or (ii) any breach of this Lease by Landlord; provided, however, that in no event shall the aforesaid indemnity render Landlord responsible or liable for any loss or damage to fixtures, personal property or other property of Tenant, and Landlord shall in no event be liable for any indirect or consequential damages. Tenant shall provide notice of any such third party claim to Landlord as soon as practicable. Landlord shall have the right, but not the duty, to defend the claim. The provisions of this Section shall not be applicable to (i) the holder of any mortgage now or hereafter on the Property or Building (whether or not such holder shall be a mortgagee in possession of or shall have exercised any rights under a conditional, collateral or other assignment of leases and/or rents respecting the Property or Building), or (ii) any person acquiring title as a result of, or subsequent to, a foreclosure of any such mortgage or a deed in lieu of foreclosure, except to the extent of liability insurance maintained by either of the foregoing. The indemnification rights of Tenant provided in this Lease are its exclusive indemnification rights with respect to this Lease. Tenant waives any additional rights to indemnification it may have against Landlord Parties with respect to this Lease under common law.

13.2 Tenant's Risk

Tenant agrees to use and occupy the Premises, and to use such other portions of the Building and the Prudential Center as Tenant is given the right to use by this Lease at Tenant's own risk. The Landlord Parties shall not be liable to the Tenant Parties for any damage, injury, loss, compensation, or claim (including, but not limited to, claims for the interruption of or loss to a Tenant Party's business) based on, arising out of or resulting from any cause whatsoever, including, but not limited to, repairs to any portion of the Premises or the Building or the Prudential Center, any fire, robbery, theft, mysterious disappearance, or any other crime or casualty, the actions of any other tenants of the Building or of any other person or persons, or any leakage in any part or portion of the Premises or the Building or the Prudential Center, or from water, rain or snow that may leak into, or flow from any part of the Premises or the Building or the Prudential Center, or from drains, pipes or plumbing fixtures in

the Building or the Prudential Center. Any goods, property or personal effects stored or placed in or about the Premises shall be at the sole risk of the Tenant Party, and neither the Landlord Parties nor their insurers shall in any manner be held responsible therefor. The Landlord Parties shall not be responsible or liable to a Tenant Party, or to those claiming by, through or under a Tenant Party, for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connecting with the Premises or any part of the Building or otherwise. The provisions of this section shall be applicable to the fullest extent permitted by law, and until the expiration or earlier termination of the Lease Term, and during such further period as any of Tenant's Property remains on the Premises, or Tenant or anyone acting by, through or under Tenant may use, be in occupancy of any part of, or have access to the Premises or of the Building.

13.3 Tenant's Commercial General Liability Insurance

Tenant agrees to maintain in full force on or before the earlier of (i) the date on which any Tenant Party first enters the Premises for any reason or (ii) the Commencement Date, and thereafter throughout and until the end of the Lease Term, and after the end of the Lease Term for so long as any of Tenant's Property remains on the Premises, or Tenant or anyone acting by, through or under Tenant may use, be in occupancy of any part of, or have access to the Premises or any portion thereafter, a policy of commercial general liability insurance, on an occurrence basis, issued on a form at least as broad as Insurance Services Office ("ISO") Commercial General Liability Coverage "occurrence" form CG 00 01 10 01 or another Commercial General Liability "occurrence" form providing equivalent coverage. Such insurance shall include contractual liability coverage, specifically covering but not limited to the indemnification obligations undertaken by Tenant in this Lease. The minimum limits of liability of such insurance shall be Three Million Dollars (\$3,000,000) per occurrence, which may be satisfied through a combination of primary and excess/umbrella insurance. In addition, in the event Tenant hosts a function in the Premises, in the Building or on the Property, Tenant agrees to obtain, and cause any persons or parties providing services for such function to obtain, the appropriate insurance coverages as determined by Landlord (including liquor liability coverage, if applicable) and provide Landlord with evidence of the same.

13.4 Tenant's Property Insurance

Tenant shall maintain at all times during the Lease Term, and during such earlier or later time as Tenant may be performing work in or to the Premises or have property, fixtures, furniture, equipment, machinery, goods, supplies, wares or merchandise on the Premises, and continuing thereafter so long as any of Tenant's Property, remains on the Premises, or Tenant or anyone acting by, through or under Tenant may use, be in occupancy of or have access to, any part of the Premises, business interruption insurance and insurance against loss or damage covered by the so-called "all risk" or equivalent type insurance coverage with respect to (i) Tenant's property, fixtures, furniture, equipment, machinery, goods, supplies, wares and merchandise, and other property of Tenant located at the Premises, (ii) all additions, alterations and improvements made by or on behalf of the Tenant in the Premises (except to the extent paid for by Landlord in connection with this Lease) or existing in the Premises as of the date of this Lease ("Leasehold Improvements"), and (iii) any property of third parties, including but not limited to leased or rented property, in the Premises in Tenant's care, custody, use or control, provided that such insurance in the case of (iii) may be maintained by such third parties, (collectively, "Tenant's Property"). At the request of Landlord, Tenant shall provide to Landlord a detailed description of the Leasehold Improvements made by or on behalf of Tenant and the cost thereof. The business interruption insurance required by this section shall be in minimum amounts typically carried by prudent tenants engaged in similar operations, but in no event shall be in an amount less than the Annual Fixed Rent then in effect during any Lease Year, plus any Additional Rent due and payable for the immediately preceding Lease Year. The "all risk" insurance required by this section shall be in an amount at least equal to the full replacement cost of Tenant's Property. In addition, during such time as Tenant is performing work in or to the Premises, Tenant, at Tenant's expense, shall also maintain, or shall cause its contractor(s) to maintain, builder's risk insurance for the full insurable value of such work. Landlord and such additional persons or entities as Landlord may reasonably request shall be named as loss payees, as their interests may appear, on the policy or policies required by this section for Leasehold Improvements. In the event of loss or damage covered by the "all risk" insurance required by this Lease, the responsibilities for repairing or restoring the loss or damage shall be determined in accordance with Article XIV. To the extent that Landlord is obligated to pay for the repair or restoration of the loss or damage covered by the policy, Landlord shall be paid the proceeds of the "all risk" insurance covering the loss or damage. To the extent Tenant is obligated to pay for the repair or restoration of the loss or damage, covered by the policy, Tenant shall be paid the proceeds of the "all risk" insurance covering the loss or damage. If both Landlord and Tenant are obligated to pay for the repair or restoration of the loss or damage covered by the policy, the insurance proceeds shall be paid to each of them in the pro rata proportion of their obligations to repair or restore the loss or damage. If the loss or damage is not repaired or restored (for example, if the Lease is terminated pursuant to Article XIV),

the insurance proceeds shall be paid to Landlord and Tenant in the pro rata proportion of their relative contributions to the cost of the leasehold improvements covered by the policy.

13.5 Tenant's Other Insurance

Tenant agrees to maintain in full force on or before the earlier of (i) the date on which any Tenant Party first enters the Premises for any reason or (ii) the Commencement Date, and thereafter throughout the end of the Lease Term, and after the end of the Lease Term any of Tenant's Property remains on the Premises or as Tenant or anyone acting by, through or under Tenant may use, be in occupancy of, or have access to the Premises or any portion thereafter, (1) automobile liability insurance (covering any automobiles owned or operated by Tenant at the Building); (2) worker's compensation insurance as required by law; and (3) employer's liability insurance. Such automobile liability insurance shall be in an amount not less than One Million Dollars (\$1,000,000) for each accident. Such employer's liability insurance shall be in an amount not less than One Million Dollars (\$1,000,000) for each accident, One Million Dollars (\$1,000,000) disease-policy limit, and One Million Dollars (\$1,000,000) disease-each employee.

13.6 Requirements for Tenant's Insurance

All insurance required to be maintained by Tenant pursuant to this Lease shall be maintained with responsible companies that are admitted to do business, and are in good standing in the Commonwealth of Massachusetts and that have a rating of at least "A" and are within a financial size category of not less than "Class X" in the most current Best's Key Rating Guide or such similar rating as may be reasonably selected by Landlord. All such insurance shall: (1) be acceptable in form and content to Landlord; and (2) contain a clause requiring the insurer to provide Landlord thirty (30) days' prior written notice of cancellation or failure to renew. All commercial general liability, excess/umbrella liability and automobile liability insurance policies shall be primary and noncontributory. No such policy shall contain any self-insured retention greater than Twenty-Five Thousand Dollars (\$25,000.00) for property insurance and TwentyFive Thousand Dollars (\$25,000.00) for commercial general liability insurance. Any deductibles and such self-insured retentions shall be deemed to be "insurance" for purposes of the waiver in Section 13.13 below. Landlord reserves the right from time to time to require Tenant to obtain higher minimum amounts of insurance based on such limits as are customarily carried with respect to similar properties in the area in which the Premises are located. The minimum amounts of insurance required by this Lease shall not be reduced by the payment of claims or for any other reason. In the event Tenant shall fail to obtain or maintain any insurance meeting the requirements of this Article, or to deliver such policies or certificates as required by this Article, Landlord may, at its option, on five (5) days' notice to Tenant, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord within five (5) days after delivery to Tenant of bills therefor.

13.7 Additional Insureds

To the fullest extent permitted by law, the commercial general liability and auto insurance carried by Tenant pursuant to this Lease, and any additional liability insurance carried by Tenant pursuant to Section 13.5 of this Lease or any other provision of this Lease, shall name Landlord, Landlord's managing agent, and such other persons as Landlord may reasonably request from time to time as additional insureds with respect to liability arising out of or related to this Lease or the operations of Tenant (collectively "Additional Insureds"). Such insurance shall provide primary coverage without contribution from any other insurance carried by or for the benefit of Landlord, Landlord's managing agent, or other Additional Insureds. Such insurance shall also waive any right of subrogation against each Additional Insured. For the avoidance of doubt, each primary policy and each excess/umbrella policy through which Tenant satisfies its obligations under this Section 13.7 must provide coverage to the Additional Insureds that is primary and non-contributory.

13.8 Certificates of Insurance

On or before the earlier of (i) the date on which any Tenant Party first enters the Premises for any reason or (ii) the Commencement Date, Tenant shall furnish Landlord with certificates evidencing the insurance coverage required by this Lease, and renewal certificates shall be furnished to Landlord at least annually thereafter, and at least thirty (30) days prior to the expiration date of each policy for which a certificate was furnished (acceptable forms of such certificates for liability and property insurance, respectively, as of the date hereof, are attached as Exhibit H, however, other forms of certificates may satisfy the requirements of this Section 13.8). Failure by the Tenant to provide the certificates required by this Section 13.8 shall not be deemed to be a waiver of the requirements in this Section 13.8. Upon request by Landlord, a true and complete copy of any insurance policy required by this Lease shall be delivered to Landlord within ten (10) days following Landlord's request.

13.9 Subtenants and Other Occupants

Tenant shall require its subtenants and other occupants of the Premises to provide written documentation evidencing the obligation of such subtenant or other occupant to indemnify the Landlord Parties to the same extent that Tenant is required to indemnify the Landlord Parties pursuant to Section 13.1 above, and to maintain

insurance that meets the requirements of this Article, and otherwise to comply with the requirements of this Article, provided that the terms of this Section 13.9 shall not relieve Tenant of any of its obligations to comply with the requirements of this Article. Tenant shall require all such subtenants and occupants to supply certificates of insurance evidencing that the insurance requirements of this Article have been met and shall forward such certificates to Landlord on or before the earlier of (i) the date on which the subtenant first enters the Premises or (ii) the commencement of the sublease. Tenant shall be responsible for identifying and remedying any deficiencies in such certificates or policy provisions.

13.10 No Violation of Building Policies

Tenant shall not commit or permit any violation of the policies of fire, boiler, sprinkler, water damage or other insurance covering the Prudential Center and/or the fixtures, equipment and property therein carried by Landlord, or do or permit anything to be done, or keep or permit anything to be kept, in the Premises, which in case of any of the foregoing (i) would result in termination of any such policies, (ii) would adversely affect Landlord's right of recovery under any of such policies, or (iii) would result in reputable and independent insurance companies refusing to insure the Prudential Center or the property of Landlord in amounts reasonably satisfactory to Landlord.

13.11 Tenant to Pay Premium Increases

If, because of anything done, caused or permitted to be done, or omitted by Tenant (or its subtenant or other occupants of the Premises), the rates for liability, fire, boiler, sprinkler, water damage or other insurance on the Prudential Center or on the property and equipment of Landlord or any other tenant or subtenant in the Building shall be higher than they otherwise would be, Tenant shall reimburse Landlord and/or the other tenants and subtenants in the Building for the additional insurance premiums thereafter paid by Landlord or by any of the other tenants and subtenants in the Building which shall have been charged because of the aforesaid reasons, such reimbursement to be made from time to time on Landlord's demand.

13.12 Landlord's Insurance

- (a) Required insurance. Landlord shall maintain insurance against loss or damage with respect to the Building on an "all risk" or equivalent type insurance form, with customary exceptions, subject to such deductibles and self-insured retentions as Landlord may determine, in an amount equal to at least the replacement value of the Building. Landlord shall also maintain such insurance with respect to any improvements, alterations, and fixtures of Tenant located at the Premises to the extent paid for by Landlord. The cost of such insurance shall be treated as a part of Operating Expenses for the Building. Payment for losses thereunder shall be made solely to Landlord.
- (b) Optional insurance. Landlord may maintain such additional insurance with respect to the Building and the Prudential Center, including, without limitation, earthquake insurance, terrorism insurance, flood insurance, liability insurance and/or rent insurance, as Landlord may in its sole discretion elect. Landlord may also maintain such other insurance as may from time to time be required by the holder of any mortgage on the Building or the Prudential Center. The cost of all such additional insurance shall also be part of the Operating Expenses for the Building.
- (c) Blanket and self-insurance. Any or all of Landlord's insurance may be provided by blanket coverage maintained by Landlord or any affiliate of Landlord under its insurance program for its portfolio of properties, or by Landlord or any affiliate of Landlord under a program of self-insurance, and in such event Operating Expenses for the Building shall include the portion of the reasonable cost of blanket insurance or self-insurance that is allocated to the Building.
- (d) No obligation. Landlord shall not be obligated to insure, and shall not assume any liability of risk of loss for, Tenant's Property, including any such property or work of Tenant's subtenants or occupants. Landlord will also have no obligation to carry insurance against, nor be responsible for, any loss suffered by Tenant, subtenants or other occupants due to interruption of Tenant's or any subtenant's or occupant's business.

13.13 Waiver of Subrogation

To the fullest extent permitted by law, and notwithstanding any term or provision of this Lease to the contrary, the parties hereto waive and release any and all rights of recovery against the other, and agree not to seek to recover from the other or to make any claim against the other, and in the case of Landlord, against all Tenant Parties, and in the case of Tenant, against all Landlord Parties, for any loss or damage incurred by the waiving/releasing party to the extent such loss or damage is insured under any insurance policy required by this Lease or

which would have been so insured had the party carried the insurance it was required to carry hereunder. Tenant shall obtain from its subtenants and other occupants of the Premises a similar waiver and release of claims against any or all of Tenant or Landlord. In addition, the parties hereto (and in the case of Tenant, its subtenants and other occupants of the Premises) shall procure an appropriate clause in, or endorsement on, any insurance policy required by this Lease pursuant to which the insurance company waives subrogation. The insurance policies required by this Lease shall contain no provision that would invalidate or restrict the parties' waiver and release of the rights of recovery in this section. The parties hereto covenant that no insurer shall hold any right of subrogation against the parties hereto by virtue of such insurance policy.

13.14 Tenant's Work

During such times as Tenant is performing work or having work or services performed in or to the Premises, Tenant shall require its contractors, and their subcontractors of all tiers, to obtain and maintain commercial general liability, automobile, workers compensation, employer's liability, builder's risk, and equipment/property insurance in such amounts and on such terms as are customarily required of such contractors and subcontractors on similar projects. The amounts and terms of all such insurance are subject to Landlord's written approval, which approval shall not be unreasonably withheld. The commercial general liability and auto insurance carried by Tenant's contractors and their subcontractors of all tiers pursuant to this Section 13.14 shall name the Additional Insureds as additional insureds with respect to liability arising out of or related to their work or services. Such insurance shall provide primary coverage without contribution from any other insurance carried by or for the benefit of Landlord, Landlord's managing agent, or other Additional Insureds. Such insurance shall also waive any right of subrogation against each Additional Insured. Tenant shall obtain and submit to Landlord, prior to the earlier of (i) the entry onto the Premises by such contractors or subcontractors or (ii) commencement of the work or services, certificates of insurance evidencing compliance with the requirements of this Section 13.14.

ARTICLE XIV

Fire, Casualty and Taking

14.1 Damage Resulting from Casualty

In case the Building is damaged by fire or casualty, and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within one hundred twenty (120) days from the time that repair work would commence as reasonably determined by Landlord, Landlord may, at its election, terminate this Lease by notice given to Tenant within sixty (60) days after the date of such fire or other casualty, specifying the effective date of termination. The effective date of termination specified by Landlord shall not be less than thirty (30) days nor more than forty-five (45) days after the date of notice of such termination. Unless terminated pursuant to the foregoing provisions, this Lease shall remain in full force and effect following any such damage subject, however, to the following provisions.

If during the last Lease Year of the Lease Term (as it may have been extended), the Building shall be damaged by fire or casualty and such fire or casualty damage to the Premises cannot reasonably be expected to be repaired or restored within one hundred twenty (120) days from the time that repair or restoration work would commence as reasonably determined by Landlord, then Tenant shall have the right, by giving notice to Landlord not later than thirty (30) days after such damage, to terminate this Lease, whereupon this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

If the Building or any part thereof is damaged by fire or casualty and this Lease is not so terminated, or Landlord has no right to terminate this Lease, and in either such case the holder of any mortgage which includes the Building as a part of the mortgaged premises or any ground lessor of any ground lease which includes the Building as part of the demised premises allows the net insurance proceeds to be applied to the restoration of the Building, Landlord, promptly after such damage and the determination of the net amount of insurance proceeds available shall use due diligence to restore the Premises and the Building in the event of damage thereto (excluding Tenant's Property (as defined in Section 13.4 hereof)), except as expressly provided in the immediately following paragraph of this Section 14.1) into proper condition for use and occupation and a just proportion of the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess according to the nature and extent of the injury to the Premises shall be abated from the date of casualty until the Premises shall have been put by Landlord substantially into such condition. Notwithstanding the foregoing, Landlord shall not be obligated to expend for such repairs and restoration any amount in excess of the net insurance proceeds.

Notwithstanding the foregoing, if Landlord is proceeding with the restoration of the Building and the Premises in accordance with the previous paragraph, Landlord shall also restore any alterations, additions or improvements within the Premises that are part of Tenant's Property (x) which have previously been approved by Landlord in accordance with the terms and provisions of this Lease or which are existing in the Premises as of the date of this Lease, and (y) with respect to which Tenant has carried "all risk" insurance covering the loss or damage in accordance with Section 13.4 above and pays the proceeds of such insurance (or an amount equivalent thereto) to Landlord within five (5) business days following Landlord's written request); provided, however, that in no event shall Landlord be required to fund any insufficiency in the insurance proceeds (or equivalent amount) provided by Tenant with respect to such loss or damage (or to fund any of the costs of restoration in the absence of any payment by Tenant).

Where Landlord is obligated or otherwise elects to effect restoration of the Premises, unless such restoration is completed within one (1) year from the date of the casualty, such period to be subject, however, to extension where the delay in completion of such work is due to Force Majeure, as defined hereinbelow (but in no event beyond eighteen (18) months from the date of the casualty or taking), Tenant, as its sole and exclusive remedy, shall have the right to terminate this Lease at any time after the expiration of such one-year (as extended) period until the restoration is substantially completed, such termination to take effect as of the thirtieth (30th) day after the date of receipt by Landlord of Tenant's notice, with the same force and effect as if such date were the date originally established as the expiration date hereof unless, within such thirty (30) day period such restoration is substantially completed, in which case Tenant's notice of termination shall be of no force and effect and this Lease and the Lease Term shall continue in full force and effect. The term "Force Majeure" shall mean any prevention, delay or stoppage due to governmental regulation, strikes, lockouts, acts of God, acts of war, terrorists acts, civil commotions, unusual scarcity of or inability to obtain labor or materials, labor difficulties, fire or other casualty (including the time necessary to repair any damage caused thereby) or other causes reasonably beyond Landlord's control or attributable to Tenant's action or inaction.

14.2 Uninsured Casualty

Notwithstanding anything to the contrary contained in this Lease, if the Building or the Premises shall be substantially damaged by fire or casualty as the result of a risk not covered by the forms of casualty insurance at the time maintained by Landlord and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within thirty (30) days from the time that repair work would commence, Landlord may, at its election, terminate the Lease Term by notice to Tenant given within thirty (30) days after such loss. If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

14.3 Rights of Termination for Taking

If the Building, or such portion thereof as to render the balance (if reconstructed to the maximum extent practicable in the circumstances) unsuitable for Tenant's purposes, shall be taken by condemnation or right of eminent domain, Landlord or Tenant shall have the right to terminate this Lease by notice to the other of its desire to do so, provided that such notice is given not later than thirty (30) days after Tenant has been deprived of possession. If either party shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Further, if so much of the Building or Prudential Center shall be so taken that continued operation of the Building would be uneconomic, Landlord shall have the right to terminate this Lease by giving notice to Tenant of Landlord's desire to do so not later than thirty (30) days after Tenant has been deprived of possession of the Premises (or such portion thereof as may be taken). If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Should any part of the Premises be so taken or condemned during the Lease Term hereof, and should this Lease not be terminated in accordance with the foregoing provisions, and the holder of any mortgage which includes the Premises as part of the mortgaged premises or any ground lessor of any ground lease which includes the Premises as part of the demised premises allows the net condemnation proceeds to be applied to the restoration of the Building, Landlord agrees that after the determination of the net amount of condemnation proceeds available to Landlord, Landlord shall use due diligence to put what may remain of the Premises into proper condition for use and occupation as nearly like the condition of the Premises prior to such taking as shall be practicable (excluding Tenant's Property). Notwithstanding the foregoing, Landlord shall not be obligated to expend for such repair and restoration any amount in excess of the net condemnation proceeds made available to it.

If the Premises shall be affected by any exercise of the power of eminent domain and neither Landlord nor Tenant shall terminate this Lease as provided above, then the Annual Fixed Rent, the Operating Cost Excess and

the Tax Excess shall be justly and equitably abated and reduced according to the nature and extent of the loss of use thereof suffered by Tenant; and in case of a taking which permanently reduces the Rentable Floor Area of the Premises, a just proportion of the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess shall be abated for the remainder of the Lease Term.

14.4 Award

Except as otherwise provided in this Section 14.4, Landlord shall have and hereby reserves and excepts, and Tenant hereby grants and assigns to Landlord, all rights to recover for damages to the Building, the Prudential Center, and the Garage and the leasehold interest hereby created, and compensation accrued or hereafter to accrue by reason of such taking, damage or destruction, as aforesaid, and by way of confirming the foregoing, Tenant hereby grants and assigns, and covenants with Landlord to grant and assign to Landlord, all rights to such damages or compensation. However, nothing contained herein shall be construed to prevent Tenant from prosecuting in any such proceedings a claim for its trade fixtures so taken or relocation, moving and other dislocation expenses, provided that such action shall not affect the amount of compensation otherwise recoverable by Landlord from the taking authority.

ARTICLE XV

Default

15.1 Tenant's Default

This Lease and the Lease Term are subject to the limitation that Tenant shall be in default if, at any time during the Lease Term, any one or more of the following events (herein called an "Event of Default" a "default of Tenant" or similar reference) shall occur and not be cured prior to the expiration of the grace period (if any) herein provided, as follows:

- (a) Tenant shall fail to pay any installment of the Annual Fixed Rent, or any Additional Rent or any other monetary amount due under this Lease on or before the date on which the same becomes due and payable, and such failure continues for five (5) days after notice from Landlord thereof; or
- (b) Landlord having rightfully given the notice specified in (a) above to Tenant twice in any twelve (12) month period, Tenant shall fail thereafter to pay the Annual Fixed Rent, Additional Rent or any other monetary amount due under this Lease on or before the date on which the same becomes due and payable; or
- (c) Tenant shall assign its interest in this Lease or sublet any portion of the Premises in violation of the requirements of Article XII of this Lease; or
- (d) Tenant shall fail to perform or observe some term or condition of this Lease which, because of its character, would immediately jeopardize Landlord's interest (such as, but without limitation, failure to maintain general liability insurance, or the employment of labor and contractors within the Premises which interfere with Landlord's work, in violation of Sections 9.3, 11.2 or 11.10 or a failure to observe the requirements of Section 11.2), and such failure continues for three (3) days after notice from Landlord to Tenant thereof; or
- (e) Tenant shall fail to perform or observe any other requirement, term, covenant or condition of this Lease (not hereinabove in this Section 15.1 specifically referred to) on the part of Tenant to be performed or observed and such failure shall continue for thirty (30) days after notice thereof from Landlord to Tenant, or if said default shall reasonably require longer than thirty (30) days to cure, if Tenant shall fail to commence to cure said default within thirty (30) days after notice thereof and/or fail to continuously prosecute the curing of the same to completion with due diligence; or
- (f) The estate hereby created shall be taken on execution or by other process of law; or
- (g) Tenant shall make an assignment or trust mortgage arrangement, so-called, for the benefit of its creditors; or
- (h) Tenant shall judicially be declared bankrupt or insolvent according to law; or

- (i) a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of all or any substantial part of Tenant's property by a court of competent jurisdiction; or
- (j) any petition shall be filed against Tenant in any court, whether or not pursuant to any statute of the United States or of any State, in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceeding, and such proceedings shall not be fully and finally dismissed within sixty (60) days after the institution of the same; or
- (k) Tenant shall file any petition in any court, whether or not pursuant to any statute of the United States or any State, in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceeding; or
- (l) Tenant otherwise abandons or vacates the Premises.

15.2 Termination; Re-Entry

Upon the happening of any one or more of the aforementioned Events of Default (notwithstanding any waiver of a former breach of covenant or consent in a former instance), Landlord or Landlord's agents or servants may give to Tenant a notice (hereinafter called "notice of termination") terminating this Lease on a date specified in such notice of termination (which shall be not less than five (5) days after the date of the mailing of such notice of termination), and this Lease and the Lease Term, as well as any and all of the right, title and interest of the Tenant hereunder, shall wholly cease and expire on the date set forth in such notice of termination (Tenant hereby waiving any rights of redemption) in the same manner and with the same force and effect as if such date were the date originally specified herein for the expiration of the Lease Term, and Tenant shall then quit and surrender the Premises to Landlord.

In addition or as an alternative to the giving of such notice of termination, Landlord or Landlord's agents or servants may, by any suitable action or proceeding at law, immediately or at any time thereafter re-enter the Premises and remove therefrom Tenant, its agents, employees, servants, licensees, and any subtenants and other persons, and all or any of its or their property therefrom, and repossess and enjoy the Premises, together with all additions, alterations and improvements thereto; but, in any event under this Section 15.2, Tenant shall remain liable as hereinafter provided.

The words "re-enter" and "re-entry" as used throughout this Article XV are not restricted to their technical legal meanings.

15.3 Continued Liability; Re-Letting

- (A) If this Lease is terminated or if Landlord shall re-enter the Premises as aforesaid, or in the event of the termination of this Lease, or of re-entry, by or under any proceeding or action or any provision of law by reason of an Event of Default hereunder on the part of Tenant, Tenant covenants and agrees forthwith to pay and be liable for, on the days originally fixed herein for the payment thereof, amounts equal to the several installments of Annual Fixed Rent, all Additional Rent and other charges reserved as they would, under the terms of this Lease, become due if this Lease had not been terminated or if Landlord had not entered or re-entered, as aforesaid, and whether the Premises be relet or remain vacant, in whole or in part, or for a period less than the remainder of the Lease Term, or for the whole thereof, but, in the event the Premises be relet by Landlord, Tenant shall be entitled to a credit in the net amount of rent and other charges received by Landlord in reletting, after deduction of all reasonable expenses incurred in reletting the Premises (including, without limitation, remodeling costs, brokerage fees and the like), and in collecting the rent in connection therewith, in the following manner:

Amounts received by Landlord after reletting shall first be applied against such Landlord's expenses, until the same are recovered, and until such recovery, Tenant shall pay, as of each day when a payment would fall due under this Lease, the amount which Tenant is obligated to pay under the terms of this Lease (Tenant's liability prior to any such reletting and such recovery not in any way to be diminished as a result of the fact that such reletting might be for a rent higher than the rent provided for in this Lease); when and if such expenses have been completely recovered, the amounts received from reletting by Landlord as have not previously been applied shall be credited against Tenant's obligations as of each day when a payment would fall due under this Lease, and only the net amount thereof shall be payable by Tenant. Further, Tenant shall not be entitled to any credit of any kind for any period after the date when the Lease Term is scheduled to expire according to its terms.

- (B) Landlord agrees to use reasonable efforts to relet the Premises after Tenant vacates the same in the event this Lease is terminated based upon an Event of Default by Tenant hereunder. The marketing of the Premises in a manner similar to the manner in which Landlord markets other premises within Landlord's control within the Building shall be deemed to have satisfied Landlord's obligation to use "reasonable efforts" hereunder. In no event shall Landlord be required to (i) solicit or entertain negotiations with any other prospective tenant for the Premises until Landlord obtains full and complete possession of the Premises (including, without limitation, the final and unappealable legal right to relet the Premises free of any claim of Tenant), (ii) relet the Premises before leasing other vacant space in the Building, or (iii) lease the Premises for a rental less than the current fair market rent then prevailing for similar office space in the Building.
- (C) In the alternative, Landlord may elect, by notice given to Tenant at any time after the termination of this Lease under Section 15.2, above, and whether or not Landlord shall have collected any damages as hereinbefore provided in this Article XV, but as final damages and in lieu of all other such damages beyond the date of such notice, to require Tenant to pay such a sum as at the time of such notice represents the amount of the excess, if any, of (a) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges which would have been payable by Tenant under this Lease for the remainder of the Lease Term if the Lease terms had been fully complied with by Tenant, over and above (b) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges that would be received by Landlord if the Premises were re-leased at the time of such notice for the remainder of the Lease Term at the fair market value (including provisions regarding periodic increases in Annual Fixed Rent if such are applicable) prevailing at the time of such notice as reasonably determined by Landlord, plus all expenses which Landlord may have incurred with respect to the collection of such damages.

For the purposes of this Article, if Landlord elects to require Tenant to pay damages in accordance with this Section 15.3(C), the total rent shall be computed by assuming the Tax Excess under Section 6.2 and the Operating Cost Excess under Section 7.5 to be the same as were payable for the twelve (12) calendar months (or if less than twelve (12) calendar months have been elapsed since the date hereof, the partial year) immediately preceding such termination of re-entry.

- (D) Nothing contained in this Lease shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency by reason of the termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceeds in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

15.4 Liquidated Damages

In lieu of any other damages or indemnity and in lieu of the recovery by Landlord of all sums payable under all the foregoing provisions of this Article XV, Landlord may elect to collect from Tenant, by notice to Tenant, given to Tenant at the time of termination and Tenant shall thereupon pay, as liquidated damages, an amount equal to the sum of the Annual Fixed Rent and all Additional Rent payable for the twelve (12) months ended next prior to the such termination plus the amount of Annual Fixed Rent and Additional Rent of any kind accrued and unpaid at the time of such termination plus any and all expenses which the Landlord may have incurred for and with respect to the collection of any of such rent.

15.5 Waiver of Redemption

Tenant, for itself and any and all persons claiming through or under Tenant, including its creditors, upon the termination of this Lease and of the Lease Term in accordance with the terms hereof, or in the event of entry of judgment for the recovery of the possession of the Premises in any action or proceeding, or if Landlord shall enter the Premises by process of law or otherwise, hereby waives any right of redemption provided or permitted by any statute, law or decision now or hereafter in force, and does hereby waive, surrender and give up all rights or privileges which it or they may or might have under and by reason of any present or future law or decision, to redeem the Premises or for a continuation of this Lease for the Lease Term hereby demised after having been dispossessed or ejected therefrom by process of law, or otherwise.

15.6 Landlord's Default

Landlord shall in no event be in default in the performance of any of Landlord's obligations hereunder unless and until Landlord shall have failed to perform such obligations within thirty (30) days, or such additional time

as is reasonably required to correct any such default, after notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation.

Tenant shall not assert any right to deduct the cost of repairs or any monetary claim against the Landlord from rent thereafter due and payable, but shall look solely to the Landlord for satisfaction of such claim.

ARTICLE XVI

Miscellaneous Provisions

16.1 Waiver

No waiver by either party hereto of any condition of this Lease, nor any failure by Tenant to deliver any security deposit, letter of credit, pre-paid rent, financial information, guaranty or other item required upon the execution and delivery of this Lease, shall be construed as excusing satisfaction of any such condition or the delivery of any such item by the other party, and the waiving party reserves the right to declare the failure of the other party to satisfy any such condition or deliver any such item an Event of Default under this Lease.

Further, no waiver at any time of any of the provisions hereof by Landlord or Tenant shall be construed as a waiver of any of the other provisions hereof, and a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval of Landlord or Tenant to or of any action by the other requiring such consent or approval shall not be construed to waive or render unnecessary Landlord's or Tenant's consent or approval to or of any subsequent similar act by the other.

No payment by Tenant, or acceptance by Landlord, of a lesser amount than shall be due from Tenant to Landlord shall be treated otherwise than as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant. Further, the acceptance by Landlord of Annual Fixed Rent, Additional Rent or any other charges paid by Tenant under this Lease shall not be or be deemed to be a waiver by Landlord of any default by Tenant, whether or not Landlord knows of such default, except for such defaults as to which such payment relates.

16.2 Cumulative Remedies

Except as expressly provided in this Lease, the specific remedies to which Landlord and Tenant may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress which they may be lawfully entitled to seek in case of any breach or threatened breach of any provisions of this Lease. In addition to the other remedies provided in this Lease, Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the covenants, conditions or provisions of this Lease or to seek specific performance of any such covenants, conditions or provisions, provided, however, that the foregoing shall not be construed as a confession of judgment by Tenant.

16.3 Quiet Enjoyment

This Lease is subject and subordinate to all matters of record. Landlord agrees that, upon Tenant's paying the Annual Fixed Rent, Additional Rent and other charges herein reserved, and performing and observing the covenants, conditions and agreements hereof upon the part of Tenant to be performed and observed, Tenant shall and may peaceably hold and enjoy the Premises during the Lease Term (exclusive of any period during which Tenant is holding over after the expiration or termination of this Lease without the consent of Landlord), without interruption or disturbance from Landlord or persons claiming through or under Landlord, subject, however, to the terms of this Lease. This covenant shall be construed as running with the land to and against subsequent owners and successors in interest, and is not, nor shall it operate or be construed as, a personal covenant of Landlord, except to the extent of the Landlord's interest in the Premises, and this covenant and any and all other covenants of Landlord contained in this Lease shall be binding upon Landlord and upon such subsequent owners or successors in interest of Landlord's interest under this Lease, including ground or master lessees, to the extent of their respective interests, as and when they shall acquire same and then only for so long as they shall retain such interest.

16.4 Surrender

- (A) No act or thing done by Landlord during the Lease Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid, unless in writing signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys of the Premises as an acceptance of a surrender of the Premises prior to the termination of this Lease; provided, however, that the foregoing shall not apply to the delivery of keys to Landlord or its agents in its (or their) capacity as managing

agent or for purpose of emergency access. In any event, however, the delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of the Lease or a surrender of the Premises.

- (B) Upon the expiration or earlier termination of the Lease Term, Tenant shall surrender the Premises to Landlord in the condition as required by Sections 8.1 and 9.5, first removing all goods and effects of Tenant and completing such other removals as may be permitted or required pursuant to Section 9.5.

16.5 Brokerage

- (A) Tenant warrants and represents that Tenant has not dealt with any broker in connection with the consummation of this Lease other than the broker, person or firm designated in Section 1.1 hereof; and in the event any claim is made against the Landlord relative to dealings with brokers other than the broker designated in Section 1.1 hereof, Tenant shall defend the claim against Landlord with counsel of Landlord's selection first reasonably approved by Tenant and save harmless and indemnify Landlord on account of loss, cost or damage which may arise by reason of such claim.
- (B) Landlord warrants and represents that Landlord has not dealt with any broker in connection with the consummation of this Lease other than the broker, person or firm, if any, designated in Section 1.1 hereof; and in the event any claim is made against the Tenant relative to dealings by Landlord with brokers other than the broker designated in Section 1.1 hereof, Landlord shall defend the claim against Tenant with counsel of Tenant's first reasonably approved by Landlord selection and save harmless and indemnify Tenant on account of loss, cost or damage which may arise by reason of such claim. Landlord agrees that it shall be solely responsible for the payment of brokerage commissions to the broker, person or firm designated in Section 1.1 hereof in connection with the Original Lease Term.

16.6 Invalidity of Particular Provisions

If any term or provision of this Lease, including but not limited to any waiver of contribution or claims, indemnity, obligation, or limitation of liability or of damages, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

16.7 Provisions Binding, Etc.

The obligations of this Lease shall run with the land, and except as herein otherwise provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant and, if Tenant shall be an individual, upon and to his heirs, executors, administrators, successors and assigns. Each term and each provision of this Lease to be performed by Tenant shall be construed to be both a covenant and a condition. The reference contained to successors and assigns of Tenant is not intended to constitute a consent to assignment by Tenant, but has reference only to those instances in which Landlord may have later given consent to a particular assignment as required by the provisions of Article XII hereof.

16.8 Recording; Confidentiality

Each of Landlord and Tenant agree not to record the within Lease, but each party hereto agrees, on the request of the other, to execute a so-called Notice of Lease or short form lease in form recordable and complying with applicable law and reasonably satisfactory to Landlord's and Tenant's attorneys. In no event shall such document set forth the rent or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

Each party hereto agrees that this Lease, the terms contained herein, and all information referring to this Lease obtained prior to execution of this Lease and within the Lease Term will be treated as strictly confidential and except as required by law or any applicable securities exchange, and except as required in connection with any enforcement of the terms of this Lease, neither party shall disclose the same to any third party without the prior written consent of the other party, other than to the disclosing party's partners, lenders, accountants and attorneys who have been advised of the confidentiality provisions contained herein and agree to be bound by the same. In the event Tenant is required by law to provide this Lease or disclose any of its terms, Tenant shall give Landlord prompt notice of such requirement prior to making disclosure so that Landlord may seek an appropriate protective order. If failing the entry of a protective order

Tenant is compelled to make disclosure, Tenant shall only disclose portions of the Lease which Tenant is required to disclose and will exercise reasonable efforts to obtain assurance that confidential treatment will be accorded to the information so disclosed.

The obligation not to disclose confidential information shall continue throughout the Lease Term and for one (1) year after the expiration or earlier termination of this Lease.

16.9 Notices and Time for Action

Whenever, by the terms of this Lease, notice shall or may be given either to Landlord or to Tenant, such notices shall be in writing and shall be sent by hand, registered or certified mail, or overnight or other commercial courier, postage or delivery charges, as the case may be, prepaid as follows:

If intended for Landlord, addressed to Landlord at the address set forth in Article I of this Lease (or to such other address or addresses as may from time to time hereafter be designated by Landlord by like notice) with a copy to Landlord, Attention: Regional General Counsel.

If intended for Tenant, addressed to Tenant at the address set forth in Article I of this Lease except that from and after the Commencement Date the address of Tenant shall be the Premises (or to such other address or addresses as may from time to time hereafter be designated by Tenant by like notice).

Except as otherwise provided herein, all such notices shall be effective when received; provided, that (i) if receipt is refused, notice shall be effective upon the first occasion that such receipt is refused, (ii) if the notice is unable to be delivered due to a change of address of which no notice was given, notice shall be effective upon the date such delivery was attempted, (iii) if the notice address is a post office box number, notice shall be effective the day after such notice is sent as provided hereinabove or (iv) if the notice is to a foreign address, notice shall be effective two (2) days after such notice is sent as provided hereinabove.

Where provision is made for the attention of an individual or department, the notice shall be effective only if the wrapper in which such notice is sent is addressed to the attention of such individual or department.

Any notice given by an attorney on behalf of Landlord or by Landlord's managing agent shall be considered as given by Landlord and shall be fully effective. Any notice given by an attorney on behalf of Tenant shall be considered as given by Tenant and shall be fully effective.

Time is of the essence with respect to any and all notices and periods for giving of notice or taking any action thereto under this Lease.

16.10 When Lease Becomes Binding and Authority

Employees or agents of Landlord have no authority to make or agree to make a lease or any other agreement or undertaking in connection herewith. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein and may be modified or altered only by written agreement between Landlord and Tenant, and no act or omission of any employee or agent of Landlord shall alter, change or modify any of the provisions hereof. Landlord and Tenant hereby represent and warrant to the other that all necessary action has been taken to enter this Lease and that the person signing this Lease on behalf of Landlord and Tenant has been duly authorized to do so.

16.11 Paragraph Headings

The paragraph headings throughout this instrument are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Lease.

16.12 Rights of Mortgagee

This Lease shall be subject and subordinate to any mortgage now or hereafter on the Building (or any part thereof), and to all renewals, modifications, consolidations, replacements and extensions thereof and all substitutions therefor, provided that in the case of a future mortgage the holder of such mortgage agrees to recognize the right of Tenant to use and occupy the Premises upon the payment of rent and other charges payable by Tenant under this Lease and the performance by Tenant of Tenant's obligations hereunder. In confirmation of such subordination and recognition, Tenant shall execute and deliver promptly such instruments of subordination as such mortgagee may reasonably request, subject to receipt of such instruments of recognition from such mortgagee as Tenant may reasonably request (Tenant hereby agreeing to pay any legal or other fees charged by the mortgagee in connection with providing the same). In the event that any mortgagee or its respective successor in title shall succeed to the interest of Landlord, then this Lease shall nevertheless continue in full force and effect and Tenant shall and does hereby agree to attorn to such mortgagee or successor and to recognize such mortgagee or successor as its landlord. If any holder of a mortgage which includes the Premises, executed and

recorded prior to the Date of this Lease, shall so elect, this Lease, and the rights of Tenant hereunder, shall be superior in right to the rights of such holder, with the same force and effect as if this Lease had been executed, delivered and recorded, or a statutory notice hereof recorded, prior to the execution, delivery and recording of any such mortgage. The election of any such holder shall become effective upon either notice from such holder to Tenant in the same fashion as notices from Landlord to Tenant are to be given hereunder or by the recording in the appropriate registry or recorder's office of an instrument in which such holder subordinates its rights under such mortgage to this Lease.

If in connection with obtaining financing a bank, insurance company, pension trust or other institutional lender shall request reasonable modifications in this Lease as a condition to such financing, Tenant will not unreasonably withhold, delay or condition its consent thereto, provided that such modifications do not increase the monetary obligations of Tenant hereunder or materially adversely affect the leasehold interest hereby created or Tenant's rights hereunder.

16.13 Rights of Ground Lessor

If Landlord's interest in property (whether land only or land and buildings) which includes the Premises is acquired by another party and simultaneously leased back to Landlord herein, the holder of the ground lessor's interest in such lease shall enter into a recognition agreement with Tenant simultaneously with the sale and leaseback, wherein the ground lessor will agree to recognize the right of Tenant to use and occupy the Premises upon the payment of Annual Fixed Rent, Additional Rent and other charges payable by Tenant under this Lease and the performance by Tenant of Tenant's obligations hereunder, and wherein Tenant shall agree to attorn to such ground lessor as its Landlord and to perform and observe all of the tenant obligations hereunder, in the event such ground lessor succeeds to the interest of Landlord hereunder under such ground lease.

16.14 Notice to Mortgagee and Ground Lessor

After receiving notice from any person, firm or other entity that it holds a mortgage which includes the Premises as part of the mortgaged premises, or that it is the ground lessor under a lease with Landlord as ground lessee, which includes the Premises as a part of the leased premises, no notice from Tenant to Landlord shall be effective unless and until a copy of the same is given to such holder or ground lessor at the address as specified in said notice (as it may from time to time be changed), and the curing of any of Landlord's defaults by such holder or ground lessor within a reasonable time after such notice (including a reasonable time to obtain possession of the premises if the mortgagee or ground lessor elects to do so) shall be treated as performance by Landlord. For the purposes of this Section 16.14, the term "mortgage" includes a mortgage on a leasehold interest of Landlord (but not one on Tenant's leasehold interest). If any mortgage is listed on Exhibit F then the same shall constitute notice from the holder of such mortgage for the purposes of this Section 16.14.

16.15 Assignment of Rents

With reference to any assignment by Landlord of Landlord's interest in this Lease, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of a mortgage or ground lease on property which includes the Premises, Tenant agrees:

- (a) That the execution thereof by Landlord, and the acceptance thereof by the holder of such mortgage, or the ground lessor, shall never be treated as an assumption by such holder or ground lessor of any of the obligations of Landlord hereunder, unless such holder, or ground lessor, shall, by notice sent to Tenant, specifically otherwise elect; and
 - (b) That, except as aforesaid, such holder or ground lessor shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of such holder's mortgage and the taking of possession of the Premises, or, in the case of a ground lessor, the assumption of Landlord's position hereunder by such ground lessor. In no event shall the acquisition of title to the Building and the land on which the same is located by a purchaser which, simultaneously therewith, leases the entire Building or such land back to the seller thereof be treated as an assumption, by operation of law or otherwise, of Landlord's obligations hereunder, but Tenant shall look solely to such seller-lessee, and its successors from time to time in title, for performance of Landlord's obligations hereunder. In any such event, this Lease shall be subject and subordinate to the lease to such purchaser provided that such purchaser-lessor agrees to recognize the right of Tenant to use and occupy the Premises upon the payment of rent and all other charges payable by Tenant under this Lease and the performance by Tenant of Tenant's obligations under this Lease. For all purposes, such seller-lessee, and its successors in title, shall be the landlord hereunder unless and until Landlord's position shall have been assumed by such purchaser-lessor.
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16.16 Status Report and Financial Statements

Recognizing that Landlord may find it necessary to establish to third parties, such as accountants, banks, potential or existing mortgagees, potential purchasers or the like, the then current status of performance hereunder, Tenant, within ten (10) days after the request of Landlord made from time to time, will furnish to Landlord, or any existing or potential holder of any mortgage encumbering the Premises, the Building or the Prudential Center, or any potential purchaser of the Premises, the Building, or the Prudential Center (each an "Interested Party") a statement of the status of any matter pertaining to this Lease, including, without limitation, acknowledgments that (or the extent to which) each party is in compliance with its obligations under the terms of this Lease. In addition, Tenant shall deliver to Landlord, or any Interested Party designated by Landlord, financial statements of Tenant, and any guarantor of Tenant's obligations under this Lease, as reasonably requested by Landlord including, but not limited to, financial statements for the past three (3) years. Any such status statement or financial statement delivered by Tenant pursuant to this Section 16.16 (or any financial statement otherwise delivered by Tenant in connection with this Lease or any future amendment hereto) may be relied upon by any Interested Party.

16.17 Self-Help

If Tenant shall at any time fail to make any payment or perform any act which Tenant is obligated to make or perform under this Lease and (except in the case of emergency) if the same continues unpaid or unperformed beyond applicable grace periods, then Landlord may, but shall not be obligated so to do, after ten (10) days' notice to and demand upon Tenant, or without notice to or demand upon Tenant in the case of any emergency, and without waiving, or releasing Tenant from, any obligations of Tenant in this Lease contained, make such payment or perform such act which Tenant is obligated to perform under this Lease in such manner and to such extent as may be reasonably necessary, and, in exercising any such rights, pay any costs and expenses, employ counsel and incur and pay reasonable attorneys' fees. All sums so paid by Landlord and all reasonable and necessary costs and expenses of Landlord incidental thereto, together with interest thereon at the annual rate equal to the sum of (a) the Base Rate from time to time announced by Bank of America, N.A. or its successor as its Base Rate and (b) two percent (2%) (but in no event greater than the maximum rate permitted by applicable law), from the date of the making of such expenditures by Landlord, shall be deemed to be Additional Rent and, except as otherwise in this Lease expressly provided, shall be payable to the Landlord on demand, and if not promptly paid shall be added to any rent then due or thereafter becoming due under this Lease, and Tenant covenants to pay any such sum or sums with interest as aforesaid, and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of Annual Fixed Rent.

16.18 Holding Over

Any holding over by Tenant after the expiration or earlier termination of the Lease Term shall be treated as a tenancy at sufferance and shall be on the terms and conditions as set forth in this Lease, as far as applicable except that Tenant shall pay as a use and occupancy charge an amount equal to 200% of the greater of (x) the Annual Fixed Rent and Additional Rent calculated (on a daily basis) at the highest rate payable under the terms of this Lease or (y) the fair market rental value of the Premises, in each case for the period measured from the day on which Tenant's hold-over commences and terminating on the day on which Tenant vacates the Premises. In addition, Tenant shall save Landlord, its agents and employees harmless and will exonerate, defend and indemnify Landlord, its agents and employees from and against any and all damages which Landlord may suffer on account of Tenant's hold-over in the Premises after the expiration or prior termination of the Lease Term. Nothing in the foregoing nor any other term or provision of this Lease shall be deemed to permit Tenant to retain possession of the Premises or hold over in the Premises after the expiration or earlier termination of the Lease Term. All property which remains in the Building or the Premises after the expiration or termination of this Lease shall be conclusively deemed to be abandoned and may either be retained by Landlord as its property or sold or otherwise disposed of in such manner as Landlord may see fit. If any part thereof shall be sold, then Landlord may receive the proceeds of such sale and apply the same, at its option against the expenses of the sale, the cost of moving and storage, any arrears of rent or other charges payable hereunder by Tenant to Landlord and any damages to which Landlord may be entitled under this Lease and at law and in equity.

16.19 Entry by Landlord

Landlord, and its duly authorized representatives, shall, upon reasonable prior notice (except in the case of emergency), have the right to enter the Premises at all reasonable times (except at any time in the case of emergency) for the purposes of inspecting the condition of same and making such repairs, alterations, additions or improvements thereto as may be necessary if Tenant fails to do so as required hereunder (but the Landlord shall have no duty whatsoever to make any such inspections, repairs, alterations, additions or improvements except as otherwise provided in Sections 4.1, 7.1 and 7.2), and to show the Premises to prospective tenants

during the twelve (12) months preceding expiration of the Lease Term as it may have been extended and at any reasonable time during the Lease Term to show the Premises to prospective purchasers and mortgagees.

In the event Tenant sends a notice alleging the existence of a dangerous or unsafe condition, any requirements for prior notice or limitations on Landlord's access to the Premises contained in this Lease shall be deemed waived by Tenant so that Landlord may immediately exercise its rights under this Section 16.19 and Section 16.17 in such manner as Landlord deems necessary in its sole discretion to remedy such dangerous or unsafe condition.

16.20 Tenant's Payments

Each and every payment and expenditure, other than Annual Fixed Rent, shall be deemed to be Additional Rent hereunder, whether or not the provisions requiring payment of such amounts specifically so state, and shall be payable, unless otherwise provided in this Lease, within ten (10) days after written demand by Landlord, and in the case of the non-payment of any such amount, Landlord shall have, in addition to all of its other rights and remedies, all the rights and remedies available to Landlord hereunder or by law in the case of non-payment of Annual Fixed Rent. Unless expressly otherwise provided in this Lease, the performance and observance by Tenant of all the terms, covenants and conditions of this Lease to be performed and observed by Tenant shall be at Tenant's sole cost and expense. If Tenant has not objected to any statement of Additional Rent which is rendered by Landlord to Tenant within ninety (90) days after Landlord has rendered the same to Tenant, then the same shall be deemed to be a final account between Landlord and Tenant not subject to any further dispute. In the event that Tenant shall seek Landlord's consent or approval under this Lease, then Tenant shall reimburse Landlord, upon demand, as Additional Rent, for all reasonable costs and expenses, including legal and architectural costs and expenses, incurred by Landlord in processing such request, whether or not such consent or approval shall be given. Notwithstanding anything in this Lease to the contrary, if Landlord or any affiliate of Landlord has elected to qualify as a real estate investment trust ("REIT"), any service required or permitted to be performed by Landlord pursuant to this Lease, the charge or cost of which may be treated as impermissible tenant service income under the laws governing a REIT, may be performed by a taxable REIT subsidiary that is affiliated with either Landlord or Landlord's property manager, an independent contractor of Landlord or Landlord's property manager (the "Service Provider"). If Tenant is subject to a charge under this Lease for any such service, then, at Landlord's direction, Tenant will pay such charge either to Landlord for further payment to the Service Provider or directly to the Service Provider, and, in either case, (i) Landlord will credit such payment against Additional Rent due from Tenant under this Lease for such service, and (ii) such payment to the Service Provider will not relieve Landlord from any obligation under the Lease concerning the provisions of such service.

16.21 Late Payment

If Landlord shall not have received any payment or installment of Annual Fixed Rent or Additional Rent (the "Outstanding Amount") on or before the date on which the same first becomes payable under this Lease (the "Due Date"), the amount of such payment or installment shall incur a late charge equal to the sum of: (a) five percent (5%) of the Outstanding Amount for administration and bookkeeping costs associated with the late payment and (b) interest on the Outstanding Amount from the Due Date through and including the date such payment or installment is received by Landlord, at a rate equal to the lesser of (i) the rate announced by Bank of America, N.A. (or its successor) from time to time as its prime or base rate (or if such rate is no longer available, a comparable rate reasonably selected by Landlord), plus two percent (2%), or (ii) the maximum applicable legal rate, if any. Such interest shall be deemed Additional Rent and shall be paid by Tenant to Landlord upon demand.

16.22 Counterparts

This Lease may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument.

16.23 Entire Agreement

This Lease constitutes the entire agreement between the parties hereto, Landlord's managing agent and their respective affiliates with respect to the subject matter hereof and thereof and supersedes all prior dealings between them with respect to such subject matter, and there are no verbal or collateral understandings, agreements, representations or warranties not expressly set forth in this Lease. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant, unless reduced to writing and signed by the party or parties to be charged therewith.

16.24 Landlord Liability

Tenant shall neither assert nor seek to enforce any claim for breach of this Lease against any of Landlord's assets other than Landlord's interest in the Building, and Tenant agrees to look solely to such interest for the satisfaction of any liability of Landlord under this Lease, it being specifically agreed that neither Landlord, nor

any successor holder of Landlord's interest hereunder, nor any beneficiary of any Trust of which any person from time to time holding Landlord's interest is Trustee, nor any such Trustee, nor any member, manager, partner, director or stockholder nor Landlord's managing agent shall ever be personally liable for any such liability. This paragraph shall not limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or Landlord's successors-in-interest, or to take any other action which shall not involve the personal liability of Landlord, or of any successor holder of Landlord's interest hereunder, or of any beneficiary of any trust of which any person from time to time holding Landlord's interest is Trustee, or of any such Trustee, or of any manager, member, partner, director or stockholder of Landlord or of Landlord's managing agent, to respond in monetary damages from Landlord's assets other than Landlord's interest in said Building, as aforesaid, but in no event shall Tenant have the right to terminate or cancel this Lease or to withhold rent or to set-off any claim or damages against rent as a result of any default by Landlord or breach by Landlord of its covenants or any warranties or promises hereunder, except in the case of a wrongful eviction of Tenant from the demised premises (constructive or actual) by Landlord continuing after notice to Landlord thereof and a reasonable opportunity for Landlord to cure the same.

In the event that Landlord shall be determined to have wrongfully withheld any consent or approval under this Lease, the sole recourse and remedy of the Tenant in respect thereof shall be to specifically enforce Landlord's obligation to grant such consent or approval, and in no event shall the Landlord be responsible for any damages of whatever nature in respect of its failure to give such consent or approval nor shall the same otherwise affect the obligations of the Tenant under this Lease or act as any termination of this Lease.

In no event shall Landlord or Tenant ever be liable to the other party for any indirect or consequential damages, or for loss of profits or the like suffered from whatever cause; provided however, the foregoing shall not in any way apply to or otherwise limit Landlord's remedies with respect to any hold over of Tenant after the expiration or earlier termination of this Lease.

16.25 No Partnership

The relationship of the parties hereto is that of landlord and tenant and no partnership, joint venture or participation is hereby created.

16.26 Letter of Credit

Concurrently with the execution of this Lease, Tenant shall pay to Landlord a security deposit in the amount of Eighty-Eight Thousand Thirteen and 67/100 Dollars (\$88,013.67) and Landlord shall hold the same, throughout the Lease Term, unless sooner returned to Tenant as provided in this Section 16.26, as security for the performance by Tenant of all obligations on the part of Tenant to be performed under this Lease. Such deposit shall be in the form of an irrevocable, unconditional, negotiable letter of credit (the "Letter of Credit"). The Letter of Credit shall (i) be issued by and drawn on a bank reasonably approved by Landlord and at a minimum having a long term issuer credit rating from Standard and Poor's Professional Rating Service of A or a comparable rating from Moody's Professional Rating Service, (ii) be substantially in the form attached hereto as Exhibit G, (iii) permit one or more draws thereunder to be made accompanied only by certification by Landlord or Landlord's managing agent that pursuant to the terms of this Lease, Landlord is entitled to draw upon such Letter of Credit, (iv) permit transfers at any time without charge, (v) permit presentment in Boston, Massachusetts and (vi) provide that any notices to Landlord be sent to the notice address provided for Landlord in this Lease. If the credit rating for the issuer of such Letter of Credit falls below the standard set forth in (i) above or if the financial condition of such issuer changes in any other material adverse way or if any trustee, receiver or liquidator shall be appointed for the issuer, Landlord shall have the right to require that Tenant provide a substitute letter of credit that complies in all respects with the requirements of this Section, and Tenant's failure to provide the same within thirty (30) days following Landlord's written demand therefor shall entitle Landlord to immediately draw upon the Letter of Credit. Any such Letter of Credit shall be for a term of two (2) years (or for one (1) year if the issuer thereof regularly and customarily only issues letters of credit for a maximum term of one (1) year) and shall in either case provide for automatic renewals through the date which is ninety

(90) days subsequent to the scheduled expiration of this Lease (as the same may be extended). Any failure or refusal of the issuer to honor the Letter of Credit shall be at Tenant's sole risk and shall not relieve Tenant of its obligations hereunder with regard to the security deposit. Upon the occurrence of any default of Tenant, Landlord shall have the right from time to time without prejudice to any other remedy Landlord may have on account thereof, to draw on all or any portion of such deposit held as a Letter of Credit and to apply the proceeds of such Letter of Credit or any cash held as such deposit, or any part thereof, to Landlord's damages arising from such default on the part of Tenant under the terms of this Lease. If Landlord so applies all or any portion of such deposit, Tenant shall within seven (7) days after notice from Landlord deposit cash with Landlord in an amount sufficient to restore such deposit to the full amount stated in this Section 16.26. While Landlord holds any cash

deposit Landlord shall have no obligation to pay interest on the same and shall have the right to commingle the same with Landlord's other funds. Neither the holder of a mortgage nor the Landlord in a ground lease on property which includes the Premises shall ever be responsible to Tenant for the return or application of any such deposit, whether or not it succeeds to the position of Landlord hereunder, unless such deposit shall have been received in hand by such holder or ground Landlord.

Tenant not then being in default and having performed all of its obligations under this Lease, including the payment of all Annual Fixed Rent, Landlord shall return the deposit, or so much thereof as shall not have theretofore been applied in accordance with the terms of this Section 16.26, to Tenant on the expiration or earlier termination of the Lease Term (as the same may have been extended) and surrender possession of the Premises by Tenant to Landlord in the condition required in the Lease at such time.

16.27 Signage

Landlord shall install, at its sole cost and expense, Building-standard multi-tenant directional signage for Tenant within the elevator lobby on the twenty-fourth (24th) floor of the Building. Subject to Landlord's prior approval as to location, size and design, Tenant may install, at its sole cost and expense, identification signage at the entrance to the Premises. Tenant shall be obligated to remove such identification signage at the expiration or termination of the Lease Term and to repair any damage caused by such removal.

16.28 Governing Law

This Lease shall be governed exclusively by the provisions hereof and by the law of The Commonwealth of Massachusetts, as the same may from time to time exist.

16.29 Waiver of Trial by Jury

To induce Landlord to enter into this Lease, the Tenant hereby waives any right to trial by jury in any action, proceeding or counterclaim brought by either Landlord or Tenant on any matters whatsoever arising out of or any way connected with this Lease, the relationship of the Landlord and the Tenant, the Tenant's use or occupancy of the premises and/or any claim of injury or damage, including but not limited to, any summary process eviction action.

16.30 Electronic Signatures

The parties acknowledge and agree that this Lease may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.

EXECUTED in two or more counterparts offered by persons or officers hereunto duly authorized on the Date set forth in Section 1.1 above.

WITNESS:

/s/ Victor L. Paslin

LANDLORD:

BP PRUCENTER ACQUISITION LLC, a Delaware limited liability company

BY: BOSTON PROPERTIES LIMITED PARTNERSHIP, a Delaware Limited Partnership, its sole member

BY: BOSTON PROPERTIES, INC., a Delaware corporation, its general partner

BY: /s/ David C. Provost

Name: David C. Provost

Title: SVP

WITNESS:

/s/ Ainella Mussina

TENANT:

SEMRUSH INC., a Delaware Corporation

By: /s/ Dmitry Melnikov

Name: Dmitry Melnikov

Title: COO

Hereunto duly authorized

EXHIBIT A

LEGAL DESCRIPTION

A parcel of land situated in the City of Boston, County of Suffolk, Commonwealth of Massachusetts, known as and numbered 800, 800A, 800D, 800F (a/k/a 85-101 Huntington Avenue), and 800H (a/k/a 103-111 Huntington Avenue) Boylston Street, and shown as Lot 20 on that certain plan entitled "Prudential Center – Subdivision Plan of Land in Boston, Massachusetts, Suffolk County," dated June 21, 2011, prepared by DGT Survey Group, a division of Digital Geographic Technologies, Inc., and recorded with the Suffolk County Registry of Deeds in Plan Book 2011, Page 242.

CONFIGURATION OF PREMISES



EXHIBIT B

Page 1
Exhibit B
LANDLORD SERVICES

I. CLEANING:

Cleaning and janitor services as provided below:

A. OFFICE AREAS:

Daily: (Monday through Friday, inclusive, holidays observed by the cleaning company excepted).

1. Empty all waste receptacles and ashtrays and remove waste material from the Premises; wash receptacles as necessary.
2. Sweep and dust mop all uncarpeted areas using a dust-treated mop.
3. Vacuum all rugs and carpeted areas.
4. Hand dust and wipe clean with treated cloths all horizontal surfaces, including furniture, office equipment, window sills, door ledges, chair rails, and convector tops, within normal reach.
5. Wash clean all water fountains and sanitize.
6. Move and dust under all desk equipment and telephones and replace same (but not computer terminals, specialized equipment or other materials).
7. Wipe clean all chrome and other bright work.
8. Hand dust grill work within normal reach.
9. Main doors to premises shall be locked and lights shut off upon completion of cleaning.

Weekly:

1. Dust coat racks and the like.
2. Spot clean entrance doors, light switches and doorways.

Quarterly:

1. Render high dusting not reached in daily cleaning to include:
 - a) dusting all pictures, frames, charts, graphs and similar wall hangings.
 - b) dusting of all vertical surfaces, such as walls, partitions, doors and door frames, etc.
 - c) dusting all pipes, ducts and moldings.
 - d) dusting of all vertical blinds.
 - e) dust all ventilating, air conditioning, louvers and grills.
-

2. Spray buff all resilient floors.
- B. LAVATORIES:

Daily: (Monday through Friday, inclusive, holidays observed by the cleaning company excepted).

1. Sweep and damp mop.
2. Clean all mirrors, powder shelves, dispensers and receptacles, bright work, flushometers, piping and toilet seat hinges.
3. Wash both sides of all toilet seats.
4. Wash all basins, bowls and urinals.
5. Dust and clean all powder room fixtures.
6. Empty and clean paper towel and sanitary disposal receptacles.
7. Remove waste paper and refuse.
8. Refill tissue holders, soap dispensers, towel dispensers, sanitary dispensers; materials to be furnished by Landlord.

Monthly:

1. Machine scrub lavatory floors.
2. Wash all partitions and tile walls in lavatories.
3. Dust all lighting fixtures and grills in lavatories.

C. MAIN LOBBIES, ELEVATORS, STAIRWELLS AND COMMON CORRIDORS:

Daily: (Monday through Friday, inclusive, holidays observed by the cleaning company excepted).

1. Sweep and damp mop all floors, empty and clean waste receptacles, dispose of waste.
2. Clean elevators, wash or vacuum floors, wipe down walls and doors.
3. Spot clean any metal work inside lobbies.
4. Spot clean any metal work surrounding building entrance doors.
5. Sweep all stairwells and dust handrails.

Monthly:

1. All resilient tile floors in public areas to be spray buffed.
- D. WINDOW CLEANING:

All exterior windows shall be washed at a frequency necessary to maintain a first class appearance.

II. HVAC:

- A. Heating, ventilating and air conditioning equipment will be provided with sufficient capacity to accommodate a maximum population density of one (1) person per one hundred fifty (150) square feet of useable floor area served, and a combined lighting and standard electrical load of 6.0 watts per square foot of useable floor area. In the event Tenant introduces into the Premises personnel or equipment which overloads the system's ability to adequately perform its proper functions, Landlord shall so notify Tenant in writing and supplementary system(s) may be required and installed by Landlord at Tenant's expense, if within fifteen (15) days Tenant has not modified its use so as not to cause such overload.

Operating criteria of the basic system shall not be less than the following:

- (1) Cooling season indoor temperature of not in excess of 73 - 79 degrees Fahrenheit when outdoor temperature is 91 degrees Fahrenheit ambient.
- (2) Heating season minimum room temperature of 68 - 75 degrees Fahrenheit when outdoor temperature is 6 degrees Fahrenheit ambient.

- B. Landlord shall provide heating, ventilating and air conditioning as normal seasonal changes may require during Normal Building Operating Hours (8:00 a.m. to 6:00 p.m., Monday through Friday, legal holidays in all cases excepted).

If Tenant shall require air conditioning (during the air conditioning season) or heating or ventilating during any season outside Normal Building Operating Hours, Landlord shall use landlord's best efforts to furnish such services for the area or areas specified by written request of Tenant delivered to the Building Superintendent or the Landlord before 3:00 p.m. of the business day preceding the extra usage. For such services, Tenant shall pay Landlord, as Additional Rent, upon receipt of billing, a sum equal to the cost incurred by Landlord.

III. ELECTRICAL SERVICES:

- A. Landlord shall provide electric power for a combined load of 3.0 watts per square foot of useable area for lighting and for office machines through standard receptacles for the typical office space.
- B. Landlord, at its option, may require separate metering and direct billing to Tenant for the electric power required for any special equipment (such as computers and reproduction equipment). Tenant shall be solely responsible for the cost associated with such meter(s) required for Tenant's special equipment and installation thereof.
- C. Landlord will furnish and install, at Tenant's expense, all replacement lighting tubes, lamps and ballasts required by Tenant.

IV. ELEVATORS:

Provide passenger elevator service.

V. WATER:

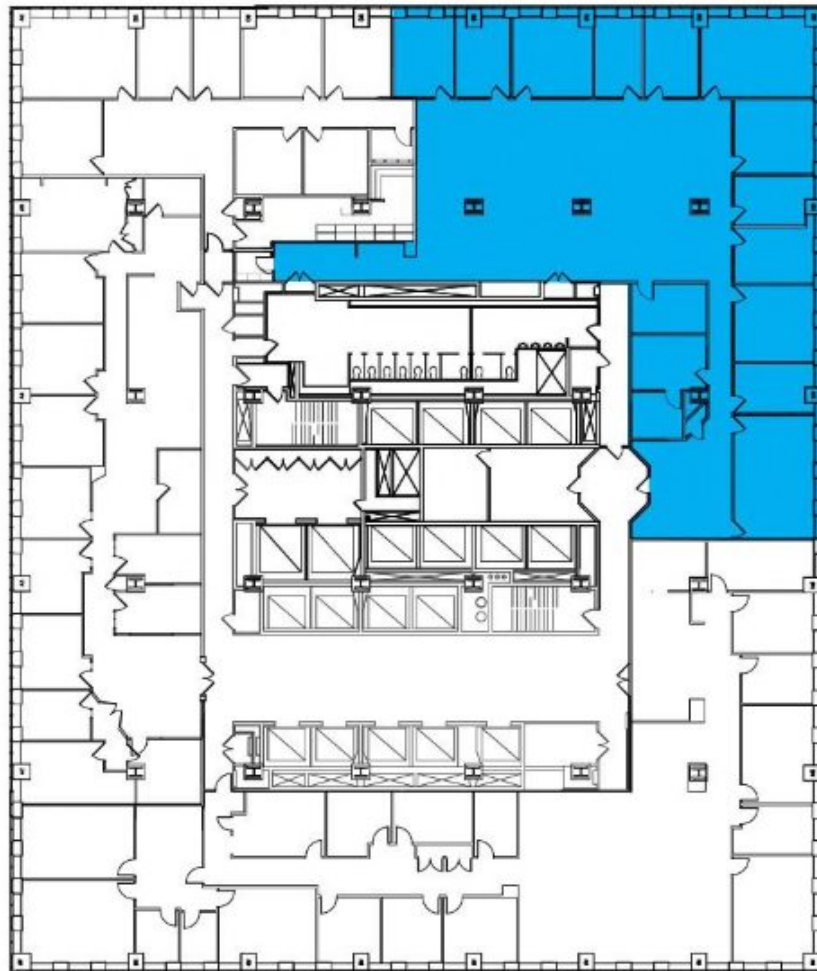
Provide tempered water for lavatory purposes and cold water for drinking, lavatory and toilet purposes.

VI. CARD ACCESS SYSTEM:

Landlord will provide a card access system at one entry door of the building.

EXHIBIT D

FLOOR PLAN



PRUDENTIAL TOWER

800 Boylston Street
Boston, Massachusetts

24th Floor
7,234 RSF

EXHIBIT E

FORM OF DECLARATION AFFIXING THE COMMENCEMENT DATE OF LEASE

THIS AGREEMENT made this _____ day of _____, 201__, by and between
[LANDLORD] (hereinafter "Landlord") and [TENANT] (hereinafter "Tenant").

WITNESSETH THAT:

1. This Agreement is made pursuant to Section [3.1] of that certain Lease dated [date], between Landlord and Tenant (the "Lease").
2. It is hereby stipulated that the Lease Term commenced on [commencement date], (being the "Commencement Date" under the Lease), and shall end and expire on [expiration date], unless sooner terminated or extended, as provided for in the Lease.

WITNESS the execution hereof by persons hereunto duly authorized, the date first above written.

LANDLORD:

By:
Name:
Title:

TENANT:
[TENANT]

ATTEST:

By: By:
Name: Name:
Title: Title:

Hereunto duly authorized

EXHIBIT F

Page 1
Exhibit F
FORM OF LETTER OF CREDIT

[Letterhead of a money center bank acceptable to the Landlord]

[Please note the tenant on this Letter of Credit must match the exact tenant entity in the Lease]

[date]

[Landlord] c/o Boston Properties LP 800 Boylston Street, Suite 1900
Boston, Massachusetts 02199-8103 Attn: Lease Administration, Legal Dept.

Ladies and Gentlemen:

We hereby establish our Irrevocable Letter of Credit and authorize you to draw on us at sight for the account of [Tenant] ("Applicant"), the aggregate amount of [spell out dollar amount] and []/100 Dollars [(\$_____)]. You shall have the right to make partial draws against this Letter of Credit from time to time.

Funds under this Letter of Credit are available to the beneficiary hereof as follows:

Any or all of the sums hereunder may be drawn down at any time and from time to time from and after the date hereof by [Landlord] ("Beneficiary") when accompanied by this Letter of Credit and a written statement signed by an individual purporting to be an authorized agent of Beneficiary, certifying that such moneys are due and owing to Beneficiary, and a sight draft executed and endorsed by such individual.

This Letter of Credit is transferable in its entirety to any successor in interest to Beneficiary as owner of [Property, Address, City/Town, State]. Should a transfer be desired, such transfer will be subject to the return to us of this advice, together with written instructions. Any fees related to such transfer shall be for the account of the Applicant.

The amount of each draft must be endorsed on the reverse hereof by the negotiating bank. We hereby agree that this Letter of Credit shall be duly honored upon presentation and delivery of the certification specified above.

This Letter of Credit shall expire on [Final Expiration Date].

Notwithstanding the above expiration date of this Letter of Credit, the term of this Letter of Credit shall be automatically renewed for successive, additional one (1) year periods unless, at least sixty (60) days prior to any such date of expiration, the undersigned shall give written notice to Beneficiary, by certified mail, return receipt requested and at the address set forth above or at such other

EXHIBIT G

Page 1
Exhibit G

address as may be given to the undersigned by Beneficiary, that this Letter of Credit will not be renewed.

If any instructions accompanying a drawing under this Letter of Credit request that payment is to be made by transfer to your account with another bank, we will only effect such payment by fed wire to a U.S. regulated bank, and we and/or such other bank may rely on an account number specified in such instructions even if the number identifies a person or entity different from the intended payee.

This Letter of Credit is governed by the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication 500.

Very truly yours,

[Name of Issuing Bank]

By: _____
Name: _____
Title: _____

EXHIBIT H
FORM OF CERTIFICATE OF INSURANCE

Form W-9 (Rev. August 2013) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give Form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: ☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate ☐ Limited liability company. Enter the tax classification (C—C corporation, S—S corporation, P—partnership) ▶ _____ ☐ Other (see instructions) ▶ _____	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3. Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.		
Part II Certification Under penalties of perjury, I certify that: - The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and - I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and - I am a U.S. citizen or other U.S. person (defined below), and - The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.		
Sign Here Signature of U.S. person ▶ _____	Date ▶ _____	
General Instructions Section references are to the Internal Revenue Code unless otherwise noted. Future developments. The IRS has created a page on www.irs.gov/w9 for information about Form W-9, at www.irs.gov/w9 . Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page. Purpose of Form A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to: - Certify that the TIN you are giving is correct (or you are waiting for a number to be issued), - Certify that you are not subject to backup withholding, or - Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the		
withholding tax on foreign partners' share of effectively connected income, and 4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9. Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are: • An individual who is a U.S. citizen or U.S. resident alien, • A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, • An estate (other than a foreign estate), or • A domestic trust (as defined in Regulations section 301.7701-7). Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.		

Cat. No. 10231X

Form **W-9** (Rev. 8-2013)

ALL THAT CERTAIN parcel or tract of land situate in the Township of Bensalem, County of Bucks and Commonwealth of Pennsylvania as shown on a plan entitled "Land Title Survey, Building 7, Neshaminy Interplex" Drawing No. 2, dated July 1, 1993; and "Neshaminy Interplex - Phase II, Subdivision Plan", Drawing No. 29, dated August 1, 1984, last revised September 23, 1987, both prepared by Pennoni Associates, Inc., Consulting Engineers.

BEGINNING at a point in a common property line between lands now or formerly of Trevoise Assoc., et al., said point along being the corner of Lots 4 and 1 on said Subdivision Plan and also being located the following four (4) courses and distances as measured from the point of tangency of a curve (80 feet radius) connecting the Northerly right of way line of Interplex Circle (68 feet wide) with the Northerly right of way line of Lincoln Highway U.S. Route 1 - L.R. 281 (140 feet wide); (a) along the Northerly right of way line of Lincoln Highway, North 47 degrees 46 minutes 18 seconds East, a distance of 71.73 feet to a point; (b) leaving said Northerly right of way, North 42 degrees 14 minutes 20 seconds West, a distance of 180.00 feet to a point; (c) North 25 degrees 38 minutes 40 seconds East, a distance of 200.00 feet to a point; (d) North 84 degrees 48 minutes 20 seconds West a distance of 242.75 feet to the beginning point of the herein described parcel. Proceeding in a Southerly direction as measured along lines of separating Lot No. 1 and Lot No. 4 the following six courses and distances: thence (1) South 05 degrees 11 minutes 40 seconds West a distance of 115.00 feet to a point; thence (2) North 84 degrees 48 minutes 20 seconds West, a distance of 141.21 feet to a point; thence (3) South 77 degrees 07 minutes 29 seconds West a distance of 31.00 feet to a point; thence (4) continuing in a Northwesterly direction along a curve to the left having a radius of 143.00 feet for an arc distance of 66.82 feet to a point; thence (5) North 39 degrees 38 minutes 58 seconds West a distance of 73.69 feet to a point; thence (6) South 50 degrees 21 minutes 02 seconds West, a distance of 310.47 feet to a point, thence (7) proceeding along a common line between Lots 2 and 4, North 39 degrees 38 minutes 58 seconds West, a distance of 350.80 feet to a point in the Southerly right of way of a cul-de-sac which is a part of the Northgate Road Extension; thence (8) along the circumference of a curve to the right of way of said cul-de-sac, having a radius of 60.00 feet for an arc distance of 66.09 feet to a point of tangency; thence (9) continuing along the Southerly right of way of Northgate Road, North 35 degrees 25 minutes 42 seconds East, a distance of 29.28 feet to a point; thence (10) leaving said right of way and proceeding along a common line between Lot #4 and lands now or formerly Bucks County Ind. Devel. Authority, et al and Trevoise Assoc., et al, South 75 degrees 54 minutes 20 seconds East, a distance of 648.00 feet to a point; thence (11) proceeding along a common line between Lot #4 and lands now or formerly of Trevoise Assoc., et al., South 84 degrees 48 minutes 20 seconds East, a distance of 55.00 feet to the first mentioned point and place of beginning.

CONTAINING 2.6099 Acres of land.

LEASE AGREEMENT
BETWEEN
4P – IMMO. PRAHA s.r.o
as Landlord
AND
SEMRUSH CZ s.r.o
as Tenant
Kavčí Hory Office Park

**RETAIL LEASE
BASIC LEASE INFORMATION**

Date:	June 15, 2020
Landlord:	4P – Immo. Praha s.r.o.
Tenant:	SEMRUSH CZ s.r.o.
Building:	Kavčí Hory Office Park
Premises:	Second (2 nd) Floor
Rentable Area	Office 1: 57,072.20 sqm; Common Area: 5,789.30 sqm; Term 2: 83,131,.65 sqm
Scheduled Delivery Date:	January 26, 2017
Rent Commencement Date:	February 1, 2017
Expiration Date:	Office Premises 1 Lease ends on February 28, 2018, and Office Premises 2 Lease begins on March 1, 2018 and terminates on July 31, 2022
Base Rent:	Term 1: €9,131.46; Term 2: €12,075.97, due in each case on the first (1 st) and no later than the fifteenth (15 th) of the month
Security Deposit:	Three-month's rent: €41,598.58
Base Year:	2017
Permitted Use of Premises:	Office space.

Tenant’s Address for Notices:

From and after Commencement Date:

SEMRUSH CZ s.r.o.
Na strži 1702/65, Nusle, Prague 4,
Postal Code 140 00

Landlord’s Address for Notices:

4P – Immo. Praha s.r.o.

Exhibits and Schedules:

Exhibit A: Floor Plan
Exhibit B: Building Rules

TENANT

LANDLORD

SEMRUSH CZ s.r.o.

4P – Immo. Praha s.r.o.

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Exhibit 2:	Floor Plan
Exhibit 3:	Description of the Building
Exhibit 4:	Hand-Over Protocol Sample
Exhibit 5:	Indexation Clause
Exhibit 6:	List of Operating Costs
Exhibit 7:	Bank Guarantee Sample
Exhibit 8:	List of Warranty Periods
Exhibit 9:	Space Plan and Specification of the Lessee's Fit-Out Works
Exhibit 10:	Space Plan

LEASE AGREEMENT

The Parties

(1) **Semrush CZ s. r. o.**, with its registered office at Na strži 1702/65, Nusle, Prague 4, Postal Code 140 00, ID no. 044 64 800, registered in the Commercial Register maintained by Municipal court in Prague, Section C, Insert 247376, represented by Mr Stepan Shirokikh, executive director (the “**Lessee**”); and

(2) **4P - Immo. Praha s. r. o.**, with its registered office at Prague 8 – Karlín, Karolinská 661/4, Post Code 186 00, ID no. 27208648, tax no. CZ27208648, registered in the Commercial Register maintained by Municipal court in Prague, Section C, Insert 104573, represented by Mr Alois Vyleta and Ms Hedwig Höfler, executive directors (the “**Lessor**”);

(The Lessor and the Lessee also the “**Parties**” or individually a “**Party**”; this Lease Agreement also the “**Agreement**”);

the Parties have agreed as follows:

1. Preamble

1.1 The Lessor is the exclusive owner of plots of land no. 2915/12, 2915/30 and 2910/198 and furthermore of plot no. 2915/50 and administrative building no. 1718 situated thereon, known as “Kavčí Hory Office Park” (the “**Building**”), all in the cadastral area of Nusle, the municipality of the Prague, and furthermore of plot no. 970/11 in the cadastral area of Podolí, the municipality of Prague (the “**Real Estate**”). The use of the Building was approved by a final occupancy permit issued by the Municipality of Prague 4 on 11 June 2008 under ref. no. P4/93867/08/OST/ROK/3822, which came in force on 12 June 2008.

2. Subject of the Lease

2.1. The Lessor hereby leases to the Lessee and the Lessee hereby leases from the Lessor for the Rent set forth in Article 8 hereof the non-residential premises in the Building specified further below as these are marked in colours in the plan of the individual floors of the Building attached hereto as Exhibit 2 (the “**Floor Plan**”). The mentioned non-residential premises consist of the following:

(a) office premises situated on the 2nd floor of the Building with a net rentable area of 794.48 sqm, that shall be exclusively used by the Lessee (net rentable area 1 - exclusive) marked in blue colour in the Floor Plan (the “**Office Premises 1**”), which shall be increased for the purposes of calculation of the Rent and other charges by the Lessee’s share in the common premises in the Building (the “**Common Premises 1**”) of 80.59 sqm resulting in the leasable area of the Office Premises 1 of 875.07 sqm;

(The Office Premises 1 also the “**Subject of the Lease**”).

2.2 The net rentable area of the Subject of the Lease was determined by an officially authorized surveyor pursuant to the “Directive for calculation of the leased floor area of office premises” (“Richtlinie zur Berechnung der Büromietfläche”) published in 1996 by “Gesellschaft für Immobilienwirtschaftliche Forschung”, “Deutscher Verband Chartered Surveyors e.V.” and “Normenausschuß Bau DIN 227”. For avoidance of doubts, the Parties declare that the term “net rentable area” shall, for purposes of this Agreement, mean the same as the term “rentable area” used pursuant to the above-mentioned measuring method.

2.3 Until 31 August 2017, the Lessee is entitled to exercise (by submitting a written notification to the Lessor) the right of substitution of the Subject of the Lease (the “**Expansion Option**”) with respect to the office premises situated on the 4th floor of the Building with a net rentable area of 1,370.02 sqm, that shall be exclusively used by the Lessee (net rentable area 1 - exclusive) marked in green colour in the Floor Plan (the “**Office Premises 2**”), which shall be increased for the purposes of calculation of the Rent and other charges by the Lessee’s share in the common premises in the Building (the “**Common Premises 2**”) of 138.98 sqm resulting in the leasable area of the Office Premises 2 of 1,509 sqm. Provided the Lessee exercises the Expansion Option, the Lessee is obliged to vacate the Office Premises 1 (with respect to movables) on 1 March 2018 at the latest and hand-over the Office Premises 1 to the Lessor in the “as is” condition. The hand-over of the Office Premises 1 shall be subject to a written hand-over protocol signed by the Parties.

3. Purpose of the Lease

3.1 The Lessor grants to the Lessee the right to use the Office Premises exclusively as office premises (the “**Purpose of the Lease**”). Within the purpose of use mentioned in the preceding sentence the Lessee undertakes to use the Subject of the Lease only for activities registered as the Lessee’s scope of business activity listed in the Lessee’s extract from the Commercial Register attached at Exhibit 1 hereto.

3.2 The Lessee is entitled neither to: (i) deal with any goods nor to sell goods in the Subject of the Lease, nor to (ii) organize exhibitions, markets, presentations and similar events in the Subject of the Lease, except for occasional events for Lessee’s clients, contractors and/or any third persons in an extent usual and acceptable for office premises, nor to (iii) otherwise use the Subject of the Lease in a manner or extent exceeding the usual and acceptable office premises.

3.3 Any extension of the Lessee’s scope of business activity performed in the Subject of the Lease whether it is or is not individually subject to record in the Commercial Register, or by any other activity, whether it is or is not subject to record in the any register is subject to prior written consent of the Lessor. The exemption from the above-mentioned is acquiring new activity, which belongs to unregulated trade according to the Trade Act, of which the Lessee will inform the Lessor without undue delay following the acquisition of such activity.

3.4 The Lessee may not use the Subject of the Lease for other purposes than those described above in Section 3.1.

3.5 The Lessee is entitled to place its registered office at the address of the Subject of Lease. The Lessor shall provide the Lessee at its request with a written consent with the placement of the registered office of the Lessee in the Subject of Lease for the purpose of registration of the Lessee's registered office in the Commercial Register. The Lessee is obliged to change its registered office and, within the same deadline, ensure a change of the address of any other companies for which the Lessee was granted a consent from the Lessor with placement of registered office in the Building, within 60 days after termination of this Agreement and to evidence such a changes to the Lessor, provided that the new address of the registered office of the Lessee and/or other relevant companies shall differ from the address of the Subject of Lease. If the Lessee fails to fulfil its obligation mentioned in this Section, the Lessee shall pay to the Lessor a contractual penalty amounting to EUR 100 for each commenced day of delay with its fulfilment.

4. Fit-Out

4.1 Unless the Parties agree otherwise, the Lessee shall take over the Subject of the Lease from the Lessor on the date and time set out by the Lessor (the "**Handover Date**"); on 26 January 2017 at the latest, provided the Lessee has already provided the Lessor with the Security (as defined in Section 11.1 below). If the Lessee fails to provide the Lessor with the Security in line with the previous sentence, the deadline for the Handover Date shall be automatically prolonged accordingly. The Lessor shall request the Lessee to take-over the Subject of the Lease by written notice delivered at least 5 days in advance. The Lessee has inspected the Subject of the Lease and accepts it in its "as-is" condition including the Lessor's Works (as defined below) which will be procured for by the Lessor. If the Lessee fails to attend to hand over the Subject of the Lease and shall not take over the Subject of the Lease on the Handover Date, the Subject of the Lease shall be deemed to be duly handed over to the Lessee on the date following the Handover Date.

4.2 The Lessee intends to carry out certain modifications and works in the Office Premises 1, according to space plan and specification of works attached hereto as Exhibit 9 (the "**Lessee's Fit-Out Works**"). The Lessee's Fit-Out Works shall be carried out at the sole costs and responsibility of the Lessee, and the rules set forth in Clauses 14.8 through 14.11 shall apply accordingly

4.3 The Lessee shall indemnify the Lessor or its customers against damage, loss or other harm caused by the Lessee and/or any of its contractors during the implementation of or in connection with the Lessee's Fit-Out Works and reimburse to these persons such damage, loss or other harm.

4.4 The Lessor undertakes that it will until Hand-Over Date carry out modifications and works, consisting of laying down of the carpet and painting the walls of the Office Premises 1 (the "**Lessor's Fit-Out Works**").

4.5 Provided the Lessee does not exercise the Expansion Option and stays in the leased Office Premises 1, the Lessor undertakes to provide the Lessee with contribution amounting to maximum EUR 120/1 sqm of the area of the Office Premises 1 + VAT as a contribution for further Internal or Construction Modifications in the Office Premises 1 (but excluding movable items) (the “**Lessor’s Contribution 1**”). For avoidance of doubts the Parties declare that if the real costs of the Internal or Construction Modifications in the Office Premises 1 per 1sqm of the Office Premises 1 are in the amount of EUR 120 or higher, the Lessor shall provide the Lessee with contribution amounting to EUR 120 per 1sqm. If the real costs of the Internal or Construction Modifications in the Office Premises 1 per 1sqm of the Office Premises 1 are lower than the amount of EUR 120, the Lessor shall provide the Lessee with contribution covering these real costs.

4.6 In case the Lessee exercises the Expansion Option, the Lessor undertakes to provide the Lessee with contribution amounting to maximum EUR 120/1 sqm of the area of the Office Premises 2 + VAT as a contribution for the Internal or Construction Modifications in the Office Premises 2 (but excluding movable items) (the “**Lessor’s Contribution 2**”). For avoidance of doubts the Parties declare that if the real costs of the Internal or Construction Modifications in the Office Premises 2 per 1sqm of the Office Premises 2 are in the amount of EUR 120 or higher, the Lessor shall provide the Lessee with contribution amounting to EUR 120 per 1sqm. If the real costs of the Internal or Construction Modifications in the Office Premises 2 per 1sqm of the Office Premises 2 are lower than the amount of EUR 120, the Lessor shall provide the Lessee with contribution covering these real costs

4.7 The Lessor’s Contribution 1 and Lessor’s Contribution 2 (as the case may be) shall be paid as follows (to be selected by the Lessee)

(a) after the Lessee ensures completion of the relevant Internal or Construction Modifications, deliver to the Lessor as-built project documentation (having features in accordance with this Agreement), procures for official use permit (if relevant) a deliver to the Lessor the final invoice of the supplier of the works, the Lessee shall be entitled to issue a tax document (invoice) regarding the Lessor’s Contribution 1 or Lessor’s Contribution 2 (as the case may be); the tax document (invoice) shall be payable within 30 days following its delivery to the Lessor;

(b) the Lessee requests the Lessor to carry out the Internal or Construction Modifications on its own, with maximum costs EUR 120 per 1 sqm of the Office Premises 1 or Office Premises 2 (as the case may be), according to the space plan and material specification delivered by the Lessee 5 months before the first day of the Lease Term 2 (at the latest); in this case all items related to construction works will be covered by the contributions of the Lessor, including relevant permits or construction supervision; the cabling, IT devices and security devices on the doors are included in the works procured and paid for by the Lessor, however these particular works/items shall be selected (subject to agreement with the relevant supplier) by the Lessee who shall be also solely responsible for their due and timely installation and performance.

4.8 If the actual costs for Internal or Construction Modifications pursuant to 4.7(b) (the Lessor acting with due care and based on market standard prices) shall exceed the amount of the contributions pursuant to Sections 4.5 or 4.6 above (as the case may be), the Lessee shall pay the difference to the Lessor in the form of an additional rent as a lump-sum payment within 30 days following the delivery of a tax document/invoice. The respective tax document/invoice shall be issued by the Lessor on the Handover Date, at the earliest.

4.9 The Lessee shall be entitled to inspect the tender documentation for the contractor that will carry out the Internal or Construction Modifications pursuant to 4.7(b). The Parties have agreed that the Lessor is obliged to invite at least 4 contractors to participate in the tender for execution of the Internal or Construction Modifications pursuant to 4.7(b) (which are not subject to common control) and, without delay after expiry of the period for filing of the offers in the tender, to acquaint the Lessee with the filed offers. In such case, the supplier shall be selected by the Lessor.

4.10 In case of Section 4.8 above (i.e. if the actual costs for Internal or Construction Modifications pursuant to 4.7(b) (the Lessor acting with due care and based on market standard prices) shall exceed the amount of the contributions pursuant to Sections 4.5 or 4.6 above), the Lessee is entitled within 5 days after being acquainted with the offers to determine one contractor who shall execute the Internal or Construction Modifications pursuant to 4.7(b). If the Lessee does not determine one contractor within the stated period, the Lessor shall be obliged to choose the contractor who offered the lowest price to execute the Internal or Construction Modifications pursuant to 4.7(b). In such case the lowest price will be deemed market standard and the Lessee will be precluded from objecting against the price of the modifications. This proposed price shall be considered as the maximum actual costs unless the Lessee approves in writing the increase of such costs.

5. Commencement and Termination of the Lease

5.1 The lease relationship hereunder shall commence on 1 February 2017 (the “**Lease Commencement Date**”) and shall terminate on 31 July 2022 (the “**Lease Term 1**”) unless the Lessee exercises the Expansion Option.

5.2 Provided the Lessee exercises the Expansion Option, the lease term regarding the Office Premises 1 shall terminate on 28 February 2018 and the lease term regarding the Office Premises 2 shall commence on 1 March 2018 with the termination date on 31 July 2022 (the “**Lease Term 2**”). As of the first day of the Lease Term 2, the Office Premises 2 shall be regarded as Subject of the Leases under this Agreement and the Lease Term 2 substitutes the Lease Term 1.

5.3 In the period from 1 May 2018 to 31 December 2018, the Lessee shall be entitled to deliver a written request to the Lessor asking whether there will be vacant office premises (type net rentable area 1 - exclusive) with area from 1,000 sqm to 1,400 sqm in the Building ready for lease commencement from 1 December 2019 to 1 April 2020 (with possible lease term until 31 July 2022) (the “**Additional Premises**”). The Lessor shall answer Lessee’s request within 2 months following its receipt.

5.4 If the Lessor's answer is positive, the Parties shall conclude an amendment hereto within 2 months following delivery of the Lessor's answer, on basis of which the Subject of the Lease will be (with effect as of an agreed day between 1 December 2019 to 1 April 2020) expanded by the Additional Premises, applying conditions relevant for the Subject of the Lease as of the date of the expansion. If the Lessor's answer is negative or if the Lessor does not answer, the Lessee shall within 1 month following delivery of such answer (or within 1 month following the expiry of the deadline for Lessor's answer) state whether it exercises the right for premature termination of the lease in accordance with Section 5.5.

5.5 The Lessee is entitled to prematurely terminate the lease of the Office Premises 1 or Office Premises 2 (as the case may be) under this Agreement as of 31 January 2020 (the "**Premature termination Day**") provided (i) the Lessee proceeds in accordance with Sections 5.3 and 5.4 and delivers to the Lessor a written notice of premature termination of the lease within the agreed period and (ii) pays to the Lessor (at the same time with delivery of the notice of termination of the lease pursuant to Section 5.4 above) an amount of 2/5 of the Lessor's Contribution 1 or Lessor's Contribution 2 (as the case may be) under Section 4.6 above and 2/5 of the total Rent discounts under Section 8.6 and 8.7 below. Provided the lease relationship is prematurely terminated in line with this Section, the Lessee is obliged to vacate the Subject of the Lease and remove all internal modifications (including those carried out on basis of this Agreement prior to the Lease Commencement Date) so that the Subject of the Lease is reinstated into the basic condition described in the Technical Specification of the Building (as defined below). For avoidance of doubts, if the Lessee does not proceed in accordance with Sections 5.3 and 5.4 above, in particular if it does not submit a request for existence of vacant leasable premises or if it does not timely state whether it exercises the premature termination, then the right for premature termination of the lease pursuant of this Section ceases to exist.

6. Hand-Over of the Subject of the Lease

6.1 The hand-over of the Office Premises 1 to the Lessee shall be performed on the Hand-Over Date (as defined in Section 4.1 above). The Lessor hereby undertakes to hand over to the Lessee the Subject of the Lease in a condition specified in the space plan, attached hereto as Exhibit 10, and with the Lessor's Fit-Out Works. The Parties have further agreed that prior to the Hand-Over Date, the Lessee has checked all IT items (including the cabling and server room) and the Lessor therefore assumes no responsibility for them. On the Hand-Over Date the Lessor shall hand-over to the Lessee, and the Lessee shall take-over from the Lessor the Subject of the Lease for the purpose of use set forth herein. The hand-over shall be subject to a written hand-over protocol signed by the Parties in the form according to the sample attached as Exhibit 4 hereto (the "**Hand-Over Protocol**").

6.2 The Lessor hereby undertakes to hand over to the Office Premises 2 to the Lease (if the Expansion Option is exercised) in a condition specified in the Technical

specification of the Building attached hereto as Exhibit 3 (the “**Technical Specification of the Building**”), as follows:

(a) in case of application of Section 4.7(a), in condition described in the Technical Specification of the Building, such handover occurring 2 months before the Lease Commencement Date 2, at the latest; or

(b) in case of application of Section 4.7(b), in condition described in the Technical Specification of the Building and further with Internal and Construction Modifications of the Office Premises 2 described in the respective clause, such handover occurring 7 days before the Lease Commencement Date 2, at the latest

(the hand-over dates pursuant to points (a) and (b) above hereinafter as the “**Office Premises 2 Hand-Over Date**”).

The hand-over shall be subject to a written hand-over protocol signed by the Parties in the form according to the sample attached as Exhibit 4 hereto.

6.3 Any defects of the Subject of the Lease not substantially preventing the use of the Subject of the Lease and/or defects that can be remedied without preventing the use thereof do not give any rights to the Lessee to refuse the hand-over of the Subject of the Lease on the Hand-Over Date.

6.4 Unless otherwise set forth in the Hand-Over Protocol, the Lessee will be deemed to have taken-over the Subject of the Lease in the condition and state stipulated herein. The Lessor hereby undertakes to use all necessary effort in order to remedy any and all defects listed in the Hand-Over Protocol without undue delay with respect to the character of the defect and availability of suppliers of construction works. If such situation is not remedied within 5 business days following the Lease Commencement Date and, at the same time, such defects limit or hinder the use of the Subject of the Lease or any of its part, the Lessee is entitled to an appropriate reduction of the Rent. Should the Lessee fail to participate on the hand-over of the Subject of the Lease and/or fail to sign the Hand-Over Protocol, the hand-over of the Subject of the Lease shall be deemed as executed on the Hand-Over Date as stated by the Lessor in the Hand-Over Protocol prepared and executed by the Lessor in the Lessee’s absence.

7. Borrowing of the Subject of the Lease before the Lease Commencement Day

7.1 As from the Hand-Over Date until the day preceding the Lease Commencement Date (the “**Borrowing Term**”), the Lessor shall let the Lessee use the Subject of the Lease at no charge exclusively for the purposes of performance of the Lessee’s Fit-Out Works under terms and conditions of this Section 4 hereof and for the purpose of moving in movable items and other office equipment. The Borrowing Term shall also refer to the period from the Office Premises 2 Hand-Over Date to the day preceding the Lease Commencement Date 2, during which the Lessee shall use the Office Premises 2 either: (i) in case of application of 4.7(a), for execution of the relevant Internal and Construction Works and for moving in

Lessee's movables, or (ii) in case of application of 4.7(b), only for moving in of the Lessee's movables.

7.2 During the Borrowing Term, the Lessee is not entitled to use the Subject of the Lease for other purposes than those stated above in Section 7.1 above.

7.3 During the Borrowing Term, the Lessee shall use the access to the Office Premises 1 for the purpose stated in Section 7.1 hereof under the instruction of the administrator of the Building.

7.4 During the Borrowing Term, the Lessee shall pay to the Lessor only the Direct Operating Costs under Article 9 hereof.

7.5 The Lessee agrees that during its use of the Subject of the Lease during the Borrowing Term it shall observe all legal regulations, in particular, without limitation, legal regulations relating to the fire protection and protection of health and safety at work.

7.6 During the Borrowing Term the Lessee is not entitled to pass the Subject of the Lease or a part thereof to third parties for use (except for Lessee's contractors).

7.7 Anytime during the Borrowing Term, the Lessor and/or a person authorized by it may access the Subject of the Lease particularly in order to review the fulfilment of the Lessee's obligations hereunder and in order to perform repairs, maintenance and inspection of the Subject of the Lease. The Lessee is obligated to enable such access.

7.8 The Lessor shall have the right to claim from the Lessee the payment of a contractual penalty of EUR 500 and the Lessee shall pay such contractual penalty in any individual case when the Lessee breaches any of its contractual obligations set forth in Section 7.1, 7.2, 7.6 and/or in the first sentence of Section 7.9 hereof.

7.9 In case the Lessee and/or any Lessee's Person cause damage in and/or on the Real Estate and/or on its component part or accessories during the Borrowing Term, the Lessee shall repair such damage at its costs without undue delay. If the Lessee does not meet this obligation, the Lessor will be entitled, subject to a prior written notice (except in situations of imminent danger), to have the repairs made at the Lessee's expenses, if the Lessee fails to commence the required repairs works within 3 days from receipt of such a notice. In such a case, the costs of these works shall be paid by the Lessee immediately but not later than 10 days after receipt of the invoice.

7.10 The following provisions hereof regulating rights and obligations of the Parties during the Lease Term shall apply accordingly on the Borrowing Term: Articles 4, 6, 9, 10 (with the exception of Article 10.8), 11, 12, 13, 14, 15.8, 17, 18 and 19 and such other provisions of this Agreement which, due to their character, allow for their application prior to the Lease Commencement Date.

8. Rent and Discounts on Rent

8.1 The monthly rent for the Subject of the Lease, for the period commencing upon the Lease Commencement Date and expiring on 28 February 2018, consists of (whereas the Parties agree that solely for purposes of calculation of this rent, the actual area of the Office Premises 1 and the Common Premises 1 shall be reduced as stated below):

- for 1 sqm of the reduced rentable area of the Office Premises 1: EUR 13.80 x 600.76 sqm, total of EUR 8,290.49
- for 1 sqm of the reduced Lessee's share in the Common Premises 1: EUR 13.80 x 60.94 sqm, total of EUR 840.97

Total for each month EUR 9,131.46

8.2. The monthly rent for the Subject of the Lease, for the period commencing on 1 March 2018 to the end of the Lease Term 1, consists of (if the Expansion option has not been exercised):

- for 1 sqm of the rentable area of the Office Premises 1: EUR 13.80 x 794.48 sqm, total of EUR 10,963.82
- for 1 sqm of the Lessee's share in the Common Premises 1: EUR 13.80 x 80.59 sqm, total of EUR 1,112.14

Total for each month EUR 12,075.97

8.3 The monthly rent for the Subject of the Lease, for the period commencing on 1 March 2018 to the end of the Lease Term 2, consists of (if the Expansion option has been exercised):

- for 1 sqm of the rentable area of the Office Premises 2: EUR 13.80 x 1,370.02 sqm, total of EUR 18,906.28
- for 1 sqm of the Lessee's share in the Common Premises 2: EUR 13.80 x 138.98 sqm, total of EUR 1,917.92

Total for each month EUR 20,824.20

(the rent pursuant to Sections 8.1, 8.2 and 8.3 jointly as the "**Rent**").

8.4 The Rent shall be subject to VAT and other charges in line with Section 10.4 below.

8.5 The Parties have agreed that the Rent shall be indexed (increased) from time to time always as of January 1 of each year beginning as of 1 January 2018 in accordance with the indexation clause set forth in Exhibit 5 hereof.

8.6 The Parties have agreed on 50 % discount of the monthly current Rent for the time period of months February and March 2017. For avoidance of any doubts the Parties confirm that the Rent discount hereunder: (i) shall not affect the amount of the Security (as defined below) and (ii) will not affect the Lessor's right for the payment of indexation in full amount.

8.7 The Parties have further agreed (regardless whether the Lessee has exercised the Expansion Option) on 50 % discount of the monthly current Rent for the time period of months January and February from 2019 through 2022 (inclusive). For avoidance of any doubts the Parties confirm that the Rent discount hereunder: (i) shall not affect the amount of the Security (as defined below) and (ii) will not affect the Lessor's right for the payment of indexation in full amount.

8.8 The Lessee has a right for (i) the discount specified in Section 8.6 and (as long as it applies) for the discount specified in Section 8.7 hereof, and (ii) Lessor's Contribution 1 or Lessor's Contribution 2 (whichever applies), only if the following conditions are fulfilled:

(a) The Lessee will have the Subject of the Lease leased at least until the expiry of the Lease Term 1 under Section 5.1 or the Lease Term 2 under Section 5.2 above, except in case that the Lessee rightfully validly terminates this Agreement from the reasons stated by this Agreement that are on the Lessor's part; and

(b) the Lessee fulfils conditions stated by this Agreement concerning technical improvement of the Subject the Lease (i.e. a need of prior written consent of the Lessor with the performance and performance thereof at the Lessee's costs).

8.9 The Parties hereof have agreed that if the conditions according to Section 8.8 hereof are not fulfilled, the right of the Lessee for (i) Rent discount according to Section 8.6 and 8.7 hereof and (ii) Lessor's Contribution 1 or Lessor's Contribution 2 (whichever applies) shall extinct. In such case the Lessee shall pay to the Lessor compensation corresponding to (i) the difference between the full Rent (without the discount pursuant to Section 8.6 hereof and if applicable pursuant to Section 8.7 hereof) and the Rent after the discount pursuant to Section 8.6 hereof and if applicable pursuant to Section 8.7 hereof, whereas this amount shall be with regard to the date of its return increased by the full indexation pursuant to Section 8.5 hereof valid at the time when such condition or conditions under Section 8.8 hereof was/were breached, and (ii) the amount of the Lessor's Contribution 1 or Lessor's Contribution 2 (whichever applies), to the bank account of the Lessor determined by this Agreement for regular payments of the Rent, within 1 month from the moment of such breach of the condition or conditions according to Section 8.8 hereof.

8.10 For tax purposes, a supply in the form of lease hereunder is provided through partial supplies, each partial supply being considered as a separate taxable supply. Partial supply shall mean a taxable supply taking place every calendar month, provided that the 1st day of the appropriate calendar month is considered as the taxable supply date except for the first supply, for which the taxable supply date is the Lease Commencement Date.

9. Operating Costs

9.1 Costs of supply of media and services based on a separate measuring falling directly on the Subject of the Lease shall be paid by the Lessee to the Lessor, as of the Hand-Over Date, in full including related fees, if any (the “**Direct Operating Costs**”). The Direct Operating Costs shall be charged by the Lessor to the Lessee in the amounts charged by relevant suppliers without any additional charges. The Lessee shall pay any Direct Operating Costs to the Lessor within 14 days after the issuance of the Lessor’s invoice to the bank account set forth in the respective invoice. The Lessor may install any meters of any media/services consumption, which are used exclusively by the Lessee.

9.2 As of the Lease Commencement Date and apart from the Direct Operating Costs, the Lessee is obligated to pay to the Lessor a pro-rated portion of the costs for operation, maintenance and repairs of the Real Estate and infrastructures serving the Real Estate as set forth in Exhibit 6 (the “**Operating Costs**”) hereof, provided that this pro-rata share will be determined: in relation to the Office Premises 1 and if applicable on the Office Premises 2, as the proportion of the Office Premises’ 1 and if applicable on the Office Premises’ 2 rentable area and the total rentable area of all office premises in the Building.

9.3 The Lessor shall exert its reasonable efforts to ensure that the Operating Costs correspond to common operating costs achievable under market conditions as for their frequency, quality and scope, and considering the standard of the Building.

9.4 The Lessee is obligated to pay, together with the Rent, monthly charge for the share on the Operating Costs, in the amount reasonably estimated by the Lessor in line with Section 10.1 below. This amount shall also reflect appropriate VAT.

9.5 The charge for the period commencing upon the Lease Commencement Date and expiring on 28 February 2018, it shall be calculated as follows (whereas the Parties agree that for purposes of calculation of this charge, the actual area of the Office Premises 1 and the Common Premises 1 shall be reduced as stated below):

- for 1 sqm of the rentable Office Premises 1: CZK 95 x 600.76 sqm, total of CZK 57,072.20
- for 1 sqm of the Lessee’s share in the Common Premises 1: CZK 95 x 60.94 sqm, total of CZK 5,789.30

Total for each month CZK 62,861.50

9.6 The charge for the period commencing on 1 March 2018 to the end of the Lease Term 1 (if the Expansion option has not been exercised) shall be calculated as follows:

- for 1 sqm of the rentable Office Premises 1: CZK 95 x 794.48 sqm, total of CZK 75,475.60

- for 1 sqm of the Lessee's share in the Common Premises 1: CZK 95 x 80.59 sqm, total of CZK 7,656.05

Total for each month CZK 83,131.65

9.7 The charge for the period commencing on 1 March 2018 to the end of the Lease Term 2, (if the Expansion Option has been exercised) shall be calculated as follows:

- for 1 sqm of the rentable Office Premises 2: CZK 95 x 1,370.02 sqm, total of CZK 130,151.90
- for 1 sqm of the Lessee's share in the Common Premises 2: CZK 95 x 138.98 sqm, total of CZK 13,203.10

Total for each month CZK 143,355

(the charges described in Sections 9.5, 9.6 and 9.7 above jointly as the "Charge").

9.8 During a calendar year the Lessor shall be entitled to adjust the amount of Charge on the basis of change of consumption and/or prices by means of a written notice delivered to the Lessee. Such adjusted Charge shall be payable from the month following the month in which such written notice was delivered to the Lessee.

9.9 No later than within 6 months after the end of each calendar year, the Lessor shall charge to the Lessee the Operating Costs for the previous calendar year and issue a tax document thereon, on the basis of which it shall return any overpayments or, as the case may be, shall charge any underpayment caused as a consequence of difference between actual share of the Operation Costs attributable to the Subject of the Lease for the previous year and Charges paid by the Lessee; the date on which the reconciliation is made is the date of taxable supply. The Lessor shall record any and all accounting documents regarding the Operation Costs in a demonstrable manner. Once a year the Lessee may inspect the documents regarding the Operating Costs paid for the previous calendar year on its own costs provided that it delivers a written request to the Lessor 10 working days in advance at the latest. Notwithstanding the above, in case this Agreement terminates, the Lessor shall, within a reasonable period of time, but no later than within 90 days after the termination hereof, prepare a reconciliation of the Charges as at the termination date on the basis of the Operating Costs determined according to available invoices and reasonable estimate of the Lessor.

9.10 The Lessor is not liable for any interruption of services (i.e. gas, electric power, water, etc.) provided in connection with the use of the Subject of the Lease if such interruption did not arise out of Lessor's breach of duties hereunder or under the law; the Lessor undertakes, however, to exert without undue delay its best efforts, which can reasonably be required therefrom for the supply of such services to be provided in accordance herewith, and the interruption of services be remedied as soon as possible. Provided the interruption of services occurs on the part of the suppliers, then the Lessor shall provide the Lessee with reasonable assistance with raising damages claims vis-à-vis such suppliers.

9.11 The Lessee is obligated to pay all the costs for services, which it itself orders in connection with the use of the Subject of the Lease. The Lessee shall pay these costs directly to the relevant suppliers of these services.

9.12 For tax purposes, a supply in the form of services provided in connection with the lease hereunder is provided through partial supplies, each partial supply being considered a separate taxable supply. Partial supply shall be understood to mean a taxable supply taking place on 1st day of every calendar month except for the first calendar month of the Lease Term for which the Lease Commencement Date shall be the date of taxable supply.

10. Payments

10.1 Except for the Direct Operating Costs, the Lessee is obligated to pay the Rent and any other payments under Article 9 above always in advance no later than on the 15th day of each calendar month for which the payment is made, or in case of the payment for the 1st month of the Lease Term no later than on the 15th day from the Lease Commencement Date, to the bank accounts of the Lessor held with UniCredit Bank Czech Republic and Slovakia, a. s., unless the Lessor notifies the Lessee in writing of a different account:

- the Rent, including VAT and other taxes and fees set forth by the law, if any,
- The Charges (including the reconciliation under 9.9 above), including VAT and other taxes and fees set forth by the law, if any

10.2 The Lessee shall make all payments under this Agreement by virtue of bank transfer provided that bank charges associated with bank transfers shall be borne by the Lessee.

10.3 The Lessor shall send to the Lessee invoices or tax documents for the Rent and the Charges always prior to the due date thereof by electronic means to the Lessee's e-mail address: invoice@semrush.com. The Lessor is obligated to send invoices/tax documents for the Rent for the 1st month of the Lease Term and for the Charge for the 1st month of the Lease Term without undue delay after the Lease Commencement Date. Any Lessor's default in sending the invoice/tax document has no effect whatsoever on the duty of the Lessee to pay the Rent and the Charges on or before their due date hereunder. The Parties have however in this connection agreed that should the invoices not be provided to the Lessee in a proper way repeatedly, the Lessee will be entitled to request the Lessor in writing to deliver the invoices/tax documents to the Lessee in a demonstrable manner, i.e. either by means of a registered post or by a personal delivery against the signature, and the Lessor shall be obliged to accept such request.

10.4 Neither the Rent nor any payments under Article 9 include any statutory taxes or fees related to their payment and are shown without the VAT. The Parties have agreed that the VAT shall be added to the Rent. If the legal regulations in the future set forth additional taxes and/or fees relating to the Rent or to any payment under Article 9 above, such taxes and/or fees shall be added thereto.

10.5 If either Party is in default with any payment hereunder, it shall pay to the other Party a contractual penalty in the amount of 0.05 % of the outstanding amount for each day of delay. The contractual penalty shall, however, not apply in case of Lessor's default related to reconciliation of the Operating Costs.

10.6 The Lessee shall not have the right to set off its claims towards the Lessor against claims of the Lessor towards the Lessee nor to exercise any right of retention against such claims.

10.7 The right for indemnification shall neither cease to exist, nor be limited in any manner upon obligation to pay or upon payment of any contractual penalty pursuant to this Agreement. The right for indemnification shall exist independently from the right to the payment of a contractual penalty.

10.8 During the whole Lease Term the Lessee undertakes to be a registered VAT payer. In case the Lessee does not fulfil this obligation, the Lessee undertakes to remedy any damages and/or tax losses and/or disadvantages, which arise in consequences with the breach of this Lessee's obligation. The Parties agreed that in case that the Lessee does not fulfil this obligation within the period ending on 31 March 2017, the Lessor is not entitled to impose any sanctions against the Lessee hereunder nor terminate this Agreement based on this reason and the claims of the Lessor based on the breach of this obligation by the Lessee are limited exclusively on claims for damages and/or tax losses and/or disadvantages, which arise to the Lessor in consequences with the breach of this Lessee's obligation.

11. Bank Guarantee, Deposit

11.1 Within five (5) days following the conclusion hereof at the latest, the Lessee shall provide the Lessor with either a security deposit or with an irrevocable and unconditional bank guarantee corresponding in all material aspects to the wording of the sample attached at Exhibit 7 hereto, in each case in the amount equal to the aggregate of 3 month's (i) Rent, (ii) the Charges, and (iii) the VAT applicable thereon as a security for performance by the Lessee of any and all its obligations hereunder or in connection hereto (the "**Security**"). As at the Lease Commencement Date, the Security shall amount to EUR 41,598.58. In case any of the above items forming the Security is increased and as a result the total amount of the Security is newly changed by at least 10%, the Lessor shall be entitled to inform the Lessee of the new amount of the Security which shall be then replenished by the Lessee within 14 days following receipt of such information.

11.2 Upon the Lessor's request, the Security shall be increased by the Lessee during the Lease Term so as to ensure that the amount of the Security shall always be equal to the aggregate of amounts specified in Section 11.1 above. The Lessee shall do so within 10 days following the Lessor's written request being delivered to the Lessee. If the Security is provided by means of a bank guarantee the Lessor may make such a request only if a cumulative increase occurs in the Rent, the Charges and the applicable VAT by at least 5 percent as compared to the value of the existing bank guarantee, and the Lessee shall then provide the Lessor with a new bank guarantee or with an appropriate amendment to the current bank guarantee.

11.3 In case of using the bank guarantee and/or security deposit or their part by the Lessor the Lessee hereby undertakes to refill such bank guarantee or security deposit to its original amount within 10 days from obtaining a written notice of the Lessor.

11.4 If the Security is provided in the form of a bank guarantee, the Lessee shall ensure, that the bank guarantee remains valid and effective until six (6) months following expiry of the Lease Term. The Lessee is entitled to provide the Lessor with a bank guarantee with a shorter validity, however not less than 12 months, provided that no later than 2 months prior to the expiry of the bank guarantee, the Lessee shall provide the Lessor with amendment to the existing guarantee, extending the bank guarantee's validity for at least additional 12 months. If the Lessee breaches such obligation, the Lessor will be entitled to draw down the bank guarantee in the full extent and keep it as a security deposit.

11.5 In case this Agreement is terminated, the Lessor shall return the Security to the Lessee within 14 days from the satisfaction of all the Lessee's obligations hereunder, however within 6 months following the termination hereof at the latest. The Parties agree that if the Security has been provided in the form of the security deposit, it shall be adjusted by any interests accrued or bank charges incurred in relation to the bank account at which the Security has been deposited. If the bank account at which the Security has been deposited, is not subject to any interest, the Lessee shall not be entitled for payment of any interest.

11.6 The bank guarantee under Section 11.1 above has to be issued by a bank which has its registered office or branch situated in the Czech Republic and which is entitled to provide bank services within the Czech Republic.

11.7 The Lessee is entitled, at its own discretion under the rules set forth in this Article, to replace the bank guarantee by the deposit or vice versa (the "**Replacement**"). Within 10 days from the day of receipt of such Replacement, the Lessor shall return back to the Lessee the original bank guarantee to the Lessee or the deposit to a bank account notified to the Lessor in writing.

11.8 The Lessor is entitled to use the Security to reimburse any and all its claims towards the Lessee arising under this Agreement and/or in connection with this Agreement, as well as all its claims for reimbursement of damages, mainly damages arising from loss on rent, Operating Costs and other payments under this Agreement until the latest determined end of the Lease Term under this Agreement and/or claims for reimbursement of reasonable and fully documented costs, including administrative costs and costs of legal representation if the Lessee has failed to perform such payments by their due dates. For avoidance of doubts the Parties have agreed that the use of the Security is not subject to previous proving the respective claim.

11.9 If that the bank providing the bank guarantee loses its license to engage in banking activities or such a bank is declared insolvent, the Lessee is obliged to replace the current bank guarantee with a security deposit or a new bank guarantee complying with Section 11.1 above within 14 days following the appropriate event occurs.

11.10 Provided the Lessee chooses security deposit as a form of the Security, then the Lessee shall be obliged to deposit the respective amount into the bank account

12. Premature Termination of the Lease

12.1 The happening of any of the following shall be deemed to be an event of Lessee's default (the "**Event of Lessee's Default**") under this Lease:

(a) the Lessee uses the Subject of the Lease in conflict with the Purpose of the Lease agreed in this Agreement, and does not remedy the situation within 5 days following the delivery of a written request by the Lessor;

(b) the Lessee is in delay with payment of the Rent, the Charge or any other payment hereunder for a time period exceeding 14 days, and does not remedy the situation within 10 days following the delivery of a written request by the Lessor;

(c) the Lessee and/or the persons who use the Subject of the Lease with the consent of the Lessee grossly disturbs peace and order in the Building, and does not remedy the situation within 5 days following the delivery of a written request by the Lessor;

(d) the Lessee subleases the Subject of the Lease or a part thereof or transfers any of its rights hereunder to a third party without a prior consent of the Lessor;

(e) in conflict with Section 3.3 hereof the Lessee changed the scope of business activities or other activities performed in the Subject of the Lease, and the Lessee does not remedy the situation within 5 days following the delivery of a written request by the Lessor;

(f) the Lessee fails to submit to the Lessor in a due and timely manner the Security or to refill the Security in accordance with Article 11 hereof, and does not remedy the situation within 5 days following the delivery of a written request by the Lessor;

(g) the Lessee repeatedly (i.e. at least twice in past 6 months) and grossly breaches its material obligations stated in this Agreement, and, provided it is a persisting breach, the Lessee does not remedy the situation within 10 days following the delivery of a written request by the Lessor;

(h) initiation of any liquidation proceedings or insolvency proceedings against the Lessee, or the decision on insolvency has been issued or a bankruptcy has been declared on the Lessee's assets (excluding proceedings which are vexatious or frivolous and which are contested by the Lessee in good faith, as reasonably evidenced to the Lessor);

(i) in the Subject of the Lease the Lessee stores things, storage of which is not allowed by the Lessor or by this Agreement, and the Lessee does not remedy the situation within 5 days following the delivery of a written request by the Lessor.

12.2 Upon the occurrence of an Event of Lessee's Default, the Lessor may, in addition to statutory remedies available, to:

(a) request the Lessee to pay (and the Lessee shall make the payment immediately upon the receipt of such a request) the Lessor a contractual penalty amounting to the aggregate of 12 months' (i) Rent, (ii) Charges and (iii) VAT thereon; such contractual penalty shall be during the last year of the Lease Term decreased equally every month by 1/12; and/or

(b) terminate this Agreement. The Lessor is further entitled to terminate this Agreement in case that a decision to remove the Building or a decision on changes of the Building preventing the use of the Subject of the Lease for the purpose stated in this Agreement was made, and such removal or changes were not requested by the Lessor.

12.3 The happening of any of the following shall be deemed to be an event of Lessor's default (the "**Event of Lessor's Default**") under this Lease, allowing the Lessee to terminate this Agreement:

(a) due to reasons on the side of the Lessor it is not possible to use the Subject of the Lease for the purposes agreed in this Agreement for a time period exceeding 1 month and the Lessor fails to remedy such situation, despite a written notice of the Lessee, within an additional time period provided in the notice of the Lessee, which shall not be shorter than 60 days;

(b) the Lessor repeatedly (i.e. at least twice in past 6 months) and grossly breaches its material obligations stipulated in this Agreement, and the Lessor fails to remedy such situation, despite a written notice of the Lessee, within an additional time period provided in the notice of the Lessee, which shall not be shorter than 45 days.

12.4 This Agreement may be terminated only on the basis of a written termination notice, provided that the notice period shall be 1 month commencing as of the day following the day of its delivery to the other Party. The Parties agree that this Agreement may be terminated or withdrawn from exclusively for reasons stipulated herein.

12.5 Should either Party terminate this Agreement by a termination notice due to reasons on the side of the other Party, the breaching Party shall compensate the terminating Party in full extent for damage caused by such premature termination hereof (in case of termination delivered by the Lessor, especially the damage caused by the loss on Rent, Operating Costs and other payments according to the Agreement, until the last determined end of the Lease Term), a lost profit included, and the legal costs etc. The Lessee shall compensate the damage (including lost profit) in the extent such claim exceeds the contractual penalty to which the Lessee is obliged in connection with the premature termination hereof.

12.6 If, due to reasons on neither Party's side, the Subject of the Lease is destroyed, either in whole or in part, or the Building is damaged to the extent that reasonable use is not possible and if the reasonable period necessary for restoration does not exceed 6 months, the Lessor may at its sole risk and expense proceed to restore the Subject of the Lease or the

Building. If the Lessor proceeds with the restoration and notifies the Lessee of such intention within 1 months of the above casualty event, neither Party shall terminate the Agreement. If, in the meantime, the use of the Subject of the Lease, in whole or in part, is limited and if the damage was not caused or contributed to by an act or the negligence of the Lessee, any of its representatives, or those for whom the Lessee is responsible, the Lessee has the right to an appropriate Rent and/or Charge abatement, or alternatively (if chosen by the Lessor) for substitute premises of similar quality and area to be provided by the Lessor for the period of the reconstruction.

13. Sub-Lease, Transfer of Rights

13.1 The Lessee may not, whether in part or in whole, pass the Subject of the Lease for use or for sub-lease the Subject of the Lease to third parties without a prior written consent of the Lessor.

13.2 The Lessee is not entitled to transfer the rights and obligations under this Agreement, to a third person without a prior written consent of the Lessor, provided that the transfer shall also include any event of transformations of the Lessee pursuant to Act on Transformations of Companies. This obligation shall not apply to such transformations where the direct or indirect change in the ownership of voting securities or partnership interests (or their equivalent) is not exceeding 50% by contract, by operation of law or otherwise, or where the direct or indirect change in the majority ownership of the Lessee or its owner results in a change of control of the Lessee. The Lessor may assign and/or transfer the rights and obligations hereunder to any third person and the Lessee hereby agrees to any such transfer and/or assignment.

13.3 If at any time during the Lease Term the enterprise of the Lessee, or a part thereof to which this Agreement belongs, is transferred or leased to a third party, the Lessee shall inform the Lessor thereabout without undue delay.

13.4 The Lessee undertakes to guarantee the fulfilment of obligations of the acquirer of rights and obligations vis-à-vis the Lessor pursuant to this Agreement. In case that such acquirer fails to perform such obligations, the Lessee shall fulfil such obligations towards the Lessor in the acquirer's place.

14. Rights and Obligations of the Lessee

14.1 The Lessee is obligated to treat the Subject of the Lease including its equipment, fixtures and facilities and any Construction Modifications or Internal Modifications (as defined below) and Lessor's/Lessee's Fit-Out Works in a due and careful manner and with appropriate attention. The Lessee is obligated to maintain the Office Premises and repair or arrange for repairs of any damages to the Subject of the Lease, which are attributable to the Lessee and for which the Lessor is not liable, including its equipment, fixtures and facilities. Further the Lessee is obligated to use the Subject of the Lease without disturbing and/or detriment to other tenants and the Building.

14.2 The Lessee is obligated to follow the rules of the Building applicable for all lessees of the Building (the “**Rules of the Building**”). The Lessee confirms that it has acknowledged the wording of the currently valid Rules of the Building. The Lessee is obligated to secure that the Rules of the Building are observed by the Lessee’s employees, customers, contractors, visitors, sub-lessees and other persons that are allowed to enter the Subject of the Lease with the knowledge of the Lessee (the “**Lessee’s Persons**”). The Lessor shall have the right to modify the Rules of the Building. The Lessee shall be obliged to observe such modified Rules of the Building starting on the 14th day following the day of its delivery to the Lessee.

14.3 Provided that the Lessee has notified the Lessor of defects of the parts of the Subject of the Lease including Lessor’s Fit-Out Works to which the warranty periods apply without undue delay and provided that such defects have not been caused by the Lessee or other persons under Section 14.2 hereof, Section 14.1 hereof does not apply to repairs, which occur during the warranty periods listed in Exhibit 8 hereof and the respective repairs are to be carried out exclusively by the general contractor of the Building or the Lessor’s Fit-Out Works, and/or the sub-contractor who is/are responsible for such defects at no costs to the Lessee.

14.4 Any defects on the Subject of the Lease or the Lessor’s Fit-Out Works that are detected during the warranty periods, as such defects are covered by warranties listed in Exhibit 8 hereof, must be notified by the Lessee to the Lessor without undue delay. The Lessee shall be liable for damages caused by any late notification of such defects. In the event of any imminent danger, the Lessee itself shall take the necessary measures to protect the Lessor from damages or to mitigate the imminent damages of the Lessor.

14.5 Unless falling under the obligations of the Lessor pursuant to Section 15.2 below, the Lessee shall be liable for damages which are caused by failure to fulfil the Lessee’s obligations, in particular, if utility and sewage lines, toilets, and heating and other facilities are handled and maintained improperly, or the rooms are inadequately ventilated, heated, cleaned or insufficiently protected against frost, unless such situation occurs due to the fault on the side of the Lessor. Similarly, the Lessee shall be personally or, as the case may be, jointly and severally with any of the Lessee’s Persons liable in the same manner also for damages which are caused by third persons, who were allowed to enter the Subject of the Lease with the knowledge of the Lessee’s Persons.

14.6 If the Lessee does not meet its obligations to carry out the required repairs in accordance with this Agreement or arrange for such repairs, the Lessor shall be entitled subject to a prior written notice (or immediately in situations of imminent danger), but not obligated, to have the repairs made at the Lessee’s expense, if the Lessee does not commence the required repairs works within 3 days from the receipt of the written notice of the Lessor. In such case, the costs of these works shall be paid by the Lessee promptly but not later than 10 days after receipt of the invoice. These costs shall not exceed the usual amounts in given place and time, considering the maintenance of the Building’s quality.

14.7 The Lessee shall inform the Lessor without undue delay upon determining about the need to perform in the Subject of the Lease any repairs:

(a) specified in Section 15.2 hereof; and

(b) specified in Section 14.1 if the Lessee is not able to fulfil its obligation to repair or arrange for such repairs, provided the costs of such repairs shall be borne by the Lessee. The Lessor shall charge the Lessee for such costs, without any supplementary charges or fee by the Lessor, in a special invoice that the Lessee is obligated to pay within the maturity period of 10 days as from its delivery.

The Lessor is obligated to perform all announced repairs without undue delay after their announcement by the Lessee, provided, however, that the Lessee provides the Lessor with necessary co-operation and assistance, in particular, without limitation, by allowing the Lessor and/or persons authorized by it to access the Subject of the Lease.

The Lessee shall inform the Lessor without undue delay upon determining about the need to perform repairs of any defects and/or damages in the Common Premises 1 and if applicable also Common Premises 2, provided costs for repairs of the Common Premises 1 and if applicable also Common Premises 2 shall be borne by the Lessee, unless such defects have been caused by the Lessee or by the Lessee's Persons.

14.8 In the Subject of the Lease, the Lessee is not entitled to perform, without a prior written consent of the Lessor which shall not be unreasonably withheld: (i) any structural modification, structural or construction improvements, build-in adjustments or installation of technological equipment that would have a fixed connection to the Building and/or which require construction permit or notification to a building office (the "**Construction Modifications**"), or (ii) any internal and/or non-structural modifications, for which no construction permit or notification to the building office is required (the "**Internal Modifications**").

14.9 The Lessee shall perform any Construction Modifications and/or Internal Modifications at its own costs. The Parties have agreed that costs for any technical improvement of the Subject of the Lease performed and financed by the Lessee in line with this Agreement may be depreciated by the Lessee pursuant to valid legal regulations, and the Lessor further undertakes not to increase the initial Building price by such costs.

14.10 Prior to commencement of the Construction Modifications and/or Internal Modifications (or, prior to commencement of any changes thereto) the Lessee shall deliver to the Lessor appropriate project documentation which shall correspond to the project documentation provided to the Lessee by the Lessor and which shall be approved by the Lessor. The Lessee shall carry out the Construction Modifications and/or Internal Modifications in accordance with this Agreement, approved project documentation, conditions set out in the relevant consents and permits of the public authorities, rules and regulations determined by the Lessor and the Lessee shall be responsible for the carrying out of the Construction Modifications and/or Internal Modifications. While carrying out the Construction Modifications and/or Internal Modifications, the Lessee shall proceed so as not to disturb other lessees or users of the Building, particularly by

vibrations, noise or odour, and shall adopt all measurements for this purpose. In case the project documentation for the Construction Modifications and/or Internal Modifications contains irregularities, unclarities or is not complete, the Lessor shall require the Lessee to remedy the situation without undue delay. The Lessee shall obtain any and all consents and permits of public authorities necessary to carry out or modify the Construction Modifications and/or Internal Modifications and to use them within the Subject of the Lease after their completion and the Lessor is obliged to provide the Lessee with all reasonably required assistance.

14.11 When performing the Construction Modifications and/or Internal Modifications, the Lessee is obligated to ensure that it is in compliance with the unity of the Building. All elements which affect the exterior of the Building or the Subject of the Lease, in particular but not limited to the window blinds, shall be subject to a prior written consent of the Lessor. Within 2 months after completion of the Construction Modifications and/or Internal Modifications at the latest, the Lessee is obligated to deliver to the Lessor documentation of the as-built state of the Construction Modifications and/or Internal Modifications in an electronic and editable form, as applicable, and obtain the use approval, if necessary, for the same purpose of the lease, and further notify to the Lessor the acquisition price of such Construction Modifications and/or Internal Modifications while at the same time proving such acquisition price by delivering to the Lessor copies of invoices and tax documents on such acquisition price.

14.12 During the notice period and/or during 12 months before expiration of the Lease Term, the Lessor and/or persons authorized by it may enter the Subject of the Lease on business days in regular working hours upon a prior notice delivered 24 hours in advance, at the latest, in order to allow inspection thereof by third parties that are interested in leasing the Subject of the Lease. The Lessee is obligated to secure that such visitors are accompanied by its representative.

14.13 The Lessee undertakes to conclude the following insurance policies in sufficient amounts for a time period commencing as from the Hand-Over Date of the Subject of the Lease at the latest and to maintain such insurance policies in full effect throughout the entire Lease Term, the insurance policies to be provided by a reputable insurance company which shall be approved in advance in writing by the Lessor. The insurance shall cover at least:

(a) Insurance of Lessee's Fit-Out Works and Lessor's Fit-Out Works, Construction Modifications, Internal Modifications or other construction or non-construction modifications to the Subject of the Lease made by the Lessee or by the Lessor (including the modifications that were in the Subject of the Lease of the Hand-Over Date) and insurance of damages of movable assets, stock, commercial documentation, pieces of art and valuables of the Lessee and any third party located in the Office Premises 1 or in the Common Premises 1 and Office Premises 2 or in the Common Premises 2 against natural disasters (in the minimum extent of "pojištěný živel") with the co-insurance not exceeding CZK 100,000 for any one occurrence;

(b) insurance of damages caused by burglary, robbery and/or vandalism and damages incurred in connection with the above-mentioned perils in the Office Premises 1 and if applicable Office Premises 2 and inside of the Office Premises 1 and if

applicable Office Premises 2 with the deductible not exceeding CZK 100,000 for any one occurrence;

(c) insurance of glass in the Office Premises 1 and if applicable Office Premises 2;

(d) insurance of damages caused by business interruption of the Lessee's business against the perils defined in "Pojištěný živel" with a maximum deductible of seven days and with minimum indemnity period of 12 months;

(e) business interruption insurance covering damages caused by supply interruption of energy, utilities and/or damages to utility networks in the Office Premises 1 and if applicable Office Premises 2 with indemnity period at least 6 months and a maximum deductible of 30 days;

(f) insurance of Lessee's liability for damages caused to third parties by damages to life, health, consequential and net financial losses, personal injuries and/or environmental damages for a minimum insurance amount of CZK 50,000,000 and a maximum deductible of CZK 100,000;

(g) any and all other insurance the conclusion of which is demanded according to the Czech law.

"Pojištěný živel" means the following insurance perils: fire, explosion, lightning, crash or fall of airplane, its part or cargo, flood and inundation, windstorm and hailstorm, landslide, rock and earth fall, avalanche, earthquake, weight of snow or ice, vehicle or its cargo impact, fall of tree, pole or other object which is not part of the damaged item, sonic boom and smoke, water/liquids escaping from water pipes and media escaping by failure from stable fire extinguishers and sprinklers, pipes or heating.

In case any damage on the Subject of the Lease and/or the Property is covered both by the Lessee's and Lessor's insurance, the Lessee shall primarily use its own insurance and claim the indemnification from its insurance company. The Lessor's insurance may be used only in the extent in which the damage is not remedied from the Lessee's insurance.

14.14 The Lessee shall submit to the Lessor a copy of the insurance policy and a confirmation that all premiums and insurance contributions for the following insurance period have been paid within 15 days as from receipt of the Lessor's request.

14.15 Any increase in the insurance premiums of the Lessor in connection with the activities of the Lessee or resulting from Construction Modifications or Internal Modifications and/or any other changes in the Subject of the Lease performed by the Lessee shall be borne by the Lessee.

14.16 The Lessee agrees that during its use of the Subject of the Lease, during the preparation and creation of documentation for performance of the Construction Modifications

and/or Internal Modifications, during the performance of the Construction Modifications and/or Internal Modifications and/or equipping the Subject of the Lease with interior equipment, it shall observe all legal regulations, in particular, without limitation, legal regulations relating to the fire protection and protection of health and safety at work.

14.17 The Lessee hereby undertakes that it shall not place within the Subject of the Lease any equipment exceeding the capacity or overextending the technical parameters of the Building.

14.18 The Lessee will not place or permit to be placed, will not use or permit to be used, will not maintain or permit to be maintained within the Subject of the Lease, and will not bring or permit to be brought onto the Real Estate any hazardous substances, contaminants or pollutants, toxic substances or wastes, infectious materials, petroleum products, asbestos or asbestos containing materials (except immaterial amounts of ordinary cleaning materials).

15. Rights and Obligations of the Lessor

15.1 During the Lease Term, the Lessor is obligated to provide the Lessee with the Subject of the Lease to uninterrupted use under the condition that the Lessee fulfils all its obligations under this Agreement.

15.2 In the extent affecting the Lessee's use of the Subject of the Lease hereunder, the Lessor shall be obligated to repair and maintain the following parts of the Building at its own expense, if such expenses are not covered by the Operating Costs: the roof of the Building, all statically supporting parts of the Building, all pipes and plumbing installations (connections up to the Subject of the Lease); electrical connections (connections up to the Subject of the Lease); sewer pipes (connections up to the Subject of the Lease); foundations; and external walls of the Building and all Building's base-built fire safety systems.

15.3 The Lessor is furthermore obligated to conclude and maintain an insurance policy with adequate coverage for the Building, covering mainly:

- insurance of liability of the real estate owner for damages caused to third parties for a minimum insurance amount of CZK 50,000,000;
- insurance policy against damages caused by natural disasters (fire, windstorm, landslide) as well as damage to the Real Estate caused by broken water pipelines and water ("živelní pojištění v rozsahu požár, vítr, sesuv, vodovod").

15.4 The Lessor's liability to the Lessee for damages in any case is limited up to CZK 50,000,000. Parties agreed that the damage is considered as maximal foreseeable amount of damage.

15.5 The Lessor may access the Subject of the Lease on business days in regular working hours upon prior notification delivered to the Lessee at least 24 hours in

advance, in particularly in order to review the fulfilment by the Lessee of its obligations pursuant to this Agreement and in order to perform repairs, maintenance and inspection of the Subject of the Lease, in all cases upon a prior notice delivered to the Lessee.

15.6 In cases of imminent danger, the Lessor may enter the Subject of the Lease at any time without giving a prior notification to the Lessee and the Lessee shall secure that the Lessor may enter the Subject of the Lease immediately even in the absence of the Lessee.

15.7 If the Lessee does not fulfil duly its payment obligations under this Agreement even after a written reminder of the Lessor giving the Lessee an additional period of 5 days for remedy, the Lessor shall have the right not to provide services and/or utility supply (electricity, gas, water etc.) connected with the use of the Subject of the Lease and to disrupt provision of such services and/or utilities.

15.8 The Lessor shall have the right to claim from the Lessee the payment of a contractual penalty in the amount of EUR 250 per every day on which the breach lasted or in the amount of EUR 1,000 if it is a one-off breach, and the Lessee is obligated to pay such contractual penalty to the Lessor in any individual case when the Lessee breaches any of its contractual obligations set forth in Articles 3 and 4, in Section 14.1, Section 14.7, Section 14.8, Section 14.11, Section 14.12, Section 14.13 and/or in Article 16 hereof, and such breach is not remedied within additional period of 5 days (if this Agreement does not stipulate a different period) which commences to run from the day of delivery of written Lessor's request to remedy the breach to the Lessee. In any individual case the Lessee breaches any of its contractual obligations set forth in Sections 11.2, 11.3, 11.4 and 11.6 hereof the Lessor shall be entitled to claim a contractual penalty in the amount of EUR 2,000 per each day of delay. If the Lessee (who's in delay at that moment) subsequently fulfils its obligation set forth in Sections 11.2, 11.3, 11.4 and/or 11.6 hereof, with fulfilment of which the Lessee is in delay, within additional 14 days at the latest, the total accrued amount of the contractual penalty shall be reduced by 75%. The maximum amount of the contractual penalty that the Lessor is entitled to receive under this Section is the amount of the actually valid Security in line with Section 11.2 hereof. The same applies also to breach of Section 11.9 hereof, however, with the exception that in case of additional fulfilment of such obligation within 14 days following the commencement of the delay, the Lessor shall waive the right for 100% of the accrued amount of the contractual penalty. In case of breach of the obligation to return the Subject of the Lease on due and timely manner under Section 17.1 and/or 17.2 hereof the Lessee shall be obligated to pay to the Lessor a lump-sum contractual penalty in the amount of 2 monthly Rent payments (without VAT) valid in the time of the breach of the obligation.

15.9 The Parties hereby declare that the Lessor has provided to the Lessee with the Building's energy consumption certificate prior to execution hereof.

16. Information and Advertising Boards and Panels

16.1 Placement of signs, shop signs, information panels, advertisements, boards etc. (the "**Signposts**") in the Subject of the Lease or in/on the Real Estate may be performed

exclusively by the Lessor. The Lessee shall reimburse all costs, fees and charges connected with the manufacture, placement, installation and use of the Signposts related to the Lessee, if such manufacture, placement, installation and use of the Signposts are requested by the Lessee.

16.2 The Lessor may install standard size Signposts with the Lessee's company logo according to the design of general information system of the Building on the main directory board located in the main lobby on the ground floor of the Building. The costs of manufacture and placement of the Signposts under this Section 16.2 shall be borne by the Lessee.

16.3 Upon the termination of the lease relationship the Lessor will, at Lessee's costs, reinstate the places after dismantling of the Signposts, the placement or installation of which was requested by the Lessee, into the original condition, in which such places used for placement of the Signposts had been before the Lessee requested the placement and/or installation of the Signposts on its own costs.

17. Return of the Subject of the Lease

17.1 Upon termination of the lease relationship the Lessee shall return the Subject of the Lease, clean and empty (i.e. without Lessee's movables) and in the "as is" condition as on the day of termination of the lease relationship, save for usual wear and tear and further save for necessary repairs in compliance with due use of the Subject of the Lease with good care and attention. The Lessee shall return to the Lessor all the keys as well as all the carriers of the access code to the Subject of the Lease. The Parties shall prepare and execute a written protocol recording the return of the Subject of the Lease by the Lessee to the Lessor.

17.2 Unless this Agreement stipulates otherwise, the Lessee undertakes to remove from the Subject of the Lease at its own expense, upon returning of the Subject of the Lease, all its movable assets and equipment, however, the Lessee shall leave in the Subject of the Lease all Construction Modifications, Internal Modifications and Lessee's Fit-Out Works (together as "**Lessee's Improvements**") and further the Lessor's Fit-Out Works and also the movable items described in the Hand-Over Protocol. The Lessee furthermore undertakes to repair all damages possibly caused by such removal.

17.3 If the Lessee fails to perform its obligations upon the termination of the Lease, particularly if the Lessee fails to vacate the Subject of the Lease and restore the same to the state as required under this Agreement, the Lessor shall be entitled to enter into the Subject of the Lease and perform the relevant works instead of the Lessee and at the expense of the Lessee. The Lessor shall be entitled to keep any of the unremoved Lessee's Improvements. In such a case, it shall be deemed that the value of the Lessee's Improvements left in the Subject of the Lease corresponds to an amount of CZK 10 000 and this amount shall be paid by the Lessor to the Lessee within 2 months following termination of the lease hereunder. Lessee's Improvements left in the Subject of the Lease shall become the property of the Lessor (except for Lessee's Improvements that already became the Lessor's ownership by their installation in the Subject of the Lease); the Lessee expressly agrees with this. The Lessee shall also indemnify the Lessor for any and all damage caused by non-fulfilment of the obligation to vacate and return the Subject of the Lease in line with this Agreement.

17.4 Provided that the Lessee fails to vacate the Subject of the Lease as of the day of termination hereof, the Lessor will be entitled to store any and all of the movable property left in the Subject of the Lease (the “**Unremoved Assets**”) at the Lessee’s cost and send a written notice to the Lessee regarding the place where such movable property is stored. The Lessee explicitly agrees that (i) such storing of the Unremoved Assets shall not be longer than one month, (ii) the Lessor shall bear no liability regarding the Unremoved Assets, and that (iii) should the Lessee fail collect the Unremoved Assets during the storing period, the storing entity, or the Lessor, will be entitled to dispose of the Unremoved Assets at its discretion, including their sale (provided, however, that the Lessor shall pay out the proceeds of such sale to the Lessee after deduction of costs connected with the sale and set off of the Lessor’s receivables due to the Lessee) or destroying at the risks and costs of the Lessee.

Notwithstanding whether the Lessor exercises its right to store the Unremoved Assets under previous paragraph or not, the Lessor will be entitled, at its discretion, to: (i) acquire all Unremoved Assets, or any of them upon delivering a written notification to the Lessee and the payment of EUR 100 and VAT thereon and/or (ii) to dispose of the Unremoved Assets in any other way at its discretion, including the right to sell (provided, however, that the Lessor shall pay out the proceeds of such sale to the Lessee after deduction of costs connected with the sale and set off of the Lessor’s receivables due to the Lessee) or to destroy the Unremoved Assets. The Lessee undertakes to procure, that it will have necessary disposal rights to such Unremoved Assets in order to enable the Lessor to exercise its rights under this Section 17.4 in full extent. The Lessee shall indemnify the Lessor for any and all damage, expenses or costs incurred by the Lessor in case it breaches its obligations pursuant to the previous sentence.

17.5 If the Lessee continues using the Subject of the Lease after the expiration or termination of this Agreement without a written consent of the Lessor, or if the Lessee fails to return the Subject of the Lease duly and on a timely basis, the Lessee shall pay to the Lessor a contractual penalty of two times the last daily Rent for each day of such delay besides a lump-sum contractual penalty under Section 15.8 hereof.

18. Governing Law, Court Jurisdiction

18.1. This Agreement and relationships arising hereunder shall be governed by the Czech law.

18.2. Any disputes arising under or in relation to this Lease shall be finally settled by the common courts of the Czech Republic, provided that in line with Section 89a of the Civil Proceedings Code, the court competent according to the Lessor’s registered office shall be competent for deciding on such disputes.

18.3. The Parties have agreed that the provisions of following Sections of Act no. 89/2012 Coll., the Civil Code (the “**Civil Code**”) shall not apply to the contractual relation constituted by the Lease Agreement: 1765, 1766, 1899, 1977 through 1979, 2000, 2002 through 2004, last sentence of 2208(1) as to the possibility to terminate the lease, 2210(3), 2212, 2219(2), 2223, 2232, 2233(2), 2253, 2287, 2304, 2305, 2307(2), 2308 through 2311 and 2315. The Parties hereby agree that exercise of Parties’ rights pursuant to Section 2314 of the Civil Code

will not affect the rights and obligations of the Parties under this Agreement, especially in relation to the termination of the lease, vacation of the Premises and its hand-over to the Lessor and related rights and obligations. The Parties explicitly agree that potential objections raised by the Lessee according to Section 2314(1) of the Civil Code do not give the Lessee the right to continue to use the Premises after the date as of which the lease has ceased to exist based on the withdrawal or termination of the Lessor.

18.4. The Parties expressly agree that this Agreement can be terminated only for the reasons stated herein and that all reasons for an early termination of the contractual relationship (on the basis of withdrawal or termination) stipulated by the Civil Code are excluded by agreement of the Parties. This is regardless of whether the respective section of the Civil Code is included in those sections of the Civil Code the application of which shall be excluded under this Agreement.

19. Final Provisions

19.1 Any and all notices, requests or other communications by either of the Parties pursuant to this Agreement shall be made in writing and shall be deemed as duly made as soon as such communications are delivered to the other Party in person, via a courier providing verification of delivery or via registered mail to the address of the relevant Party stated below or to such other address as either of the Parties has announced to the other Party.

(a) If to the Lessor:

4P –Immo. Praha s. r. o.
Karolinská 661/4
186 00 Prague 8 – Karlín
Czech Republic
Attn. of: Alois Vyleta, Hedwig Höfler
Tel. No.: +420.233.109.310
E-mail: alois.vyleta@caimmo.cz

(b) If to the Lessee prior to the Lease Commencement Date:

Semrush CZ s. r. o.
Na strži 1702/65
140 00 Prague 4
Czech Republic
Attn. of: Stepan Shirokikh
E-mail: s.shirokikh@semrush.com
Tel. No.: +420 774 032 592

- (c) If to the Lessee after the Lease Commencement Date:

Semrush CZ s. r. o.

Na Hřebenech II

140 00 Prague 4

the Czech Republic

Attn. of: Stepan Shirokikh

E-mail: s.shirokikh@semrush.com

Tel. No.: +420 774 032 592

Any and all notices made pursuant to this Agreement shall be deemed as delivered:

- (a) on the date of their physical receipt by the addressee in case of personal delivery or delivery via a messenger service; or
- (b) on the date stated on the receipt in case of delivery via registered mail through the operator of the mail services; or
- (c) on the third business day after demonstrable sending through the operator of the mail services, if the Party does not hand over the notice at its valid address for delivering mail to its hands pursuant this Agreement or the Commercial Register (including delivery by the registered mail).

19.2 This Agreement including all its Exhibits hereto represents the entire agreement of the Parties. All previous oral and written arrangements were either incorporated in this Agreement, or they shall become null and void. There are no side oral agreements to this Agreement. Any changes or amendments hereto shall be valid only if made in writing and if signed by both Parties.

19.3 Should any provision of this Agreement be or become invalid, ineffective or unenforceable, the remaining provisions of this Agreement shall remain unaffected thereby and in full force and effect. The Parties have agreed to replace the invalid, ineffective or unenforceable provision of this Agreement by another valid, effective and enforceable regulation that shall be identical to the business purpose of the original provision or that shall be as close as possible by its business purpose to the original provision.

19.4 This Agreement has been executed in two counterparts in the Czech and English languages. In the event of any discrepancy between the language versions, the Czech version shall prevail.

19.5 Each Party shall receive one original counterpart of this Agreement.

19.6 The following Exhibits constitute an inseparable part hereof:

Exhibit 1	Excerpt from the Commercial Register in respect of the Lessee;
Exhibit 2	Floor Plan;
Exhibit 3	Description of the Building;
Exhibit 4	Hand-Over Protocol (sample);
Exhibit 5	Indexation Clause;
Exhibit 6	List of Operating Costs;
Exhibit 7	Bank Guarantee (sample);
Exhibit 8	List of Warranty Periods.
Exhibit 9	Space Plan and Specification of the Lessee's Fit-Out Works
Exhibit 10	Space Plan

19.7 The Parties hereto consider all information contained in this Agreement or acquired in connection with this Agreement as confidential. Neither of the Parties may disclose such information to any third party without a prior written consent of the other Party, except for cases where (a) such disclosure is required by the law, or (b) such disclosure is required by the state administration bodies acting in compliance with legal regulations, or (c) the information concerned is already publicly available in compliance with relevant legal regulations, or (d) such information must be disclosed to third parties in connection with the pursue by the Lessor of its business activities, in particular its activity as the lesser of the Building and of other real estate, as the developer, investor and property administrator, and in connection with investments in the Building and other real estate and with marketing activities.

19.8 This Agreement shall become valid and effective on the date of its signing by both of the Parties hereto.

In _____ on ____ / ____ / ____

Alois Vyleta
Jednatel/Executive Director

EXHIBIT 1

EXCERPT FROM THE COMMERCIAL REGISTER IN RESPECT OF THE LESSEE

EXHIBIT 2
FLOOR PLAN

EXHIBIT 3
DESCRIPTION OF THE BUILDING

EXHIBIT 4

HAND-OVER PROTOCOL (SAMPLE)

HAND-OVER PROTOCOL

Lessor:

Identification No. (IČO):, Tax Identification No. (DIČ):, with registered office registered in the Commercial Register maintained by the Municipal Court in Prague, Section .., File No.

represented by , ...

Lessee:

Identification No. (IČO):, Tax Identification No. (DIČ): , with registered office

registered in the Commercial Register maintained by the Court in, Section ..., File No.

represented by, ...

Place: administrative building No. (hereinafter referred to as the “**Building**”)

Date and Time: _____

Based on the lease agreement for premises concluded on (the „**Lease Agreement for Premises**”) by and between the Lessor and Lessee, the Lessor leased to the Lessee premises for the purpose of operation of business specified in Section 2.1 of the Lease Agreement for Premises located in the Building (the „**Subject of the Lease**”).

The Lessor hereby hands-over the Subject of the Lease under the Lease Agreement for Premises to the Lessee and the Lessee hereby takes-over the Subject of the Lease under the Lease Agreement for Premises from the Lessor as follows:

- (d) office premises situated on the floor of the Building with a rentable area of m², that shall be exclusively used by the Lessee (net rentable area 1 -exclusive) marked in in the Floor Plan attached as Exhibit 2 to the Lease Agreement for Premises (the „**Office Premises**”);
 - (e) storage premises situated on the floor of the Building with a rentable area of m², that shall be exclusively used by the Lessee (net rentable area 1 -exclusive) marked in in the Floor Plan attached as Exhibit 2 to the Lease Agreement for Premises (the „**Storage Premises**”); and
-

The Office Premises and the Storage Premises set out in (a) and (b) are in a condition according to the Technical specification of the Building that is attached as Exhibit 3 of the Lease Agreement for Premises. The Office Premises are handed-over to the Lessee for the purpose of use as premises determined for office purposes, the Storage Premises are handed-over to the Lessee for the purpose of use as premises determined for storage and archival purposes. The Lessee is entitled to use the Subject of the Lease only for the purpose and for the activities set forth in Section 3.1 of the Lease Agreement for Premises.

The Lessor and the Lessee hereby declare that the Subject of the Lease has the defects specified in Exhibit 1 hereto. The parties hereby declare that these defects stated in Exhibit 1 hereto are not material in any respect and do not hinder or otherwise interfere with the use of the Subject of the Lease and/or can be remedied without material interference of the use of the Subject of the Lease.

As agreed with the Lessee, the Lessor shall remedy these defects until the deadline for individual defects as stated in the Exhibit 1 hereto.

The Lessee hereby confirms that the Lessor handed-over the keys and access cards for access to the Subject of the Lease to the Lessee. The list of the keys and access cards that are taken-over by the Lessee is included in the Exhibit 2 hereto.

[Jméno/*Name*]
[Funkce/*Position*]

Exhibit 1	List of the defects, deadlines for remedy
Exhibit 2	List of the keys and access cards handed over to the Lessee
Exhibit 3	List of furniture in the Subject of the Lease

EXHIBIT 5

INDEXATION CLAUSE

Rules for Indexation

Rent Adjustment

1. The Parties have agreed that the Rent shall be adjusted according to the annual average rate of change of consumer prices index for the preceding calendar year determined and published on the basis of Regulation (EU) 2016/792, as amended, by the statistic office of the European Union EUROSTAT as a harmonized index “HICP- all items index (2015=100) for Euro Area, changing composition (the “**HICP**”). In case the HICP is no longer published, then its succeeding index shall be used and in case there is no such succeeding index of the HICP than another index valid at that time which is the one most proximate to the HICP shall be used.
 2. The adjustment of the Rent shall take place each year on 1 January (the “**Indexation Date**”) of the appropriate year pursuant to the HICP of the preceding year. The first adjustment of the Rent shall take place on 1 January 2018. Adjustment, which results in a reduction of the Rent, shall be excluded.
 3. The Lessor shall advise the Lessee of the amount of the adjusted Rent (the “**Indexation Notice**”). The Lessee shall start paying the Rent as adjusted pursuant to Article 2 above with effect from the first day of the calendar month immediately following the delivery of the Indexation Notification. In addition, the Lessee shall pay to the Lessor the difference between the amount of the adjusted Rent and the Rent actually paid so far for the period from the beginning of the current calendar year up until (and including) the calendar month in which the Indexation Notification is delivered to the Lessee.
 4. In the event that within a single calendar year the HICP increases by 5 or more percent, the Lessor shall be entitled to demand a corresponding adjustment earlier than in January of the following year. This adjustment is to be taken into account when adjusting the Rent in January of the following year when adjusting the Rent, so that only the increase since the time of the last adjustment shall be taken into account.
 5. In the event that the Lessor does not calculate the adjusted Rent, this shall not be construed as a waiver.
-

EXHIBIT 6

LIST OF OPERATING COSTS

List of Operating Costs

Operating costs are the costs incurred in the operation of the Real Estate and of the utility networks serving the same, corresponding to the character and technical specification of the Building, and the costs of services provided to lessees in the Building and related to the lease, in particular the following costs:

- (f) of water and sewage fees – the cost of the consumption of water and all related fees, the cost of the lease of water meters, the use thereof and the costs of the operation and maintenance of pump equipment to drain wastewater and rainwater into the public sewage system, the cost of operating internal equipment to supply and treat water, including material for water treatment and fees for wastewater and rainwater drainage;
 - (g) of the operation, maintenance and repair of the central heating system and the equipment for the supply of fuels, including equipment for exhaust ventilation;
 - (h) of consumed fuel and the supplies thereof, the cost of operational electricity, the cost of the personnel operating and controlling and maintenance of the same, regular testing of its function and operation safety, including fine-tuning by an expert, cleaning of equipment in the operation room, the cost of metering emissions, the cost of leasing consumption metering equipment, as well as the cost of using consumption metering devices and related costs;
 - (i) of electricity consumption to maintain, operate and consume sources and substitute sources of electricity;
 - (j) of removing water-borne sediments and combustion remains in equipment, the cost of regular testing of its function and operation safety and fine-tuning by an expert, and metering costs;
 - (k) of water heating and for the operation, maintenance and repairs of all devices for hot water distribution and consumption, and the cost of removing water-borne sediments and combustion remains in equipment, as well as the cost of regular testing of its function and operation safety and related expert fine-tuning;
 - (l) of the operation of passenger and freight lifts and the cost of electricity to operate the same, the cost of supervision, operation, control of equipment and the care thereof, the cost of regular testing of its function and operation safety, including expert fine-tuning, as well as cleaning costs;
 - (m) of cleaning the Real Estate and the related roads and pavements, waste collection and disposal, the cost of maintenance, removal of snow, ice, leaves and other natural materials, etc.;
-

- (n) of cleaning all common and public areas, access roads, corridors, stairs, technical areas, ventilation channels and other premises not used solely by specific lessees in the Building;
 - (o) of rodent control, disinfection and disinsection, plants care, including the restoration of plants and trees, for cleaning and care for public areas, access and entry roads;
 - (p) of electricity used for exterior lighting and the lighting of common areas of the Real Estate and for exterior access roads, technical and other premises which are not for exclusive use by specific lessees of the Building;
 - (q) of cleaning and examinations of chimneys and exhausts;
 - (r) of the insurance of the Real Estate and for the insurance against the Lessor's liability to the extent specified in Section 15.3 hereof;
 - (s) to hire personnel to operate the reception, check entry to the Building and to patrol the Building;
 - (t) of the operation and maintenance of equipment ensuring the reception and distribution of television and radio signals, for electricity necessary for the operation thereof and for regular testing of the functions thereof, including the configuration thereof by a specialist technician, and payment for the use of the antenna that does not form a part of the Real Estate;
 - (u) of washing and cleaning of textiles used in the Building's common areas and for the maintenance and operation of equipment serving for this purpose, including technological equipment;
 - (v) of the cleaning of the external walls of the Building, including windows and their frames, and for the maintenance and cleaning of towers ventilating the Building's atrium;
 - (w) of the operation and maintenance of lightning conductors and other facilities protecting against lightning strikes, as well as the cost of the regular testing thereof;
 - (x) of the maintenance and repairs of all ventilating and air-conditioning facilities, including operational repairs and operational consumption, supplementation of operational media and other related operating costs;
 - (y) of the maintenance and operational repairs of the garage gate;
 - (z) of the maintenance and repairs of technical means of access control (e.g. code cards system);
 - (aa) taxes, fees and withholdings related to the Real Estate, in particular real estate tax;
-

- (bb) other operating costs, including the cost of maintenance, operation and repair of the utility networks serving the Real Estate;
 - (cc) for the management of the Real Estate, i.e., in particular, any and all administrative, technical and servicing activities aimed at safeguarding proper operation of the Real Estate on optimal level carried out by an authorized natural or legal person;
-

EXHIBIT 7

BANK GUARANTEE (SAMPLE)

Bankovní záruka (vzor)

4P – Immo. Praha s.r.o.

Karolinská 661/4, 186 00 Praha 8

IČO: 272 08 648

zapsaná v obchodním rejstříku vedeném Městským soudem v Praze, oddíl C, vložka 104573

(věřitel)

BANKOVNÍ ZÁRUKA č.

Byli jsme informováni, že společnost, IČO:, se sídlem (dále jen „**Nájemce**“), zapsaná v obchodním rejstříku vedeném Městským soudem v Praze, oddíl, vložka, s Vámi jako Pronajímatelem uzavřela dne nájemní smlouvu na nebytové prostory (dále jen „**Nájemní smlouva na prostory**“) a dne nájemní smlouvu na parkovací místa (dále jen „**Nájemní smlouva na parkovací místa**“) a že je podle článku IX. Nájemní smlouvy na prostory a Nájemní smlouvy na parkovací místa vyžadována bankovní záruka za splnění veškerých závazků společností se sídlem, zapsané v obchodním rejstříku vedeném Městským soudem v Praze, oddíl, vložka (dále jen „.....“) jako Nájemce vzniklých jí z Nájemní smlouvy na prostory a/nebo z Nájemní smlouvy na parkovací místa a/nebo v souvislosti s Nájemní smlouvou na prostory a/nebo Nájemní smlouvou na parkovací místa (dále jen „**Bankovní záruka**“).

Na žádost přebíráme my, ..., se sídlem, zapsaná v obchodním rejstříku vedeném, oddíl, vložce, vůči Vám jako Věřiteli pro případ nesplnění závazků vzniklých jí vůči Vám podle Nájemní smlouvy na prostory a /nebo Nájemní smlouvy na parkovací místa a/nebo v souvislosti s Nájemní smlouvou na prostory a /nebo Nájemní smlouvou na parkovací místa neodvolatelnou Bankovní záruku až do výše

EUR,- slovy: (dále jen „zaručená částka“)

a zavazujeme se Vám vyplatit bez odkladu, bez námitek a bez prověřování oprávněnosti Vaší výzvy jakoukoli částku nebo částky, až do celkové výše námi zaručené částky, a to po obdržení Vaší výzvy, která bude v souladu se všemi podmínkami této Bankovní záruky a bude obsahovat i Vaše písemné prohlášení, že neuhradila řádně a včas své závazky vzniklé jí z Nájemní smlouvy na prostory a/nebo Nájemní smlouvy na parkovací místa a/nebo v souvislosti s Nájemní smlouvou na prostory a/nebo Nájemní smlouvou na parkovací místa ve výši částky požadované k výplatě podle této Bankovní záruky (dále jen „**Výzva**“). Výzva musí obsahovat datum vystavení a číslo této Bankovní záruky, požadovanou částku k proplacení, název banky a číslo bankovního účtu, na který máme platbu poukázat.

Vaše písemná výzva nám musí být doručena nejpozději k níže uvedenému datu platnosti této Bankovní záruky.

Jakýkoli požadavek na splnění závazku z této Bankovní záruky bude splněn bez námitek, bez ohledu na právní stav ke dni vzniku požadavku na plnění (likvidace, insolvence, konkurs), bez ohledu na případné Vaše výzvy zasílané, bez ohledu na případné právní spory nebo soudní řízení nebo jakékoliv jiné okolnosti, které by mohly splnění takového závazku ovlivnit, a bez ohledu na případné doplňky nebo změny Nájemní smlouvy na prostory a/nebo Nájemní smlouvy na parkovací místa provedené v průběhu doby nájmu.

Jakákoli platba vyplývající z této Bankovní záruky bude provedena tak, že Pronajímateli poukážeme na bankovní účet uvedený ve Výzvě částku požadovanou ve Výzvě bez odečtení jakýchkoli případných provizí, srážek, daní nebo jiných poplatků, které by se v budoucnu mohly vyskytnout. Výše naší Bankovní záruky se sníží o každou námi provedenou částečnou platbu z této Bankovní záruky ve prospěch Věřitele. Vyplacením celé výše námi zaručené částky ve prospěch Věřitele tato Bankovní záruka zanikne.

Tato naše Bankovní záruka je platná do včetně. Její platnost automaticky a zcela skončí, pokud do tohoto data neobdržíme Vaši písemnou Výzvu, nezávisle na tom, bude-li nám tato záruční listina vrácena či nikoli.

Platnost této naší Bankovní záruky rovněž skončí před výše uvedeným datem její platnosti po obdržení originálu této Bankovní záruky nebo Vašeho prohlášení, že netrváte na další platnosti této Bankovní záruky (dále jen „Prohlášení”).

Každá Vaše Výzva a Prohlášení musí obsahovat podpis statutárního orgánu Věřitele nebo jím zmocněné osoby, který musí být úředně ověřen a předložen společně s dokumenty prokazujícími, že podpis je právoplatně závazný pro Vaši společnost (originálem nebo ověřenou kopií výpisu z obchodního rejstříku, příp. plnou mocí).

Pro vznesení jakýchkoli případných platebních nároků z této Bankovní záruky je třeba, aby Bankovní záruka byla písemně uplatněna u, pokud existuje, jinak u kterékoliv pobočky

Tato Bankovní záruka (včetně práva na uplatnění Bankovní záruky) je převoditelná na případného právního nástupce Věřitele jako pronajímatele podle Nájemní smlouvy na prostory a/nebo Nájemní smlouvy na parkovací místa, a to na základě písemného oznámení naší bance podepsaného za Vaši společnost a též za takového právního nástupce, předloženého společně s dokumenty prokazujícími, že podpisy jsou právoplatně závazné pro Vaši společnost a příslušného výše uvedeného právního nástupce (originálem nebo ověřenou kopií výpisu z obchodního rejstříku, příp. plnou mocí ověřenou notářem). Tuto Bankovní záruku (včetně práva na uplatnění Bankovní záruky) je dále možné postoupit nebo zastavit ve prospěch financující banky Věřitele.

Tato Bankovní záruka se řídí právem České republiky, zejména ustanovením § 2029 a násl. občanského zákoníku.

V dne

EXHIBIT 8

LIST OF WARRANTY PERIODS

List of Warranty Periods

Warranty periods started to run on 15.10.2008 and are ten (10) years and cover the following parts of the Building:

- roofs including panelwork, all gaps, performances etc.;
 - waterproofing including all gaps, sealing of all gaps, performance etc.; and
 - tightness of façade.
-

EXHIBIT 9

SPACE PLAN AND SPECIFICATION OF THE LESSEE'S FIT-OUT WORKS

EXHIBIT 10
SPACE PLAN

NÁJEMNÍ SMLOUVA

Smluvní strany:

(1) **Semrush CZ s. r. o.**, se sídlem Na strži 1702/65, Nusle, 140 00 Praha 4, IČO 044 64 800, zapsaná v obchodním rejstříku vedeném Městským soudem v Praze, oddíl C, vložka 247376, zastoupená panem Stepanem Shirokikhem, jednatelem (dále jen „**Nájemce**“); a

(2) **4P – Immo. Praha s. r. o.**, se sídlem Praha 8 – Karlín, Karolinská 661/4, PSČ 186 00, IČ 27208648, DIČ CZ27208648, zapsaná v obchodním rejstříku vedeném Městským soudem v Praze, oddíl C, vložka 104573, zastoupená panem Aloisem Vyletou a paní Hedwigou Höfler, jednatelem (dále jen „**Pronajímatel**“);

(Pronajímatel a Nájemce jsou dále též uváděni společně jako „**Smluvní strany**“ a jednotlivě jako „**Smluvní strana**“; tato nájemní smlouva je dále uváděna jen jako „**Smlouva**“)

se Smluvní strany dohodly následovně:

1. Preambule

1.1 Pronajímatel je výlučným vlastníkem pozemků parc. č. 2915/12, 2915/30 a 2910/198 a dále pozemku parc. č. 2915/50 a na pozemku parc. č. 2915/50 stojící administrativní budovy čp. 1718, známé pod názvem „Kavčí Hory Office Park“ (dále jen „**Budova**“), vše v katastrálním území Nusle, obec Hlavní město Praha, a dále pozemku parc. č. 970/11 v katastrálním území Podolí, obec Hlavní město Praha (společně dále jen „**Nemovitosti**“). Užívání Budovy bylo povoleno kolaudačním rozhodnutím vydaným Městskou částí Praha 4 dne 11. června 2008 pod čj. P4/93867/08/OST/ROK/3822, které nabylo právní moci dne 12. června 2008.

2. Předmět nájmu

2.1 Pronajímatel pronajímá Nájemci a Nájemce si od Pronajímatele najímá za Nájemné uvedené v článku 8 této Smlouvy níže specifikované nebytové prostory v Budově, které jsou barevně vyznačeny v plánu jednotlivých podlaží Budovy, který tvoří přílohu 2 této Smlouvy (dále jen „**Plán podlaží**“). Uvedené nebytové prostory se skládají z následujících prostor:

(a) kancelářské prostory umístěné ve 2. patře Budovy o čisté pronajímatelné ploše 794,48 m², které budou ve výhradním užívání Nájemce (*net rentable area 1 - exclusive*), jak jsou vyznačeny modrou barvou v Plánu podlaží (dále jen „**Kancelářské prostory 1**“), kdy výměra čisté pronajímatelné plochy je pro účely výpočtu Nájemného a ostatních poplatků navýšena o podíl Nájemce na společných prostorech v Budově (dále jen „**Společné prostory 1**“) ve výši 80,59 m², celkem tedy pronajímatelná plocha Kancelářských prostor 1 činí 875,07 m²;

(Kancelářské prostory 1 dále jen „**Předmět nájmu**“).

2.2 Čistá pronajímatelná plocha Předmětu nájmu byla zjištěna úředně oprávněným zeměměřičem podle „Směrnice pro výpočet nájemní plochy kancelářských prostor“ („*Richtlinie zur Berechnung der Büromietfläche*“) vydané v roce 1996 společností „Gesellschaft für Immobilienwirtschaftliche Forschung“ („Společností pro výzkum hospodaření s nemovitostmi“), institucemi „Deutscher Verband Chartered Surveyors e.V.“ („Německým svazem autorizovaných úředních odhadců“) a „Normenausschuß Bau DIN 227“ („Výborem pro stanovení norem ve stavebnictví DIN 277“). Pro vyloučení pochybností Smluvní strany konstatují, že pojem „čistá pronajímatelná plocha“ je pro účely této Smlouvy totéž co termín „pronajímatelná plocha“ používaný dle shora zmíněné měřicí metodiky.

2.3 Nájemce je oprávněn do 31. srpna 2017 písemně oznámit Pronajímateli, že využívá práva na výměnu Předmětu nájmu (dále jen „**Právo na expanzi**“) ve vztahu ke kancelářským prostorům umístěným ve 4. patře Budovy o čisté pronajímatelné ploše 1 370,02 m², které budou ve výhradním užívání Nájemce (*net rentable area 1 - exclusive*), jak jsou vyznačeny zelenou barvou v Plánu podlaží (dále jen „**Kancelářské prostory 2**“), kdy výměra čisté pronajímatelné plochy je pro účely výpočtu Nájemného a ostatních poplatků navýšena o podíl Nájemce na společných prostorech v Budově (dále jen „**Společné prostory 2**“) ve výši 138,98 m², celkem tedy pronajímatelná plocha Kancelářských prostor 2 činí 1 509 m². V případě, že Nájemce využije Právo na expanzi, je povinen vystěhovat veškeré své movité vybavení z Kancelářských prostor 1 nejpozději do 1. března 2018 a předat je Pronajímateli ve stavu, v jakém se nacházejí. O předání Kancelářských prostor 1 bude Smluvními stranami sepsán písemný předávací protokol.

3. Účel nájmu

3.1 Pronajímatel přenechává Nájemci Kancelářské prostory k účelu užívání výhradně jako kancelářské prostory (dále jen „**Účel nájmu**“). Nájemce se zavazuje Předmět nájmu v rámci výše uvedeného účelu užívání užívat pouze k činnostem, které jsou zapsány jako předmět podnikání Nájemce ve výpise z obchodního rejstříku, jež tvoří přílohu 1 této Smlouvy.

3.2 Nájemce není oprávněn v Předmětu nájmu: (i) nakládat se zbožím nebo prodávat zboží, nebo (ii) pořádat výstavy, trhy, přehlídky a podobné akce, s výjimkou příležitostných akcí pro Nájemcovi klienty, dodavatele a/nebo jiné třetí osoby v rozsahu obvyklém a přípustném pro kancelářské prostory, ani (iii) jinak užívat Předmět nájmu způsobem nebo v rozsahu větším, než je obvyklé a přípustné pro kancelářské prostory.

3.3 Rozšíření předmětu podnikání Nájemce provozovaného v Předmětu nájmu bez ohledu na to, zda se jednotlivě zapisuje nebo nezapisuje do obchodního rejstříku, či o jakoukoliv činnost, bez ohledu na to, zda bude či nebude uvedena v jakémkoliv rejstříku, podléhá předchozímu písemnému souhlasu Pronajímatele. Výjimkou je rozšíření předmětu podnikání o jakýkoliv obor, který náleží do živnosti volné dle Živnostenského zákona, kde postačí písemné oznámení zaslané Pronajímateli bezodkladně po získání nového oboru živnosti volné.

3.4 K jiným účelům než stanoveným výše v odstavci 3.1 není Nájemce oprávněn Předmět nájmu užívat.

3.5 Nájemce je oprávněn na adrese Předmětu nájmu umístit své sídlo. Pronajímatel poskytne Nájemci na jeho žádost písemný souhlas s umístěním sídla Nájemce v Předmětu nájmu za účelem zápisu sídla Nájemce do obchodního rejstříku. Nájemce je povinen změnit své sídlo do 60 dnů po ukončení této Smlouvy a ve stejné lhůtě zajistit změnu adresy všech dalších společností, pro které Nájemce získal souhlas s umístěním sídla v Budově od Pronajímatele, a prokázat takové změny Pronajímateli s tím, že nová adresa sídla Nájemce a/nebo dalších společností se musí lišit od adresy Předmětu nájmu. Pokud Nájemce nesplní svou povinnost uvedenou v tomto odstavci, je Nájemce povinen zaplatit Pronajímateli smluvní pokutu ve výši 100 EUR za každý započatý den prodlení se splněním této své povinnosti.

4. Dokončovací práce

4.1 Pokud se Smluvní strany nedohodnou jinak, převezme Nájemce od Pronajímatele Předmět nájmu v den a hodinu stanovenou Pronajímatel (dále jen „**Den předání**”), nejpozději však dne 26. ledna 2017, a to za předpokladu, že Nájemce k tomuto dni uhradil Pronajímateli Jistotu (jak je tato definována v odstavci 11.1 níže). V případě, že Nájemce neuhradí Pronajímateli Jistotu v souladu s předchozí větou, posunuje se bez dalšího odpovídajícím způsobem nejzazší Den předání. K převzetí Předmětu nájmu vyzve Pronajímatel Nájemce prostřednictvím písemné výzvy doručené alespoň 5 dní předem. Nájemce si Předmět nájmu řádně prohlédl a přebírá jej ve stávajícím stavu spolu s Pracemi Pronajímatele (jak jsou definovány níže), jež budou zajištěny Pronajímatel. Pokud se Nájemce nedostaví k předání Předmětu nájmu a nepřevzme Předmět nájmu v Den předání, bude Předmět nájmu považován za řádně předaný Nájemci Pronajímatel v den následujícím po Dni předání.

4.2 Nájemce má v úmyslu provést určité úpravy a práce v Kancelářských prostorech 1, a to dle plánu prostor a specifikace prací, jež tvoří přílohu 9 této Smlouvy (dále jen „**Dokončovací práce Nájemce**”). Dokončovací práce Nájemce provede Nájemce výlučně na své náklady a na svoji odpovědnost, pravidla v článcích 14.8 až 14.11 se uplatní přiměřeně.

4.3 Nájemce je povinen odškodnit Pronajímatele či jeho zákazníky, za jakékoli škody způsobené Nájemcem a/nebo jeho dodavateli v průběhu realizace nebo v souvislosti s realizací Dokončovacích prací Nájemce a je povinen nahradit těmto osobám v případě, že jim způsobí škodu, ztráty nebo zranění, příslušnou škodu.

4.4 Pronajímatel se zavazuje, že do Dne předání provede na své náklady pro Nájemce v Kancelářských prostorech 1 úpravy a práce spočívající v položení koberce a vymalování Kancelářských prostor 1 (dále jen „**Dokončovací práce Pronajímatele**”).

4.5 V případě, že Nájemce nevyužije Právo na expanzi a setrvá v pronajatých Kancelářských prostorech 1, zavazuje se Pronajímatel poskytnout Nájemci částku ve výši maximálně 120 EUR/1 m² výměry Kancelářských prostor 1 + DPH jako příspěvek na další Vnitřní nebo Stavební úpravy v Kancelářských prostorech 1 (nikoliv však na movité věci) (dále jen „**Příspěvek Pronajímatele 1**”). Pro vyloučení pochybností Smluvní strany prohlašují, že

pokud by skutečné náklady Vnitřní nebo Stavební úpravy v Kancelářských prostorách 1 byly v přepočtu na 1m² Kancelářských prostor 1 ve výši 120 EUR nebo vyšší, poskytne Pronajímatel Nájemci příspěvek ve výši 120 EUR/1 m². Pokud by skutečné náklady Vnitřní nebo Stavební úpravy v Kancelářských prostorách 1 byly v přepočtu na 1 m² Kancelářských prostor 1 nižší než 120 EUR, poskytne Pronajímatel Nájemci příspěvek ve výši těchto skutečných nákladů.

4.6 V případě, že Nájemce využije Právo na expanzi, Pronajímatel se zavazuje poskytnout Nájemci částku ve výši maximálně 120 EUR/1 m² výměry Kancelářských prostor 2 + DPH jako příspěvek na Vnitřní nebo Stavební úpravy v Kancelářských prostorách 2 (nikoliv však na movité věci) (dále jen „**Příspěvek Pronajímatele 2**“). Pro vyloučení pochybností Smluvní strany prohlašují, že pokud by skutečné náklady na Vnitřní nebo Stavební úpravy v Kancelářských prostorách 2 byly v přepočtu na 1m² Kancelářských prostor 2 ve výši 120 EUR nebo vyšší, poskytne Pronajímatel Nájemci příspěvek ve výši 120 EUR/1 m². Pokud by skutečné náklady Vnitřní nebo Stavební úpravy v Kancelářských prostorách 2 byly v přepočtu na 1m² Kancelářských prostor 2 nižší než 120 EUR, poskytne Pronajímatel Nájemci příspěvek ve výši těchto skutečných nákladů.

4.7 Příspěvek Pronajímatele 1 a Příspěvek Pronajímatele 2 (dle případu) budou uhrazeny následujícím způsobem (dle volby Nájemce):

(a) poté, co Nájemce zajistí dokončení příslušných Vnitřních nebo Stavebních úprav, doručí Pronajímateli projektovou dokumentaci skutečného provedení úprav v souladu s touto Smlouvou, zajistí veřejnoprávní oprávnění k užívání úprav (je-li relevantní) a předloží Pronajímateli finální fakturu dodavatele prací, bude Nájemce oprávněn vystavit daňový doklad (fakturu), prostřednictvím něhož vyúčtuje Příspěvek Pronajímatele 1 nebo Příspěvek Pronajímatele 2 (dle případu). Splatnost daňového dokladu (faktury) bude 30 dní po jejím doručení Pronajímateli; nebo

(b) Nájemce vyzve Pronajímatele, aby Vnitřní nebo Stavební úpravy prostor provedl sám s náklady maximálně 120 EUR/1 m² z výměry Kancelářských prostor 1 nebo Kancelářských prostor 2 (dle případu), a to dle plánu prostor a specifikací materiálů dodaných Nájemcem nejpozději 5 měsíců před prvním dnem Nájemní doby 2; tímto způsobem je z příspěvků Pronajímatele hrazeno vše související se stavbou včetně veřejnoprávních povolení a stavebního dozoru; kabelové rozvody, IT zařízení a bezpečnostní prvky na dveřích jsou sice také součástí prací zajišťovaných a hrazených Pronajímatelem, nicméně specifikace těchto prací/věcí po dohodě s dodavatelem stavby vybere sám Nájemce, který bude za jejich včasné a řádné provedení a užívání sám odpovídat.

4.8 V případě, že skutečně vynaložené náklady na Vnitřní nebo Stavební úpravy podle článku 4.7(b) (které Pronajímatel bude provádět odborně a za tržně obvyklé ceny) budou vyšší než výše příspěvků podle článků 4.5 nebo 4.6 výše (dle případu), zavazuje se Nájemce uhradit Pronajímateli příslušný rozdíl formou dodatečného nájemného, a to jako jednorázovou platbu nejpozději do 30 dnů ode dne doručení daňového dokladu/faktury. Příslušný daňový doklad/faktura bude vystavený Pronajímatelem nejdříve ke Dni předání.

4.9 Nájemce bude oprávněn nahlížet do dokumentace týkající se výběru dodavatele pro provedení Vnitřních nebo Stavebních úprav podle článku 4.7(b). Smluvní strany se dohodly, že Pronajímatel je povinen pozvat k účasti na výběrovém řízení na provedení Vnitřních nebo Stavebních úprav podle článku 4.7(b) alespoň 4 dodavatele (nepodléhající společné kontrole) a bez odkladu po uplynutí lhůty pro podání nabídek do výběrového řízení seznámit Nájemce s podanými nabídkami. V takovém případě provede volbu dodavatele Pronajímatel.

4.10 Pokud se bude jednat o případ dle odstavce 4.8 (skutečně vynaložené náklady na Vnitřní nebo Stavební úpravy podle článku 4.7(b) (které Pronajímatel bude provádět odborně a za tržně obvyklé ceny) budou vyšší než výše příspěvků podle odstavců 4.5 nebo 4.6 výše), je Nájemce oprávněn do 5 dnů od seznámení se se všemi nabídkami určit dodavatele, který Vnitřní nebo Stavební úpravy podle článku 4.7(b) provede. Pokud tak Nájemce v uvedené lhůtě neučiní, bude Pronajímatel povinen vybrat k provedení Vnitřních nebo Stavebních úprav podle článku 4.7(b) toho dodavatele, který nabídl nejnižší cenu. V takovém případě bude nejnižší cena považována za tržně obvyklou a Nájemce nebude oprávněn cenu daných úprav rozporovat. Takto nabídnutá cena bude považována za maximální cenu skutečně vynaložených nákladů, ledaže Nájemce písemně odsouhlasí následné zvýšení takových nákladů.

5. Začátek a konec nájemního vztahu

5.1 Nájemní vztah podle této Smlouvy počíná dne 1. února 2017 (dále jen „**Den počátku nájmu**“) a skončí dne 31. července 2022 (dále jen „**Nájemní doba 1**“), ledaže Nájemce využije Právo na expanzi.

5.2 V případě, že Nájemce využije Právo na expanzi, skončí ke dni 28. února 2018 nájemní vztah ve vztahu ke Kancelářským prostorům 1 a zároveň ke dni 1. března 2018 započne nájemní vztah ve vztahu ke Kancelářským prostorům 2, který skončí dne 31. července 2022 (dále jen „**Nájemní doba 2**“). V první den Nájemní doby 2 budou zároveň Kancelářské prostory 2 považovány za Předmět nájmu podle této Smlouvy a Nájemní doba 2 nahradí Nájemní dobu 1.

5.3 Nájemce je oprávněn se v období od 1. května 2018 do 31. prosince 2018 písemně dotázat Pronajímatele, zda budou v Budově od 1. prosince 2019 do 1. dubna 2020 připraveny k pronájmu až do 31. července 2022 kancelářské prostory o výměře 1 000 m² až 1 400 m² s charakteristikou *net rentable area 1 - exclusive* (dále jen „**Dodatečné prostory**“). Pronajímatel Nájemci písemně odpoví do 2 měsíců od doručení Nájemcovy žádosti.

5.4 Pokud Pronajímatel odpoví, že Dodatečné prostory k dispozici budou, uzavřou Smluvní strany do 2 měsíců od doručení odpovědi Pronajímatele dodatek k této Smlouvě, prostřednictvím něhož s účinností k dohodnutému dni v období od 1. prosince 2019 do 1. dubna 2020 rozšíří stávající Předmět nájmu o Dodatečné prostory, a to za podmínek aktuálních pro Předmět nájmu v té době. Pokud Pronajímatel odpoví, že Dodatečné prostory k dispozici nebudou nebo neodpoví vůbec, je Nájemce povinen se do 1 měsíce od doručení této odpovědi (nebo do 1 měsíce od uplynutí lhůty k odpovědi) vyjádřit, zda uplatňuje právo na předčasné ukončení nájmu podle článku 5.5.

5.5 Nájemce je oprávněn předčasně ukončit nájem Kancelářských prostor 1 nebo Kancelářských prostor 2 (dle případu) dle této Smlouvy ke dni 31. ledna 2020 (dále jen „**Den předčasného ukončení**“) za předpokladu, že (i) Nájemce bude postupovat v souladu s články 5.3 a 5.4 a doručí Pronajímateli písemné oznámení o předčasném ukončení nájmu ve sjednané lhůtě a (ii) Pronajímateli současně s doručením oznámení o předčasném ukončení nájmu podle článku 5.4 uhradí částku odpovídající 2/5 Příspěvků Pronajímatele 1 nebo Příspěvků Pronajímatele 2 (dle případu) dle článku 4.6 výše a 2/5 celkových slev na Nájemném dle článku 8.6 a 8.7 Smlouvy. V případě předčasného ukončení nájmu dle tohoto článku je Nájemce povinen Předmět nájmu vyklidit a odstranit veškeré vnitřní úpravy (včetně těch provedených na základě této Smlouvy před Dnem počátku nájmu) tak, aby byl Předmět nájmu vrácen v základním stavu dle Technické specifikace Budovy (jak je definována níže). Pro vyloučení pochybností, nebude-li Nájemce postupovat v souladu s články 5.3 a 5.4 výše, zejména pokud se včas nedotáže na existenci volných pronajímatelných prostor nebo se včas nevyjádří, zda předčasné ukončení uplatňuje, pak jeho právo na předčasné ukončení nájmu podle tohoto článku zaniká.

6. Předání Předmětu nájmu

6.1. Předání Kancelářských prostor 1 Nájemci se uskuteční v Den předání (jak je definován v odstavci 4.1 výše). Předmět nájmu se Pronajímatel zavazuje Nájemci předat ve stavu specifikovaném v plánu prostor, jenž tvoří přílohu 10 této Smlouvy a dále s Dokončovacími pracemi Pronajímatele. Smluvní strany prohlašují, že před Dnem předání si Nájemce veškeré IT prvky (včetně kabelových rozvodů a serverovny) zkontroloval, a Pronajímatel tedy za jejich funkčnost nemá odpovědnost. V Den předání předá Pronajímatel Nájemci a Nájemce převezme od Pronajímatele Předmět nájmu za účelem užívání stanoveným v této Smlouvě. O předání Předmětu nájmu bude Smluvními stranami sepsán písemný předávací protokol podle vzoru, který tvoří přílohu 4 této Smlouvy (dále jen „**Předávací protokol**“).

6.2. Kancelářské prostory 2 (pokud je využito Právo na expanzi) se Pronajímatel zavazuje Nájemci předat ve stavu specifikovaném v Technické specifikaci Budovy, která je přílohou 3 této Smlouvy (dále jen „**Technická specifikace Budovy**“) následujícím způsobem:

(a) v případě dle odstavce 4.7(a), ve stavu dle Technické specifikace Budovy, a to nejpozději 2 měsíce před Dnem zahájení nájmu 2; nebo

(b) v případě dle odstavce 4.7(b), ve stavu dle Technické specifikace Budovy a dále s Vnitřními a Stavebními úpravami Kancelářských prostor 2 popsanými v daném ustanovení, a to nejpozději 7 dní před Dnem zahájení nájmu 2

(dny předání dle písm. (a) a (b) výše dále jen „**Den předání Kancelářských prostor 2**“).

O předání Předmětu nájmu bude Smluvními stranami sepsán písemný předávací protokol podle vzoru, který tvoří přílohu 4 této Smlouvy.

6.3. Jakékoli vady Předmětu nájmu, které podstatně nebrání v užívání Předmětu nájmu a/nebo které mohou být odstraněny, aniž by bránily v užívání Předmětu nájmu, neopravňují Nájemce k tomu, aby předání Předmětu nájmu odmítl v Den předání.

6.4. Pokud není v Předávacím protokolu uvedeno jinak, platí, že Nájemce převzal Předmět nájmu ve stavu odpovídajícím této Smlouvě. Pronajímatel se zavazuje, že vynaloží veškeré nezbytné úsilí, aby byly všechny vady uvedené v Předávacím protokolu odstraněny bezodkladně s přihlédnutím k charakteru vady a možnostem dodavatelů stavebních prací. Pokud by k odstranění nedošlo ani do 5 pracovních dnů ode Dne počátku nájmu a pokud by tyto vady současně omezovaly či bránily v užívání Předmětu nájmu či jeho části, má Nájemce právo na přiměřenou slevu z Nájemného. Pokud se Nájemce nezúčastní předání Předmětu nájmu a/nebo nepodepíše Předávací protokol, považuje se předání Předmětu nájmu za uskutečněné v Den předání, který uvedl Pronajímatel v Předávacím protokolu jím vyhotoveném a podepsaném v nepřítomnosti Nájemce.

7. Výpůjčka Předmětu nájmu přede Dnem počátku nájmu

7.1. Smluvní strany tímto sjednávají, že ode Dne předání do dne předcházejícího Dni počátku nájmu (dále jen „**Doba výpůjčky**“) Pronajímatel bezplatně přenechá Nájemci Předmět nájmu za účelem provedení Dokončovacích prací Nájemce dle podmínek uvedených v článku 4 Smlouvy a za účelem nastěhování movitých věcí a jiného vybavení kanceláří. Doba výpůjčky bude dále zahrnovat i období ode Dne předání Kancelářských prostor 2 do dne předcházejícího Dni počátku nájmu 2, kdy bude Nájemce oprávněn Kancelářské prostory 2 používat buď (i) v případě aplikace odstavce 4.7(a), provedení příslušných Vnitřních nebo Stavebních úprav a k nastěhování movitého vybavení Nájemce, nebo (ii) v případě aplikace odstavce 4.7(b), pouze k nastěhování movitého vybavení Nájemce.

7.2. K jiným účelům než stanoveným výše v odstavci 7.1 není Nájemce oprávněn Předmět nájmu během Doby výpůjčky užívat.

7.3. Během Doby výpůjčky bude Nájemce užívat přístup do Kancelářských prostor 1 za účelem stanoveným v odstavci 7.1 této Smlouvy dle instrukcí správce Budovy.

7.4. Během Doby výpůjčky bude Nájemce Pronajímateli hradit pouze Přímé provozní náklady podle článku 9 této Smlouvy.

7.5. Nájemce se zavazuje, že při užívání Předmětu nájmu během Doby výpůjčky bude dodržovat veškeré právní předpisy, zejména právní předpisy týkající se požární ochrany a bezpečnosti a ochrany zdraví při práci.

7.6. Nájemce není oprávněn zcela ani zčásti přenechat Předmět nájmu během Doby výpůjčky k užívání třetím osobám (s výjimkou dodavatelů Nájemce).

7.7. Pronajímatel a/nebo jím pověřená osoba jsou oprávněni kdykoliv během Doby výpůjčky vstoupit do Předmětu nájmu, a to zejména za účelem ověření dodržování

povinností Nájemce podle tohoto článku a za účelem provádění oprav, údržby a kontroly Předmětu nájmu. Nájemce je povinen tento přístup umožnit.

7.8. Pronajímatel je oprávněn požadovat od Nájemce úhradu smluvní pokuty ve výši 500 EUR a Nájemce je povinen Pronajímateli tuto smluvní pokutu uhradit v každém jednotlivém případě, kdy Nájemce poruší některou ze svých smluvních povinností uvedených v odstavci 7.1, 7.2, 7.6 a/nebo v první větě odst. 7.9 této Smlouvy.

7.9. V případě, že Nájemce a/nebo Osoby Nájemce způsobí v a/nebo na Nemovitostech a/nebo na jejich částech nebo příslušenství během Doby výpůjčky škodu, bude Nájemce povinen takovou škodu na své náklady odstranit bez zbytečného odkladu. V případě, že tak Nájemce neučiní, Pronajímatel bude oprávněn, nikoliv však povinen, provést opravy na náklady Nájemce, pokud Nájemce ani na základě předchozí písemné výzvy (podmínka předchozí písemné výzvy Pronajímatele neplatí v případě bezprostředního nebezpečí) nezačne potřebné opravy provádět do 3 dnů od obdržení uvedené předchozí písemné výzvy Pronajímatele. V takovém případě musí Nájemce výdaje vynaložené na tyto práce uhradit ihned, nejpozději však do 10 dnů po obdržení příslušné faktury.

7.10. Během Doby výpůjčky se následující ustanovení této Smlouvy upravující práva a povinnosti Smluvních stran během Nájemní doby použijí přiměřeně: články 4, 6, 9, 10 (s výjimkou článku 10.8), 11, 12, 13, 14, 15.8, 17, 18 a 19 a dále případně i další ustanovení této Smlouvy, která svoji povahou umožní jejich aplikace přede Dnem zahájení nájmu.

8. Nájemné a slevy z Nájemného

8.1 Měsíční nájemné za Předmět nájmu činí ode Dne počátku nájmu do 28. února 2018 (přičemž Smluvní strany souhlasí, že pouze pro výpočet tohoto nájemného bude skutečná plocha Kancelářských prostor 1 a Společných prostor 1 redukována, jak je uvedeno níže):

- za 1 m² redukované pronajímatelné plochy Kancelářských prostor 1: 13,80 EUR x 600,76 m², celkem 8 290,49 EUR
- za 1 m² redukovaného podílu Nájemce na Společných prostorech 1: 13,80 EUR x 60,94 m², celkem 840,97 EUR

měsíčně celkem 9 131,46 EUR

8.2 Měsíční nájemné za Předmět nájmu činí od 1. března 2018 do konce Nájemní doby 1 (pokud nebylo uplatněno Právo na expanzi):

- za 1 m² pronajímatelné plochy Kancelářských prostor 1: 13,80 EUR x 794,48 m², celkem 10 963,82 EUR
- za 1 m² podílu Nájemce na Společných prostorech 1: 13,80 EUR x 80,59 m², celkem 1 112,14 EUR

měsíčně celkem 12 075,97 EUR

8.3 Měsíční nájemné za Předmět nájmu činí od 1. března 2018 do konce Nájemní doby 2 (pokud bylo uplatněno Právo na expanzi):

- za 1 m² pronajímatelné plochy Kancelářských prostor 2: 13,80 EUR x 1 370,02 m², celkem 18 906,28 EUR
- za 1 m² podílu Nájemce na Společných prostorech 2: 13,80 EUR x 138,98 m², celkem 1 917,92 EUR

měsíčně celkem 20 824,20 EUR

(nájemné podle článků 8.1, 8.2 a 8.3 společně dále jen „**Nájemné**“).

8.4 Nájemné podléhá DPH a ostatním poplatkům v souladu s odstavcem 10.4 níže.

8.5 Smluvní strany se dohodly, že Nájemné se průběžně indexuje (zvyšuje) vždy k 1. lednu každého roku počínaje 1. lednem 2018 podle indexační doložky stanovené v příloze 5 této Smlouvy.

8.6 Smluvní strany se dohodly na 50% slevě z měsíčního aktuálního Nájemného na období měsíců února a března 2017. Pro vyloučení pochybností Smluvní strany potvrzují, že sleva z Nájemného dle tohoto odstavce: (i) nebude mít vliv na výši Jistoty (jak je definována níže), a (ii) nebude mít vliv na právo Pronajímatele na platbu indexace v plné výši.

8.7 Smluvní strany se dále dohodly (bez ohledu na to, zda Nájemce uplatnil Právo na expanzi) na 50% slevě z měsíčního aktuálního Nájemného vždy na období měsíců ledna a února od roku 2019 až do roku 2022 (včetně). Pro vyloučení pochybností Smluvní strany potvrzují, že sleva z Nájemného dle tohoto odstavce: (i) nebude mít vliv na výši Jistoty (jak je definována níže), a (ii) nebude mít vliv na právo Pronajímatele na platbu indexace v plné výši.

8.8 Nájemce má nárok na (i) slevu podle odstavce 8.6 a (v případě, že se uplatní) na slevu dle článku 8.7 této Smlouvy, a (ii) Příspěvek Pronajímatele 1 nebo Příspěvek Pronajímatele 2 (dle toho, který se uplatní) pouze za předpokladu, že budou splněny následující podmínky:

(a) Nájemce bude mít Předmět nájmu v nájmu nejméně po dobu Nájemní doby 1 dle odstavce 5.1 nebo Nájemní doby 2 dle odstavce 5.2 výše, kromě případu, kdy Nájemce oprávněně platně vypoví tuto Smlouvu z výpovědních důvodů stanovených touto Smlouvou, které jsou na straně Pronajímatele; a

(b) Nájemce splní podmínky stanovené touto Smlouvou ohledně technického zhodnocení Předmětu nájmu (tj. nutnost předchozího písemného souhlasu Pronajímatele s jeho provedením a úhrady nákladů na jeho provedení Nájemcem).

8.9 Smluvní strany se dohodly, že jestliže podmínka a/nebo podmínky dle odstavce 8.8 této Smlouvy nebudou splněny, Nájemci zaniká nárok na (i) slevu z Nájemného dle odstavce 8.6 a 8.7 této Smlouvy a (ii) Příspěvek Pronajímatele 1 nebo Příspěvek Pronajímatele 2 (dle toho, který se uplatní). Nájemce je v takovém případě povinen Pronajímateli zaplatit kompenzaci ve výši odpovídající (i) rozdílu mezi plným Nájemným (bez uplatnění slev dle odstavce 8.6 a případně i dle odstavce 8.7 této Smlouvy) a Nájemným po uplatnění slev dle odstavce 8.6 a případně i odstavce 8.7 této Smlouvy, přičemž tato částka bude navýšena s ohledem na dobu, ve které bude vrácena, o indexaci podle odstavce 8.5 této Smlouvy platnou v době, kdy k porušení podmínky a/nebo podmínek dle odstavce 8.8 této Smlouvy došlo, a (ii) celkové výši Příspěvku Pronajímatele 1 nebo Příspěvku Pronajímatele 2 (dle toho, který se uplatní), a to na bankovní účet Pronajímatele určený touto Smlouvou pro pravidelné platby Nájemného, nejpozději do 1 měsíce od okamžiku, kdy k takovému porušení podmínky dle odstavce 8.8 této Smlouvy došlo.

8.10 Pro daňové účely se plnění ve formě nájmu podle této Smlouvy poskytují jako dílčí plnění, jež jsou samostatnými zdanitelnými plněními. Dílčí plnění znamená zdanitelné plnění, k němuž dochází každý kalendářní měsíc, s tím, že se za den zdanitelného plnění považuje 1. den příslušného kalendářního měsíce, s výjimkou prvního plnění, kdy se za den zdanitelného plnění považuje Den počátku nájmu.

9. Provozní náklady

9.1 Náklady na dodávky médií a služeb, které na základě samostatného měření přímo připadají na Předmět nájmu, hradí Nájemce Pronajímateli ode Dne předání v plné výši včetně případných souvisejících poplatků (dále jen „**Přímé provozní náklady**“). Přímé provozní náklady bude Pronajímatel účtovat Nájemci ve výši účtované ze strany příslušných dodavatelů bez jakýchkoliv dodatečných poplatků. Nájemce je povinen platit Přímé provozní náklady Pronajímateli do 14 dnů ode dne vystavení faktury Pronajímatele na bankovní účet uvedený na příslušné faktuře. Pronajímatel může instalovat měřidla spotřeb médií/služeb, která spotřebovává výlučně Nájemce.

9.2 Nájemce je počínaje Dnem počátku nájmu povinen, vedle Přímých provozních nákladů, hradit Pronajímateli poměrnou část nákladů na provoz, údržbu a opravy Nemovitostí a Nemovitostem sloužící infrastruktury, jak jsou tyto uvedeny v příloze 6 této Smlouvy (dále jen „**Provozní náklady**“), s tím, že poměrný podíl bude určený: ve vztahu ke Kancelářským prostorám 1, popř. Kancelářským prostorám 2, jako poměr výměry pronajímatelné plochy Kancelářských prostor 1, popř. Kancelářských prostor 2, a celkové výměry pronajímatelné plochy všech kancelářských prostor v Budově.

9.3 Pronajímatel vyvine přiměřené úsilí, aby zajistil, že Provozní náklady budou odpovídat běžným provozním nákladům dosažitelným v tržních podmínkách, a to s ohledem na jejich četnost, kvalitu a rozsah a s ohledem na standard Budovy.

9.4 Nájemce je povinen společně s Nájemným hradit měsíční poplatek za podíl na Provozních nákladech, ve výši přiměřeně odhadnuté Pronajímatelem, a to v souladu s odstavcem 10.1 níže. Tato částka bude také zohledňovat příslušnou DPH.

9.5 Poplatek bude ode Dne počátku nájmu do 28. února 2018 vypočítán následovně (přičemž Smluvní strany souhlasí, že pro výpočet tohoto poplatku bude skutečná plocha Kancelářských prostor 1 a Společných prostor 1 redukována, jak je uvedeno níže):

- za 1 m² pronajímatelné plochy Kancelářských prostor 1: 95 Kč x 600,76 m², celkem 57 072,20 Kč
- za 1 m² podílu Nájemce na Společných prostorech 1: 95 Kč x 60,94 m², celkem 5 789,30 Kč

měsíčně celkem 62 861,50 Kč

9.6 Poplatek bude od 1. března 2018 do konce Nájemní doby 1 (pokud nebylo uplatněno Právo na expanzi) vypočítán následovně:

- za 1 m² pronajímatelné plochy Kancelářských prostor 1: 95 Kč x 794,48 m², celkem 75 475,60 Kč
- za 1 m² podílu Nájemce na Společných prostorech 1: 95 Kč x 80,59 m², celkem 7 656,05 Kč

měsíčně celkem 83 131,65 Kč

9.7 Poplatek bude od 1. března 2018 do konce Nájemní doby 2 (pokud bylo uplatněno Právo na expanzi) vypočítán následovně:

- za 1 m² pronajímatelné plochy Kancelářských prostor 2: 95 Kč x 1 370,02 m², celkem 130 151,90 Kč
- za 1 m² podílu Nájemce na Společných prostorech 2: 95 Kč x 138,98 m², celkem 13 203,10 Kč

měsíčně celkem 143 355 Kč

(poplatky podle článků 9.5, 9.6 a 9.7 výše společně dále jen „**Poplatek**“).

9.8 Pronajímatel je oprávněn na základě změny spotřeby a/nebo cen během kalendářního roku upravit výši Poplatku na základě písemného oznámení doručeného Nájemci. Takto upravený Poplatek je splatný od měsíce následujícího po měsíci, ve kterém bylo písemné oznámení doručeno Nájemci.

9.9 Pronajímatel nejpozději do 6 měsíců po uplynutí každého kalendářního roku vyúčtuje Nájemci Provozní náklady za uplynulý kalendářní rok a vystaví o tom daňový doklad, na základě kterého vrátí přeplatek, případně doučtuje nedoplatek vzniklý v důsledku rozdílu mezi skutečným podílem Provozních nákladů připadajících na Předmět nájmu za uplynulý kalendářní rok a nájemcem zaplacenými Poplatky; datem uskutečnění zdanitelného plnění je datum provedení vyúčtování. Pronajímatel je povinen evidovat všechny účetní doklady týkající se Provozních nákladů průkazným způsobem. Nájemce má právo jednou ročně nahlédnout na své náklady do dokladů týkajících se Provozních nákladů zaplacených za předchozí kalendářní rok, pokud Pronajímateli nejpozději 10 pracovních dnů předem doručí písemnou žádost. Bez ohledu na výše uvedené v případě, že bude tato Smlouva ukončena, připraví Pronajímatel v přiměřené době, nejdéle však do 90 dnů od ukončení této Smlouvy, vyúčtování Poplatků, a to ke dni ukončení této Smlouvy, na základě Provozních nákladů určených podle dostupných faktur a přiměřeného odhadu Pronajímatele.

9.10 Pronajímatel neodpovídá za jakékoli přerušení dodávek služeb (tj. plyn, elektřina, voda apod.) poskytovaných v souvislosti s užíváním Předmětu nájmu, které nevzniklo z důvodu porušení povinností Pronajímatele dle této Smlouvy nebo dle zákona, zavazuje se však bezodkladně vyvinout veškeré úsilí, které po něm lze spravedlivě požadovat, aby dodávky těchto služeb byly poskytovány v souladu s touto Smlouvou a přerušení dodávek bylo co nejdříve odstraněno. Pokud by došlo k odstávce dodávek služeb na straně dodavatelů, poskytne Pronajímatel Nájemci rozumně požadovanou součinnost ke vznesení případných nároků z titulu odpovědnosti za škodu vůči těmto dodavatelům.

9.11 Nájemce je povinen hradit veškeré náklady na služby, které si sám objedná v souvislosti s užíváním Předmětu nájmu. Nájemce bude tyto náklady hradit přímo příslušným dodavatelům takových služeb.

9.12 Pro daňové účely se plnění ve formě služeb poskytovaných v souvislosti s nájmem podle této Smlouvy poskytují jako dílčí plnění, jež jsou samostatnými zdanitelnými plněními. Dílčí plnění znamená zdanitelné plnění, k němuž dochází každý kalendářní měsíc, s tím, že se za den zdanitelného plnění považuje 1. den příslušného kalendářního měsíce, s výjimkou prvního plnění, kdy se za den zdanitelného plnění považuje Den počátku nájmu.

10. Platby

10.1 S výjimkou Přímých provozních nákladů je Nájemce povinen hradit Nájemné a jakékoliv další platby dle článku 9 výše vždy předem, a to nejpozději do 15. dne každého kalendářního měsíce, za který je placeno, nebo do 15. dne ode Dne počátku nájmu v případě platby za 1. měsíc Nájemní doby, na následující bankovní účty Pronajímatele vedené u UniCredit Bank Czech Republic and Slovakia, a. s., pokud Pronajímatel Nájemci písemně nesdělí jiný účet:

- Nájemné včetně DPH a případných dalších zákonem stanovených daní a poplatků na bankovní účet vedený v EUR, číslo bankovního účtu 1002561770/2700; IBAN: CZ46 2700 0000 0010 0256 1770

- Poplatky (včetně dorovnání dle článku 9.9 výše) včetně DPH a případných dalších zákonem stanovených daní a poplatků na bankovní účet vedený v CZK číslo bankovního účtu 805798021/2700; IBAN: CZ42 2700 0000 0008 0579 8021.

10.2 Nájemce je povinen hradit veškeré platby dle této Smlouvy bankovním převodem s tím, že bankovní poplatky spojené s bankovními převody hradí Nájemce.

10.3 Pronajímatel je povinen zasílat Nájemci faktury/daňové doklady na Nájemné a Poplatky vždy před datem splatnosti příslušné platby, a to elektronicky na e-mailovou adresu Nájemce: invoice@semrush.com. Pronajímatel je povinen zaslat Nájemci faktury/daňové doklady na Nájemné za 1. měsíc Nájemní doby a na Poplatek za 1. měsíc Nájemní doby bez zbytečného odkladu po Dni počátku nájmu. Případné prodlení Pronajímatele se zasláním faktury/daňového dokladu nemá vliv na povinnost Nájemce platit Nájemné a Poplatky v den jejich splatnosti podle této Smlouvy nebo před takovým dnem splatnosti podle této Smlouvy. Smluvní strany se však v této souvislosti dohodly, že pokud nebudou Nájemci faktury opakovaně řádně poskytovány, bude Nájemce oprávněn písemně vyzvat Pronajímatele, aby mu faktury/daňové doklady prokazatelně doručoval, a to buď doporučenou poštou, nebo osobním předáním oproti podpisu, a Pronajímatel bude povinen takové výzvě vyhovět.

10.4 Nájemné jakož i částky uvedené v článku 9 nezahrnují zákonné daně nebo související poplatky a jsou uvedeny bez DPH. Smluvní strany se dohodly, že k Nájemnému bude přidána DPH. V případě, že právní předpisy v budoucnu stanoví další daně a/nebo poplatky týkající se Nájemného nebo jakékoli platby dle článku 9 výše, tyto daně a/nebo poplatky k nim budou přidány.

10.5 Pokud bude kterákoliv Smluvní strana v prodlení s jakoukoliv platbou dle této Smlouvy, je povinna druhé Smluvní straně zaplatit smluvní pokutu ve výši 0,05 % dlužné částky za každý den prodlení. Smluvní pokuta se však neuplatní v případě případného prodlení Pronajímatele v souvislosti s vyúčtováním Provozních nákladů.

10.6 Nájemce není oprávněn započítat své pohledávky za Pronajímatelem vůči jakýmkoli pohledávkám Pronajímatele za Nájemcem ani uplatňovat jakékoliv zadržovací právo vůči takovým pohledávkám.

10.7 Zaplacením jakékoliv smluvní pokuty dle této Smlouvy právo dané Smluvní strany na náhradu škody nezanikne a ani nebude jakýmkoliv způsobem omezeno. Právo na náhradu škody je nezávislé na právu na platbu smluvní pokuty.

10.8 Nájemce se zavazuje, že po celou Nájemní dobu bude registrovaným plátcem DPH. V případě, že Nájemce tuto svou povinnost nesplní, zavazuje se Nájemce nahradit veškeré škody a/nebo daňové ztráty a/nebo nevýhody, které v důsledku porušení této povinnosti Nájemcem vzniknou. Smluvní strany se dohodly, že v případě, že Nájemce tuto svou povinnost nebude plnit v období do 31.3.2017, není Pronajímatel oprávněn z tohoto důvodu uplatňovat vůči Nájemci žádné sankce dle této Smlouvy ani tuto Smlouvu ukončit a nároky Pronajímatele z důvodu porušení této povinnosti Nájemce v tomto období jsou omezeny výlučně na nárok na

náhradu veškerých škod a/nebo daňových ztrát a/nebo nevýhod, které v důsledku porušení této povinnosti Nájemcem Pronajímateli vzniknou.

11. Bankovní záruka, Depozit

11.1 Nejpozději do pěti (5) dnů ode dne uzavření této Smlouvy je Nájemce povinen poskytnout Pronajímateli buď zajišťovací vklad, nebo neodvolatelnou a nepodmíněnou bankovní záruku odpovídající v podstatných ohledech vzoru, jehož znění tvoří přílohu 7 této Smlouvy, vždy ve výši rovnající se součtu (i) Nájemného, (ii) Poplatků, a (iii) příslušné DPH, a to za období 3 měsíců, jako jistotu zajišťující splnění veškerých závazků Nájemce podle této Smlouvy nebo v souvislosti s ní (dále jen „**Jistota**“). Ke Dni počátku nájmu činí výše Jistoty 41 598,58 EUR. V případě, že některá ze složek Jistoty (jak jsou uvedeny výše) bude navýšena a celková výše Jistoty se vždy nově změní alespoň o 10%, bude Pronajímatel oprávněn oznámit Nájemci novou výši Jistoty, kterou Nájemce poté doplní do 14 dnů ode dne doručení takového oznámení.

11.2 Na základě žádosti Pronajímatele, je Nájemce povinen během Doby nájmu doplnit Jistotu, aby zajistil, že výše Jistoty bude vždy odpovídat součtu položek uvedených v odstavci 11.1 výše. Nájemce je povinen tak učinit do 10 dnů po doručení písemné výzvy Pronajímatele. Pokud je Jistota poskytnuta ve formě bankovní záruky, pak Pronajímatel může učinit takovou výzvu pouze v případě kumulativního růstu Nájemného, Poplatků a příslušné DPH o alespoň 5 procent oproti hodnotě stávající bankovní záruky, v takovém případě je Nájemce povinen poskytnout Pronajímateli novou bankovní záruku či příslušný dodatek ke stávající bankovní záruce.

11.3 Pokud Pronajímatel použije bankovní záruku a/nebo zajišťovací vklad nebo jejich část, zavazuje se Nájemce do 10 dnů po doručení písemné výzvy Pronajímatele doplnit bankovní záruku nebo zajišťovací vklad do jejich původní výše.

11.4 Jestliže je Jistota poskytnuta ve formě bankovní záruky, je Nájemce povinen zajistit, že bankovní záruka zůstane platná a účinná po celou Nájemní dobu a dále alespoň šest (6) měsíců po jejím uplynutí. Nájemce je oprávněn poskytnout Pronajímateli bankovní záruku s kratší platností, nejméně však 12 měsíců s tím, že nejpozději 2 měsíce před vypršením bankovní záruky musí Nájemce poskytnout Pronajímateli dodatek ke stávající záruce, kterým bude prodloužena platnost bankovní záruky nejméně o dalších 12 měsíců. V případě že Nájemce tuto povinnost poruší, je Pronajímatel oprávněn čerpat bankovní záruku v plném rozsahu a použít ji jako zajišťovací vklad.

11.5 Dojde-li k ukončení této Smlouvy, pak je Pronajímatel povinen vrátit Jistotu Nájemci do 14 dnů ode dne kdy budou splněny všechny povinnosti Nájemce dle této Smlouvy, nejpozději však ve lhůtě 6 měsíců od skončení této Smlouvy. Smluvní strany se dohodly, že pokud bude Jistota poskytnuta ve formě zajišťovacího vkladu, bude upravena o naběhlé úroky nebo bankovní poplatky vzniklé v souvislosti s bankovním účtem, na kterém je uložena. V případě že bankovní účet, na kterém je Jistota uložena, není úročen, nemá Nájemce nárok na vyplacení žádného úroku.

11.6 Bankovní záruka podle odstavce 11.1 výše musí být vydána bankou, která má sídlo nebo organizační složku na území České republiky a která je oprávněna poskytovat bankovní služby na území České republiky.

11.7 Nájemce má právo podle své vlastní volby podle v tomto článku výše uvedených pravidel nahradit bankovní záruku depozitem nebo obráceně (dále jen “**Náhrada**”). Do 10 dnů ode dne obdržení takové Náhrady vrátí Pronajímatel Nájemci zpět původní bankovní záruku nebo depozit a to na účet oznámený písemně Pronajímateli.

11.8 Pronajímatel je oprávněn použít Jistotu na úhradu veškerých svých nároků vůči Nájemci podle této Smlouvy a/nebo nároků, které vznikly v souvislosti s touto Smlouvou, jakož i nároky na náhradu škody, zejména škody způsobené ztrátou na Nájemném, na Provozních nákladech a ostatních platbách dle této Smlouvy, a to až do posledně určeného konce Nájemní doby dle této Smlouvy, a/nebo nároky na náhradu rozumných a plně zdokumentovaných nákladů, včetně administrativních nákladů a nákladů na právní zastoupení, pokud Nájemce tyto platby neuhradil ve lhůtě splatnosti. Pro vyloučení pochybností Smluvní strany souhlasí, že předchozí prokázání nároku není podmínkou čerpání Zajištění.

11.9 V případě, že banka, která poskytuje bankovní záruku, ztratí licenci k provozování bankovní činnosti nebo pokud bude rozhodnuto o úpadku takové banky, je Nájemce povinen nahradit stávající bankovní záruku zajišťovacím vkladem nebo novou bankovní zárukou odpovídající požadavkům uvedeným v odstavci 11.1 výše, a to ve lhůtě 14 dnů ode dne kdy nastane příslušná událost.

11.10 Pokud se Nájemce rozhodne zvolit zajišťovací vklad jako formu Jistoty, pak je povinen složit příslušnou částku na bankovní účet č.ú. 2102487074/2700, vedený u UniCredit Bank Czech Republic and Slovakia, a.s., IBAN: CZ13 2700 0000 0021 0248 7074, SWIFT: BACXCZPP.

12. Předčasné ukončení nájmu

12.1 Nastane-li kterýkoliv z následujících případů, bude to považováno za případ neplnění Nájemcem (dále jen „**Případ neplnění Nájemcem**”) podle této Smlouvy:

(a) Nájemce užívá Předmět nájmu v rozporu s Účelem nájmu stanoveným touto Smlouvou a tento stav není napraven ani do 5 dnů od doručení písemné výzvy Pronajímatele;

(b) Nájemce je více než 14 dní v prodlení s placením Nájemného, Poplatku nebo jakékoli jiné platby dle této Smlouvy a tento stav není napraven ani do 10 dnů od doručení písemné výzvy Pronajímatele;

(c) Nájemce a/nebo osoby, které Předmět nájmu užívají se souhlasem Nájemce, hrubě porušuje klid a pořádek v Budově a tento stav není napraven ani do 5 dnů od doručení písemné výzvy Pronajímatele;

(d) Nájemce přenechá Předmět nájmu nebo jeho část do podnájmu nebo převede jakákoliv práva dle této Smlouvy třetí straně bez předchozího písemného souhlasu Pronajímatele;

(e) Nájemce v rozporu s odstavcem 3.3 této Smlouvy změnil předmět podnikání nebo jiné činnosti, které v Předmětu nájmu provozuje, a tento stav není napraven ani do 5 dnů od doručení písemné výzvy Pronajímatele;

(f) Nájemce řádně a včas Pronajímateli nepředloží Jistotu nebo nedoplní Jistotu v souladu s článkem 11 této Smlouvy a tento stav není napraven ani do 5 dnů od doručení písemné výzvy Pronajímatele;

(g) Nájemce opakovaně (tj. alespoň dvakrát během uplynulých 6 měsíců) a hrubě porušuje své podstatné povinnosti stanovené v této Smlouvě a, pokud se jedná o přetrvávající stav, tento stav není napraven ani do 10 dnů od doručení písemné výzvy Pronajímatele;

(h) zahájení insolvenčního řízení vůči Nájemci nebo vydání rozhodnutí o úpadku Nájemce anebo prohlášení konkurzu na majetek Nájemce (kromě řízení, která jsou obtěžující či bezdůvodná, která jsou Nájemcem v dobré víře napadena, což Nájemce Pronajímateli přiměřeně prokáže);

(i) Nájemce skladuje v Předmětu nájmu předměty, jejichž skladování není Pronajímatelem nebo podle této Smlouvy povoleno, a tento stav není napraven ani do 5 dnů od doručení písemné výzvy Pronajímatele.

12.2 V případě, že dojde k některému Případu neplnění Nájemcem, je Pronajímatel oprávněn, vedle jakýchkoli prostředků, které má k dispozici na základě českých právních předpisů:

(a) požadovat, aby Nájemce Pronajímateli zaplatil (a Nájemce bude mít povinnost zaplatit neprodleně po obdržení takové žádosti) smluvní pokutu ve výši součtu (i) Nájemného, (ii) Poplatků a (iii) příslušné DPH, to vše za období 12 měsíců; tato smluvní pokuta se bude v posledním roce Doby nájmu lineárně snižovat každý měsíc o 1/12; a/nebo

(b) vypovědět tuto Smlouvu. Pronajímatel je dále oprávněn vypovědět tuto Smlouvu také v případě, že bylo rozhodnuto o odstranění Budovy nebo o změnách Budovy, které brání užívání Předmětu nájmu za účelem uvedeným v této Smlouvě, a k odstranění ani změnám nedochází na žádost Pronajímatele.

12.3 Nastane-li kterýkoliv z následujících případů, bude to považováno za případ neplnění Pronajímatelem (dále jen „**Případ neplnění Pronajímatelem**”) podle této Smlouvy, a Nájemce bude oprávněn vypovědět tuto Smlouvu:

(a) Předmět nájmu nemůže být užíván k účelu užívání podle této Smlouvy z důvodů na straně Pronajímatele po dobu delší než 1 měsíc a Pronajímatel nezjedná

nápravu ani přes písemné upozornění Nájemce ve lhůtě, kterou mu k tomu Nájemce stanoví, přičemž tato lhůta nebude kratší než 60 dní;

(b) Pronajímatel opakovaně (tj. alespoň dvakrát během uplynulých 6 měsíců) a hrubě porušuje své podstatné povinnosti stanovené v této Smlouvě a nezjedná nápravu ani přes písemné upozornění Nájemce ve lhůtě, kterou mu k tomu Nájemce stanoví, přičemž tato lhůta nebude kratší než 45 dní.

12.4. Tato Smlouva může být vypovězena pouze na základě písemné výpovědi, s 1-měsíční výpovědní lhůtou s tím, že výpovědní lhůta začíná běžet ode dne následujícího po dni doručení výpovědi druhé Smluvní straně. Smluvní strany se dohodly, že Smluvní strany mohou Smlouvu vypovědět nebo od ní odstoupit pouze z důvodů uvedených v této Smlouvě.

12.5. Pokud některá ze Smluvních stran tuto Smlouvu ukončí výpovědí z důvodů na straně druhé Smluvní strany, je porušující Smluvní strana povinna v plném rozsahu nahradit vypovídající Smluvní straně škodu způsobenou takovým předčasným ukončením této Smlouvy (v případě výpovědi ze strany Pronajímatele se jedná zejména o škodu způsobenou ztrátou na Nájemném, Provozních nákladech a ostatních platbách dle této Smlouvy, a to až do posledně určeného konce Nájemní doby), včetně ušlého zisku, náklady právního zastoupení apod. Nájemce je povinen nahradit škodu (včetně ušlého zisku) v míře, v jaké překračuje smluvní pokutu, kterou musí v souvislosti s předčasným ukončením nájmu zaplatit Pronajímateli.

12.6. Pokud dojde z objektivních důvodů ke zničení Předmětu nájmu či Budovy v celku nebo části, a to tak, že není možné Předmět nájmu rozumně využívat a pokud předpokládaná doba pro opravu takového poškození nepřesáhne 6 měsíců, pak je Pronajímatel oprávněn, na svůj náklad a riziko, zahájit opravu Předmětu nájmu nebo Budovy. Pokud Pronajímatel tyto opravy zahájí a upozorní Nájemce na tento záměr do 1 měsíce ode dne, kdy nastala shora zmíněná událost, žádná ze Smluvních stran není oprávněna tuto Smlouvu ukončit. Pokud je mezitím užívání Předmětu nájmu v celku či části omezeno a dané poškození nebylo způsobeno (či podpořeno) jednáním nebo opomenutím Nájemce či jeho zástupců nebo osob, za něž je Nájemce odpovědný, pak má Nájemce právo na přiměřenou slevu z Nájemného a/nebo Poplatků, anebo (dle volby Pronajímatele) na náhradní prostory v obdobné kvalitě a výměře, jež budou poskytnuty po dobu opravy.

13. Podnájem, Převod práv

13.1 Nájemce není oprávněn zcela ani zčásti přenechat Předmět nájmu k užívání nebo do podnájmu třetím osobám bez předchozího písemného souhlasu Pronajímatele.

13.2 Nájemce není oprávněn převést práva a povinnosti podle této Smlouvy na třetí osobu bez předchozího písemného souhlasu Pronajímatele s tím, že převod zahrnuje také jakoukoli přeměnu Nájemce dle zákona o přeměnách obchodních společností a družstev. Tato povinnost se neuplatní na ty přeměny Nájemce, při nichž nedochází u Nájemce k přímé či nepřímé změně ve vlastnictví hlasovacích práv nebo podílů společníků (či jejich ekvivalentu), která by na základě smlouvy, ze zákona či jinak přesahovala 50 %, nebo k přímé či nepřímé

změně většinového vlastnictví Nájemce či vlastníka Nájemce vedoucí ke změně kontroly. Pronajímatel může postoupit a/nebo převést práva a povinnosti dle této Smlouvy na jakoukoliv třetí osobu a Nájemce tímto s takovým postoupením nebo převodem souhlasí.

13.3 Dojde-li kdykoliv během Nájemní doby k převodu podniku, popř. části podniku Nájemce, jehož část tvoří tato Smlouva, na třetí osobu nebo k nájmu podniku popř. části podniku Nájemce, jehož část tvoří tato Smlouva, je Nájemce povinen o tom neprodleně informovat Pronajímatele.

13.4 Nájemce se zavazuje, že bude ručit za závazky nabyvatele práv a povinností z této Smlouvy vůči Pronajímateli. V případě, že nabyvatel takovéto závazky nesplní, zavazuje se je vůči Pronajímateli splnit Nájemce namísto nabyvatele.

14. Práva a povinnosti Nájemce

14.1 Nájemce je povinen s Předmětem nájmu včetně jeho vybavení, příslušenství a zařízení a jakýchkoli Stavebních úprav nebo Vnitřních úprav (jak jsou definovány níže) a Dokončovacích prací Pronajímatele/Nájemce zacházet řádně a šetrně a s náležitou péčí. Nájemce je povinen udržovat Kancelářské prostory a opravovat nebo zajistit opravy jakýchkoliv škod na Předmětu nájmu, které jsou přičitatelné Nájemci a za něž neodpovídá Pronajímatel, včetně jeho vybavení, příslušenství a zařízení. Dále je Nájemce povinen užívat Předmět nájmu bez rušení a bez újmy ostatním nájemcům a Budovy.

14.2 Nájemce je povinen dodržovat provozní řád platný pro všechny nájemce Budovy (dále jen „**Provozní řád**“). Nájemce potvrzuje, že vzal na vědomí v současnosti platný Provozní řád. Nájemce je povinen zajistit jeho dodržování svými zaměstnanci, zákazníky, dodavateli, návštěvníky, podnájemci a dalšími osobami s vědomím Nájemce vpuštěnými do Předmětu nájmu (dále jen „**Osoby Nájemce**“). Pronajímatel je oprávněn Provozní řád upravit. Upravený Provozní řád je Nájemce povinen dodržovat od 14. dne po dni, kdy mu bude doručen.

14.3 V případě, že Nájemce Pronajímateli bez zbytečného odkladu během záručních lhůt oznámí vady těch částí Předmětu nájmu včetně Dokončovacích prací Pronajímatele, na které se vztahují záruční lhůty a za předpokladu, že takové vady nebyly způsobeny Nájemcem nebo jinými osobami dle odstavce 14.2 této Smlouvy, odstavec 14.1 této Smlouvy se na opravy, které se vyskytnou v záručních lhůtách uvedených v příloze 8 této Smlouvy, neuplatní a příslušné opravy budou provedeny výhradně generálním dodavatelem Budovy [nebo Dokončovacích prací Pronajímatele], a/nebo sub-dodavatelem/sub-dodavateli, který/kteří je/jsou za takové vady zodpovědný/i bez nákladů na Nájemce.

14.4 Vady na Předmětu nájmu nebo Dokončovacích prací Pronajímatele, které vyjdou najevo během záručních lhůt, na něž se vztahují záruky uvedené v příloze 8 této Smlouvy, je Nájemce povinen neprodleně oznámit Pronajímateli. Nájemce odpovídá za škody způsobené opožděným oznámením takovýchto vad. V případě bezprostředně hrozícího nebezpečí je Nájemce sám povinen učinit nezbytná opatření k tomu, aby ochránil Pronajímatele před škodami nebo aby škody hrozící Pronajímateli minimalizoval.

14.5 V případě, že se neuplatní povinnost Pronajímatele podle odstavce 15.2 této Smlouvy, pak Nájemce odpovídá za škody způsobené porušením svých povinností, zejména pokud Nájemce nebude řádně zacházet s inženýrskými sítěmi a rozvody, s odpadním potrubím, sociálním zařízením, topením a ostatními zařízeními a nebude je řádně udržovat a čistit, nebo pokud jsou místnosti neadekvátně větrány, vytápěny, čištěny nebo nedostatečně chráněny proti mrazu, pokud to není zapříčiněno důvody na straně Pronajímatele. Obdobně Nájemce odpovídá osobně, případně společně a nerozdílně s Osobami Nájemce, stejným způsobem i za škody způsobené třetími osobami vpuštěnými do Předmětu nájmu s vědomím Osob Nájemce.

14.6 V případě, že Nájemce nebude plnit své povinnosti provádět požadované opravy v souladu s touto Smlouvou, Pronajímatel bude oprávněn, nikoliv však povinen, provést opravy na náklady Nájemce, pokud Nájemce ani na základě předchozí písemné výzvy (podmínka předchozí písemné výzvy Pronajímatele neplatí v případě bezprostředního nebezpečí) nezačne potřebné opravy provádět do 3 dnů od obdržení uvedené předchozí písemné výzvy Pronajímatele. V takovém případě musí Nájemce výdaje vynaložené na tyto práce uhradit ihned, nejpozději však do 10 dnů po obdržení příslušné faktury. Ty náklady nesmí přesahovat obvyklou výši v daném místě a čase a se zřetelem k zachování kvality Budovy.

14.7 Potřebu jakýchkoliv oprav v Předmětu nájmu je Nájemce povinen oznámit Pronajímateli bez zbytečného odkladu od jejich zjištění, a to pokud jde o opravy:

(a) specifikované v odstavci 15.2 této Smlouvy; a

(b) specifikované v odstavci 14.1 v případě, že Nájemce není schopen splnit závazek opravit nebo zajistit takové opravy, přičemž náklady takových oprav ponese Nájemce. Pronajímatel Nájemci tyto náklady přeúčtuje bez jakékoliv přírážky nebo poplatku ze strany Pronajímatele zvláštní fakturou, kterou je Nájemce Pronajímateli povinen proplatit ve lhůtě splatnosti 10 dnů od doručení.

Pronajímatel je povinen provést všechny oznámené opravy bez zbytečného odkladu od jejich oznámení Nájemcem za předpokladu, že Nájemce poskytne Pronajímateli veškerou potřebnou součinnost a spolupráci, zejména umožněním vstupu Pronajímatele a/nebo jím pověřených osob do Předmětu nájmu.

Potřebu jakýchkoliv oprav vad a/nebo škod na Společných prostorách 1 a případně Společných prostorách 2 je Nájemce povinen oznámit Pronajímateli bez zbytečného odkladu od jejich zjištění, přičemž náklady na opravy Společných prostor 1 a případně Společných prostor 2 nese Nájemce, pokud takové vady byly způsobeny Nájemcem nebo Osobami Nájemce.

14.8 Nájemce nesmí, bez předchozího písemného souhlasu Pronajímatele, který nebude bezdůvodně odepřen, v Předmětu nájmu provádět: (i) jakékoli stavební úpravy, stavební vylepšení, vestavby nebo instalace technických zařízení, která budou pevně spojena s Budovou, a/nebo která vyžadují stavební povolení nebo ohlášení stavebnímu úřadu (dále jen „**Stavební úpravy**”), nebo (ii) jakékoli vnitřní a/nebo nestavební úpravy, pro které není potřeba stavební povolení nebo ohlášení stavebnímu úřadu (dále jen „**Vnitřní úpravy**”).

14.9 Nájemce provede veškeré Stavební úpravy a/nebo Vnitřní úpravy na své vlastní náklady. Smluvní strany se dohodly, že náklady na jakékoli technické zhodnocení Předmětu nájmu provedené a financované Nájemcem v souladu s touto Smlouvou, je Nájemce oprávněn odepisovat dle platných právních předpisů, přičemž Pronajímatel se zavazuje, že o tyto náklady nezvýší vstupní cenu Budovy.

14.10 Nájemce je povinen doručit Pronajímateli před zahájením Stavebních úprav a/nebo Vnitřních úprav (resp. před zahájením jakékoliv jejich změny či úpravy) aktuální projektovou dokumentaci, která bude vycházet z projektové dokumentace předané Nájemci Pronajímatelem a kterou Pronajímatel Nájemci schválí. Nájemce se zavazuje provádět Stavební úpravy a/nebo Vnitřní úpravy v souladu s touto Smlouvou, schválenou projektovou dokumentací, podmínkami stanovenými v povoleních a souhlasech orgánů veřejné moci, pravidly a nařízeními určenými Pronajímatelem, přičemž Nájemce nese za jejich provádění plnou odpovědnost. Nájemce je povinen při provádění Stavební úpravy a/nebo Vnitřní úpravy postupovat tak, aby nedocházelo k rušení ostatních nájemců Budovy, a to zejména vibracemi, hlukem či zápachem, a je za tímto účelem povinen přijmout veškerá opatření. V případě, že projektová dokumentace k Stavební úpravě a/nebo Vnitřní úpravě bude obsahovat nedostatky, nejasnosti nebo bude neúplná, vyzve Pronajímatel Nájemce k nápravě bez zbytečného odkladu. Nájemce je povinen obstarat si na vlastní náklady veškerá povolení a souhlasy orgánů veřejné moci potřebná pro realizaci či změnu Stavebních úprav a/nebo Vnitřních úprav a pro jejich užívání v Předmětu nájmu po jejich dokončení, k čemuž je Pronajímatel povinen Nájemci poskytnout veškerou rozumně požadovanou součinnost.

14.11 Nájemce je povinen dbát při provádění Stavebních úprav a/nebo Vnitřních úprav na zachování jednotnosti Budovy. Veškeré prvky ovlivňující vnější vzhled Budovy či Předmětu nájmu, zejména, nikoliv však výlučně, okenní žaluzie, podléhají předchozímu písemnému schválení Pronajímatele. Do 2 měsíců po dokončení Stavebních úprav a/nebo Vnitřních úprav je Nájemce povinen doručit Pronajímateli dokumentaci provedeného stavu Stavebních úprav a/nebo Vnitřních úprav v elektronické a editovatelné podobě a získat v případě potřeby kolaudační souhlas ke stejnému užívání, a dále sdělit Pronajímateli pořizovací cenu takových Stavebních úprav a/nebo Vnitřních úprav a současně prokázat tuto cenu doručením kopií faktur a daňových dokladů na takovou pořizovací cenu Pronajímateli.

14.12 Během výpovědní doby a/nebo během 12 měsíců před uplynutím Nájemní doby je Pronajímatel a/nebo jím pověřená osoba po předchozím oznámení doručeném nejpozději 24 hodin předem oprávněn vstupovat v pracovní dny v běžné pracovní době do Předmětu nájmu za účelem umožnění jeho prohlídky třetím osobám, které mají zájem o nájem Předmětu nájmu. Nájemce povinen zajistit doprovod vstupujících osob zástupcem Nájemce.

14.13 Nájemce se zavazuje, že nejpozději na dobu ode Dne předání Předmětu nájmu uzavře a bude udržovat následující pojištění s přiměřeným pojistným krytím, v plné platnosti po celou Nájemní dobu, a to u renomované pojišťovny, kterou předem písemně schválí Pronajímatel. Tato pojištění by měla alespoň pokrývat:

(a) pojištění Dokončovacích prací Nájemce a Dokončovacích prací Pronajímatele, Stavebních úprav, Vnitřních úprav či jiných stavebních i nestavebních úprav

Předmětu nájmu provedených Nájemcem či Pronajímatelem (včetně úprav, jež byly v Předmětu nájmu v Den předání) a pojištění movitých věcí, zásob, obchodní dokumentace, uměleckých děl a cenností Nájemce či třetích osob nacházejících se v Kancelářských či Společných prostorách 1 a Kancelářských či společných prostorách 2, a to proti živelným škodám (minimálně v rozsahu „pojištěný živlu“) se spoluúčastí nepřevyšující 100 000 Kč pro každou pojistnou událost;

(b) pojištění škod způsobených krádeží/loupeží a/nebo vandalismem či škod vzniklých v souvislosti s uvedenými riziky v Kancelářských prostorech 1 a případně i Kancelářských prostorách 2 a uvnitř Kancelářských prostor 1 a případně i Kancelářských prostor 2 se spoluúčastí nepřevyšující 100 000 Kč pro každou pojistnou událost;

(c) pojištění skel v Kancelářských prostorách 1 a případně i Kancelářských prostorách 2;

(d) pojištění škod způsobených přerušením provozu Nájemce proti rizikům definovaným v „Pojištěném živlu“ se spoluúčastí maximálně po dobu 7 dnů a s dobou ručení nejméně po dobu 12 měsíců;

(e) pojištění škod způsobených přerušením provozu v důsledku přerušení dodávek energií a utilit a/nebo závad na inženýrských sítích v Kancelářských prostorách 1 a případně i Kancelářských prostorách 2 s dobou ručení pojišťovny nejméně po dobu 6 měsíců a maximální spoluúčastí nejvýše 30 dnů;

(f) pojištění odpovědnosti Nájemce za škody způsobené třetím osobám na životě, zdraví, majetku, následných a čistých finančních újmách, osobnostních újmách a/nebo újmách na životním prostředí s limitem plnění nejméně 50 000 000 Kč a maximální spoluúčastí 100 000 Kč;

(g) veškerá další pojištění, jejichž sjednání je vyžadováno dle právního řádu České republiky.

Pojištěným živlem se rozumí následující pojistná nebezpečí: požár, výbuch, úder blesku, náraz nebo zřícení letadla, jeho části nebo nákladu, záplava a povodeň, vichřice a krupobití, sesuv půdy, zřícení skal nebo zemin, sesouvání nebo zřícení lavin, zemětřesení, tíha sněhu nebo námrazy, náraz dopravního prostředku nebo jeho nákladu, pád stromu, stožáru, nebo jiného předmětu, který není součástí poškozené věci, aerodynamický třesk a kouř, vodou/kapalinou unikající z vodovodních zařízení a médiem vytékajícím v důsledku poruchy ze stabilních hasicích zařízení a sprinklerů, potrubí nebo topných těles.

Pokud je jakákoliv škoda způsobená na Předmětu nájmu a/nebo Nemovitostech krytá jak pojištěním Nájemce, tak pojištěním Pronajímatele, je Nájemce povinen primárně využít své pojistné smlouvy a žádat vyplacení pojistného plnění od své pojišťovny. Pojištění Pronajímatele může být použito pouze v rozsahu, v jakém nebude škoda uhrazena z pojištění Nájemce.

14.14. Nájemce je povinen do 15 dnů od obdržení žádosti Pronajímatele předložit Pronajímateli kopii pojistné smlouvy a potvrzení příslušné pojišťovny o tom, že pojistné na následující pojistné období bylo zaplaceno.

14.15. Jakékoliv zvýšení pojistného Pronajímatele v souvislosti s činností Nájemce nebo s jejím rozšířením nebo na základě Stavebních úprav, Vnitřních úprav a/nebo jakýchkoliv jiných změn Předmětu nájmu prováděných nebo požadovaných Nájemcem hradí Nájemce.

14.16. Nájemce se zavazuje, že při užívání Předmětu nájmu, během přípravy a vytváření podkladů pro realizaci Stavebních úprav a/nebo Vnitřních úprav, při provádění Stavebních úprav a/nebo Vnitřních úprav a/nebo zařizování Předmětu nájmu vnitřním vybavením bude dodržovat veškeré právní předpisy, zejména právní předpisy týkající se požární ochrany a bezpečnosti a ochrany zdraví při práci.

14.17. Nájemce se zavazuje, že neumístí v Předmětu nájmu žádné zařízení překračující kapacitu nebo technické parametry Budovy.

14.18. Nájemce v Předmětu nájmu neumístí, ani nedovolí umístit, nebude používat, ani nedovolí používat, nebude spravovat ani nedovolí spravovat a nevnese, ani nedovolí vnést do Nemovitosti žádné zdraví škodlivé látky, zamořující nebo znečišťující materiály, jedovaté látky nebo odpady, infekční materiál, ropné produkty, azbest nebo azbest obsahující materiály (s výjimkou malého množství běžných čistících materiálů).

15. Práva a povinnosti Pronajímatele

15.1 Pronajímatel je povinen poskytnout Nájemci po Nájemní dobu Předmět nájmu k nerušenému užívání za podmínky, že Nájemce bude plnit své povinnosti stanovené touto Smlouvou.

15.2 V rozsahu ovlivňujícím užívání Předmětu nájmu Nájemcem dle této Smlouvy, je Pronajímatel povinen provádět na svoje náklady opravy a údržbu následujících částí Budovy, pokud takové náklady nejsou kryty z Provozních nákladů: střecha Budovy, všech staticky nosných částí Budovy, potrubí a kanalizace (až k vyústění do Předmětu nájmu), elektrického vedení (až k vyústění do Předmětu nájmu), odpadů (až k vyústění do Předmětu nájmu), základů a vnějšího pláště Budovy a veškerých v základu Budovy vestavěných protipožárních systémů.

15.3 Pronajímatel je dále povinen uzavřít pro Budovu pojistnou smlouvu na pojištění s přiměřeným krytím, jež se bude vztahovat zejména na:

- pojištění odpovědnosti vlastníka nemovitostí způsobené třetím osobám na minimální pojistnou částku 50 000 000 Kč;
- pojištění proti škodám způsobeným živelnými událostmi (požár, vítr, sesuvy půdy), jakož i proti škodám na Nemovitostech

způsobeným poruchami vodovodu a vodou („živelní pojištění v rozsahu požár, vítr, sesuv půdy, vodovod“).

15.4 Odpovědnost Pronajímatele vůči Nájemci za škody je v každém případě omezena jen do výše 50 000 000 Kč. Smluvní strany ujednávají, že tato škoda je Smluvními stranami považována za maximálně předvídatelnou výši škody.

15.5 Pronajímatel je oprávněn v pracovní dny v běžné pracovní době vstupovat do Předmětu nájmu po předchozím oznámení doručeném alespoň 24 hodin předem, a to za účelem ověření dodržování povinností Nájemce podle této Smlouvy a za účelem provádění oprav, údržby a kontroly Předmětu nájmu, a to vždy po předchozím oznámení doručeném Nájemci.

15.6 V případech bezprostředně hrozícího nebezpečí je Pronajímatel oprávněn vstoupit do Předmětu nájmu kdykoliv i bez předchozího oznámení Nájemci a Nájemce je povinen zajistit, aby Pronajímateli bylo umožněno vstoupit do Předmětu nájmu bezodkladně, a to i v případě nepřítomnosti Nájemce.

15.7 Pokud Nájemce řádně neplní své platební povinnosti dle této Smlouvy, a to ani po písemné upomínce Pronajímatele s poskytnutím dodatečné lhůty 5 dnů k nápravě, je Pronajímatel oprávněn neposkytovat k užívání Předmětu nájmu související služby a/nebo dodávky médií (elektřinu, plyn, vodu apod.) a je oprávněn dodávky takových služeb a/nebo médií přerušit.

15.8 Pronajímatel je oprávněn požadovat od Nájemce úhradu smluvní pokuty ve výši 250 EUR za každý den trvání prodlení nebo ve výši 1 000 EUR, jedná-li se o jednorázové porušení, a Nájemce je povinen Pronajímateli tuto smluvní pokutu uhradit v každém jednotlivém případě, kdy Nájemce poruší některou ze svých smluvních povinností uvedených v článcích 3 a 4, v odstavcích 14.1, 14.7, 14.8, 14.11, 14.12, 14.13 a/nebo v článku 16 této Smlouvy a toto porušení nenapraví ani v dodatečné 5denní lhůtě k nápravě (není-li v této Smlouvě stanovena lhůta jiná), která počne běžet ode dne doručení písemné výzvy Pronajímatele k nápravě Nájemci. V každém jednotlivém případě porušení jakékoliv ze smluvních povinností Nájemce podle odstavců 11.2, 11.3, 11.4 a 11.6 této Smlouvy je Pronajímatel oprávněn požadovat smluvní pokutu ve výši 2 000 EUR za každý den prodlení. Pokud však Nájemce (který je v tu chvíli v prodlení) dodatečně splní svoji povinnost podle odstavců 11.2, 11.3, 11.4 a/nebo 11.6 této Smlouvy, s jejímž plněním je v prodlení, nejpozději však do 14 dnů od začátku prodlení, dojde ke snížení do té doby naběhlé smluvní pokuty o 75%. Maximální výše smluvní pokuty, kterou je Pronajímatel oprávněn podle tohoto odstavce požadovat, je částka aktuálně platné Jistoty dle odstavce 11.2 Smlouvy. Totéž platí i pro porušení povinnosti podle odstavce 11.9 této Smlouvy, avšak s tou výjimkou, že v případě dodatečného plnění provedeného do 14 dnů od začátku prodlení Pronajímatel odpustí 100% z částky naběhlé smluvní pokuty. V případě porušení povinností vrátit Předmět nájmu řádně a včas podle odstavce 17.1 a/nebo 17.2 této Smlouvy je Nájemce povinen uhradit Pronajímateli paušální smluvní pokutu ve výši 2 měsíčních plateb Nájemného (bez DPH) platného v době porušení povinnosti.

15.9 Smluvní strany prohlašují, že Pronajímatel před dnem podpisu této Smlouvy poskytl Nájemci průkaz energetické náročnosti Budovy.

16. Informační a reklamní tabule a vývěsky

1. Umístění nápisů, štítů, informačních tabulí, reklam, výloh apod. (dále jen „**Označení**“) na Předmětu nájmu a/nebo Nemovitostí může provést výhradně Pronajímatel. Nájemce uhradí veškeré náklady, poplatky a odvody související s výrobou, umístěním, instalací a používáním Označení, která se týkají Nájemce, pokud jejich výrobu, umístění, instalaci a používání požadoval.

2. Pronajímatel může umístit Označení standardní velikosti s logem společnosti Nájemce podle designu všeobecného informačního systému Budovy na hlavní panel umístěný v recepci v přízemí Budovy. Náklady na výrobu, umístění a instalaci Označení podle tohoto odstavce 16.2 nese Nájemce.

3. Při ukončení nájemního vztahu uvede Pronajímatel na náklady Nájemce místa po odmontování Označení do původního stavu, v jakém se nacházela před umístěním a/nebo instalací Označení, o jejichž umístění a/nebo instalaci Nájemce požádal.

17. Vrácení Předmětu nájmu

17.1 Při skončení nájemního vztahu je Nájemce povinen vrátit Předmět nájmu v uklizeném a vyklizeném stavu (tj. bez movitých věcí Nájemce) a ve stavu v jakém se nachází ke dni skončení nájemního vztahu, s přihlédnutím k obvyklému opotřebení a nezbytným opravám v souladu s užíváním řádným způsobem a s náležitou péčí. Nájemce je povinen vrátit Pronajímateli všechny klíče, jakož i všechny nosiče přístupového kódu k Předmětu nájmu. O vrácení Předmětu nájmu Nájemcem Pronajímateli bude Smluvními stranami sepsán písemný protokol.

17.2 Nájemce se zavazuje, není-li v této Smlouvě stanoveno jinak, že při vrácení Předmětu nájmu vyklidí na vlastní náklady z Předmětu nájmu veškerý svůj movitý majetek a vybavení, avšak ponechá v Předmětu nájmu veškeré Stavební úpravy, Vnitřní úpravy a Dokončovací práce Nájemce (společně dále jen „**Vylepšení nájemce**“), a dále Dokončovací práce Pronajímatele a také movité věci výslovně uvedené v Předávacím protokolu. Nájemce se dále zavazuje, že odstraní veškeré škody případně takovým odstraněním způsobené.

17.3 Pokud Nájemce nesplní své závazky ke dni ukončení nájmu, zejména nevyklidí Předmět nájmu a neuvede jej do stavu požadovaného touto Smlouvou, je Pronajímatel oprávněn vstoupit do Předmětu nájmu a vykonat veškeré potřebné práce místo Nájemce na náklady Nájemce. Pronajímatel je oprávněn si ponechat jakákoliv neodstraněná Vylepšení Nájemce. V takovém případě se bude mít za to, že hodnota Vylepšení Nájemce ponechaných v Předmětu nájmu se rovná částce 10 000 Kč a tato částka bude uhrazena Pronajímatelem Nájemci do 2 měsíců ode dne skončení nájmu podle této Smlouvy. Vylepšení Nájemce se stanou majetkem Pronajímatele (s výjimkou těch Vylepšení Nájemce, která již přešla do majetku Pronajímatele jejich instalací v Předmětu nájmu). Nájemce s tímto postupem výslovně souhlasí.

Nájemce odškodní Pronajímatele za veškeré škody způsobené nesplněním povinnosti Nájemce vyklidit a vrátit Předmět nájmu v souladu s touto Smlouvou.

17.4 Pro případ, že Nájemce nevyklidí Předmět nájmu ke dni ukončení této Nájemní smlouvy, je Pronajímatel oprávněn veškerý movitý majetek ponechaný v Předmětu nájmu (dále jen „**Neodstraněný majetek**“) uskladnit na náklady Nájemce a zaslat Nájemci písemné oznámení ohledně místa uložení Neodstraněného majetku. Nájemce výslovně souhlasí, že: (i) doba uskladnění Neodstraněného majetku nebude delší než jeden měsíc, (ii) Pronajímatel nenese jakoukoliv odpovědnost za Neodstraněný majetek a dále že (iii) pokud si Nájemce Neodstraněný majetek během doby uskladnění ze skladu nevyzvedne, bude uskladnitel, resp. Pronajímatel, oprávněn s Neodstraněným majetkem naložit dle svého uvážení, včetně jeho prodeje (s tím, že výtěžek zpeněžení předá Nájemci po odečtení nákladů spojených s prodejem a započtení pohledávek Pronajímatele vůči Nájemci) či jejich zničení na riziko a náklady Nájemce.

Bez ohledu na skutečnost, zda Pronajímatel využije svého práva uskladnit Neodstraněný majetek dle předchozího odstavce či nikoliv, je Pronajímatel oprávněn dle svého uvážení: (i) nabýt vlastnictví k Neodstraněnému majetku, nebo ke kterékoliv jeho části, na základě doručení písemného oznámení Nájemci a platby ve výši EUR 100 a příslušné DPH, a/nebo (ii) naložit s Neodstraněným majetkem jiným způsobem dle svého uvážení, včetně jeho prodeje (s tím, že výtěžek zpeněžení předá Nájemci po odečtení nákladů spojených s prodejem a započtení pohledávek Pronajímatele vůči Nájemci) nebo zničení na riziko a náklady Nájemce. Nájemce se zavazuje zajistit, že bude držitelem veškerých nezbytných dispozičních práv ve vztahu k Neodstraněnému majetku tak, aby Pronajímatel mohl svá práva dle tohoto článku 17.4 v plném rozsahu vykonat. Nájemce odškodní Pronajímatele za veškeré škody, výdaje nebo náklady, které Pronajímateli způsobil nesplněním své povinnosti podle předchozí věty.

17.5 Pokud Nájemce bude Předmět nájmu užívat po ukončení nebo zrušení této Smlouvy bez písemného souhlasu Pronajímatele nebo pokud Předmět nájmu včas a řádně nevrátí, je Nájemce povinen zaplatit Pronajímateli smluvní pokutu ve výši dvojnásobku poslední výše denního Nájemného za každý den prodlení, a to vedle paušální smluvní pokuty podle poslední věty odstavce 15.8 této Smlouvy.

18. Rozhodné právo, Rozhodčí doložka

18.1 Tato Smlouva a vztahy z ní vyplývající se řídí českým právním řádem.

18.2 Jakékoliv spory, jež vzniknou z této Nájemní smlouvy nebo v souvislosti s ní budou řešeny obecnými soudy České republiky, přičemž podle §89a občanského soudního řádu bude soudem příslušným k řešení sporů soud určený podle sídla Pronajímatele.

18.3 Smluvní strany se dohodly, že na vztah založený touto Nájemní smlouvou se neuplatní následující ustanovení zákona č. 89/2012 Sb., občanský zákoník (dále jen „**Občanský zákoník**“): § 1765, § 1766, § 1899, § 1977 až 1979, § 2000, § 2002 až 2004, poslední věta § 2208 odst. 1 pokud jde o možnost vypovězení nájmu, § 2210 odst. 3, § 2212, § 2219 odst. 2, § 2223, § 2232, § 2233 odst. 2, § 2253, § 2287, § 2304, § 2305, § 2307 odst. 2, § 2308 až 2311 a § 2315. Smluvní strany se tímto dohodly, že výkon jejich práva dle ust. § 2314

Občanského zákoníku nebude mít vliv na jejich práva a povinnosti dle této Nájemní smlouvy, zejména ve vztahu k ukončení nájmu, vyklizení Pronajímaných prostor a jejich předání Pronajímateli a ve vztahu k souvisejícím právům a povinnostem. Smluvní strany si výslovně ujednávají, že případné námitky podané Nájemcem dle ust. § 2314 odst. 1 Občanského zákoníku nedávají Nájemci právo Pronajímané prostory nadále užívat po dni, ke kterému nájem zanikl v důsledku výpovědi či odstoupení Pronajímatele.

18.4 Smluvní strany se výslovně dohodly, že tuto Smlouvu lze ukončit pouze z důvodů daných v této Smlouvě a veškeré důvody pro předčasné ukončení smluvního vztahu (odstoupením a/nebo výpovědí) dané Občanským zákoníkem se dohodou Smluvních stran vylučují, a to bez ohledu na skutečnost, zda je příslušné ustanovení Občanského zákoníku výslovně uvedeno mezi ustanoveními, která se vylučují dle této Smlouvy.

19. Závěrečná ustanovení

19.1 Veškerá oznámení, žádosti nebo jiná sdělení učiněná některou Smluvní stranou na základě této Smlouvy budou učiněna písemně a budou považována za řádně učiněná, jakmile budou doručena druhé Smluvní straně osobně, kurýrní službou poskytující potvrzení o doručení nebo doporučenou poštou na adresu příslušné Smluvní strany uvedenou níže nebo na jinou adresu, kterou příslušná Smluvní strana oznámí druhé Smluvní straně.

(a) Oznámení určená Pronajímateli:

4P –Immo. Praha s. r. o.
Karolinská 661/4
186 00 Praha 8 – Karlín
Česká republika
K rukám: Alois Vyleta, Hedwig Höfler
Tel: +420.233.109.310
E-mail: alois.vyleta@caimmo.cz

(b) Oznámení určená Nájemci přede Dnem počátku nájmu:

Semrush CZ s. r. o.
Na strži 1702/65
140 00 Praha 4
Česká republika
K rukám: Alois Vyleta, Hedwig Höfler
E-mail: s.shirokikh@semrush.com
Tel: +420 774 032 592

(c) Oznámení určená Nájemci po Dni počátku nájmu:

Semrush CZ s. r. o.

Na Hřebenech II

140 00 Praha 4

Česká republika

K rukám: Stepan Shirokikh

E-mail: s.shirokikh@semrush.com

Tel: +420 774 032 592

Veškerá oznámení učiněná na základě této Smlouvy budou považována za doručená:

- nebo
- (a) v den jejich fyzického přijetí adresátem v případě osobního doručení nebo doručení kurýrní službou;
 - (b) v den uvedený na doručence v případě doručení prostřednictvím provozovatele poštovních služeb doporučenou poštou; nebo
 - (c) v třetí pracovní den po prokazatelném odeslání prostřednictvím provozovatele poštovních služeb, jestliže Smluvní strana na adrese platné pro zasílání pošty k jejím rukám podle této Smlouvy nebo podle obchodního rejstříku zásilku nepřevezme (a to včetně doporučené pošty).

19.2 Tato Smlouva včetně svých příloh představuje úplnou dohodu mezi Smluvními stranami. Všechna předcházející ústní a písemná ujednání byla do ní buď zapracována, nebo pozbývají platnosti. K této Smlouvě neexistují žádná vedlejší ústní ujednání. Změny a doplňky této Smlouvy vyžadují ke své platnosti písemnou formu a podpisy obou Smluvních stran.

19.3 Pokud je nebo se stane některé ustanovení této Smlouvy neplatným, neúčinným, nebo nevykonatelným, zůstávají zbývající ustanovení této Smlouvy nedotčena a v platnosti. Neplatné, neúčinné nebo nevykonatelné ustanovení této Smlouvy bude Smluvními stranami nahrazeno jinou platnou, účinnou a vykonatelnou úpravou, která se bude shodovat s hospodářským účelem původního ustanovení nebo se mu co nejvíce přiblíží.

19.4 Tato Smlouva byla vyhotovena ve dvou stejnopisech v českém a anglickém jazyce. V případě rozporu mezi jazykovými verzemi má přednost verze česká.

19.5 Každá ze Smluvních stran obdrží jeden stejnopis této Smlouvy.

19.6 Následující přílohy této Smlouvy tvoří její nedílnou součást:

Příloha 1	Výpis z obchodního rejstříku Nájemce;
Příloha 2	Plán podlaží;
Příloha 3	Technická specifikace Budovy;
Příloha 4	Předávací protokol (vzor);
Příloha 5	Indexační doložka;
Příloha 6	Soupis Provozních nákladů;
Příloha 7	Bankovní záruka (vzor);
Příloha 8	Seznam záručních lhůt.
Příloha 9	Plán prostor a specifikace Dokončovacích prací Nájemce
Příloha 10	Plán prostor

19.7 Smluvní strany považují veškeré informace obsažené v této Smlouvě nebo získané v souvislosti s ní za důvěrné. Bez předchozího písemného souhlasu druhé Smluvní strany nesmí žádná ze Smluvních stran takové informace sdělit jakékoli třetí straně, vyjma případů, kdy (a) je takové sdělení vyžadováno zákonem, nebo (b) orgány státní správy jednajícími v souladu s právními předpisy, nebo (c) jsou předmětné informace již veřejně dostupné v souladu s příslušnými právními předpisy, nebo (d) je třeba sdělit takové informace třetím osobám v souvislosti s provozováním podnikatelské činnosti Pronajímatele, zejména jako pronajímatele Budovy a jiných nemovitostí, jako developera, investora a správce majetku a v souvislosti s investicemi do Budovy a jiných nemovitostí a s marketingovou činností.

19.8 Tato Smlouva nabývá platnosti a účinnosti v den jejího podpisu oběma Smluvními stranami.

V _____ dne __/__/____

Semrush CZ s. r. o.

Stepan Shirokikh
Jednatel/Executive Director

4P - Immo. Praha s. r. o.

Hedwig Höfler

Jednatel/Executive Director

PŘÍLOHA 1

VÝPIS Z OBCHODNÍHO REJSTŘÍKU NÁJEMCE

PŘÍLOHA 2
PLÁN PODLAŽÍ

PŘÍLOHA 3
TECHNICKÁ SPECIFIKACE BUDOVY

PŘÍLOHA 4
PŘEDÁVACÍ PROTOKOL (VZOR)
PŘEDÁVACÍ PROTOKOL

Pronajímatel:

IČO:, DIČ:, se sídlem, PSČ:,

zapsaná v obchodním rejstříku vedeném Městským soudem v Praze v oddílu, vložce

jejímž jménem jedná , ...

Nájemce:

IČO:, DIČ:, se sídlem

zapsaná v obchodním rejstříku vedeném Městským soudem v Praze v oddílu, vložce

jejímž jménem jedná, ...

Místo: administrativní budova č.p. (dále jen “**Budova**”)

Datum a čas: _____

Na základě nájemní smlouvy na prostory uzavřené dne (dále jen „**Nájemní smlouva na prostory**”) mezi Pronajímatelem a Nájemcem Pronajímatel pronajal Nájemci prostory sloužící k podnikání uvedené v čl. 2.1 Nájemní smlouvy na prostory nacházející se v Budově (dále jen „**Předmět nájmu**”).

Pronajímatel tímto předává Nájemci Předmět nájmu dle Nájemní smlouvy na prostory a Nájemce od Pronajímatele tímto Předmět nájmu dle Nájemní smlouvy na prostory přebírá, a to:

- (d) kancelářské prostory umístěné v podlaží Budovy o výměře pronajímatelné plochy m², které budou ve výhradním užívání Nájemce (net rentable area 1 - exclusive), jak jsou vyznačeny barvou v Plánu podlaží připojeném k Nájemní smlouvě na Prostory jako příloha 2 (dále jen „**Kancelářské prostory**”);
- (e) skladovací prostory umístěné v podlaží Budovy o výměře pronajímatelné plochy m², které budou ve výhradním užívání Nájemce (net rentable area 1 - exclusive), jak jsou vyznačeny barvou v Plánu podlaží připojeném k Nájemní smlouvě na Prostory jako příloha 2 (dále jen „**Skladovací prostory**”);

Kancelářské prostory a Skladovací prostory popsané v písm. (a) a (b) výše jsou ve stavu podle Technické specifikace Budovy, která je přílohou 3 Nájemní smlouvy na prostory. Kancelářské

prostory jsou Nájemci předány k užívání pro kancelářské účely, Skladovací prostory jsou Nájemci předány pro účely skladování a archivace. Nájemce je oprávněn užívat Předmět nájmu pouze pro účely stanovené v článku 3.1 Nájemní smlouvy na prostory.

Nájemce a Pronajímatel shodně prohlašují, že Předmět nájmu má vady specifikované v Příloze 1 tohoto předávacího protokolu. Smluvní strany prohlašují, že vady uvedené v Příloze 1 tohoto předávacího protokolu nejsou v žádném ohledu podstatné a nebrání ani jinak neruší užívání Předmět nájmu ode Dne počátku nájmu a/nebo je lze odstranit bez podstatného narušení užívání Předmětu nájmu.

Dle dohody s Nájemcem se Pronajímatel zavazuje odstranit tyto vady ve lhůtě uvedené u jednotlivých vad v Příloze 1 tohoto předávacího protokolu.

Nájemce tímto potvrzuje, že Pronajímatel předal Nájemci klíče a vstupní karty k přístupu do Předmětu nájmu. Seznam klíčů a vstupních karet, které Nájemce převzal, je obsažen v Příloze 2 tohoto předávacího protokolu.

[Jméno/*Name*]
[Funkce/*Position*]

Příloha 1	Seznam vad, termíny pro nápravu
Příloha 2	Seznam Nájemci předaných klíčů a vstupních karet
Příloha 3	List of furniture in the Subject of the Lease

PŘÍLOHA 5

INDEXAČNÍ DOLOŽKA

Pravidla indexace

Úprava Nájemného

1. Smluvní strany se dohodly, že Nájemné bude upravováno podle průměrného ročního nárůstu indexu spotřebitelských cen stanoveného a zveřejňovaného na základě nařízení (EU) 2016/792, v platném znění, statistickým úřadem Evropské unie EUROSTAT jako úhrnný index “HICP – index pro všechny položky „all items” (2015=100) pro Euro Area, changing composition (dále jen „**HICP**”). Pokud HICP přestane být zveřejňován, považuje se za sjednaný jeho nástupnický index, a nebude-li existovat nástupnický index, použije se jiný v té době platný index, jež bude HICP nejbližší.
 2. Úprava Nájemného bude provedena každoročně vždy k 1. lednu příslušného roku (dále jen „**Den Indexace**”) na základě HICP předcházejícího roku. První úprava Nájemného bude provedena k 1. lednu 2018. Úprava, která by měla za následek snížení Nájemného, je vyloučena.
 3. Pronajímatel je povinen informovat Nájemce o výši upraveného Nájemného (dále jen „**Oznámení o indexaci**”). Nájemce je povinen začít platit upravené Nájemné dle odstavce 2 výše od prvního dne kalendářního měsíce bezprostředně následujícího po doručení Oznámení o indexaci. Nájemce je dále povinen zaplatit Pronajímateli rozdíl mezi částkou upraveného Nájemného a Nájemného doposud skutečně zaplaceného za příslušné kalendářní měsíce od počátku příslušného kalendářního roku až do kalendářního měsíce, ve kterém je Oznámení o indexaci doručeno Nájemci, a to včetně tohoto kalendářního měsíce.
 4. Pokud se HICP během jednoho kalendářního roku zvýší o 5 a více procent, je Pronajímatel oprávněn požadovat příslušnou úpravu dříve než v lednu následujícího roku. K této úpravě se přihlédne v lednu následujícího roku při úpravě Nájemného tak, že se zohlední pouze zvýšení od okamžiku poslední úpravy.
 5. Pokud Pronajímatel nevyúčtuje upravené Nájemné, neznamená to, že se tohoto práva vzdává.
-

PŘÍLOHA 6

SOUPIS PROVOZNÍCH NÁKLADŮ

Soupis Provozních nákladů

Provozní náklady jsou veškeré náklady na provoz Nemovitostí a jim sloužící infrastruktury a náklady na služby poskytované nájemcům v Budově v souvislosti s nájmem, zejména:

- (f) na vodné a stočné – náklady na spotřebu vody a všechny související poplatky, náklady na nájem vodoměrů, na jejich používání a náklady na provoz a údržbu čerpacích zařízení pro odvod splaškových a dešťových odpadních vod do veřejné kanalizace, nákladů na provoz vlastního zařízení pro zásobování vodou a zařízení na úpravu vody včetně materiálu na úpravu vody a poplatky za odvod splaškové a dešťové odpadní vody;
 - (g) na provoz, údržbu a opravy centrálního vytápěcího zařízení a zařízení pro zásobování palivem, včetně zařízení pro odvod spalin;
 - (h) na spotřebované palivo a jeho dodávky, náklady na provozní elektrickou energii, náklady na obsluhu a kontrolu zařízení a péči o něj, pravidelné přezkušování jeho provozuschopnosti a bezpečnosti provozu včetně seřízení odborníkem, čištění zařízení a provozní místnosti, náklady na měření emisí, náklady na nájem vybavení pro měření spotřeby, jakož i náklady na používání vybavení pro měření spotřeby a náklady související;
 - (i) na spotřebu elektrické energie na údržbu, provoz a spotřebu zdrojů a náhradních zdrojů elektrické energie;
 - (j) na odstraňování vodních usazenin a zbytků po spalování v zařízení, náklady na pravidelné přezkušování provozuschopnosti a bezpečnosti provozu a seřizování odborníkem, jakož i náklady na měření;
 - (k) na ohřev vody a na provoz, údržbu a opravy všech zařízení pro zásobování teplou vodou a spotřebu teplé vody a náklady na odstraňování vodních usazenin a zbytků po spalování uvnitř přístrojů, jakož i náklady na pravidelné přezkušování provozuschopnosti a bezpečnosti provozu a s tím spojené seřizování odborníkem;
 - (l) na provoz osobních a nákladních výtahů a náklady na provozní elektrickou energii, náklady na dohled, obsluhu, kontrolu zařízení a péči o něj, na pravidelné přezkušování jeho provozuschopnosti a bezpečnosti provozu včetně seřízení odborníkem, jakož i náklady na čištění zařízení;
 - (m) na úklid Nemovitostí a účelové komunikace včetně chodníků, na odvoz a uložení odpadků, jakož i na náklady údržby, odstraňování sněhu, ledu, listí a jiných přírodních materiálů apod.;
-

- (n) na úklid všech společných a veřejných prostor, přístupových cest, chodeb, schodišť, technických prostor, vzduchotechnických kanálů a dalších prostor neužívaných výhradně konkrétními nájemci Budovy;
 - (o) na deratizaci, desinfekci a desinsekci, na péči o zeleň včetně obnovy rostlin a dřevin, na péči o veřejné prostranství, přístupové a příjezdové cesty;
 - (p) na el. energii na vnější osvětlení a osvětlení společných prostor Nemovitostí a venkovních přístupových cest, technických a dalších prostor, které nejsou výlučně užívány konkrétními nájemci Budovy;
 - (q) na čištění a revizi komínů a výfuků;
 - (r) na pojištění Nemovitostí a pojištění odpovědnosti Pronajímatele v rozsahu podle odstavce 15.3 této Smlouvy;
 - (s) na personální zajištění provozu recepce, kontroly vstupu do Budovy a prohlídek Budovy;
 - (t) na provoz a údržbu zařízení zajišťujících příjem a distribuci televizního a rozhlasového signálu, na provozní el. energii a na pravidelné přezkušování její provozuschopnosti včetně seřízení odborníkem, úhrada za užívání antény, která nepatří k Nemovitostem;
 - (u) na praní a čištění textilií, které jsou užívány ve společných prostorách Budovy a na údržbu a provoz zařízení k tomuto účelu sloužícího včetně technologického vybavení;
 - (v) na čištění vnějšího pláště Budovy včetně prosklených ploch a jejich rámců a na údržbu a čištění věží pro přívod vzduchu do atria Budovy;
 - (w) na provoz a údržbu hromosvodů a ostatních zařízení, sloužících k ochraně před úderem blesku, jakož i náklady na jejich pravidelné přezkušování;
 - (x) na údržbu a opravy veškerých vzduchotechnických a klimatizačních zařízení, včetně provozních oprav a provozní spotřeby, doplňování provozních médií a dalších souvisejících provozních nákladů;
 - (y) na údržbu a provozní opravy vrat garáží;
 - (z) na údržbu a opravy technických prostředků omezení přístupu (např. systému kódových karet);
 - (aa) daně, poplatky a odvody související s Nemovitostmi, zejména daň z nemovitostí;
 - (bb) ostatní provozní náklady včetně nákladů na údržbu, provoz a opravy infrastruktury sloužící Nemovitostem;
-

- (cc) na správu Nemovitostí, kterou se rozumí zejména zajišťování všech administrativních, technických a praktických činností k zabezpečení řádného provozu Nemovitostí na optimální úrovni pověřenou fyzickou nebo právnickou osobou.
-

PŘÍLOHA 7

BANKOVNÍ ZÁRUKA (VZOR)

Bankovní záruka (vzor)

4P – Immo. Praha s.r.o.

Karolinská 661/4, 186 00 Praha 8

IČO: 272 08 648

zapsaná v obchodním rejstříku vedeném Městským soudem v Praze, oddíl C, vložka 104573

(věřitel)

BANKOVNÍ ZÁRUKA č.

Byli jsme informováni, že společnost, IČO:, se sídlem (dále jen „**Nájemce**“), zapsaná v obchodním rejstříku vedeném Městským soudem v Praze, oddíl, vložka, s Vámi jako Pronajímatelem uzavřela dne nájemní smlouvu na nebytové prostory (dále jen „**Nájemní smlouva na prostory**“) a dne nájemní smlouvu na parkovací místa (dále jen „**Nájemní smlouva na parkovací místa**“) a že je podle článku IX. Nájemní smlouvy na prostory a Nájemní smlouvy na parkovací místa vyžadována bankovní záruka za splnění veškerých závazků společností se sídlem, zapsané v obchodním rejstříku vedeném Městským soudem v Praze, oddíl, vložka (dále jen „.....“) jako Nájemce vzniklých jí z Nájemní smlouvy na prostory a/nebo z Nájemní smlouvy na parkovací místa a/nebo v souvislosti s Nájemní smlouvou na prostory a/nebo Nájemní smlouvou na parkovací místa (dále jen „**Bankovní záruka**“).

Na žádost přebíráme my, ..., se sídlem, zapsaná v obchodním rejstříku vedeném, oddíl, vložce, vůči Vám jako Věřiteli pro případ nesplnění závazků vzniklých jí vůči Vám podle Nájemní smlouvy na prostory a /nebo Nájemní smlouvy na parkovací místa a/nebo v souvislosti s Nájemní smlouvou na prostory a /nebo Nájemní smlouvou na parkovací místa neodvolatelnou Bankovní záruku až do výše

EUR, slovy: (dále jen „zaručená částka“)

a zavazujeme se Vám vyplatit bez odkladu, bez námitek a bez prověřování oprávněnosti Vaší výzvy jakoukoli částku nebo částky, až do celkové výše námi zaručené částky, a to po obdržení Vaší výzvy, která bude v souladu se všemi podmínkami této Bankovní záruky a bude obsahovat i Vaše písemné prohlášení, že neuhradila řádně a včas své závazky vzniklé jí z Nájemní smlouvy na prostory a/nebo Nájemní smlouvy na parkovací místa a/nebo v souvislosti s Nájemní smlouvou na prostory a/nebo Nájemní smlouvou na parkovací místa ve výši částky požadované k výplatě podle této Bankovní záruky (dále jen „**Výzva**“). Výzva musí obsahovat datum vystavení a číslo této Bankovní záruky, požadovanou částku k proplacení, název banky a číslo bankovního účtu, na který máme platbu poukázat.

Vaše písemná výzva nám musí být doručena nejpozději k níže uvedenému datu platnosti této Bankovní záruky.

Jakýkoli požadavek na splnění závazku z této Bankovní záruky bude splněn bez námitek, bez ohledu na právní stav ke dni vzniku požadavku na plnění (likvidace, insolvence, konkurs), bez ohledu na případné Vaše výzvy zasílané, bez ohledu na případné právní spory nebo soudní řízení nebo jakékoliv jiné okolnosti, které by mohly splnění takového závazku ovlivnit, a bez ohledu na případné doplňky nebo změny Nájemní smlouvy na prostory a/nebo Nájemní smlouvy na parkovací místa provedené v průběhu doby nájmu.

Jakákoli platba vyplývající z této Bankovní záruky bude provedena tak, že Pronajímateli poukážeme na bankovní účet uvedený ve Výzvě částku požadovanou ve Výzvě bez odečtení jakýchkoli případných provizí, srážek, daní nebo jiných poplatků, které by se v budoucnu mohly vyskytnout. Výše naší Bankovní záruky se sníží o každou námi provedenou částečnou platbu z této Bankovní záruky ve prospěch Věřitele. Vyplacením celé výše námi zaručené částky ve prospěch Věřitele tato Bankovní záruka zanikne.

Tato naše Bankovní záruka je platná do včetně. Její platnost automaticky a zcela skončí, pokud do tohoto data neobdržíme Vaši písemnou Výzvu, nezávisle na tom, bude-li nám tato záruční listina vrácena či nikoli.

Platnost této naší Bankovní záruky rovněž skončí před výše uvedeným datem její platnosti po obdržení originálu této Bankovní záruky nebo Vašeho prohlášení, že netrváte na další platnosti této Bankovní záruky (dále jen „Prohlášení”).

Každá Vaše Výzva a Prohlášení musí obsahovat podpis statutárního orgánu Věřitele nebo jím zmocněné osoby, který musí být úředně ověřen a předložen společně s dokumenty prokazujícími, že podpis je právoplatně závazný pro Vaši společnost (originálem nebo ověřenou kopií výpisu z obchodního rejstříku, příp. plnou mocí).

Pro vznesení jakýchkoli případných platebních nároků z této Bankovní záruky je třeba, aby Bankovní záruka byla písemně uplatněna u, pokud existuje, jinak u kterékoliv pobočky

Tato Bankovní záruka (včetně práva na uplatnění Bankovní záruky) je převoditelná na případného právního nástupce Věřitele jako pronajímatele podle Nájemní smlouvy na prostory a/nebo Nájemní smlouvy na parkovací místa, a to na základě písemného oznámení naší bance podepsaného za Vaši společnost a též za takového právního nástupce, předloženého společně s dokumenty prokazujícími, že podpisy jsou právoplatně závazné pro Vaši společnost a příslušného výše uvedeného právního nástupce (originálem nebo ověřenou kopií výpisu z obchodního rejstříku, příp. plnou mocí ověřenou notářem). Tuto Bankovní záruku (včetně práva na uplatnění Bankovní záruky) je dále možné postoupit nebo zastavit ve prospěch financující banky Věřitele.

Tato Bankovní záruka se řídí právem České republiky, zejména ustanovením § 2029 a násl. občanského zákoníku.

V dne

PŘÍLOHA 8
SEZNAM ZÁRUČNÍCH LHŮT

Seznam záručních lhůt

Záruční lhůty počaly běžet dne 15.10.2008 a činí deset (10) let a vztahují se k následujícím částem Budovy:

- střešní plášť včetně klempířských prací, veškerých spár, provedení atd;
 - izolace proti vodě včetně utěsnění veškerých spár, provedení atd; a
 - nepropustnost fasády.
-

PŘÍLOHA 9

PLÁN PROSTOR A SPECIFIKACE DOKONČOVACÍCH PRÁČÍ NÁJEMCE

PŘÍLOHA 10
PLÁN PROSTOR

LEASE AGREEMENT

BETWEEN

KRUPYSHEV MIKHAIL ANATOLIEVICH

as Landlord

AND

SEMRUSH RU, LLC

as Tenant

22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006

BASIC LEASE INFORMATION

Date:	April 2020
Landlord:	Krupyshev Mikhail Anatolievich, Individual Entrepreneur
Tenant:	SEMRUSH RU, LLC , a Russian limited liability company
Building:	The building located at 22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
Premises:	Fourth and Fifth Floors
Rentable Area of Premises:	Approximately 4,850 square meters
Scheduled Delivery Date:	January 5, 2020
Rent Commencement Date:	Permanent Rent: January 15, 2020, and every fifteenth (15 th) day of every month. Variable Rent: within ten (10) business days of invoice
Expiration Date:	Four (4) years and eight (8) months from the date of the Delivery and Acceptance Certificate signing.
Base Rent:	3,035,214 RUR for the first month, and 4,336,020 RUR monthly starting the second month
Security Deposit:	One month of Permanent Rent (4,336,020 RUR) due five (5) banking days from signing of this Agreement
Base Year:	2020
Tenant's Expense Share:	1.4283%
Tenant's Tax Share:	1.4283%
Permitted Use of Premises:	Office space.

Minimum Days and Hours Open for Business:	9:00 a.m. through 6:00 p.m., Monday through Friday, subject to Section 6.
Tenant's Address for Notices:	From and after Commencement Date: SEMRUSH RU, LLC 22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
Exhibits and Schedules:	Exhibit A: Floor Plan Exhibit B: Building Rules

The provisions of the Lease identified above in parentheses are those provisions where references to particular Basic Lease Information appear. Each such reference shall incorporate the applicable Basic Lease Information. In the event of any conflict between any Basic Lease Information and the Lease, the latter shall control.

TENANT

LANDLORD

SEMRUSH RU, LLC.,
a Russian Limited Liability Company

KRUPYSHEV MIKHAIL ANATOLIEVICH,
An Individual Entrepreneur

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Exhibit A: Floor Plan

Exhibit B: Building Rules

LEASE AGREEMENT No. SR/1/2020/D
(long term)

Saint Petersburg

April __, 2020

Krupyshev Mikhail Anatolievich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 5, 2015 on the form of series 78 No.009212802, on the one hand,

and

SEMRUSH RU, Limited Liability Company, a company incorporated and acting in accordance with the legislation of the Russian Federation, registered on 10.09.2013 under the Primary State Registration Number (OGRN) 1137847340036 (Taxpayer Identification Number (INN) 7810453178, Tax Registration Reason Code (KPP) 781001001) at: 22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006, represented by the Director General Kilimova Natalia Aleksandrovna, acting under the Charter, hereinafter referred to as the “Lessee”, on the other hand, together referred to as the “Parties”, have concluded this long term lease agreement (hereinafter referred to as the “Agreement”) as follows:

1. TERMS AND DEFINITIONS

1.1 For the purposes of the Agreement, the following terms, unless the context and content of this Agreement require otherwise, have the following meaning:

1.1.1 **Delivery and Acceptance Certificate** is a document signed by the Parties confirming the delivery of the Facility for its use in accordance with the Permitted Use in the manner and under the terms of the Agreement, executed by the Parties in the form specified in Appendix No. 2 to the Agreement.

1.1.2 **Certificate of Operational Responsibility Differentiation** is a document signed by the Parties and confirming the Parties’ operational responsibility differentiation in relation to the Building and the Facility, executed by the Parties in the form specified in Appendix No. 3 to the Agreement.

1.1.3 **EGRN** is the Unified State Register of Real Estate.

1.1.4 **EGRUL** is the Unified State Register of Legal Entities.

1.1.5 **Legislation** means the whole federal legislation of the Russian Federation (hereinafter referred to as “**RF**”), the legislation of St. Petersburg, acts of local government authorities, as well as all and any other regulations and norms valid within the relevant period on the territory of St. Petersburg and, in general, on the RF territory or those of mandatory or recommendatory nature, including (but not limited to), laws governing the process of construction and reconstruction, fire safety requirements, industrial safety requirements, requirements of civil defense and protection from emergency situations, environmental safety requirements, procedures for MSW handling, sanitary and epidemiological requirements.

1.1.6 **Building** is a non-residential building with cadastral number 78:14:0007533:2320, located at: 22 Zastavskaya Str., Building 2, Letter A, Saint Petersburg.

1.1.7 **Land Plot** is a land plot with cadastral number: [] of area [] sq. m, located at: []

1.1.8 **CPI** is the Consumer Price Index in the Russian Federation as a whole for all the goods and services in the Russian Federation for the previous calendar year, expressed as a percentage for December to December of the previous year, published annually on the official website of the Federal State Statistics Service (Rosstat): www.gks.ru.

1.1.9 **Housing and Communal Services** are services the provision of which by supplying organizations shall be ensured by the Lessor, including supply of electricity, electric power, as well as cold and hot water supply and water disposal (as agreed in the TOR).

1.1.10 **VAT** is the Value Added Tax, provided for in the Legislation.

1.1.11 **Facility** is non-residential premises located in the Building with a total area of four thousand eight hundred and fifty (4,850) square meters, namely:

1.1.11.1 premises of an area of two thousand two hundred and ten (2,210) square meters, located on the fourth (4th) floor, highlighted on Plan [] with colour (Appendix No. 1);

1.1.11.2 premises of an area of two thousand two hundred and ten (2,210) square meters, located on the fifth (5th) floor, highlighted on Plan [] with colour (Appendix No. 1).

1.1.12 **Permanent Part of Rent** means the payment paid by the Lessee to the Lessor for possession and use of the Facility.

1.1.13 **Variable Part of Rent** means the payment for the Housing and Communal Services consumed by the Lessor in relation to the Facility.

1.1.14 **Lessee's Payments** means the payment made by the Lessee to the Lessor for the possession and use of the Facility, which includes the Permanent Part of Rent and the Variable Part of Rent.

1.1.15 **Permitted Use** is use of the Facility for offices and auxiliary premises.

1.1.16 **SMW** is solid municipal waste generated in the course of the Lessee's activity.

1.1.17 **Improvements** mean inseparable and separable improvements to the property of the Facility made by the Lessee.

1.1.18 **Operating Costs** mean expenses of the Lessor, which include expenses on scheduled maintenance and current repair of engineering systems and networks located outside the leased premises; fire safety systems (fire alarm, fire main, voice-based fire alarm system, fire extinguishing system and smoke removal, emergency lighting, exit signs), including the leased premises; maintenance of the Building security alarm (CCTV, alarm button, access control) to the leased premises; maintenance of the Building communication and telecommunications systems to the leased premises; maintenance of elevators (including their certification), sliding doors, entrance sectors of the Building; cleaning the yard and the area adjacent to the Building, the common areas of the Building, entrance areas, common areas; major repairs of the Building; deratization and disinfection of common areas of the Building; heat supply system.

1.2 In the Agreement, unless otherwise provided:

1.2.1 definitions in a singular form also refer to the definitions in a plural form, and vice versa;

1.2.2 references to “persons” are considered to be references to individuals, legal entities, individual entrepreneurs, firms, associations without legal entity rights, state and transnational bodies;

1.2.3 references to the numbers of clauses and appendices are considered to be references to the relevant clauses of the Agreement and its Appendices;

1.2.4 headings of the clauses and the Appendices are provided for the convenience only and do not affect the interpretation of these clauses and the Appendices;

1.2.5 words as “include”, “includes”, “including” mean “without limitation”/“not limited to”; the use of these (or similar) words does not limit their more common meaning;

1.2.6 if any provision of the Agreement (hereinafter referred to as the “applicable provision”) contains phrase “without prejudice to” any other provision of the Agreement (hereinafter referred to as the “protected provision”), it means that the applicable provision of the Agreement does not cancel, modify or otherwise exclude or restrict the application of the protected provision;

1.2.7 any reference in the Agreement to mandatory provisions of the Legislation refers to those provisions of the Legislation that contain clear prohibition on establishment by the Parties to the Agreement of any terms and conditions other than those provided for in the relevant provisions of the Legislation;

1.2.8 unless otherwise expressly provided for by the Agreement, for the purposes of the Agreement, one (1) year is considered equal to three hundred and sixty-five (365) calendar days. One (the first) year of the lease term shall be started counted from the moment, when the Parties sign the Delivery and Acceptance Certificate, while another one (the

second) year of the lease term (and all the subsequent years of the lease term) shall be started counted on the expiry of the previous three hundred and sixty-five (365) calendar days.

2. SUBJECT OF AGREEMENT

2.1 The Lessor undertakes to provide the Lessee with the right of temporary possession and use of the Facility for the Lessee's Payments.

2.2 The Building ownership in common belongs to the Lessor on the basis of the Purchase and Sale Agreement dated June 07, 2018 series 78 AB No. 5102106-5102109 under ownership in common, which is confirmed by an extract from the Unified State Register of Real Estate issued by the Office of the Federal Service for State Registration, Cadastre and Cartography for Saint Petersburg on March 05, 2020 (registration record 78:14:0007533:2320-78/034/2018-6).

The Land Plot is owned by the Lessor on the basis of [], which is confirmed by an extract from the Unified State Register of Real Estate issued by the Office of the Federal Service for State Registration, Cadastre and Cartography for Saint Petersburg on [specify] (registration record: [specify]).

2.3 The term of possession and use of the Facility is four (4) years and eight (8) months from the date of the Delivery and Acceptance Certificate signing.

The Agreement as a long-term lease agreement is subject to state registration by the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg. The Parties have established that until the moment of state registration, this Agreement is valid as a short-term lease agreement concluded for three hundred and sixty (360) calendar days, and enters into force from the date of its signing by the Parties. If three hundred and sixty (360) calendar days from the date of the Agreement signing by the Parties expire, but the Agreement is still not registered in accordance with the legislation of the Russian Federation, the validity of the Agreement is automatically extended for the next three hundred and sixty (360) calendar days without the need to sign an additional agreement on prolongation. A number of the Agreement prolongations may not exceed the period specified in paragraph 1 of this clause of the Agreement.

In accordance with Article 425 of the RF Civil Code, the Parties have agreed to extend the effect of the Agreement as a long-term lease agreement to the Parties relationship established from the date of its signing after the state registration of the Agreement as a long-term lease agreement.

2.4 The Lessor undertakes to deliver, and the Lessee undertakes to accept the Facility until 01.05.2020 under the Delivery and Acceptance Certificate.

2.5 The Lessee has the right to use the Facility for Permitted Use.

2.6 The Lessor informs on the following encumbrances attached to the Building: ownership in common, the rightholders are Volkov-Kitain Grigory Valentinovich (ownership share is 195/1000), VEP, Limited Liability Company, Taxpayer Identification Number (INN) 7805276910 (ownership share is 522/1000) and Megapark, Limited Liability Company, Taxpayer Identification Number (INN) 7810053035 (ownership share is 88/1000).

2.7 The Lessor informs on the following encumbrances attached to the Land Plot:

3. RIGHTS AND OBLIGATIONS OF PARTIES

3.1 Rights and Obligations of Lessor:

3.1.1 The Lessor shall not interfere in the Permitted Use of the Facility in any way.

3.1.2 The Lessor undertakes to deliver the Facility to the Lessee not later than on 01.05.2020 under the Delivery and Acceptance Certificate. The specified Delivery and Acceptance Certificate is to be signed by authorized representatives of the Parties.

3.1.3 The Lessor undertakes to deliver the Facility to the Lessee under the Agreement in a condition that allows the Facility to be used in accordance with the Permitted Use.

The Lessee has been familiarized with the current technical condition of the Facility prior to the conclusion of the Agreement and recognizes it as suitable for further Permitted Use.

3.1.4 From the date of the Delivery and Acceptance Certificate signing until the date of the Agreement termination, the Lessor undertakes to provide:

3.1.4.1 Running repairs and face-lifting of common areas of the Building (including the halls of the ground and the first floors of the first stage, sanitary units of the ground and the first floor, the elevator hall on the ground floor of the second stage, and the fire stairs), as well as territories adjacent to the Facility and the Building as a whole in a timely manner and at its own expense.

3.1.4.2 Uninterrupted round-the-clock operation and maintenance of the elevators located in the Building, except for the periods of time required for maintenance and cleaning.

3.1.4.3 Operation of the central heating system in the Building (seasonally adjusted).

3.1.4.4 Emergency repairs of communications in the Building in accordance with the Certificate of Operational Responsibility Differentiation.

3.1.4.5 Uninterrupted 24-hour supply of electricity to the Building, except for periods of time when the supply of electricity is stopped by the power supply (power

grid) organization for repair, maintenance or for some other reason beyond the control of the owner, or except for a period of time when the power network does not function as a result of a breakdown and/or an emergency situation. The Lessee shall be provided with uninterrupted power capacity in volumes sufficient for the uninterrupted operation of the Lessee's equipment, namely 60 W per one (1) sq. m of the Facility (excluding lighting and power supply of air conditioning systems). Power supply of ventilation systems and elevator equipment is provided by the Lessor on its own and at its own expense.

3.1.4.6 Uninterrupted round-the-clock provision of the Building as a whole and the Facility with Housing and Communal Services, including water supply (cold water), heating, sewerage, and electricity. Housing and Communal Services provision, as well as installation and maintenance of the boiler system are carried out by the relevant supply organizations on the basis of contracts concluded with the Lessor at the expense of the Lessor.

3.1.4.7 Seasonal heat supply except for the period of time when the networks are closed as a result of a breakdown and/or an emergency situation or necessary major repairs shall be carried out by the Lessor or a resource supply organization.

3.1.4.8 Year-round supply of cold water at any time, except when the water supply network is blocked by resource supplying organizations for repair, maintenance or for some other reason beyond the control of the Lessor, or except for the period of time when the network is closed as a result of a breakdown and/or an emergency situation.

3.1.4.9 Unhindered, permanent and round-the-clock (24 hours a day/seven days a week) access to the Facility and the surrounding area for the Lessee, including for the Lessee's employees and visitors, as well as for their vehicles.

3.1.4.10 Unimpeded, permanent and round-the-clock (24 hours a day/seven days a week) access for the Lessee, including for the Lessee's employees and visitors, to fire escapes and fire exits in the Building.

3.1.4.11 Cleaning the area surrounding the Building in accordance with seasonal conditions.

3.1.4.12 Daily cleaning of common areas of the Building (including halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) and areas adjacent to the Facility (and the Building as a whole); to provision the Lessee with an area for household waste containers placement. Removal of the Lessee's solid municipal waste shall be carried out at its expense under a contract concluded with a specialized organization.

3.1.4.13 Keeping common areas of the Building (including halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) in proper repair and sanitary condition in accordance with the requirements of sanitary norms; ensuring

fire safety; compliance with safety regulations and requirements of other normative legal acts of the Russian Federation.

3.1.4.14 Round-the-clock ventilation of air in the Building, taking into account technically necessary breaks, in accordance with current regulations.

3.1.4.15 Improvement of the territory adjacent to the Building.

3.1.4.16 Maintenance and repair of engineering systems and other equipment of the Building, including engineering systems inside and other equipment of the Building, which is in the area of the Lessor's responsibility in accordance with the Certificate of Operational Responsibility Differentiation.

3.1.4.17 Installation and maintenance of fire protection systems, including automatic fire alarm systems, warning and people evacuation systems in case of fire, internal fire-fighting water supply.

3.1.4.18 Other lessees and third parties carry out construction, installation and other works related to increased noise levels and/or the use of chemicals, which may result in exposure to harmful and/or hazardous production factors of the Lessee's employees, only during non-working hours, including weekends and holidays.

3.1.5 The Lessor undertakes:

3.1.5.1 To notify the Lessee immediately if the Lessor becomes aware of any upcoming power, water, heat, and other supplies cutoffs, as well as of any actions that may affect the use of the Facility by the Lessee, and immediately notify the Lessee on any emergency situations. To make every effort to ensure that electricity, water, heat and operation of the Building are quickly restored in accordance with the terms of the Agreement by posting information on the Building information desk.

3.1.5.2 To assist the Lessee in addressing the issues that are in the area of responsibility or at the sole discretion of the Lessor.

3.1.5.3 Not to interfere in economic activities of the Lessee.

3.1.5.4 To provide the Lessee with the necessary certificates and other documents related to the Building operation within five (5) business days from the date of receiving the Lessee's written request, including if the Lessee receives relevant requests from authorized state and municipal authorities.

3.1.5.5 To consider the Lessee's requests for changes in the purpose of the Facility, as well as its repair and/or re-equipment within a period not exceeding five (5) business days from the date of receiving the corresponding written request from the Lessee.

3.1.5.6 To make the necessary major repairs of the Building, to repair the foundation, roof, exterior walls, roof gutters, awnings, load-bearing structures of the Building and major systems of the Building (heating, ventilation air, electric power distribution systems, water supply systems, systems of smoke and fire alarm systems), elevators, and rainwater catchment system in the Building and on the territory adjacent to the Building. The Lessor undertakes to execute such works in a way that does not make it impossible for the Lessee to use the Facility in accordance with the Permitted Use or impossible to provide the Housing and Communal Services in the Building in accordance with the terms and conditions of the Agreement.

3.1.5.7 To keep the Building in a proper sanitary condition, clean and tidy to ensure normal operation of the Facility (and the Building as a whole), as well as the adjacent territory; to organize deratization and disinfection the Building (including the Facility) according to requirements of sanitary-hygienic norms and rules.

3.1.5.8 To maintain and to guarantee uninterrupted operation of fire safety systems at the Facility (and the Building as a whole) in accordance with the provisions of current legislation of the Russian Federation with regard to fire safety.

3.1.5.9 In a timely manner, within the terms agreed with the Lessee and at its own expense, to maintain and to ensure trouble-free operation of engineering systems of the Facility (and the Building as a whole), including but not limited to supply and exhaust ventilation system, cold and hot (local boiler) water supply systems, as well as sewerage, heating, and air conditioning system.

3.1.5.10 In a timely manner and at its own expense, within the terms agreed with the Lessee, to eliminate malfunctions, breakdowns and any consequences of engineering communications accidents on the territory of the Facility, if such breakdowns and malfunctions occurred not through the fault of the Lessee. In case of occurrence of circumstances that are beyond the of the Lessor's control and preventing the elimination of malfunctions, breakdowns and consequences of any accidents within the specified period, the Parties shall agree another period for their elimination.

3.1.5.11 To provide an area close to the Building to park bicycles.

3.1.5.12 To provide the Lessee with the necessary technical documentation in relation to the Building and the Facility if the Lessee carries out design, repair and construction works for the conversion of the Facility, as well as other running repairs of the Facility.

3.1.6 The Lessor provides maintenance of the Building and internal engineering networks within its area of operational responsibility, established by the Certificate of Operational Responsibility Differentiation.

3.1.7 In case of necessity to carry out major repairs in the Facility by the Lessor, the latter shall notify the Lessee about it in writing and agree on the procedure and conditions for

such repairs not later than ninety (90) calendar days prior to the start of such works; prior to starting the works, the Lessor undertakes to agree the terms and procedure for such works execution with the Lessee.

3.1.8 Immediately, as soon as it becomes known to the Lessor, to notify the Lessee in writing on the need to vacate the Facility in connection with the decisions made in accordance with the established procedures for the Building major repairing, in accordance with the approved major repairs plan or on its liquidation for urban planning reasons.

3.1.9 In case of necessity to carry out repairs in the Facility (or parts of the Building, immediately adjacent to or providing access to the Facility), the Lessor shall notify the Lessee, not later than three (3) business days in advance, on the date and time of such repairs in order to eliminate or reduce interruptions in the Lessee's activity.

3.1.10 Intentionally omitted.

3.1.11 The Lessor has the right to control the construction materials, imported and exported by the Lessee, necessary for carrying out the running repairs in the Facility, without hindering the Lessee in carrying out such repairs within the established time limits.

3.1.12 In connection with the works executed by the Lessee on the Facility repairing and re-equipment, the Lessor does not have an obligation to relocation and/or modernization of the engineering networks in the Building. Such works can be executed only under an additional agreement between the Parties.

3.2 Rights and Obligations of Lessee:

3.2.1 The Lessee is provided with unrestricted access to the leased Facility, to the Building and to the surrounding area in accordance with the Building Operation Rules (Appendix No. 6).

3.2.2 The Lessee has the right to conclude the necessary contracts for the Facility maintenance and repairing, its protection and organization of access control in accordance with the Certificate of Operational Responsibility Differentiation.

3.2.3 The Lessee has the right, at its expense and by its own forces, but in coordination with the Lessor, to install additional access control systems and structured cable systems on the territory of the Facility, while ensuring access to the Facility for the Lessor's representatives in order to verify compliance with the terms and conditions of the Agreement, if necessary.

3.2.4 In order to have the necessary telecommunications services provided, to install appropriate equipment, and to lay cables inside the Facility, the Lessee has the right to involve any organizations. To execute these and other works necessary to have the required telecommunications services provided, the Lessee shall involve only those organizations that provide telecommunications services to the Building under an agreement with the Lessor.

3.2.5 The Lessee has the right to use the common property of the Building and the adjacent area. The procedure for such use of the common property of the Building can be established by a separate written agreement of the Parties.

3.2.6 The Lessee has the right to install, mount, maintain and use equipment, devices for business activity, security systems and equipment, and other property in the Facility.

3.2.7 The Lessee shall have the pre-emptive right to conclude a lease/sublease Agreement for premises adjacent and/or next to the leased Facility and/or located in the same Building, and the Lessor shall take all the necessary measures to ensure that the Lessee is able to exercise such right.

3.2.8 The Lessee has the right, on its own and at its own discretion, taking into account functional purpose of the premises, specified on the Facility Premises Layout (Appendix No. 1), to organize points/locations for Lessee's employees catering, including to allocate premises from the Facility structure for meal preparation (heating), food storage and catering of the Lessee's employees, as well as for similar or accompanying functions. The Lessee has the right, with the consent of the Lessor, to carry out repair works on the territory of the Facility for the purpose of its employees catering. The Facility Premises Layout (Appendix No. 1) can be amended by agreement of the Parties.

3.2.9 The Lessee is not entitled to have a compensation of the cost of any separable improvements made on the territory of the Facility. The Lessee has the right to choose the decoration of the Facility, including, but not limited to, the design of the Facility, while the Lessee has the right not to dismantle this decoration after the lease term expiration.

3.2.10 The Lessee has the right to indicate its location on the territory of the Facility by placing appropriate signboards, signs, advertising stands at the entrance to the territory of the Facility and in front of the entrance. The size, colour and artistic solution of these items are to be agreed with the Lessor in advance.

3.2.11 The Lessee undertakes:

3.2.11.1 To use the Facility in accordance with the Permitted Use.

3.2.11.2 In a timely manner and in full, to pay the rent, security payment, payments for the security payment replenishment (established by the Agreement, and subsequent amendments and additions to it) to the Lessor.

3.2.11.3 In a timely manner, in agreement with the Lessor, at its own expense and by its own forces and materials, within the terms agreed with the Lessor, to carry out running repairs and renovation of the Facility.

3.2.11.4 To ensure the safety of engineering networks, communications and equipment at the Facility.

3.2.11.5 Not to lay any hidden and/or open cabling and communications, not to make any other alterations and re-equipment of the Facility without a written consent of the Lessor.

3.2.11.6 To vacate the Facility in accordance with terms and conditions specified in this Agreement, due to emergency condition of the Building structures (or any part thereof), to an assignment for the Building major repairs or its liquidation for urban planning reasons within the terms specified by the Lessor's assignment, subject that the Lessor fulfilled the provisions of clause 3.1.9 of the Agreement.

3.2.11.7 To keep the Facility in proper sanitary and fire prevention condition. To provide the Facility with primary fire extinguishing equipment in accordance with current regulations and monitor their working order and performance. On its own, to ensure compliance with labour protection and safety requirements at the Facility, including the technical condition of construction and enclosing structures, and engineering communications.

3.2.11.8 To immediately notify the Lessor of any damages, accidents or other events that caused (or threaten to cause) damages to the Facility, and to promptly take all possible measures to prevent the threat against further destruction or damage to the Facility. On its own, to execute works at the Facility to eliminate accidents, emergencies and their consequences that occurred due to the fault of the Lessee, its employees, and visitors.

3.2.11.9 Not to conclude contracts and not to enter into transactions, the consequence of which is (or may be) any encumbrance of the property rights granted to the Lessee under the Agreement, in particular, their transfer to another person (pledge agreements, introduction of the right to the Facility (or its part) subleasing to the authorized capital of a company, etc.) without a written consent of the Lessor. Conclusion of such contracts by the Lessee or its entrance into such transactions without the specified consent is the grounds for the Agreement termination unilaterally.

3.2.11.10 To provide the Lessor's representatives and the asset holder with unlimited access to the Facility, in the presence of an authorized representative of the Lessee (except in emergency cases), for its inspection and examination, if the Lessor has previously warned the Lessee on the need for access twenty four (24) hours in advance, and in case of emergency – immediately with obligatory execution by the Lessor and/or the asset holder of a corresponding certificate.

3.2.11.11 To inform the Lessor in writing about the upcoming moving out from the Facility, both in connection with the end of the Agreement validity period, and in case of its pre-term termination within the terms and conditions established by the Agreement.

3.2.11.12 To deliver the Facility (after moving out) under the Return Certificate, which is made in a form similar to the form of the Delivery and Acceptance Certificate with the necessary changes, based on the merits of the action, in good condition with

normal wear, fully intact with all permitted alterations, rearrangements and inseparable improvements.

3.2.11.13 In due time, to meet the requirements of the Lessor, an asset holder, the Ministry of the Russian Federation for Affairs of Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters and other regulatory bodies on measures taken to eliminate situations arising from the Lessee's activities that jeopardises the integrity of the Facility, as well as environmental, and sanitary conditions outside of the leased premises.

3.2.11.14 Not to store (except in cases of temporary (up to 1 hour) abandonment during loading and unloading operations) the property belonging to the Lessee in public areas, other premises of the Building that are not related to the Facility, on the territory adjacent to the Building, on the territory of the parking lot. If such property is found, the Lessee shall immediately remove it accordance with the Lessor's instructions. If the Lessee fails to comply with the Lessor's request, the Lessor has the right to draw up an appropriate report and move the property to the appropriate storage facility, charging the Lessee with the expenses incurred.

3.2.11.15 During the Facility operation, including the repair and construction works execution, not to place, not to use and/or nor to dispose of toxic, caustic, poisonous, or flammable substances on the territory of the Facility. Not to use the Building drainage (sewer) systems to discharge substances that may affect or violate the permissible composition of wastewater in accordance with current regulations.

4. PAYMENTS AND SETTLEMENTS PROCEDURES

4.1 The Lessee's Payments under the Agreement, as well as all other cash amounts specified in this Agreement, are to be paid in RUR and do not include VAT or any other tax that may be established in accordance with the law and which is payable in excess of such amounts, unless otherwise specified in the Agreement. The amount of the current VAT rate is determined by the rate applicable during the period of the service provision and established by the current Legislation.

4.2 The Permanent Part of Rent is set in the amount of 981 RUR per 1 sq. m., herewith the Parties have agreed that:

4.2.1 The total amount of the Permanent Part of Rent for one (1) month of the Facility leasing is three million thirty-five thousand two hundred and forty (3,035,214.00) RUR, without VAT, for the first month of lease.

4.2.2 The total amount of the Permanent Part of Rent for one (1) month of the Facility leasing is four million three hundred and thirty-six thousand twenty (4,336,020.00) RUR, without VAT, starting from the second month of lease. Tax

4.3 Operating costs (including, expenses on cleaning common areas of the Building (halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors

(first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) and the fees for the Building protection, keeping a checkpoint, maintenance and provision of consumables, as well as keeping a fire alarm system, systems of supply and exhaust ventilation and air conditioning) and Housing and Communal Services are included in the Permanent Part of Rent.

4.4 Expenses related to implementation by the Lessor of the obligations specified in clause 3.1 of the Agreement are considered expenses of the Lessor and are not subject to compensation by the Lessee.

4.5 The Variable Part of Rent includes the expenses on electricity consumed by the Lessee at the Facility. These expenses are calculated based on the readings of electricity metering devices located on each floor of the leased Facility, as well as on the tariffs of an energy supply organization (a guaranteeing supplier). A number of the electricity metering devices and their readings are to be registered in the corresponding Electricity Metering Devices Readings Acceptance Certificate, signed by both Parties, in the form of Appendix No. 5 to the Agreement.

4.6 Cleaning, provision of consumables for the Facility operation (including air conditioning system), as well as wastes removal shall be carried out by the Lessee at its own expense.

4.7 The Lessee shall transfer the Permanent Part of Rent to the Lessor's settlement account not later than on the fifteenth (15th) day of the current month, starting from the moment of the Facility Delivery and Acceptance Certificate. The Lessee's obligation to pay the Permanent Part of Rent is considered fulfilled from the date of the funds debiting from the Lessee's settlement account.

4.8 In case of a violation by the Lessor of its obligations specified in clause 3.1 of the Agreement, and in case of charging the Lessor with appropriate penalties, the Lessee is entitled to deduct such penalties from the amount of the Permanent Part of Rent payable for the corresponding period.

4.9 The Variable Part of Rent shall be paid by the Lessee on the basis of the relevant invoices issued by the Lessor within ten (10) business days from the date of the invoice submission. The Lessor undertakes to provide the Lessee with a copy of the invoice received from an energy supply organization (a guaranteeing supplier) on a monthly basis.

4.10 If due to carrying out by the Lessor of major repairs in accordance with clauses 3.1.4 and 3.1.5 of the Agreement or due to other circumstances, occurred at the initiative of the Lessor, any restraints appear for the Lessee in using the Facility in the manner provided for in the Agreement, or for the latter to carry out its activity, then:

4.10.1 the corresponding Lessee's Payments for the specified period are not accrued and not to be paid;

4.10.2 if the Lessee continues to use any part of the Facility in accordance with the Permitted Use, the amount of the Lessee's Payments for the relevant period shall be calculated and payable in proportion to the area of the Facility that is actually used by the Lessee at the Facility.

4.11 If the Lessor is unable to carry out repairs in accordance with clauses 3.1.4 and 3.1.5 of the Agreement without completely stopping the Lessee's activity at the Facility, the Lessee is exempt from paying the Lessee's Payments and other payments under the Agreement for the period of complete stop of its activity at the Facility.

4.12 The Lessee has the right to suspend the payment of the Lessee's Payments from the latest day of the events specified below (and on the first day of the events specified below, to send a written notice to the Lessor) with respect to the corresponding part of the Facility area in respect to which the Housing and Communal Services provision has been stopped, until the Housing and Communal Services provision resumption (in relation to the relevant part of the Facility area) or until elimination of other reasons preventing the use of the Object in the following cases:

4.12.1 if the Lessor does not provide one or more of the following Housing and Communal Services or other services listed below in an area exceeding twenty-five (25) percent of the Facility area for any reason, except for any violations of the Lessee:

- 4.12.1.1 supply of electricity for two (2) consecutive business days; or
- 4.12.1.2 heating supply in winter for five (5) consecutive business days (seasonally adjusted); or
- 4.12.1.3 ventilation for twenty (20) consecutive business days; or
- 4.12.1.4 cold water supply and/or wastewater disposal for two (2) consecutive business days;

4.12.2 if the Lessee is not able to use the Facility on an area exceeding twenty-five (25) percent of the Facility area for two (2) consecutive business days.

4.13 For the avoidance of doubt, in the event of suspension of the Housing and Communal Services provision in relation to the Facility or any of its parts due to circumstances beyond the control of the Lessee, the Lessor undertakes to ensure the resumption of Housing and Communal Services provision within the shortest reasonable time at its own expense.

4.14 After resuming the Housing and Communal Services provision, the payment of the Lessee's Payments shall be resumed in full, without reducing their amount for the period of their provision suspension.

4.15 The amount of the Permanent Part of Rent specified in clause 4.2 of the Agreement can be increased by the Lessor in agreement with the Lessee not more than once a year, starting from the second year of lease, but in any case not more than by the CPI.

4.16 If the area of the Facility is clarified based on the results of the premises measurements after signing the Agreement by the Parties, the amount of the Permanent Part of Rent set by the Agreement is not subject to change.

4.17 Security Payment:

4.17.1 To ensure the Lessor's interests, the Lessee shall make the Security Payment in the amount of one-month Permanent Part of Rent to the Lessor's settlement account within five (5) banking days from the date of the Agreement signing (clause 4.2.1 of the Agreement).

The amount of the Security Payment is at the disposal of the Lessor (and can be used by it) until the amount of the Security Payment shall be returned to the Lessee in the event of the lease term expiration or the Agreement termination; however, no interest for the disposal and use of the Security Payment amount in favour of the Lessee is accrued or paid. The Lessor and the Lessee agree that the Security Payment is a method expressly specified in the Civil Code of the Russian Federation to ensure that the Lessee fulfills its obligations under this Lease Agreement. The Security Payment is not a deposit or an advance payment.

4.17.2 If the Lessee delays any of the payments due under the Agreement, or as a result of the Lessee's guilty actions, the Facility, common areas in the Building, the Building itself, the territory adjacent to the Building and the Lessor's property located on such territory are damaged, the Lessor has the right to deduct the amount of such damages from the Security Payment.

The availability of the Security Payment and an opportunity of deductions from it do not release the Lessee from responsibility to fulfill its financial obligations stipulated in the Agreement (in full or in part).

4.17.3 The procedure for deducting an amount from the Security Payment: seven (7) business days in advance, the Lessor sends a written notification to the Lessee specifying the grounds and an amount of deduction from the Security Payment in the calculation attached. If the Lessee does not object to the received notice of deduction, the Lessee is obliged to restore the amount of the Security Payment to the originally agreed amount within seven (7) banking days from the date of receiving the notice of deduction. This obligation also occurs in the event of an increase in the Permanent Part of Rent provided for in the Agreement.

4.17.4 Upon expiration of the Agreement, the Lessor shall return the amount of the Security Payment to the Lessee, taking into account possible deductions in accordance with the provisions of clauses 4.17.2 and 4.17.3 above, within seven (7) banking days after the Lessee moves out from the leased premises in accordance with the procedures established by the Agreement.

5. LIABILITIES OF PARTIES

5.1 The Parties are liable for non-performance or improper performance of the terms and conditions of the Agreement and the obligations assumed by them to the extent of damages caused in accordance with the Legislation.

5.2 In case of a breach by the Lessee of provisions of clauses 4.7 and 4.17.1 of the Agreement, penalties in the amount of 0.1% from the overdue sum for each day of delay are to be charged.

5.3 If the Lessor does not fulfill its obligation to submit a set of documents required for state registration of the Agreement to the authorized state authorities, provided for in clause 10.6, the Lessee has the right to suspend payment of the Lessee's Payments until the date of submission by the Lessor of the required set of documents for the Agreement state registration. After submission of the above set of documents for state registration, the rent payment is to be resumed in full, without reducing its amount for the period of such suspension.

5.4 In case of violation of time limits for the delivery of the Facility under the Facility Delivery and Acceptance Certificate through the fault of the Lessor, the rent is not to be charged.

5.5 Payment of any penalties does not release the violating Party from fulfilling its obligations and eliminating the violations.

5.6 If one of the Parties violates the terms and conditions of the Agreement, the Party that discovered the relevant violation sends a claim to the other Party with a request for elimination of the violations, including for compensation of losses caused by such violations.

5.7 If any damage is caused to one Party through the fault of the other Party, the guilty Party shall compensate the damage to the other Party in full.

5.8 The Lessee is liable under the Agreement only if there is its fault and only compensates for actual damages; it shall not be liable for any losses or claims against the Lessor in connection with any lost profits or other losses of the Lessor incurred through no fault of the Lessee.

5.9 The Parties agree that to the extent permitted by the Legislation, neither Lessee, nor its representatives accept any liability for the damage caused to the Lessor, its employees and other persons, as well as for loss of their property and the damages caused (as a result of theft, fire, explosion, plaster collapsing, effect of steam, gas, electricity, water, rain, snow or leaks from any part of the Building, pipes, roofs, from the street, from the ground or any other place; or as a result of dampness; or for any other reason), except when the cause of harm, loss or damage is an act (or an omission) of the Lessee, its employees, and/or representatives.

5.10 All penalties provided for in the Agreement are of punitive nature.

5.11 Unless otherwise provided for in the Agreement, the Lessee and the Lessor shall not be considered violating any of their obligations under the Agreement, if they eliminate any

such violation within five (5) calendar days (with regard to the violation of any payment obligations), or within thirty (30) calendar days (with regard to other obligations), or within a longer (within reason) period (with regard to a particular obligation violation that does not provides a reasonable opportunity to eliminate the violation within thirty (30) calendar days, provided however, that the violation shall be eliminated in the shortest possible time from the moment of receiving the notice on the corresponding violation by the violating Party.

5.12 Unless otherwise provided for in the Agreement, if the Lessor has violated any obligation under the Agreement and has failed to remedy such violation within thirty (30) calendar days from the moment of receiving the notice from the Lessee about it; herewith, the Lessee will be entitled but not obliged to eliminate such violation. In this case, the Lessor will compensate the reasonable documented expenses incurred to the Lessee within five (5) calendar days after receiving the Lessee's invoice. The right of the Lessee provided for in this clause 5.12 can be used by the Lessee in addition to or in lieu of the rights provided for in the Agreement (at the discretion of the Lessee).

5.13 In relation to any goods or other property of the Lessee and/or any separable improvements that are not taken away by the Lessee within one (1) month after signing the Premise Return Certificate, the Parties shall agree that the Lessee's actions on such goods (property) abandonment indicate its consent with its elimination from ownership, use and disposition of the goods (property) that is the Lessee's waiver from the ownership to such property in accordance with Article 236 of the RF Civil Code. If such property becomes property of the Lessor, the Lessor has the right to dispose of such property at its own discretion, without being liable to the Lessee for its loss.

5.14 The Party that caused damages to the other Party's property through its guilty actions shall be liable for such damages.

The fact of causing such property damages is registered in the relevant certificate (hereinafter referred to as the "Damage Certificate"), which is subject to preparation by the Parties as soon as possible after the (detected) incident.

The Damage Certificate shall, among other things, contain a description of the relevant damages caused to the property of the Party and reflect actual conditions and circumstances of such damages, with a photo and/or video report attached to such certificate. The relevant Damage Certificate shall be signed by the Parties within one (1) day after its execution. If one of the Parties unreasonably avoids signing the Damage Certificate (whether a representative of such Party participated in the relevant damage inspection or not), the other Party has the right to sign the Damage Certificate unilaterally. In this case, the Damage Certificate is considered binding for the Parties, as if it were signed by both of them. The Party that has executed the Damage Certificate undertakes to send a signed copy of such Damage Certificate to the other Party within ten (10) business days after its signing.

6. GROUNDS FOR AGREEMENT TERMINATION

6.1 The Agreement can be terminated at any moment by agreement of the Parties, as well as unilaterally in accordance with pre-trial procedures by any of the Parties in the cases provided for in clauses 6.2, 6.3 of the Agreement.

6.2 The Lessee has the right to unilaterally refuse to perform the Agreement in the following cases:

6.2.1 the Lessor violated the time limits set for the delivery of the Facility specified in clause 2.4 of the Agreement;

6.2.2 the Lessor creates any obstacles in possession and use of the Facility in accordance with the Permitted Use;

6.2.3 the Lessor has given any false warranties and representations provided for in clauses 7.1 and 7.2 of the Agreement;

6.2.4 the Lessor does not register the Agreement within the period specified in clause 10.6;

6.2.5 if within thirty (30) calendar days in a row, due to the fault of the Lessor, the Facility is not suitable for the Permitted Use or the use of the Facility in accordance with the Permitted Use will contradict the requirements of the Legislation, including, but not limited to, the fire safety and labour protection requirements;

6.2.6 if the provision of all (or some) Housing and Communal Services at the Facility is interrupted for more than thirty (30) consecutive calendar days, resulting in occurrence of obstacles to the use of the Facility in accordance with the Permitted Use;

6.2.7 if an opportunity of using the Building (or its essential part) or the Facility is completely suspended by a decision (instruction, order, decree) of the competent state, municipal, or judicial authority for a period exceeding ninety (90) calendar days;

6.2.8 if the Lessor's authorized management body, judicial body, state or other authority has made a binding decision to liquidate the Lessor.

6.3 The Lessor has the right to unilaterally refuse to perform the Agreement in the following cases:

6.3.1 the Lessee uses the Facility in violation of the Permitted Use;

6.3.2 repeatedly (two or more times in a row), the Lessee fails to make the Lessee's Payments (in whole or in part) and/or repeatedly (two or more times in a row) violates the established deadline for making the Lessee's Payment;

6.3.3 the Lessee intentionally or negligently worsens the condition of the premises.

6.4 The Party that refuses to perform the Agreement in accordance with clauses 6.2, 6.3 of the Agreement shall send a written request to the other Party for the elimination of all the violations that served as the basis for the Agreement termination. If the specified violations are not eliminated within fifteen (15) days from the date of the request sending, the Agreement is considered terminated on the sixteenth (16th) day from the date of the request sending.

6.5 The procedure for the Agreement termination provided for in clause 6.4 shall not apply if the Lessee refuses from the Agreement implementation on the grounds of clauses 6.2.3 – 6.2.8. For the reasons specified in this clause, the Agreement is terminated upon receipt by the Lessor of a notice on unilateral refusal from the Agreement implementation sent by the Lessee.

6.6 Any of the Parties also has the right to unilaterally refuse to implement the Agreement in accordance with pre-trial procedures, if any bankruptcy procedure provided for by Federal law of the Russian Federation No. 127-FZ dated October 26, 2002 “On Insolvency (Bankruptcy)” is initiated in respect of one Party, notifying the other Party about its decision in writing. The Agreement shall be terminated on the eleventh (11th) day after such notification is sent. The Lessee is obliged to move its property out from the Facility on the latest day of the specified term of the Agreement termination. The notification provided for in this clause of the Agreement shall be sent by one Party to the other Party by registered mail with delivery notification and investment inventory to the address of the respective Party specified in the Agreement or in the Unified State Register of valid as of the date of such notice sending. The notification on refusal to perform the Agreement is considered to be delivered in ten (10) days from the date of its sending, as well as in cases where it was delivered to the Party, but due to circumstances depending on this Party, it was not received or read by it.

6.7 This Agreement can be terminated unilaterally by the Lessor by sending a written notice to the Lessee six (6) months prior to the upcoming termination of the Agreement.

6.8 This Agreement can be terminated unilaterally by the Lessee by sending a mandatory notification to the Lessor six (6) months prior to the upcoming termination of the Agreement.

6.9 Intentionally omitted.

7. WARRANTIES AND REPRESENTATIONS

7.1 The Parties hereby provide each other with warranties and representations in accordance with Article 431.2 of the RF Civil Code:

- 1) that all the information provided by one Party to the other Party at the Agreement conclusion is accurate and up-to-date;
- 2) about their financial solvency;

3) that the Party is a currently acting legal entity and/or a duly registered individual entrepreneur; it is not in the process (and there are no grounds for its) liquidation; it is not in the process (and there are no signs for its) bankruptcy;

4) on availability of necessary corporate approvals required in accordance with the Legislation or constituent documents of the Party (approval of the Company's Board of Directors or General Meeting of Participants, etc.) for the Agreement conclusion;

5) that the executive bodies of the Party are established in accordance with the current Legislation and the constituent documents of the Party.

6) that there are no claims or arbitral, administrative, judicial or other proceedings or investigations against the Facility in any court, arbitration court or other authority that, if resolved unfavourably, would have a material adverse effect on the Party's ability to perform its obligations under the Agreement.

If the given warranties and representations prove to be false, the Party undertakes to compensate the other Party for losses in the amount of actual damages incurred as a result of unreliability of such warranties and representations.

7.2 The Lessor hereby provides warranties and representations valid for the moment of the Agreement signing, in accordance with Article 431.2 of the RF Civil Code:

1) that the Lessor has the right to enter into the Agreement and that it has obtained all the necessary consents and permissions for this purpose;

2) that the Building and the Facility are not sold, donated, mortgaged, disputed about, not under a ban (arrest), and are not otherwise encumbered, except for the encumbrances specified in clauses 2.6 and 2.7 of the Agreement; the requirements of this clause do not limit the rights of the Lessor to further (during the term of the Agreement) disposal of the Building as a whole (including the Facility), including its alienation, transfer as collateral, encumbrance with the rights of third parties, etc.

3) that the Lessor has entered into all the agreements and contracts under which Housing and Communal Services are provided in relation to the Facility.

All the Lessor's warranties and representations specified in this clause 7.1 and clause 7.2 of the Agreement are material for the conclusion, performance and termination of the Agreement by the Lessee. If the given warranties and representations prove to be false, then the Lessor shall reimburse the Lessee for all the losses incurred as a result of unreliability of such warranties and representations. Without prejudice to other provisions of the Agreement, the Lessee has the right to demand invalidation of the Agreement under influence of a fraud or a material mistake caused by false warranties and representations given by the Lessor, in accordance with articles 179 and 178 of the RF Civil Code, respectively.

8. FORCE MAJEURE

8.1 Force majeure circumstances are circumstances of force majeure, such as natural disasters, military actions, occupation, public disorder, etc., as well as circumstances resulting from orders, decrees or other administrative or governmental restrictions. In each case, occurrence of any such circumstance is beyond the control of the Parties and in all such cases, the performance of obligations under the Agreement becomes impossible.

8.2 If force majeure circumstances occur and prevent the Parties from performance of their obligations in a timely manner, the Parties under such extreme conditions are relieved of their obligations until the specified force majeure circumstances are terminated, provided that the Party subjected to the force majeure circumstances immediately notifies the other Party on the occurred circumstances providing a detailed description of the conditions created.

8.3 The Party for which it is impossible to perform its obligations under the Agreement, shall immediately, but not later than within ten (10) calendar days from the moment of their occurrence, notify the other Party in writing of the occurrence and termination of the above circumstances. If, due to force majeure circumstance, the Facility becomes completely or partially unusable for a period of more than thirty (30) days, the Lessee, subject to providing the necessary documents of the competent state authorities, confirming the above circumstances, has the right to immediately cancel the Agreement with a written notification to the Lessor and does not bear any further obligations or liability to the Lessor.

9. CONFIDENTIALITY

9.1 The Parties undertake not to disclose material information about the Agreement without the prior written consent of the other Party, except for the cases where disclosure is required by applicable Legislation or is required by the relevant competent authorities; when it is required for normal course of business of the Party, and when it is related to the potential exercise of the Party's rights under the Agreement.

9.2 The Parties do not intend to exchange confidential information under this Agreement. If there is a need to transfer any confidential information under the Agreement, the Parties undertake to conclude the Confidentiality Agreement.

10. MISCELLANEOUS

10.1 Any dispute or claim between the Lessee and the Lessor arising in connection with the Agreement shall be resolved in accordance with the current legislation of the Russian Federation.

10.2 Any dispute under the Agreement, if the Parties fail to reach an agreement regarding it, is subject to review by the Arbitration Court of Saint Petersburg and Leningrad Region in accordance with the rules valid as of the moment of the dispute resolution.

10.3 If the payment details, postal addresses, or location of the Parties change, notification of any such change shall be sent within seven (7) calendar days from the date of the above changes introduction.

10.4 The Lessee may contact the Lessor with an offer of a phased lease of additional premises in the Building at the rates applicable to premises leased by the Lessee at the moment of additional premises provision.

The Lessee has, at all other things being equal, a pre-emptive right to lease additional premises in the Building.

10.5 The Lessor undertakes to register the Agreement with the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg.

The Lessee undertakes to provide the Lessor with all the documents necessary for the Agreement state registration within ten (10) business days from the date of its signing.

The Lessor within ten (10) business days after receiving all the documents, required for state registration of the Agreement from the Lessee, and development of the Facility Technical Layout submits the Agreement to the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg.

The Lessor's obligation on state registration of the Agreement shall be deemed duly performed if the required set of documents for state registration of the Agreement is submitted in a timely manner, the grounds for suspension (refusal) of state registration of the Agreement (if applicable) are subsequently eliminated, to the extent that it depends on the Lessor and on subsequent submission of the necessary set of documents for state registration of the Agreement, until all violations that prevent state registration of the Agreement are eliminated.

10.6 The Lessor undertakes to carry out state registration of the Agreement by 01.05.2021 inclusive.

10.7 All the expenses related to making notarized copies of documents required for state registration of the Agreement are borne by the Party that shall hold the relevant documents.

The expenses related to obtaining the Facility Technical Layout required for state registration of the Agreement in accordance with the Legislation of the Russian Federation are borne by the Lessor.

The expenses, related to the payment of the state fee for the state registration of the Agreement at the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg, are borne by the Parties equally.

The expenses related to payment of the state fee for state registration of any changes/additions to the Agreement at the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg are borne by the Party initiating the relevant changes/additions introduction to the Agreement.

10.8 From the date of a claim announcing, unless otherwise expressly set forth in this Agreement, the funds shall be paid by one Party to the other Party within five (5) business days.

10.9 All the notices under the Agreement shall be made in writing and delivered by registered mail with delivery notification or by courier against signature.

10.10 The Agreement is made in five (5) original copies in Russian, one copy is for the Lessee, the second one – for the Lessor, the third one – for the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg; the remaining two copies of the Agreement are not submitted for the state registration and shall be kept by the Parties until the Agreement is received from the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg as proof of the fact of the Agreement signing.

10.11 The following appendices are attached to this Agreement and are its integral parts:

Appendix No. 1 – Facility Layout

Appendix No. 2 – Form of the Delivery and Acceptance Certificate

Appendix No. 3 – Certificate of Operational Responsibility Differentiation Appendix No. 4 – Form of the Certificate on the Facility Occupied by the Lessee Cut Open in Case of Accident or Threat of Accident.

Appendix No. 4 – Form of the Certificate on the Facility Occupied by the Lessee Cut Open in Case of Accident or Threat of Accident.

Appendix No. 5 – Electricity Metering Devices Readings Acceptance Certificate Appendix No. 6 – Building Operation Rules

Appendix No. 6 – Building Operation Rules

11. ADDRESSES AND DETAILS OF PARTIES

The Lessee:

Name	SEMRUSH RU LLC
Location Address:	22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
Address for Correspondence:	22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
E-mail Address:	legal@semrush.com
Director General	Kilimova Natalia Aleksandrovna
Taxpayer Identification Number (TIN)/Tax Registration Reason Code (KPP)	7810453178/781001001
Primary State Registration Number (OGRN)	1137847340036
Settlement Account No.	
Bank's Name:	
Bank Identification Code (BIC):	
Correspondent Account No.	

The Lessor:

Name	
Location Address:	
E-mail Address:	
Director General	
Taxpayer Identification Number (TIN)/Tax Registration Reason Code (KPP)	
Primary State Registration Number (OGRN)	
Settlement Account No.	
Bank's Name:	
Bank Identification Code (BIC):	
Correspondent Account No.	

On behalf of the Lessee:

On behalf of the Lessor:

FACILITY LAYOUT

On behalf of the Lessee:

On behalf of the Lessor:

AGREED

SEMRUSH RU, LLC

**Individual Entrepreneur
Volkov-Kitain Grigory Valentinovich**

FORM

**Delivery and Acceptance
Certificate**

Saint Petersburg

_____, 20__

In accordance with Lease Agreement No. _____ dated __.__.20__ Krupyshev Mikhail Anatolievich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 5, 2015 on the form of series 78 No.009212802, on the one hand, and

SEMRUSH RU, LLC, hereinafter referred to as the “Lessee”, represented by Natalia Aleksandrovna Kilimova, acting under the Charter, on the other hand, have executed this Certificate stating that the Lessor hereby delivers and the Lessee accepts (for lease) the Facility with a total area of 4,420 sq. m. at the address: 22 Zastavskaya Street, Building 2, Letter according to Lease Agreement No. _____ dated __.__.20__

Brief description of the Facility technical condition:

The technical condition of the leased Facility is satisfactory and corresponds to its purpose and intended use.

Notes:

**The Facility is accepted by
the Lessee:**

**The Facility is delivered by
the Lessor:**

Certificate of Parties' Operational Responsibility Differentiation

On behalf of the Lessee:

On behalf of the Lessor:

AGREED

SEMRUSH RU, LLC

Individual

Entrepreneur

Volkov-Kitain Grigory Valentinovich

BC

22 Zastavskaya Street, Building 2, Letter A, St. Petersburg

_____, 20__

CERTIFICATE

on the Facility Occupied by the Lessee Cut Open in Case of Accident or Threat of Accident without the Lessee's Representative

The Lessee's Name: _____

Numbers of opened sections (doors): _____

Number of the opened seal: _____

The reason for opening: _____

Condition of the Lessee's property: _____

(was it affected by the accident or not, if it was affected, then to what extent, if it was moved,

then to where and on whose instructions) _____

Measures taken to eliminate the accident, protect the Lessee's property until its representative

arrival _____

Administration Representative

Officer that cut the seal(s), section(s), (position) door(s)
open

(position)

(full name)

(signature)

Security Service Representative

BC
(position)

(full name)

(signature)

The Lessee's Representative

That accepted its property after the accident or a
threat of the accident

(position)

(full name)

(signature)

**Certificate
of Electricity Metering Devices Readings Acceptance**

Saint Petersburg

_____, 20__

In accordance with Lease Agreement No. _____ dated __.__.20__ Krupyshev Mikhail Anatolievich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 5, 2015 on the form of series 78 No.009212802, on the one hand, and

SEMRUSH RU, LLC, hereinafter referred to as the “Lessee”, represented by Natalia Aleksandrovna Kilimova, acting under the Charter, on the other hand,

have executed this Electricity Metering Devices Readings Acceptance Certificate (hereinafter referred to as the “Certificate”) as follows:

1. The electricity metering devices readings as of the moment of the Certificate signing:

Number of Electricity Metering Device	Readings, kW/h

2. The above mentioned electricity metering devices are properly sealed, no seals alteration have been found.

On behalf of the Lessee:

On behalf of the Lessor:

BUILDING OPERATION RULES

Regulations on Control of Access to the Building and Surrounding Areas

1. General Provisions

- 1.1 The access control at the facility is carried out by senior administrators, administrators, and supervisors of the security service in accordance with these Regulations.
- 1.2 Entry (exit) of the companies' employees, as well as visitors is carried out through the access control system (turnstiles), using a pass of an established form
- 1.3 Entry (exit) of vehicles belonging to companies, other organizations, as well as employees' vehicles is carried out through:
- entrance No. 1 – 2 Parkovaya Street
 - entrance No. 2 – 17 Tsvetochnaya Street
 - entrance No. 3 – 22 Zastavskaya Street
- 1.4 Entry (exit) of special purpose vehicles (EMERCOM, police, ambulance) are allowed to the facility through any entrances.
- 1.5 It is forbidden to transport (carry) explosive items, weapons, flammable liquids, etc. to the territory of the facility.

2. Types of Passes

- 2.1 Permanent passes are issued to employees of companies and are to be presented at the entrance of (exit from) the facility.
- 2.2 In order to provide temporary employees with access to the facility, company managers shall submit the lists of such employees to the security service indicating the period and nature of the work to be executed by such employees. The lists are approved by the (Deputy) Director General of Megadrive, LLC.
- 2.3 Visitors are provided with access to the facility in accordance with the following procedure:
- a candidate arrived at the facility shall be approved by phone with the head of the company, which the candidate arrived to;
 - then the visitor is recorded in the "Visitor Registration" log, if he/she has a Russian passport with him/her, and is allowed to enter the facility. Visitors are allowed to enter the facility only during working hours,

During non-working hours, visitors are accompanied by an employee of the company.

3. Entry (Exit) of Vehicles

a) during working hours

3.1 Entry (exit) of vehicles belonging to companies is carried out according to the lists approved by the (Deputy) Director General of Megadrive, LLC.

When driving (carrying) out material values from the facility, the administrator (controller) shall withdraw a memo from the head of the company.

3.2 Entry (exit) of third-party organizations' vehicles is carried out according to the following procedure:

- an arrived vehicle is recorded in "Entry (Exit) Registration" log and allowed to enter the territory of the facility.
- when the vehicle is leaving the territory of the facility, a one-time pass issued by the head of the company is withdrawn

3.3 Entry (exit) of vehicles belonging to companies' employees is carried out according to the lists approved by the (Deputy) Director General of Megadrive, LLC.

b) during non-working hours

3.4 Entry (exit) of vehicles belonging to companies is carried out according to the memos approved by the (Deputy) Director General of Megadrive, LLC.

When driving (carrying) out material values from the facility, the administrator (controller) shall withdraw a memo from the head of the company.

3.5 Entry (exit) of third-party organizations' vehicles is carried out according to the following procedure:

- arrived vehicles are allowed to the territory of the facility on the basis of a memo from the head of the company and approved by the (Deputy Director General) of Megadrive, LLC, recorded in "Entry (Exit) Registration" log and then allowed to the territory of the facility.
- when the vehicle is leaving the territory of the facility, a one-time pass issued by the head of the company is withdrawn

3.6 Entry (exit) of vehicles belonging to the companies' employees is allowed on the basis of a memo signed by the head of the company and approved by the (Deputy) Director General of Megadrive, LLC.

4. Access for Companies' Employees to Cut Service Rooms and/or Offices Open

a) during working hours

In order to cut service rooms and/or offices open, company managers appoint a certain number of employees and submit memos to the security service, which are approved by the (Deputy) Director General of Megadrive, LLC.

b) during non-working hours

During non-working hours (weekends and holidays), access for the companies' employees to the facility in order to cut service rooms and/or offices open is limited and is carried out on the basis of memos from the heads of the companies indicating the period of work (beginning and end). Such memos shall be approved by the Deputy) Director General of Megadrive, LLC.

It is strictly forbidden to allow employees to work on weekends and public holidays without a pre-submitted and properly executed memo (on Friday or on the eve of the holiday, not later than at 4.00 p.m.).

5. Position of Gates, Barriers

Gates	No. 3 – 2 Parkovaya Street;	from 8.00 a.m. till 8.00 p.m. – open
	No. 2 – 17 Tsvetochnaya Street;	from 8.00 a.m. till 8.00 p.m. – open
	No. 4 – 22 Zastavskaya Street;	from 8.00 a.m. till 8.00 p.m. – open
	No. 1 – 7 Zastavskaya Street.	24 hours closed
Barriers	No. 3 – 2 Parkovaya Street;	24 hours closed
	No. 2 – 17 Tsvetochnaya Street;	24 hours closed
	No. 4 – 22 Zastavskaya Street.	24 hours closed

LEASE AGREEMENT

BETWEEN

Volkov-Kitain Grigory Valentinovich

as Landlord

AND

SEMRUSH RU, LLC

as Tenant

22 Zastavskaya Str., Building 2, Letter A, Saint Petersburg 190006

BASIC LEASE INFORMATION

Date:	April 2020
Landlord:	Volkov-Kitain Grigory Valentinovich
Tenant:	SEMRUSH RU, LLC , a Russian limited liability company
Building:	The building located at 22 Zastavskaya Str., Building 2, Letter A, Saint Petersburg 190006
Premises:	Third Floor
Rentable Area of Premises:	Approximately 1,990 square meters
Scheduled Delivery Date:	January 5, 2020
Rent Commencement Date:	Permanent Rent: January 15, 2020, and every fifteenth (1 ⁵ th) day of every month. Variable Rent: within ten (10) business days of invoicing
Expiration Date:	Four (4) years and eight (8) months from the date of the Delivery and Acceptance Certificate signing.
Base Rent:	1,366,533 RUR for the first month, 1,952,190 RUR monthly starting the second month
Security Deposit:	One month of Permanent Rent due five (5) banking days from signing of this Agreement
Base Year:	2020
Permitted Use of Premises:	Office space.
Tenant's Address for Notices:	From and after Commencement Date: SEMRUSH RU, LLC 22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
Exhibits and Schedules:	Exhibit A: Floor Plan Exhibit B: Building Rules

The provisions of the Lease identified above in parentheses are those provisions where references to particular Basic Lease Information appear. Each such reference shall incorporate the applicable Basic Lease Information. In the event of any conflict between any Basic Lease Information and the Lease, the latter shall control.

TENANT

SEMRUSH RU, LLC.,
a Russian Limited Liability Company

LANDLORD

Volkov-Kitain Grigory Valentinovich,
An Individual Entrepreneur

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Exhibit A: Floor Plan

Exhibit B: Building Rules

LEASE AGREEMENT No. SR/3/2020/D
(long term)

Saint Petersburg

April __, 2020

Volkov-Kitain Grigory Valentinovich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 10, 2015 on the form of series 78 No. 009219314, on the one hand,

and

SEMRUSH SM, Limited Liability Company, a company incorporated and acting in accordance with the legislation of the Russian Federation, registered on 24.05.2017 under the Primary State Registration Number (OGRN) 1177847182853, (Taxpayer Identification Number (INN) 7810687391, Tax Registration Reason Code (KPP) 781001001) at: 22 Zastavskaya Str., Building 2, Letter A, office 613, Saint Petersburg 190006, represented by the Director General Kilimova Natalia Aleksandrovna, acting under the Charter, hereinafter referred to as the “Lessee”, on the other hand, together referred to as the “Parties”, have concluded this long term lease agreement (hereinafter referred to as the “Agreement”) as follows:

1. TERMS AND DEFINITIONS

1.1 For the purposes of the Agreement, the following terms, unless the context and content of this Agreement require otherwise, have the following meaning:

1.1.1 **Delivery and Acceptance Certificate** is a document signed by the Parties confirming the delivery of the Facility for its use in accordance with the Permitted Use in the manner and under the terms of the Agreement, executed by the Parties in the form specified in Appendix No. 2 to the Agreement.

1.1.2 **Certificate of Operational Responsibility Differentiation** is a document signed by the Parties and confirming the Parties’ operational responsibility differentiation in relation to the Building and the Facility, executed by the Parties in the form specified in Appendix No. 3 to the Agreement.

1.1.3 **EGRN** is the Unified State Register of Real Estate.

1.1.4 **EGRUL** is the Unified State Register of Legal Entities.

1.1.5 **Legislation** means the whole federal legislation of the Russian Federation (hereinafter referred to as “**RF**”), the legislation of St. Petersburg, acts of local government authorities, as well as all and any other regulations and norms valid within the relevant period on the territory of St. Petersburg and, in general, on the RF territory or those of mandatory or recommendatory nature, including (but not limited to), laws governing the process of construction and reconstruction, fire safety requirements, industrial safety requirements,

requirements of civil defense and protection from emergency situations, environmental safety requirements, procedures for MSW handling, sanitary and epidemiological requirements.

1.1.6 **Building** is a non-residential building with cadastral number 78:14:0007533:2320, located at: 22 Zastavskaya Str., Building 2, Letter A, Saint Petersburg.

1.1.7 **Land Plot** is a land plot with cadastral number: [] of area [] sq. m, located at: []

1.1.8 **CPI** is the Consumer Price Index in the Russian Federation as a whole for all the goods and services in the Russian Federation for the previous calendar year, expressed as a percentage for December to December of the previous year, published annually on the official website of the Federal State Statistics Service (Rosstat): www.gks.ru.

1.1.9 **Housing and Communal Services** are services the provision of which by supplying organizations shall be ensured by the Lessor, including supply of electricity, electric power, as well as cold and hot water supply and water disposal (as agreed in the TOR).

1.1.10 **VAT** is the Value Added Tax, provided for in the Legislation.

1.1.11 **Facility** is non-residential premises located in the Building with a total area of one thousand nine hundred and ninety (1,990) square meters, located on the third (3rd) floor, highlighted on Plan [] with colour (Appendix No. 1).

1.1.12 **Permanent Part of Rent** means the payment paid by the Lessee to the Lessor for possession and use of the Facility.

1.1.13 **Variable Part of Rent** means the payment for the Housing and Communal Services consumed by the Lessor in relation to the Facility.

1.1.14 **Lessee's Payments** means the payment made by the Lessee to the Lessor for the possession and use of the Facility, which includes the Permanent Part of Rent and the Variable Part of Rent.

1.1.15 **Permitted Use** is use of the Facility for offices and auxiliary premises.

1.1.16 **SMW** is solid municipal waste generated in the course of the Lessee's activity.

1.1.17 **Improvements** mean inseparable and separable improvements to the property of the Facility made by the Lessee.

1.1.18 **Operating Costs** mean expenses of the Lessor, which include expenses on scheduled maintenance and current repair of engineering systems and networks located outside the leased premises; fire safety systems (fire alarm, fire main, voice-based fire alarm system, fire extinguishing system and smoke removal, emergency lighting, exit signs), including the leased premises; maintenance of the Building security alarm (CCTV, alarm button, access control) to

the leased premises; maintenance of the Building communication and telecommunications systems to the leased premises; maintenance of elevators (including their certification), sliding doors, entrance sectors of the Building; cleaning the yard and the area adjacent to the Building, the common areas of the Building, entrance areas, common areas; major repairs of the Building; deratization and disinfection of common areas of the Building; heat supply system.

1.2 In the Agreement, unless otherwise provided:

1.2.1 definitions in a singular form also refer to the definitions in a plural form, and vice versa;

1.2.2 references to “persons” are considered to be references to individuals, legal entities, individual entrepreneurs, firms, associations without legal entity rights, state and transnational bodies;

1.2.3 references to the numbers of clauses and appendices are considered to be references to the relevant clauses of the Agreement and its Appendices;

1.2.4 headings of the clauses and the Appendices are provided for the convenience only and do not affect the interpretation of these clauses and the Appendices;

1.2.5 words as “include”, “includes”, “including” mean “without limitation”/“not limited to”; the use of these (or similar) words does not limit their more common meaning;

1.2.6 if any provision of the Agreement (hereinafter referred to as the “applicable provision”) contains phrase “without prejudice to” any other provision of the Agreement (hereinafter referred to as the “protected provision”), it means that the applicable provision of the Agreement does not cancel, modify or otherwise exclude or restrict the application of the protected provision;

1.2.7 any reference in the Agreement to mandatory provisions of the Legislation refers to those provisions of the Legislation that contain clear prohibition on establishment by the Parties to the Agreement of any terms and conditions other than those provided for in the relevant provisions of the Legislation;

1.2.8 unless otherwise expressly provided for by the Agreement, for the purposes of the Agreement, one (1) year is considered equal to three hundred and sixty-five (365) calendar days. One (the first) year of the lease term shall be started counted from the moment, when the Parties sign the Delivery and Acceptance Certificate, while another one (the second) year of the lease term (and all the subsequent years of the lease term) shall be started counted on the expiry of the previous three hundred and sixty-five (365) calendar days.

2. SUBJECT OF AGREEMENT

2.1 The Lessor undertakes to provide the Lessee with the right of temporary possession and use of the Facility for the Lessee’s Payments.

2.2 The Building ownership in common belongs to the Lessor on the basis of the Purchase and Sale Agreement dated June 07, 2018 series 78 AB No. 5102106-5102109 under ownership in common, which is confirmed by an extract from the Unified State Register of Real Estate issued by the Office of the Federal Service for State Registration, Cadastre and Cartography for Saint Petersburg on March 05, 2020 (registration record 78:14:0007533:2320-78/034/2018-7).

The Land Plot is owned by the Lessor on the basis of [], which is confirmed by an extract from the Unified State Register of Real Estate issued by the Office of the Federal Service for State Registration, Cadastre and Cartography for Saint Petersburg on [specify] (registration record: [specify]).

2.3 The term of possession and use of the Facility is four (4) years and eight (8) months from the date of the Delivery and Acceptance Certificate signing.

The Agreement as a long-term lease agreement is subject to state registration by the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg. The Parties have established that until the moment of state registration, this Agreement is valid as a short-term lease agreement concluded for three hundred and sixty (360) calendar days, and enters into force from the date of its signing by the Parties. If three hundred and sixty (360) calendar days from the date of the Agreement signing by the Parties expire, but the Agreement is still not registered in accordance with the legislation of the Russian Federation, the validity of the Agreement is automatically extended for the next three hundred and sixty (360) calendar days without the need to sign an additional agreement on prolongation. A number of the Agreement prolongations may not exceed the period specified in paragraph 1 of this clause of the Agreement.

In accordance with Article 425 of the RF Civil Code, the Parties have agreed to extend the effect of the Agreement as a long-term lease agreement to the Parties relationship established from the date of its signing after the state registration of the Agreement as a long-term lease agreement.

2.4 The Lessor undertakes to deliver, and the Lessee undertakes to accept the Facility until 01.05.2020 under the Delivery and Acceptance Certificate.

2.5 The Lessee has the right to use the Facility for Permitted Use.

2.6 The Lessor informs on the following encumbrances attached to the Building: ownership in common, the rightholders are Krupyshev Mikhail Anatolievich (ownership share is 195/1000), VEP, Limited Liability Company, Taxpayer Identification Number (INN) (ownership share is 522/1000) and Megapark, Limited Liability Company, Taxpayer Identification Number (INN) (ownership share is 88/1000).

2.7 The Lessor informs on the following encumbrances attached to the Land Plot:

3. RIGHTS AND OBLIGATIONS OF PARTIES

3.1 Rights and Obligations of Lessor:

3.1.1 The Lessor shall not interfere in the Permitted Use of the Facility in any way.

3.1.2 The Lessor undertakes to deliver the Facility to the Lessee not later than on 01.05.2020 under the Delivery and Acceptance Certificate. The specified Delivery and Acceptance Certificate is to be signed by authorized representatives of the Parties.

3.1.3 The Lessor undertakes to deliver the Facility to the Lessee under the Agreement in a condition that allows the Facility to be used in accordance with the Permitted Use.

The Lessee has been familiarized with the current technical condition of the Facility prior to the conclusion of the Agreement and recognizes it as suitable for further Permitted Use.

3.1.4 From the date of the Delivery and Acceptance Certificate signing until the date of the Agreement termination, the Lessor undertakes to provide:

3.1.4.1 Running repairs and face-lifting of common areas of the Building (including the halls of the ground and the first floors of the first stage, sanitary units of the ground and the first floor, the elevator hall on the ground floor of the second stage, and the fire stairs), as well as territories adjacent to the Facility and the Building as a whole in a timely manner and at its own expense.

3.1.4.2 Uninterrupted round-the-clock operation and maintenance of the elevators located in the Building, except for the periods of time required for maintenance and cleaning.

3.1.4.3 Operation of the central heating system in the Building (seasonally adjusted).

3.1.4.4 Emergency repairs of communications in the Building in accordance with the Certificate of Operational Responsibility Differentiation.

3.1.4.5 Uninterrupted 24-hour supply of electricity to the Building, except for periods of time when the supply of electricity is stopped by the power supply (power grid) organization for repair, maintenance or for some other reason beyond the control of the owner, or except for a period of time when the power network does not function as a result of a breakdown and/or an emergency situation. The Lessee shall be provided with uninterrupted power capacity in volumes sufficient for the uninterrupted operation of the Lessee's equipment, namely 60 W per one (1) sq. m of the Facility (excluding lighting and power supply of air conditioning systems). Power supply of ventilation systems and elevator equipment is provided by the Lessor on its own and at its own expense.

3.1.4.6 Uninterrupted round-the-clock provision of the Building as a whole and the Facility with Housing and Communal Services, including water supply (cold water), heating, sewerage, and electricity. Housing and Communal Services provision, as well as installation and maintenance of the boiler system are carried out by the relevant supply organizations on the basis of contracts concluded with the Lessor at the expense of the Lessor.

3.1.4.7 Seasonal heat supply except for the period of time when the networks are closed as a result of a breakdown and/or an emergency situation or necessary major repairs shall be carried out by the Lessor or a resource supply organization.

3.1.4.8 Year-round supply of cold water at any time, except when the water supply network is blocked by resource supplying organizations for repair, maintenance or for some other reason beyond the control of the Lessor, or except for the period of time when the network is closed as a result of a breakdown and/or an emergency situation.

3.1.4.9 Unhindered, permanent and round-the-clock (24 hours a day/seven days a week) access to the Facility and the surrounding area for the Lessee, including for the Lessee's employees and visitors, as well as for their vehicles.

3.1.4.10 Unimpeded, permanent and round-the-clock (24 hours a day/seven days a week) access for the Lessee, including for the Lessee's employees and visitors, to fire escapes and fire exits in the Building.

3.1.4.11 Cleaning the area surrounding the Building in accordance with seasonal conditions.

3.1.4.12 Daily cleaning of common areas of the Building (including halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) and areas adjacent to the Facility (and the Building as a whole); to provision the Lessee with an area for household waste containers placement. Removal of the Lessee's solid municipal waste shall be carried out at its expense under a contract concluded with a specialized organization.

3.1.4.13 Keeping common areas of the Building (including halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) in proper repair and sanitary condition in accordance with the requirements of sanitary norms; ensuring fire safety; compliance with safety regulations and requirements of other normative legal acts of the Russian Federation.

3.1.4.14 Round-the-clock ventilation of air in the Building, taking into account technically necessary breaks, in accordance with current regulations.

3.1.4.15 Improvement of the territory adjacent to the Building.

3.1.4.16 Maintenance and repair of engineering systems and other equipment of the Building, including engineering systems inside and other equipment of the Building, which is in the area of the Lessor's responsibility in accordance with the Certificate of Operational Responsibility Differentiation.

3.1.4.17 Installation and maintenance of fire protection systems, including automatic fire alarm systems, warning and people evacuation systems in case of fire, internal fire-fighting water supply.

3.1.4.18 Other lessees and third parties carry out construction, installation and other works related to increased noise levels and/or the use of chemicals, which may result in exposure to harmful and/or hazardous production factors of the Lessee's employees, only during non-working hours, including weekends and holidays.

3.1.5 The Lessor undertakes:

3.1.5.1 To notify the Lessee immediately if the Lessor becomes aware of any upcoming power, water, heat, and other sullies cutoffs, as well as of any actions that may affect the use of the Facility by the Lessee, and immediately notify the Lessee on any emergency situations. To make every effort to ensure that electricity, water, heat and operation of the Building are quickly restored in accordance with the terms of the Agreement by posting information on the Building information desk.

3.1.5.2 To assist the Lessee in addressing the issues that are in the area of responsibility or at the sole discretion of the Lessor.

3.1.5.3 Not to interfere in economic activities of the Lessee.

3.1.5.4 To provide the Lessee with the necessary certificates and other documents related to the Building operation within five (5) business days from the date of receiving the Lessee's written request, including if the Lessee receives relevant requests from authorized state and municipal authorities.

3.1.5.5 To consider the Lessee's requests for changes in the purpose of the Facility, as well as its repair and/or re-equipment within a period not exceeding five (5) business days from the date of receiving the corresponding written request from the Lessee.

3.1.5.6 To make the necessary major repairs of the Building, to repair the foundation, roof, exterior walls, roof gutters, awnings, load-bearing structures of the Building and major systems of the Building (heating, ventilation air, electric power distribution systems, water supply systems, systems of smoke and fire alarm systems), elevators, and rainwater catchment system in the Building and on the territory adjacent to the Building. The Lessor undertakes to execute such works in a way that does not make

it impossible for the Lessee to use the Facility in accordance with the Permitted Use or impossible to provide the Housing and Communal Services in the Building in accordance with the terms and conditions of the Agreement.

3.1.5.7 To keep the Building in a proper sanitary condition, clean and tidy to ensure normal operation of the Facility (and the Building as a whole), as well as the adjacent territory; to organize deratization and disinfection the Building (including the Facility) according to requirements of sanitary-hygienic norms and rules.

3.1.5.8 To maintain and to guarantee uninterrupted operation of fire safety systems at the Facility (and the Building as a whole) in accordance with the provisions of current legislation of the Russian Federation with regard to fire safety.

3.1.5.9 In a timely manner, within the terms agreed with the Lessee and at its own expense, to maintain and to ensure trouble-free operation of engineering systems of the Facility (and the Building as a whole), including but not limited to supply and exhaust ventilation system, cold and hot (local boiler) water supply systems, as well as sewerage, heating, and air conditioning system.

3.1.5.10 In a timely manner and at its own expense, within the terms agreed with the Lessee, to eliminate malfunctions, breakdowns and any consequences of of engineering communications accidents on the territory of the Facility, if such breakdowns and malfunctions occurred not through the fault of the Lessee. In case of occurrence of circumstances that are beyond the of the Lessor's control and preventing the elimination of malfunctions, breakdowns and consequences of any accidents within the specified period, the Parties shall agree another period for their elimination.

3.1.5.11 To provide an area close to the Building to park bicycles.

3.1.5.12 To provide the Lessee with the necessary technical documentation in relation to the Building and the Facility if the Lessee carries out design, repair and construction works for the conversion of the Facility, as well as other running repairs of the Facility.

3.1.6 The Lessor provides maintenance of the Building and internal engineering networks within its area of operational responsibility, established by the Certificate of Operational Responsibility Differentiation.

3.1.7 In case of necessity to carry out major repairs in the Facility by the Lessor, the latter shall notify the Lessee about it in writing and agree on the procedure and conditions for such repairs not later than ninety (90) calendar days prior to the start of such works; prior to starting the works, the Lessor undertakes to agree the terms and procedure for such works execution with the Lessee.

3.1.8 Immediately, as soon as it becomes known to the Lessor, to notify the Lessee in writing on the need to vacate the Facility in connection with the decisions made in

accordance with the established procedures for the Building major repairing, in accordance with the approved major repairs plan or on its liquidation for urban planning reasons.

3.1.9 In case of necessity to carry out repairs in the Facility (or parts of the Building, immediately adjacent to or providing access to the Facility), the Lessor shall notify the Lessee, not later than three (3) business days in advance, on the date and time of such repairs in order to eliminate or reduce interruptions in the Lessee's activity.

3.1.10 Intentionally omitted.

3.1.11 The Lessor has the right to control the construction materials, imported and exported by the Lessee, necessary for carrying out the running repairs in the Facility, without hindering the Lessee in carrying out such repairs within the established time limits.

3.1.12 In connection with the works executed by the Lessee on the Facility repairing and re-equipment, the Lessor does not have an obligation to relocation and/or modernization of the engineering networks in the Building. Such works can be executed only under an additional agreement between the Parties.

3.2 Rights and Obligations of Lessee:

3.2.1 The Lessee is provided with unrestricted access to the leased Facility, to the Building and to the surrounding area in accordance with the Building Operation Rules (Appendix No. 6).

3.2.2 The Lessee has the right to conclude the necessary contracts for the Facility maintenance and repairing, its protection and organization of access control in accordance with the Certificate of Operational Responsibility Differentiation.

3.2.3 The Lessee has the right, at its expense and by its own forces, but in coordination with the Lessor, to install additional access control systems and structured cable systems on the territory of the Facility, while ensuring access to the Facility for the Lessor's representatives in order to verify compliance with the terms and conditions of the Agreement, if necessary.

3.2.4 In order to have the necessary telecommunications services provided, to install appropriate equipment, and to lay cables inside the Facility, the Lessee has the right to involve any organizations. To execute these and other works necessary to have the required telecommunications services provided, the Lessee shall involve only those organizations that provide telecommunications services to the Building under an agreement with the Lessor.

3.2.5 The Lessee has the right to use the common property of the Building and the adjacent area. The procedure for such use of the common property of the Building can be established by a separate written agreement of the Parties.

3.2.6 The Lessee has the right to install, mount, maintain and use equipment, devices for business activity, security systems and equipment, and other property in the Facility.

3.2.7 The Lessee shall have the pre-emptive right to conclude a lease/sublease Agreement for premises adjacent and/or next to the leased Facility and/or located in the same Building, and the Lessor shall take all the necessary measures to ensure that the Lessee is able to exercise such right.

3.2.8 The Lessee has the right, on its own and at its own discretion, taking into account functional purpose of the premises, specified on the Facility Premises Layout (Appendix No. 1), to organize points/locations for Lessee's employees catering, including to allocate premises from the Facility structure for meal preparation (heating), food storage and catering of the Lessee's employees, as well as for similar or accompanying functions. The Lessee has the right, with the consent of the Lessor, to carry out repair works on the territory of the Facility for the purpose of its employees catering. The Facility Premises Layout (Appendix No. 1) can be amended by agreement of the Parties.

3.2.9 The Lessee is not entitled to have a compensation of the cost of any separable improvements made on the territory of the Facility. The Lessee has the right to choose the decoration of the Facility, including, but not limited to, the design of the Facility, while the Lessee has the right not to dismantle this decoration after the lease term expiration.

3.2.10 The Lessee has the right to indicate its location on the territory of the Facility by placing appropriate signboards, signs, advertising stands at the entrance to the territory of the Facility and in front of the entrance. The size, colour and artistic solution of these items are to be agreed with the Lessor in advance.

3.2.11 The Lessee undertakes:

3.2.11.1 To use the Facility in accordance with the Permitted Use.

3.2.11.2 In a timely manner and in full, to pay the rent, security payment, payments for the security payment replenishment (established by the Agreement, and subsequent amendments and additions to it) to the Lessor.

3.2.11.3 In a timely manner, in agreement with the Lessor, at its own expense and by its own forces and materials, within the terms agreed with the Lessor, to carry out running repairs and renovation of the Facility.

3.2.11.4 To ensure the safety of engineering networks, communications and equipment at the Facility.

3.2.11.5 Not to lay any hidden and/or open cabling and communications, not to make any other alterations and re-equipment of the Facility without a written consent of the Lessor.

3.2.11.6 To vacate the Facility in accordance with terms and conditions specified in this Agreement, due to emergency condition of the Building structures (or any part thereof), to an assignment for the Building major repairs or its

liquidation for urban planning reasons within the terms specified by the Lessor's assignment, subject that the Lessor fulfilled the provisions of clause 3.1.9 of the Agreement.

3.2.11.7 To keep the Facility in proper sanitary and fire prevention condition. To provide the Facility with primary fire extinguishing equipment in accordance with current regulations and monitor their working order and performance. On its own, to ensure compliance with labour protection and safety requirements at the Facility, including the technical condition of construction and enclosing structures, and engineering communications.

3.2.11.8 To immediately notify the Lessor of any damages, accidents or other events that caused (or threaten to cause) damages to the Facility, and to promptly take all possible measures to prevent the threat against further destruction or damage to the Facility. On its own, to execute works at the Facility to eliminate accidents, emergencies and their consequences that occurred due to the fault of the Lessee, its employees, and visitors.

3.2.11.9 Not to conclude contracts and not to enter into transactions, the consequence of which is (or may be) any encumbrance of the property rights granted to the Lessee under the Agreement, in particular, their transfer to another person (pledge agreements, introduction of the right to the Facility (or its part) subleasing to the authorized capital of a company, etc.) without a written consent of the Lessor. Conclusion of such contracts by the Lessee or its entrance into such transactions without the specified consent is the grounds for the Agreement termination unilaterally.

3.2.11.10 To provide the Lessor's representatives and the asset holder with unlimited access to the Facility, in the presence of an authorized representative of the Lessee (except in emergency cases), for its inspection and examination, if the Lessor has previously warned the Lessee on the need for access twenty four (24) hours in advance, and in case of emergency – immediately with obligatory execution by the Lessor and/or the asset holder of a corresponding certificate.

3.2.11.11 To inform the Lessor in writing about the upcoming moving out from the Facility, both in connection with the end of the Agreement validity period, and in case of its pre-term termination within the terms and conditions established by the Agreement.

3.2.11.12 To deliver the Facility (after moving out) under the Return Certificate, which is made in a form similar to the form of the Delivery and Acceptance Certificate with the necessary changes, based on the merits of the action, in good condition with normal wear, fully intact with all permitted alterations, rearrangements and inseparable improvements.

3.2.11.13 In due time, to meet the requirements of the Lessor, an asset holder, the Ministry of the Russian Federation for Affairs of Civil Defence,

Emergencies and Elimination of Consequences of Natural Disasters and other regulatory bodies on measures taken to eliminate situations arising from the Lessee's activities that jeopardises the integrity of the Facility, as well as environmental, and sanitary conditions outside of the leased premises.

3.2.11.14 Not to store (except in cases of temporary (up to 1 hour) abandonment during loading and unloading operations) the property belonging to the Lessee in public areas, other premises of the Building that are not related to the Facility, on the territory adjacent to the Building, on the territory of the parking lot. If such property is found, the Lessee shall immediately remove it accordance with the Lessor's instructions. If the Lessee fails to comply with the Lessor's request, the Lessor has the right to draw up an appropriate report and move the property to the appropriate storage facility, charging the Lessee with the expenses incurred.

3.2.11.15 During the Facility operation, including the repair and construction works execution, not to place, not to use and/or nor to dispose of toxic, caustic, poisonous, or flammable substances on the territory of the Facility. Not to use the Building drainage (sewer) systems to discharge substances that may affect or violate the permissible composition of wastewater in accordance with current regulations.

4. PAYMENTS AND SETTLEMENTS PROCEDURES

4.1 The Lessee's Payments under the Agreement, as well as all other cash amounts specified in this Agreement, are to be paid in RUR and do not include VAT or any other tax that may be established in accordance with the law and which is payable in excess of such amounts, unless otherwise specified in the Agreement. The amount of the current VAT rate is determined by the rate applicable during the period of the service provision and established by the current Legislation.

4.2 The Permanent Part of Rent is set in the amount of 981 RUR per 1 sq. m., herewith the Parties have agreed that:

4.2.1 The total amount of the Permanent Part of Rent for one (1) month of the Facility leasing is one million three hundred and sixty six thousand five hundred and thirty three (1,366,533.00) RUR, without VAT, for the first month of lease.

4.2.2 The total amount of the Permanent Part of Rent for one (1) month of the Facility leasing is one million nine hundred and fifty two thousand one hundred and ninety (1,952,190.00) RUR, without VAT, starting from the second month of lease.

4.3 Operating costs (including, expenses on cleaning common areas of the Building (halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) and the fees for the Building protection, keeping a checkpoint, maintenance and provision of consumables, as well as keeping a fire alarm system, systems of supply and exhaust ventilation

and air conditioning) and Housing and Communal Services are included in the Permanent Part of Rent.

4.4 Expenses related to implementation by the Lessor of the obligations specified in clause 3.1 of the Agreement are considered expenses of the Lessor and are not subject to compensation by the Lessee.

4.5 The Variable Part of Rent includes the expenses on electricity consumed by the Lessee at the Facility. These expenses are calculated based on the readings of electricity metering devices located on each floor of the leased Facility, as well as on the tariffs of an energy supply organization (a guaranteeing supplier). A number of the electricity metering devices and their readings are to be registered in the corresponding Electricity Metering Devices Readings Acceptance Certificate, signed by both Parties, in the form of Appendix No. 5 to the Agreement.

4.6 Cleaning, provision of consumables for the Facility operation (including air conditioning system), as well as wastes removal shall be carried out by the Lessee at its own expense.

4.7 The Lessee shall transfer the Permanent Part of Rent to the Lessor's settlement account not later than on the fifteenth (15th) day of the current month, starting from the moment of the Facility Delivery and Acceptance Certificate. The Lessee's obligation to pay the Permanent Part of Rent is considered fulfilled from the date of the funds debiting from the Lessee's settlement account.

4.8 In case of a violation by the Lessor of its obligations specified in clause 3.1 of the Agreement, and in case of charging the Lessor with appropriate penalties, the Lessee is entitled to deduct such penalties from the amount of the Permanent Part of Rent payable for the corresponding period.

4.9 The Variable Part of Rent shall be paid by the Lessee on the basis of the relevant invoices issued by the Lessor within ten (10) business days from the date of the invoice submission. The Lessor undertakes to provide the Lessee with a copy of the invoice received from an energy supply organization (a guaranteeing supplier) on a monthly basis.

4.10 If due to carrying out by the Lessor of major repairs in accordance with clauses 3.1.4 and 3.1.5 of the Agreement or due to other circumstances, occurred at the initiative of the Lessor, any restraints appear for the Lessee in using the Facility in the manner provided for in the Agreement, or for the latter to carry out its activity, then:

4.10.1 the corresponding Lessee's Payments for the specified period are not accrued and not to be paid;

4.10.2 if the Lessee continues to use any part of the Facility in accordance with the Permitted Use, the amount of the Lessee's Payments for the relevant period shall be

calculated and payable in proportion to the area of the Facility that is actually used by the Lessee at the Facility.

4.11 If the Lessor is unable to carry out repairs in accordance with clauses 3.1.4 and 3.1.5 of the Agreement without completely stopping the Lessee's activity at the Facility, the Lessee is exempt from paying the Lessee's Payments and other payments under the Agreement for the period of complete stop of its activity at the Facility.

4.12 The Lessee has the right to suspend the payment of the Lessee's Payments from the latest day of the events specified below (and on the first day of the events specified below, to send a written notice to the Lessor) with respect to the corresponding part of the Facility area in respect to which the Housing and Communal Services provision has been stopped, until the the Housing and Communal Services provision resumption (in relation to the relevant part of the Facility area) or until elimination of other reasons preventing the use of the Object in the following cases:

4.12.1 if the Lessor does not provide one or more of the following Housing and Communal Services or other services listed below in an area exceeding twenty-five (25) percent of the Facility area for any reason, except for any violations of the Lessee:

- 4.12.1.1 supply of electricity for two (2) consecutive business days; or
- 4.12.1.2 heating supply in winter for five (5) consecutive business days (seasonally adjusted); or
- 4.12.1.3 ventilation for twenty (20) consecutive business days; or
- 4.12.1.4 cold water supply and/or wastewater disposal for two (2) consecutive business days;

4.12.2 if the Lessee is not able to use the Facility on an area exceeding twenty-five (25) percent of the Facility area for two (2) consecutive business days.

4.13 For the avoidance of doubt, in the event of suspension of the Housing and Communal Services provision in relation to the Facility or any of its parts due to circumstances

beyond the control of the Lessee, the Lessor undertakes to ensure the resumption of Housing and Communal Services provision within the shortest reasonable time at its own expense.

4.14 After resuming the Housing and Communal Services provision, the payment of the Lessee's Payments shall be resumed in full, without reducing their amount for the period of their provision suspension.

4.15 The amount of the Permanent Part of Rent specified in clause 4.2 of the Agreement can be increased by the Lessor in agreement with the Lessee not more than once a year, starting from the second year of lease, but in any case not more than by the CPI.

4.16 If the area of the Facility is clarified based on the results of the premises measurements after signing the Agreement by the Parties, the amount of the Permanent Part of Rent set by the Agreement is not subject to change.

4.17 Security Payment:

4.17.1 To ensure the Lessor's interests, the Lessee shall make the Security Payment in the amount of one-month Permanent Part of Rent to the Lessor's settlement account within five (5) banking days from the date of the Agreement signing (clause 4.2.1 of the Agreement).

The amount of the Security Payment is at the disposal of the Lessor (and can be used by it) until the amount of the Security Payment shall be returned to the Lessee in the event of the lease term expiration or the Agreement termination; however, no interest for the disposal and use of the Security Payment amount in favour of the Lessee is accrued or paid. The Lessor and the Lessee agree that the Security Payment is a method expressly specified in the Civil Code of the Russian Federation to ensure that the Lessee fulfills its obligations under this Lease Agreement. The Security Payment is not a deposit or an advance payment.

4.17.2 If the Lessee delays any of the payments due under the Agreement, or as a result of the Lessee's guilty actions, the Facility, common areas in the Building, the Building itself, the territory adjacent to the Building and the Lessor's property located on such territory are damaged, the Lessor has the right to deduct the amount of such damages from the Security Payment.

The availability of the Security Payment and an opportunity of deductions from it do not release the Lessee from responsibility to fulfill its financial obligations stipulated in the Agreement (in full or in part).

4.17.3 The procedure for deducting an amount from the Security Payment: seven (7) business days in advance, the Lessor sends a written notification to the Lessee specifying the grounds and an amount of deduction from the Security Payment in the calculation attached. If the Lessee does not object to the received notice of deduction, the Lessee is obliged to restore the amount of the Security Payment to the originally agreed amount within seven (7) banking days

from the date of receiving the notice of deduction. This obligation also occurs in the event of an increase in the Permanent Part of Rent provided for in the Agreement.

4.17.4 Upon expiration of the Agreement, the Lessor shall return the amount of the Security Payment to the Lessee, taking into account possible deductions in accordance with the provisions of clauses 4.17.2 and 4.17.3 above, within seven (7) banking days after the Lessee moves out from the leased premises in accordance with the procedures established by the Agreement.

5. LIABILITIES OF PARTIES

5.1 The Parties are liable for non-performance or improper performance of the terms and conditions of the Agreement and the obligations assumed by them to the extent of damages caused in accordance with the Legislation.

5.2 In case of a breach by the Lessee of provisions of clauses 4.7 and 4.17.1 of the Agreement, penalties in the amount of 0.1% from the overdue sum for each day of delay are to be charged.

5.3 If the Lessor does not fulfill its obligation to submit a set of documents required for state registration of the Agreement to the authorized state authorities, provided for in clause 10.6, the Lessee has the right to suspend payment of the Lessee's Payments until the date of submission by the Lessor of the required set of documents for the Agreement state registration. After submission of the above set of documents for state registration, the rent payment is to be resumed in full, without reducing its amount for the period of such suspension.

5.4 In case of violation of time limits for the delivery of the Facility under the Facility Delivery and Acceptance Certificate through the fault of the Lessor, the rent is not to be charged.

5.5 Payment of any penalties does not release the violating Party from fulfilling its obligations and eliminating the violations.

5.6 If one of the Parties violates the terms and conditions of the Agreement, the Party that discovered the relevant violation sends a claim to the other Party with a request for elimination of the violations, including for compensation of losses caused by such violations.

5.7 If any damage is caused to one Party through the fault of the other Party, the guilty Party shall compensate the damage to the other Party in full.

5.8 The Lessee is liable under the Agreement only if there is its fault and only compensates for actual damages; it shall not be liable for any losses or claims against the Lessor in connection with any lost profits or other losses of the Lessor incurred through no fault of the Lessee.

5.9 The Parties agree that to the extent permitted by the Legislation, neither Lessee, nor its representatives accept any liability for the damage caused to the Lessor, its employees and other persons, as well as for loss of their property and the damages caused (as a result of theft,

fire, explosion, plaster collapsing, effect of steam, gas, electricity, water, rain, snow or leaks from any part of the Building, pipes, roofs, from the street, from the ground or any other place; or as a result of dampness; or for any other reason), except when the cause of harm, loss or damage is an act (or an omission) of the Lessee, its employees, and/or representatives.

5.10 All penalties provided for in the Agreement are of punitive nature.

5.11 Unless otherwise provided for in the Agreement, the Lessee and the Lessor shall not be considered violating any of their obligations under the Agreement, if they eliminate any such violation within five (5) calendar days (with regard to the violation of any payment obligations), or within thirty (30) calendar days (with regard to other obligations), or within a longer (within reason) period (with regard to a particular obligation violation that does not provides a reasonable opportunity to eliminate the violation within thirty (30) calendar days, provided however, that the violation shall be eliminated in the shortest possible time from the moment of receiving the notice on the corresponding violation by the violating Party.

5.12 Unless otherwise provided for in the Agreement, if the Lessor has violated any obligation under the Agreement and has failed to remedy such violation within thirty (30) calendar days from the moment of receiving the notice from the Lessee about it; herewith, the Lessee will be entitled but not obliged to eliminate such violation. In this case, the Lessor will compensate the reasonable documented expenses incurred to the Lessee within five (5) calendar days after receiving the Lessee's invoice. The right of the Lessee provided for in this clause 5.12 can be used by the Lessee in addition to or in lieu of the rights provided for in the Agreement (at the discretion of the Lessee).

5.13 In relation to any goods or other property of the Lessee and/or any separable improvements that are not taken away by the Lessee within one (1) month after signing the Premise Return Certificate, the Parties shall agree that the Lessee's actions on such goods (property) abandonment indicate its consent with its elimination from ownership, use and disposition of the goods (property) that is the Lessee's waiver from the ownership to such property in accordance with Article 236 of the RF Civil Code. If such property becomes property of the Lessor, the Lessor has the right to dispose of such property at its own discretion, without being liable to the Lessee for its loss.

5.14 The Party that caused damages to the other Party's property through its guilty actions shall be liable for such damages.

The fact of causing such property damages is registered in the relevant certificate (hereinafter referred to as the "Damage Certificate"), which is subject to preparation by the Parties as soon as possible after the (detected) incident.

The Damage Certificate shall, among other things, contain a description of the relevant damages caused to the property of the Party and reflect actual conditions and circumstances of such damages, with a photo and/or video report attached to such certificate. The relevant Damage Certificate shall be signed by the Parties within one (1) day after its execution. If one of the Parties unreasonably avoids signing the Damage Certificate (whether a representative of such

Party participated in the relevant damage inspection or not), the other Party has the right to sign the Damage Certificate unilaterally. In this case, the Damage Certificate is considered binding for the Parties, as if it were signed by both of them. The Party that has executed the Damage Certificate undertakes to send a signed copy of such Damage Certificate to the other Party within ten (10) business days after its signing.

6. GROUNDS FOR AGREEMENT TERMINATION

6.1 The Agreement can be terminated at any moment by agreement of the Parties, as well as unilaterally in accordance with pre-trial procedures by any of the Parties in the cases provided for in clauses 6.2, 6.3 of the Agreement.

6.2 The Lessee has the right to unilaterally refuse to perform the Agreement in the following cases:

6.2.1 the Lessor violated the time limits set for the delivery of the Facility specified in clause 2.4 of the Agreement;

6.2.2 the Lessor creates any obstacles in possession and use of the Facility in accordance with the Permitted Use;

6.2.3 the Lessor has given any false warranties and representations provided for in clauses 7.1 and 7.2 of the Agreement;

6.2.4 the Lessor does not register the Agreement within the period specified in clause 10.6;

6.2.5 if within thirty (30) calendar days in a row, due to the fault of the Lessor, the Facility is not suitable for the Permitted Use or the use of the Facility in accordance with the

Permitted Use will contradict the requirements of the Legislation, including, but not limited to, the fire safety and labour protection requirements;

6.2.6 if the provision of all (or some) Housing and Communal Services at the Facility is interrupted for more than thirty (30) consecutive calendar days, resulting in occurrence of obstacles to the use of the Facility in accordance with the Permitted Use;

6.2.7 if an opportunity of using the Building (or its essential part) or the Facility is completely suspended by a decision (instruction, order, decree) of the competent state, municipal, or judicial authority for a period exceeding ninety (90) calendar days;

6.2.8 if the Lessor's authorized management body, judicial body, state or other authority has made a binding decision to liquidate the Lessor.

6.3 The Lessor has the right to unilaterally refuse to perform the Agreement in the following cases:

6.3.1 the Lessee uses the Facility in violation of the Permitted Use;

6.3.2 repeatedly (two or more times in a row), the Lessee fails to make the Lessee's Payments (in whole or in part) and/or repeatedly (two or more times in a row) violates the established deadline for making the Lessee's Payment;

6.3.3 the Lessee intentionally or negligently worsens the condition of the premises.

6.4 The Party that refuses to perform the Agreement in accordance with clauses 6.2, 6.3 of the Agreement shall send a written request to the other Party for the elimination of all the violations that served as the basis for the Agreement termination. If the specified violations are not eliminated within fifteen (15) days from the date of the request sending, the Agreement is considered terminated on the sixteenth (16th) day from the date of the request sending.

6.5 The procedure for the Agreement termination provided for in clause 6.4 shall not apply if the Lessee refuses from the Agreement implementation on the grounds of clauses 6.2.3 – 6.2.8. For the reasons specified in this clause, the Agreement is terminated upon receipt by the Lessor of a notice on unilateral refusal from the Agreement implementation sent by the Lessee.

6.6 Any of the Parties also has the right to unilaterally refuse to implement the Agreement in accordance with pre-trial procedures, if any bankruptcy procedure provided for by Federal law of the Russian Federation No. 127-FZ dated October 26, 2002 "On Insolvency (Bankruptcy)" is initiated in respect of one Party, notifying the other Party about its decision in writing. The Agreement shall be terminated on the eleventh (11th) day after such notification is sent. The Lessee is obliged to move its property out from the Facility on the latest day of the specified term of the Agreement termination. The notification provided for in this clause of the Agreement shall be sent by one Party to the other Party by registered mail with delivery notification and investment inventory to the address of the respective Party specified in the

Agreement or in the Unified State Register of valid as of the date of such notice sending. The notification on refusal to perform the Agreement is considered to be delivered in ten (10) days from the date of its sending, as well as in cases where it was delivered to the Party, but due to circumstances depending on this Party, it was not received or read by it.

6.7 This Agreement can be terminated unilaterally by the Lessor by sending a written notice to the Lessee six (6) months prior to the upcoming termination of the Agreement.

6.8 This Agreement can be terminated unilaterally by the Lessee by sending a mandatory notification to the Lessor six (6) months prior to the upcoming termination of the Agreement.

6.9 Intentionally omitted.

7. WARRANTIES AND REPRESENTATIONS

7.1 The Parties hereby provide each other with warranties and representations in accordance with Article 431.2 of the RF Civil Code:

- 1) that all the information provided by one Party to the other Party at the Agreement conclusion is accurate and up-to-date;
- 2) about their financial solvency;
- 3) that the Party is a currently acting legal entity and/or a duly registered individual entrepreneur; it is not in the process (and there are no grounds for its) liquidation; it is not in the process (and there are no signs for its) bankruptcy;
- 4) on availability of necessary corporate approvals required in accordance with the Legislation or constituent documents of the Party (approval of the Company's Board of Directors or General Meeting of Participants, etc.) for the Agreement conclusion;
- 5) that the executive bodies of the Party are established in accordance with the current Legislation and the constituent documents of the Party.
- 6) that there are no claims or arbitral, administrative, judicial or other proceedings or investigations against the Facility in any court, arbitration court or other authority that, if resolved unfavourably, would have a material adverse effect on the Party's ability to perform its obligations under the Agreement.

If the given warranties and representations prove to be false, the Party undertakes to compensate the other Party for losses in the amount of actual damages incurred as a result of unreliability of such warranties and representations.

7.2 The Lessor hereby provides warranties and representations valid for the moment of the Agreement signing, in accordance with Article 431.2 of the RF Civil Code:

- 1) that the Lessor has the right to enter into the Agreement and that it has obtained all the necessary consents and permissions for this purpose;
- 2) that the Building and the Facility are not sold, donated, mortgaged, disputed about, not under a ban (arrest), and are not otherwise encumbered, except for the encumbrances specified in clauses 2.6 and 2.7 of the Agreement; the requirements of this clause do not limit the rights of the Lessor to further (during the term of the Agreement) disposal of the Building as a whole (including the Facility), including its alienation, transfer as collateral, encumbrance with the rights of third parties, etc.
- 3) that the Lessor has entered into all the agreements and contracts under which Housing and Communal Services are provided in relation to the Facility.

All the Lessor's warranties and representations specified in this clause 7.1 and clause 7.2 of the Agreement are material for the conclusion, performance and termination of the Agreement by the Lessee. If the given warranties and representations prove to be false, then the Lessor shall reimburse the Lessee for all the losses incurred as a result of unreliability of such warranties and representations. Without prejudice to other provisions of the Agreement, the Lessee has the right to demand invalidation of the Agreement under influence of a fraud or a material mistake caused by false warranties and representations given by the Lessor, in accordance with articles 179 and 178 of the RF Civil Code, respectively.

8. FORCE MAJEURE

8.1 Force majeure circumstances are circumstances of force majeure, such as natural disasters, military actions, occupation, public disorder, etc., as well as circumstances resulting from orders, decrees or other administrative or governmental restrictions. In each case, occurrence of any such circumstance is beyond the control of the Parties and in all such cases, the performance of obligations under the Agreement becomes impossible.

8.2 If force majeure circumstances occur and prevent the Parties from performance of their obligations in a timely manner, the Parties under such extreme conditions are relieved of their obligations until the specified force majeure circumstances are terminated, provided that the Party subjected to the force majeure circumstances immediately notifies the other Party on the occurred circumstances providing a detailed description of the conditions created.

8.3 The Party for which it is impossible to perform its obligations under the Agreement, shall immediately, but not later than within ten (10) calendar days from the moment of their occurrence, notify the other Party in writing of the occurrence and termination of the above circumstances. If, due to force majeure circumstance, the Facility becomes completely or partially unusable for a period of more than thirty (30) days, the Lessee, subject to providing the necessary documents of the competent state authorities, confirming the above circumstances, has

the right to immediately cancel the Agreement with a written notification to the Lessor and does not bear any further obligations or liability to the Lessor.

9. CONFIDENTIALITY

9.1 The Parties undertake not to disclose material information about the Agreement without the prior written consent of the other Party, except for the cases where disclosure is required by applicable Legislation or is required by the relevant competent authorities; when it is required for normal course of business of the Party, and when it is related to the potential exercise of the Party's rights under the Agreement.

9.2 The Parties do not intend to exchange confidential information under this Agreement. If there is a need to transfer any confidential information under the Agreement, the Parties undertake to conclude the Confidentiality Agreement.

10. MISCELLANEOUS

10.1 Any dispute or claim between the Lessee and the Lessor arising in connection with the Agreement shall be resolved in accordance with the current legislation of the Russian Federation.

10.2 Any dispute under the Agreement, if the Parties fail to reach an agreement regarding it, is subject to review by the Arbitration Court of Saint Petersburg and Leningrad Region in accordance with the rules valid as of the moment of the dispute resolution.

10.3 If the payment details, postal addresses, or location of the Parties change, notification of any such change shall be sent within seven (7) calendar days from the date of the above changes introduction.

10.4 The Lessee may contact the Lessor with an offer of a phased lease of additional premises in the Building at the rates applicable to premises leased by the Lessee at the moment of additional premises provision.

The Lessee has, at all other things being equal, a pre-emptive right to lease additional premises in the Building.

10.5 The Lessor undertakes to register the Agreement with the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg.

The Lessee undertakes to provide the Lessor with all the documents necessary for the Agreement state registration within ten (10) business days from the date of its signing.

The Lessor within ten (10) business days after receiving all the documents, required for state registration of the Agreement from the Lessee, and development of the Facility Technical Layout submits the Agreement to the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg.

The Lessor's obligation on state registration of the Agreement shall be deemed duly performed if the required set of documents for state registration of the Agreement is submitted in a timely manner, the grounds for suspension (refusal) of state registration of the Agreement (if applicable) are subsequently eliminated, to the extent that it depends on the Lessor and on subsequent submission of the necessary set of documents for state registration of the Agreement, until all violations that prevent state registration of the Agreement are eliminated.

10.6 The Lessor undertakes to carry out state registration of the Agreement by 01.05.2021 inclusive.

10.7 All the expenses related to making notarized copies of documents required for state registration of the Agreement are borne by the Party that shall hold the relevant documents.

The expenses related to obtaining the Facility Technical Layout required for state registration of the Agreement in accordance with the Legislation of the Russian Federation are borne by the Lessor.

The expenses, related to the payment of the state fee for the state registration of the Agreement at the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg, are borne by the Parties equally.

The expenses related to payment of the state fee for state registration of any changes/additions to the Agreement at the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg are borne by the Party initiating the relevant changes/additions introduction to the Agreement.

10.8 From the date of a claim announcing, unless otherwise expressly set forth in this Agreement, the funds shall be paid by one Party to the other Party within five (5) business days.

10.9 All the notices under the Agreement shall be made in writing and delivered by registered mail with delivery notification or by courier against signature.

10.10 The Agreement is made in five (5) original copies in Russian, one copy is for the Lessee, the second one – for the Lessor, the third one – for the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg; the remaining two copies of the Agreement are not submitted for the state registration and shall be kept by the Parties until the Agreement is received from the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg as proof of the fact of the Agreement signing.

10.11 The following appendices are attached to this Agreement and are its integral parts:

Appendix No. 1 – Facility Layout

Appendix No. 2 – Form of the Delivery and Acceptance Certificate

Appendix No. 3 – Certificate of Operational Responsibility Differentiation

Appendix No. 4 – Form of the Certificate on the Facility Occupied by the Lessee Cut Open in Case of Accident or Threat of Accident.

Appendix No. 5 – Electricity Metering Devices Readings Acceptance Certificate

Appendix No. 6 – Building Operation Rules

11. ADDRESSES AND DETAILS OF PARTIES

The Lessee:

Name	SEMRUSH SM LLC
Location Address:	22 Zastavskaya Str., Building 2, Letter A, office 613, Saint Petersburg 190006
Address for Correspondence:	22 Zastavskaya Str., Building 2, Letter A, office 613, Saint Petersburg 190006
E-mail Address:	legal@semrush.com
Director General	Kilimova Natalia Aleksandrovna
Taxpayer Identification Number (TIN)/Tax Registration Reason Code (KPP)	7810687391/781001001
Primary State Registration Number (OGRN)	1177847182853
Settlement Account No.	
Bank's Name:	
Bank Identification Code (BIC):	
Correspondent Account No.	

The Lessor:

Name	
Location Address:	
E-mail Address:	
Director General	
Taxpayer Identification Number (TIN)/Tax Registration Reason Code (KPP)	
Primary State Registration Number (OGRN)	
Settlement Account No.	
Bank’s Name:	
Bank Identification Code (BIC):	
Correspondent Account No.	

On behalf of the Lessee:

On behalf of the Lessor:

FACILITY LAYOUT

On behalf of the Lessee:

On behalf of the Lessor:

AGREED

SEMRUSH SM, LLC

**Individual
Entrepreneur
Volkov-Kitain Grigory Valentinovich**

FORM

**Delivery and Acceptance
Certificate**

Saint Petersburg

_____, 20__

In accordance with Lease Agreement No. _____ dated __.__.20__ Volkov-Kitain Grigory Valentinovich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 10, 2015 on the form of series 78 No. 009219314, on the one hand,

and

SEMRUSH SM, LLC, hereinafter referred to as the “Lessee”, represented by Natalia Aleksandrovna Kilimova, acting under the Charter, on the other hand, have executed this Certificate stating that the Lessor hereby delivers and the Lessee accepts (for lease) the Facility with a total area of 1,990 sq. m. at the address: 22 Zastavskaya Street, Building 2, Letter according to Lease Agreement No. _____ dated __.__.20__

Brief description of the Facility technical condition:

The technical condition of the leased Facility is satisfactory and corresponds to its purpose and intended use.

Notes:

**The Facility is accepted by
the Lessee:**

**The Facility is delivered by
the Lessor:**

Certificate of Parties' Operational Responsibility Differentiation

On behalf of the Lessee:

On behalf of the Lessor:

AGREED

SEMRUSH SM, LLC

Individual

Entrepreneur

Volkov-Kitain Grigory Valentinovich

BC

22 Zastavskaya Street, Building 2, Letter A, St. Petersburg

_____, 20__

CERTIFICATE

on the Facility Occupied by the Lessee Cut Open in Case of Accident or Threat of Accident without the Lessee's Representative

The Lessee's Name: _____

Numbers of opened sections (doors): _____

Number of the opened seal: _____

The reason for opening: _____

Condition of the Lessee's property: _____

(was it affected by the accident or not, if it was affected, then to what extent, if it was moved,
then to where and on whose instructions) _____

Measures taken to eliminate the accident, protect the Lessee's property until its representative
arrival _____

Administration Representative
Officer that cut the seal(s), section(s), (position) door(s)
open

(position)

(full name)

(signature)

Security Service Representative

BC

(position)

(full name)

(signature)

The Lessee's Representative
That accepted its property after the accident or a
threat of the accident

(position)

(full name)

(signature)

Certificate of Electricity Metering Devices Readings Acceptance

Saint Petersburg

_____, 20__

In accordance with Lease Agreement No. _____ dated __.__.20__ Volkov-Kitain Grigory Valentinovich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 10, 2015 on the form of series 78 No. 009219314, on the one hand,

and

SEMRUSH SM, LLC, hereinafter referred to as the “Lessee”, represented by Natalia Aleksandrovna Kilimova, acting under the Charter, on the other hand, have executed this Electricity Metering Devices Readings Acceptance Certificate (hereinafter referred to as the “Certificate”) as follows:

1. The electricity metering devices readings as of the moment of the Certificate signing:

Number of Electricity Metering Device	Readings, kW/h

2. The above mentioned electricity metering devices are properly sealed, no seals alteration have been found.

On behalf of the Lessee:

On behalf of the Lessor:

**BUILDING OPERATION
RULES**
Regulations on Control of Access to the Building and Surrounding Areas

1. General Provisions

- 1.1 The access control at the facility is carried out by senior administrators, administrators, and supervisors of the security service in accordance with these Regulations.
- 1.2 Entry (exit) of the companies' employees, as well as visitors is carried out through the access control system (turnstiles), using a pass of an established form
- 1.3 Entry (exit) of vehicles belonging to companies, other organizations, as well as employees' vehicles is carried out through:
- entrance No. 1 – 2 Parkovaya Street
 - entrance No. 2 – 17 Tsvetochnaya Street
 - entrance No. 3 – 22 Zastavskaya Street
- 1.4 Entry (exit) of special purpose vehicles (EMERCOM, police, ambulance) are allowed to the facility through any entrances.
- 1.5 It is forbidden to transport (carry) explosive items, weapons, flammable liquids, etc. to the territory of the facility.

2. Types of Passes

- 2.1 Permanent passes are issued to employees of companies and are to be presented at the entrance of (exit from) the facility.
- 2.2 In order to provide temporary employees with access to the facility, company managers shall submit the lists of such employees to the security service indicating the period and nature of the work to be executed by such employees. The lists are approved by the (Deputy) Director General of Megadrive, LLC.
- 2.3 Visitors are provided with access to the facility in accordance with the following procedure:
- a candidate arrived at the facility shall be approved by phone with the head of the company, which the candidate arrived to;
 - then the visitor is recorded in the "Visitor Registration" log, if he/she has a Russian passport with him/her, and is allowed to enter the facility. Visitors are allowed to enter the facility only during working hours,

During non-working hours, visitors are accompanied by an employee of the company.

3. Entry (Exit) of Vehicles

a) during working hours

3.1 Entry (exit) of vehicles belonging to companies is carried out according to the lists approved by the (Deputy) Director General of Megadrive, LLC.

When driving (carrying) out material values from the facility, the administrator (controller) shall withdraw a memo from the head of the company.

3.2 Entry (exit) of third-party organizations' vehicles is carried out according to the following procedure:

- an arrived vehicle is recorded in "Entry (Exit) Registration" log and allowed to enter the territory of the facility.
- when the vehicle is leaving the territory of the facility, a one-time pass issued by the head of the company is withdrawn

3.3 Entry (exit) of vehicles belonging to companies' employees is carried out according to the lists approved by the (Deputy) Director General of Megadrive, LLC.

b) during non-working hours

3.4 Entry (exit) of vehicles belonging to companies is carried out according to the memos approved by the (Deputy) Director General of Megadrive, LLC.

When driving (carrying) out material values from the facility, the administrator (controller) shall withdraw a memo from the head of the company.

3.5 Entry (exit) of third-party organizations' vehicles is carried out according to the following procedure:

- arrived vehicles are allowed to the territory of the facility on the basis of a memo from the head of the company and approved by the (Deputy Director General) of Megadrive, LLC, recorded in "Entry (Exit) Registration" log and then allowed to the territory of the facility.
- when the vehicle is leaving the territory of the facility, a one-time pass issued by the head of the company is withdrawn

3.6 Entry (exit) of vehicles belonging to the companies' employees is allowed on the basis of a memo signed by the head of the company and approved by the (Deputy) Director General of Megadrive, LLC.

4. Access for Companies' Employees to Cut Service Rooms and/or Offices Open

a) during working hours

In order to cut service rooms and/or offices open, company managers appoint a certain number of employees and submit memos to the security service, which are approved by the (Deputy) Director General of Megadrive, LLC.

b) during non-working hours

During non-working hours (weekends and holidays), access for the companies' employees to the facility in order to cut service rooms and/or offices open is limited and is carried out on the basis of memos from the heads of the companies indicating the period of work (beginning and end). Such memos shall be approved by the Deputy) Director General of Megadrive, LLC.

It is strictly forbidden to allow employees to work on weekends and public holidays without a pre-submitted and properly executed memo (on Friday or on the eve of the holiday, not later than at 4.00 p.m.).

5. Position of Gates, Barriers

Gates	No. 3 – 2 Parkovaya Street; No. 2 – 17 Tsvetochnaya Street; No. 4 – 22 Zastavskaya Street; No. 1 – 7 Zastavskaya Street.	from 8.00 a.m. till 8.00 p.m. – open from 8.00 a.m. till 8.00 p.m. – open from 8.00 a.m. till 8.00 p.m. – open 24 hours closed
Barriers	No. 3 – 2 Parkovaya Street; No. 2 – 17 Tsvetochnaya Street; No. 4 – 22 Zastavskaya Street.	24 hours closed 24 hours closed 24 hours closed

LEASE AGREEMENT

BETWEEN

Volkov-Kitain Grigory Valentinovich

as Landlord

AND

SEMRUSH RU, LLC

as Tenant

22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006

BASIC LEASE INFORMATION

Date:	April 2020
Landlord:	Volkov-Kitain Grigory Valentinovich
Tenant:	SEMRUSH RU, LLC , a Russian limited liability company
Building:	The building located at 22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
Premises:	Second and Sixth Floors
Rentable Area of Premises:	Approximately 4,850 square meters
Scheduled Delivery Date:	January 5, 2020
Rent Commencement Date:	Permanent Rent: January 15, 2020, and every fifteenth (15 th) day of every month. Variable Rent: within ten (10) business days of invoice
Expiration Date:	Four (4) years and eight (8) months from the date of the Delivery and Acceptance Certificate signing.
Base Rent:	2,404,662 RUR for the first month, 3,438,405 RUR monthly starting the second month, and 4,757,850 RUR starting from third month
Security Deposit:	One month of Permanent Rent due five (5) banking days from signing of this Agreement
Base Year:	2020
Permitted Use of Premises:	Office space.
Tenant's Address for Notices:	From and after Commencement Date: SEMRUSH RU, LLC 22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
Exhibits and Schedules:	Exhibit A: Floor Plan Exhibit B: Building Rules

The provisions of the Lease identified above in parentheses are those provisions where references to particular Basic Lease Information appear. Each such reference shall incorporate the applicable Basic Lease Information. In the event of any conflict between any Basic Lease Information and the Lease, the latter shall control.

TENANT

SEMRUSH RU, LLC.,
a Russian Limited Liability Company

LANDLORD

Volkov-Kitain Grigory Valentinovich,
An Individual Entrepreneur

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Exhibit A: Floor Plan

Exhibit B: Building Rules

LEASE AGREEMENT No. SR/2/2020/D
(long term)

Saint Petersburg

April __, 2020

Volkov-Kitain Grigory Valentinovich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 10, 2015 on the form of series 78 No. 009219314, on the one hand,

and

SEMRUSH RU, Limited Liability Company, a company incorporated and acting in accordance with the legislation of the Russian Federation, registered on 10.09.2013 under the Primary State Registration Number (OGRN) 1137847340036 (Taxpayer Identification Number (INN) 7810453178, Tax Registration Reason Code (KPP) 781001001) at: 22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006, represented by the Director General Kilimova Natalia Aleksandrovna, acting under the Charter, hereinafter referred to as the “Lessee”, on the other hand, together referred to as the “Parties”, have concluded this long term lease agreement (hereinafter referred to as the “Agreement”) as follows:

1. TERMS AND DEFINITIONS

1.1 For the purposes of the Agreement, the following terms, unless the context and content of this Agreement require otherwise, have the following meaning:

1.1.1 **Delivery and Acceptance Certificate** is a document signed by the Parties confirming the delivery of the Facility for its use in accordance with the Permitted Use in the manner and under the terms of the Agreement, executed by the Parties in the form specified in Appendix No. 2 to the Agreement.

1.1.2 **Certificate of Operational Responsibility Differentiation** is a document signed by the Parties and confirming the Parties’ operational responsibility differentiation in relation to the Building and the Facility, executed by the Parties in the form specified in Appendix No. 3 to the Agreement.

1.1.3 **EGRN** is the Unified State Register of Real Estate.

1.1.4 **EGRUL** is the Unified State Register of Legal Entities.

1.1.5 **Legislation** means the whole federal legislation of the Russian Federation (hereinafter referred to as “**RF**”), the legislation of St. Petersburg, acts of local government authorities, as well as all and any other regulations and norms valid within the relevant period on the territory of St. Petersburg and, in general, on the RF territory or those of mandatory or recommendatory nature, including (but not limited to), laws governing the process of construction and reconstruction, fire safety requirements, industrial safety requirements,

requirements of civil defense and protection from emergency situations, environmental safety requirements, procedures for MSW handling, sanitary and epidemiological requirements.

1.1.6 **Building** is a non-residential building with cadastral number 78:14:0007533:2320, located at: 22 Zastavskaya Str., Building 2, Letter A, Saint Petersburg.

1.1.7 **Land Plot** is a land plot with cadastral number: [] of area [] sq. m, located at: []

1.1.8 **CPI** is the Consumer Price Index in the Russian Federation as a whole for all the goods and services in the Russian Federation for the previous calendar year, expressed as a percentage for December to December of the previous year, published annually on the official website of the Federal State Statistics Service (Rosstat): www.gks.ru.

1.1.9 **Housing and Communal Services** are services the provision of which by supplying organizations shall be ensured by the Lessor, including supply of electricity, electric power, as well as cold and hot water supply and water disposal (as agreed in the TOR).

1.1.10 **VAT** is the Value Added Tax, provided for in the Legislation.

1.1.11 **Facility** is non-residential premises located in the Building with a total area of four thousand eight hundred and fifty (4,850) square meters, namely:

1.1.11.1 premises of an area of one thousand two hundred and ninety-five (1,295) square meters, located on the second (2nd) floor, highlighted on Plan [] with colour (Appendix No. 1);

1.1.11.2 premises of an area of two thousand two hundred and ten (2,210) square meters, located on the sixth (6th) floor, highlighted on Plan [] with colour (Appendix No. 1);

1.1.11.3 premises of an area of one thousand three hundred and forty-five (1,345) square meters, located on the sixth (6th) floor, highlighted on Plan [] with colour (Appendix No. 1).

1.1.12 **Permanent Part of Rent** means the payment made by the Lessee to the Lessor for possession and use of the Facility.

1.1.13 **Variable Part of Rent** means the payment for the Housing and Communal Services consumed by the Lessor in relation to the Facility.

1.1.14 **Lessee's Payments** means the payment made by the Lessee to the Lessor for the possession and use of the Facility, which includes the Permanent Part of Rent and the Variable Part of Rent.

1.1.15 **Permitted Use** is use of the Facility for offices and auxiliary premises.

1.1.16 **SMW** is solid municipal waste generated in the course of the Lessee's activity.

1.1.17 **Improvements** mean inseparable and separable improvements to the property of the Facility made by the Lessee.

1.1.18 **Operating Costs** mean expenses of the Lessor, which include expenses on scheduled maintenance and current repair of engineering systems and networks located outside the leased premises; fire safety systems (fire alarm, fire main, voice-based fire alarm system, fire extinguishing system and smoke removal, emergency lighting, exit signs), including the leased premises; maintenance of the Building security alarm (CCTV, alarm button, access control) to the leased premises; maintenance of the Building communication and telecommunications systems to the leased premises; maintenance of elevators (including their certification), sliding doors, entrance sectors of the Building; cleaning the yard and the area adjacent to the Building, the common areas of the Building, entrance areas, common areas; major repairs of the Building; deratization and disinfection of common areas of the Building; heat supply system.

1.2 In the Agreement, unless otherwise provided:

1.2.1 definitions in a singular form also refer to the definitions in a plural form, and vice versa;

1.2.2 references to "persons" are considered to be references to individuals, legal entities, individual entrepreneurs, firms, associations without legal entity rights, state and transnational bodies;

1.2.3 references to the numbers of clauses and appendices are considered to be references to the relevant clauses of the Agreement and its Appendices;

1.2.4 headings of the clauses and the Appendices are provided for the convenience only and do not affect the interpretation of these clauses and the Appendices;

1.2.5 words as "include", "includes", "including" mean "without limitation"/"not limited to"; the use of these (or similar) words does not limit their more common meaning;

1.2.6 if any provision of the Agreement (hereinafter referred to as the "applicable provision") contains phrase "without prejudice to" any other provision of the Agreement (hereinafter referred to as the "protected provision"), it means that the applicable provision of the Agreement does not cancel, modify or otherwise exclude or restrict the application of the protected provision;

1.2.7 any reference in the Agreement to mandatory provisions of the Legislation refers to those provisions of the Legislation that contain clear prohibition on establishment by the Parties to the Agreement of any terms and conditions other than those provided for in the relevant provisions of the Legislation;

1.2.8 unless otherwise expressly provided for by the Agreement, for the purposes of the Agreement, one (1) year is considered equal to three hundred and sixty-five (365) calendar days. One (the first) year of the lease term shall be started counted from the moment, when the Parties sign the Delivery and Acceptance Certificate, while another one (the second) year of the lease term (and all the subsequent years of the lease term) shall be started counted on the expiry of the previous three hundred and sixty-five (365) calendar days.

2. SUBJECT OF AGREEMENT

2.1 The Lessor undertakes to provide the Lessee with the right of temporary possession and use of the Facility for the Lessee's Payments.

2.2 The Building ownership in common belongs to the Lessor on the basis of the Purchase and Sale Agreement dated June 07, 2018 series 78 AB No. 5102106-5102109 under ownership in common, which is confirmed by an extract from the Unified State Register of Real Estate issued by the Office of the Federal Service for State Registration, Cadastre and Cartography for Saint Petersburg on March 05, 2020 (registration record 78:14:0007533:2320-78/034/2018-7).

The Land Plot is owned by the Lessor on the basis of [], which is confirmed by an extract from the Unified State Register of Real Estate issued by the Office of the Federal Service for State Registration, Cadastre and Cartography for Saint Petersburg on [specify] (registration record: [specify]).

2.3 The term of possession and use of the Facility is four (4) years and eight (8) months from the date of the Delivery and Acceptance Certificate signing.

The Agreement as a long-term lease agreement is subject to state registration by the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg. The Parties have established that until the moment of state registration, this Agreement is valid as a short-term lease agreement concluded for three hundred and sixty (360) calendar days, and enters into force from the date of its signing by the Parties. If three hundred and sixty (360) calendar days from the date of the Agreement signing by the Parties expire, but the Agreement is still not registered in accordance with the legislation of the Russian Federation, the validity of the Agreement is automatically extended for the next three hundred and sixty (360) calendar days without the need to sign an additional agreement on prolongation. A number of the Agreement prolongations may not exceed the period specified in paragraph 1 of this clause of the Agreement.

In accordance with Article 425 of the RF Civil Code, the Parties have agreed to extend the effect of the Agreement as a long-term lease agreement to the Parties relationship established from the date of its signing after the state registration of the Agreement as a long-term lease agreement.

2.4 The Lessor undertakes to deliver, and the Lessee undertakes to accept the Facility until 01.05.2020 under the Delivery and Acceptance Certificate.

2.5 The Lessee has the right to use the Facility for Permitted Use.

2.6 The Lessor informs on the following encumbrances attached to the Building: ownership in common, the rightholders are Krupyshev Mikhail Anatolievich (ownership share is 195/1000), VEP, Limited Liability Company, Taxpayer Identification Number (ownership share is 522/1000) and Megapark, Limited Liability Company, Taxpayer Identification Number (ownership share is 88/1000).

2.7 The Lessor informs on the following encumbrances attached to the Land Plot:

3. RIGHTS AND OBLIGATIONS OF PARTIES

3.1 Rights and Obligations of Lessor:

3.1.1 The Lessor shall not interfere in the Permitted Use of the Facility in any way.

3.1.2 The Lessor undertakes to deliver the Facility to the Lessee not later than on 01.05.2020 under the Delivery and Acceptance Certificate. The specified Delivery and Acceptance Certificate is to be signed by authorized representatives of the Parties.

3.1.3 The Lessor undertakes to deliver the Facility to the Lessee under the Agreement in a condition that allows the Facility to be used in accordance with the Permitted Use.

The Lessee has been familiarized with the current technical condition of the Facility prior to the conclusion of the Agreement and recognizes it as suitable for further Permitted Use.

3.1.4 From the date of the Delivery and Acceptance Certificate signing until the date of the Agreement termination, the Lessor undertakes to provide:

3.1.4.1 Running repairs and face-lifting of common areas of the Building (including the halls of the ground and the first floors of the first stage, sanitary units of the ground and the first floor, the elevator hall on the ground floor of the second stage, and the fire stairs), as well as territories adjacent to the Facility and the Building as a whole in a timely manner and at its own expense.

3.1.4.2 Uninterrupted round-the-clock operation and maintenance of the elevators located in the Building, except for the periods of time required for maintenance and cleaning.

3.1.4.3 Operation of the central heating system in the Building (seasonally adjusted).

3.1.4.4 Emergency repairs of communications in the Building in accordance with the Certificate of Operational Responsibility Differentiation.

3.1.4.5 Uninterrupted 24-hour supply of electricity to the Building, except for periods of time when the supply of electricity is stopped by the power supply (power grid) organization for repair, maintenance or for some other reason beyond the control of the owner, or except for a period of time when the power network does not function as a result of a breakdown and/or an emergency situation. The Lessee shall be provided with uninterrupted power capacity in volumes sufficient for the uninterrupted operation of the Lessee's equipment, namely 60 W per one (1) sq. m of the Facility (excluding lighting and power supply of air conditioning systems). Power supply of ventilation systems and elevator equipment is provided by the Lessor on its own and at its own expense.

3.1.4.6 Uninterrupted round-the-clock provision of the Building as a whole and the Facility with Housing and Communal Services, including water supply (cold water), heating, sewerage, and electricity. Housing and Communal Services provision, as well as installation and maintenance of the boiler system are carried out by the relevant supply organizations on the basis of contracts concluded with the Lessor at the expense of the Lessor.

3.1.4.7 Seasonal heat supply except for the period of time when the networks are closed as a result of a breakdown and/or an emergency situation or necessary major repairs shall be carried out by the Lessor or a resource supply organization.

3.1.4.8 Year-round supply of cold water at any time, except when the water supply network is blocked by resource supplying organizations for repair, maintenance or for some other reason beyond the control of the Lessor, or except for the period of time when the network is closed as a result of a breakdown and/or an emergency situation.

3.1.4.9 Unhindered, permanent and round-the-clock (24 hours a day/seven days a week) access to the Facility and the surrounding area for the Lessee, including for the Lessee's employees and visitors, as well as for their vehicles.

3.1.4.10 Unimpeded, permanent and round-the-clock (24 hours a day/seven days a week) access for the Lessee, including for the Lessee's employees and visitors, to fire escapes and fire exits in the Building.

3.1.4.11 Cleaning the area surrounding the Building in accordance with seasonal conditions.

3.1.4.12 Daily cleaning of common areas of the Building (including halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) and areas adjacent to the Facility (and the Building as a whole); to provision the Lessee with an area for household waste containers placement. Removal of the Lessee's

solid municipal waste shall be carried out at its expense under a contract concluded with a specialized organization.

3.1.4.13 Keeping common areas of the Building (including halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) in proper repair and sanitary condition in accordance with the requirements of sanitary norms; ensuring fire safety; compliance with safety regulations and requirements of other normative legal acts of the Russian Federation.

3.1.4.14 Round-the-clock ventilation of air in the Building, taking into account technically necessary breaks, in accordance with current regulations.

3.1.4.15 Improvement of the territory adjacent to the Building.

3.1.4.16 Maintenance and repair of engineering systems and other equipment of the Building, including engineering systems inside and other equipment of the Building, which is in the area of the Lessor's responsibility in accordance with the Certificate of Operational Responsibility Differentiation.

3.1.4.17 Installation and maintenance of fire protection systems, including automatic fire alarm systems, warning and people evacuation systems in case of fire, internal fire-fighting water supply.

3.1.4.18 Other lessees and third parties carry out construction, installation and other works related to increased noise levels and/or the use of chemicals, which may result in exposure to harmful and/or hazardous production factors of the Lessee's employees, only during non-working hours, including weekends and holidays.

3.1.5 The Lessor undertakes:

3.1.5.1 To notify the Lessee immediately if the Lessor becomes aware of any upcoming power, water, heat, and other sullies cutoffs, as well as of any actions that may affect the use of the Facility by the Lessee, and immediately notify the Lessee on any emergency situations. To make every effort to ensure that electricity, water, heat and operation of the Building are quickly restored in accordance with the terms of the Agreement by posting information on the Building information desk.

3.1.5.2 To assist the Lessee in addressing the issues that are in the area of responsibility or at the sole discretion of the Lessor.

3.1.5.3 Not to interfere in economic activities of the Lessee.

3.1.5.4 To provide the Lessee with the necessary certificates and other documents related to the Building operation within five (5) business days from the date of receiving the Lessee's written request, including if the Lessee receives relevant requests from authorized state and municipal authorities.

3.1.5.5 To consider the Lessee's requests for changes in the purpose of the Facility, as well as its repair and/or re-equipment within a period not exceeding five (5) business days from the date of receiving the corresponding written request from the Lessee.

3.1.5.6 To make the necessary major repairs of the Building, to repair the foundation, roof, exterior walls, roof gutters, awnings, load-bearing structures of the Building and major systems of the Building (heating, ventilation air, electric power distribution systems, water supply systems, systems of smoke and fire alarm systems), elevators, and rainwater catchment system in the Building and on the territory adjacent to the Building. The Lessor undertakes to execute such works in a way that does not make it impossible for the Lessee to use the Facility in accordance with the Permitted Use or impossible to provide the Housing and Communal Services in the Building in accordance with the terms and conditions of the Agreement.

3.1.5.7 To keep the Building in a proper sanitary condition, clean and tidy to ensure normal operation of the Facility (and the Building as a whole), as well as the adjacent territory; to organize deratization and disinfection the Building (including the Facility) according to requirements of sanitary-hygienic norms and rules.

3.1.5.8 To maintain and to guarantee uninterrupted operation of fire safety systems at the Facility (and the Building as a whole) in accordance with the provisions of current legislation of the Russian Federation with regard to fire safety.

3.1.5.9 In a timely manner, within the terms agreed with the Lessee and at its own expense, to maintain and to ensure trouble-free operation of engineering systems of the Facility (and the Building as a whole), including but not limited to supply and exhaust ventilation system, cold and hot (local boiler) water supply systems, as well as sewerage, heating, and air conditioning system.

3.1.5.10 In a timely manner and at its own expense, within the terms agreed with the Lessee, to eliminate malfunctions, breakdowns and any consequences of of engineering communications accidents on the territory of the Facility, if such breakdowns and malfunctions occurred not through the fault of the Lessee. In case of occurrence of circumstances that are beyond the of the Lessor's control and preventing the elimination of malfunctions, breakdowns and consequences of any accidents within the specified period, the Parties shall agree another period for their elimination.

3.1.5.11 To provide an area close to the Building to park bicycles.

3.1.5.12 To provide the Lessee with the necessary technical documentation in relation to the Building and the Facility if the Lessee carries out design, repair and construction works for the conversion of the Facility, as well as other running repairs of the Facility.

3.1.6 The Lessor provides maintenance of the Building and internal engineering networks within its area of operational responsibility, established by the Certificate of Operational Responsibility Differentiation.

3.1.7 In case of necessity to carry out major repairs in the Facility by the Lessor, the latter shall notify the Lessee about it in writing and agree on the procedure and conditions for such repairs not later than ninety (90) calendar days prior to the start of such works; prior to starting the works, the Lessor undertakes to agree the terms and procedure for such works execution with the Lessee.

3.1.8 Immediately, as soon as it becomes known to the Lessor, to notify the Lessee in writing on the need to vacate the Facility in connection with the decisions made in accordance with the established procedures for the Building major repairing, in accordance with the approved major repairs plan or on its liquidation for urban planning reasons.

3.1.9 In case of necessity to carry out repairs in the Facility (or parts of the Building, immediately adjacent to or providing access to the Facility), the Lessor shall notify the Lessee, not later than three (3) business days in advance, on the date and time of such repairs in order to eliminate or reduce interruptions in the Lessee's activity.

3.1.10 If the Lessee carries out repairs at the Facility, the Lessor undertakes to reduce the amount of the Permanent Part of Rent payable by the Lessee, for a total amount of three million five hundred thousand (3,500,000.00) RUR. The specified amount is deducted from the Permanent Part of Rent for December, 2020.

3.1.11 The Lessor has the right to control the construction materials, imported and exported by the Lessee, necessary for carrying out the running repairs in the Facility, without hindering the Lessee in carrying out such repairs within the established time limits.

3.1.12 In connection with the works executed by the Lessee on the Facility repairing and re-equipment, the Lessor does not have an obligation to relocation and/or modernization of the engineering networks in the Building. Such works can be executed only under an additional agreement between the Parties.

3.2 Rights and Obligations of Lessee:

3.2.1 The Lessee is provided with unrestricted access to the leased Facility, to the Building and to the surrounding area in accordance with the Building Operation Rules (Appendix No. 6).

3.2.2 The Lessee has the right to conclude the necessary contracts for the Facility maintenance and repairing, its protection and organization of access control in accordance with the Certificate of Operational Responsibility Differentiation.

3.2.3 The Lessee has the right, at its expense and by its own forces, but in coordination with the Lessor, to install additional access control systems and structured cable

systems on the territory of the Facility, while ensuring access to the Facility for the Lessor's representatives in order to verify compliance with the terms and conditions of the Agreement, if necessary.

3.2.4 In order to have the necessary telecommunications services provided, to install appropriate equipment, and to lay cables inside the Facility, the Lessee has the right to involve any organizations. To execute these and other works necessary to have the required telecommunications services provided, the Lessee shall involve only those organizations that provide telecommunications services to the Building under an agreement with the Lessor.

3.2.5 The Lessee has the right to use the common property of the Building and the adjacent area. The procedure for such use of the common property of the Building can be established by a separate written agreement of the Parties.

3.2.6 The Lessee has the right to install, mount, maintain and use equipment, devices for business activity, security systems and equipment, and other property in the Facility.

3.2.7 The Lessee shall have the pre-emptive right to conclude a lease/sublease Agreement for premises adjacent and/or next to the leased Facility and/or located in the same Building, and the Lessor shall take all the necessary measures to ensure that the Lessee is able to exercise such right.

3.2.8 The Lessee has the right, on its own and at its own discretion, taking into account functional purpose of the premises, specified on the Facility Premises Layout (Appendix No. 1), to organize points/locations for Lessee's employees catering, including to allocate premises from the Facility structure for meal preparation (heating), food storage and catering of the Lessee's employees, as well as for similar or accompanying functions. The Lessee has the right, with the consent of the Lessor, to carry out repair works on the territory of the Facility for the purpose of its employees catering. The Facility Premises Layout (Appendix No. 1) can be amended by agreement of the Parties.

3.2.9 The Lessee is not entitled to have a compensation of the cost of any separable improvements made on the territory of the Facility. The Lessee has the right to choose the decoration of the Facility, including, but not limited to, the design of the Facility, while the Lessee has the right not to dismantle this decoration after the lease term expiration.

3.2.10 The Lessee has the right to indicate its location on the territory of the Facility by placing appropriate signboards, signs, advertising stands at the entrance to the territory of the Facility and in front of the entrance. The size, colour and artistic solution of these items are to be agreed with the Lessor in advance.

3.2.11 The Lessee undertakes:

3.2.11.1 To use the Facility in accordance with the Permitted Use.

3.2.11.2 In a timely manner and in full, to pay the rent, security payment, payments for the security payment replenishment (established by the Agreement, and subsequent amendments and additions to it) to the Lessor.

3.2.11.3 In a timely manner, in agreement with the Lessor, at its own expense and by its own forces and materials, within the terms agreed with the Lessor, to carry out running repairs and renovation of the Facility.

3.2.11.4 To ensure the safety of engineering networks, communications and equipment at the Facility.

3.2.11.5 Not to lay any hidden and/or open cabling and communications, not to make any other alterations and re-equipment of the Facility without a written consent of the Lessor.

3.2.11.6 To vacate the Facility in accordance with terms and conditions specified in this Agreement, due to emergency condition of the Building structures (or any part thereof), to an assignment for the Building major repairs or its liquidation for urban planning reasons within the terms specified by the Lessor's assignment, subject that the Lessor fulfilled the provisions of clause 3.1.9 of the Agreement.

3.2.11.7 To keep the Facility in proper sanitary and fire prevention condition. To provide the Facility with primary fire extinguishing equipment in accordance with current regulations and monitor their working order and performance. On its own, to ensure compliance with labour protection and safety requirements at the Facility, including the technical condition of construction and enclosing structures, and engineering communications.

3.2.11.8 To immediately notify the Lessor of any damages, accidents or other events that caused (or threaten to cause) damages to the Facility, and to promptly take all possible measures to prevent the threat against further destruction or damage to the Facility. On its own, to execute works at the Facility to eliminate accidents, emergencies and their consequences that occurred due to the fault of the Lessee, its employees, and visitors.

3.2.11.9 Not to conclude contracts and not to enter into transactions, the consequence of which is (or may be) any encumbrance of the property rights granted to the Lessee under the Agreement, in particular, their transfer to another person (pledge agreements, introduction of the right to the Facility (or its part) subleasing to the authorized capital of a company, etc.) without a written consent of the Lessor. Conclusion of such contracts by the Lessee or its entrance into such transactions without the specified consent is the grounds for the Agreement termination unilaterally.

3.2.11.10 To provide the Lessor's representatives and the asset holder with unlimited access to the Facility, in the presence of an authorized representative of

the Lessee (except in emergency cases), for its inspection and examination, if the Lessor has previously warned the Lessee on the need for access twenty four (24) hours in advance, and in case of emergency – immediately with obligatory execution by the Lessor and/or the asset holder of a corresponding certificate.

3.2.11.11 To inform the Lessor in writing about the upcoming moving out from the Facility, both in connection with the end of the Agreement validity period, and in case of its pre-term termination within the terms and conditions established by the Agreement.

3.2.11.12 To deliver the Facility (after moving out) under the Return Certificate, which is made in a form similar to the form of the Delivery and Acceptance Certificate with the necessary changes, based on the merits of the action, in good condition with normal wear, fully intact with all permitted alterations, rearrangements and inseparable improvements.

3.2.11.13 In due time, to meet the requirements of the Lessor, an asset holder, the Ministry of the Russian Federation for Affairs of Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters and other regulatory bodies on measures taken to eliminate situations arising from the Lessee's activities that jeopardises the integrity of the Facility, as well as environmental, and sanitary conditions outside of the leased premises.

3.2.11.14 Not to store (except in cases of temporary (up to 1 hour) abandonment during loading and unloading operations) the property belonging to the Lessee in public areas, other premises of the Building that are not related to the Facility, on the territory adjacent to the Building, on the territory of the parking lot. If such property is found, the Lessee shall immediately remove it accordance with the Lessor's instructions. If the Lessee fails to comply with the Lessor's request, the Lessor has the right to draw up an appropriate report and move the property to the appropriate storage facility, charging the Lessee with the expenses incurred.

3.2.11.15 During the Facility operation, including the repair and construction works execution, not to place, not to use and/or nor to dispose of toxic, caustic, poisonous, or flammable substances on the territory of the Facility. Not to use the Building drainage (sewer) systems to discharge substances that may affect or violate the permissible composition of wastewater in accordance with current regulations.

4. PAYMENTS AND SETTLEMENTS PROCEDURES

4.1 The Lessee's Payments under the Agreement, as well as all other cash amounts specified in this Agreement, are to be paid in RUR and do not include VAT or any other tax that may be established in accordance with the law and which is payable in excess of such amounts, unless otherwise specified in the Agreement. The amount of the current VAT rate is determined by the rate applicable during the period of the service provision and established by the current Legislation.

4.2 The Permanent Part of Rent is set in the amount of 981 RUR per 1 sq. m., herewith the Parties have agreed that:

4.2.1 The total amount of the Permanent Part of Rent for one (1) month of the Facility leasing is two million four hundred six thousand six hundred and sixty-two (2,406,662.00) RUR, without VAT, for the first month of lease.

4.2.2 The total amount of the Permanent Part of Rent for one (1) month of the Facility leasing is three million four hundred thirty-eight thousand four hundred and five (3,438,405.00) RUR, without VAT, for the second month of lease.

4.2.3 The total amount of the Permanent Part of Rent for one (1) month of the Facility leasing is four million seven hundred and fifty-seven thousand eight hundred and fifty (4,757,850.00) RUR, without VAT, starting from the third month of lease.

4.3 Operating costs (including, expenses on cleaning common areas of the Building (halls of the ground and the first floors (first stage), rest rooms of the ground and the first floors (first stage), a hall of the elevator the ground floor (second stage), as well as fire escapes) and the fees for the Building protection, keeping a checkpoint, maintenance and provision of consumables, as well as keeping a fire alarm system, systems of supply and exhaust ventilation and air conditioning) and Housing and Communal Services are included in the Permanent Part of Rent.

4.4 Expenses related to implementation by the Lessor of the obligations specified in clause 3.1 of the Agreement are considered expenses of the Lessor and are not subject to compensation by the Lessee.

4.5 The Variable Part of Rent includes the expenses on electricity consumed by the Lessee at the Facility. These expenses are calculated based on the readings of electricity metering devices located on each floor of the leased Facility, as well as on the tariffs of an energy supply organization (a guaranteeing supplier). A number of the electricity metering devices and their readings are to be registered in the corresponding Electricity Metering Devices Readings Acceptance Certificate, signed by both Parties, in the form of Appendix No. 5 to the Agreement.

4.6 Cleaning, provision of consumables for the Facility operation (including air conditioning system), as well as wastes removal shall be carried out by the Lessee at its own expense.

4.7 The Lessee shall transfer the Permanent Part of Rent to the Lessor's settlement account not later than on the fifteenth (15th) day of the current month, starting from the moment of the Facility Delivery and Acceptance Certificate. The Lessee's obligation to pay the Permanent Part of Rent is considered fulfilled from the date of the funds debiting from the Lessee's settlement account.

4.8 In case of a violation by the Lessor of its obligations specified in clause 3.1 of the Agreement, and in case of charging the Lessor with appropriate penalties, the Lessee is entitled

to deduct such penalties from the amount of the Permanent Part of Rent payable for the corresponding period.

4.9 The Variable Part of Rent shall be paid by the Lessee on the basis of the relevant invoices issued by the Lessor within ten (10) business days from the date of the invoice submission. The Lessor undertakes to provide the Lessee with a copy of the invoice received from an energy supply organization (a guaranteeing supplier) on a monthly basis.

4.10 If due to carrying out by the Lessor of major repairs in accordance with clauses 3.1.4 and 3.1.5 of the Agreement or due to other circumstances, occurred at the initiative of the Lessor, any restraints appear for the Lessee in using the Facility in the manner provided for in the Agreement, or for the latter to carry out its activity, then:

4.10.1 the corresponding Lessee's Payments for the specified period are not accrued and not to be paid;

4.10.2 if the Lessee continues to use any part of the Facility in accordance with the Permitted Use, the amount of the Lessee's Payments for the relevant period shall be calculated and payable in proportion to the area of the Facility that is actually used by the Lessee at the Facility.

4.11 If the Lessor is unable to carry out repairs in accordance with clauses 3.1.4 and 3.1.5 of the Agreement without completely stopping the Lessee's activity at the Facility, the Lessee is exempt from paying the Lessee's Payments and other payments under the Agreement for the period of complete stop of its activity at the Facility.

4.12 The Lessee has the right to suspend the payment of the Lessee's Payments from the latest day of the events specified below (and on the first day of the events specified below, to send a written notice to the Lessor) with respect to the corresponding part of the Facility area in respect to which the Housing and Communal Services provision has been stopped, until the the Housing and Communal Services provision resumption (in relation to the relevant part of the Facility area) or until elimination of other reasons preventing the use of the Object in the following cases:

4.12.1 if the Lessor does not provide one or more of the following Housing and Communal Services or other services listed below in an area exceeding twenty-five (25) percent of the Facility area for any reason, except for any violations of the Lessee:

4.12.1.1 supply of electricity for two (2) consecutive business days; or

4.12.1.2 heating supply in winter for five (5) consecutive business days (seasonally adjusted); or

4.12.1.3 ventilation for twenty (20) consecutive business days; or

4.12.1.4 cold water supply and/or wastewater disposal for two (2) consecutive business days;

4.12.2 if the Lessee is not able to use the Facility on an area exceeding twenty-five (25) percent of the Facility area for two (2) consecutive business days.

4.13 For the avoidance of doubt, in the event of suspension of the Housing and Communal Services provision in relation to the Facility or any of its parts due to circumstances beyond the control of the Lessee, the Lessor undertakes to ensure the resumption of Housing and Communal Services provision within the shortest reasonable time at its own expense.

4.14 After resuming the Housing and Communal Services provision, the payment of the Lessee's Payments shall be resumed in full, without reducing their amount for the period of their provision suspension.

4.15 The amount of the Permanent Part of Rent specified in clause 4.2 of the Agreement can be increased by the Lessor in agreement with the Lessee not more than once a year, starting from the second year of lease, but in any case not more than by the CPI.

4.16 If the area of the Facility is clarified based on the results of the premises measurements after signing the Agreement by the Parties, the amount of the Permanent Part of Rent set by the Agreement is not subject to change.

4.17 Security Payment:

4.17.1 To ensure the Lessor's interests, the Lessee shall make the Security Payment in the amount of one-month Permanent Part of Rent to the Lessor's settlement account within five (5) banking days from the date of the Agreement signing (clause 4.2.1 of the Agreement).

The amount of the Security Payment is at the disposal of the Lessor (and can be used by it) until the amount of the Security Payment shall be returned to the Lessee in the event of the lease term expiration or the Agreement termination; however, no interest for the disposal and use of the Security Payment amount in favour of the Lessee is accrued or paid. The Lessor and the Lessee agree that the Security Payment is a method expressly specified in the Civil Code of the Russian Federation to ensure that the Lessee fulfills its obligations under this Lease Agreement. The Security Payment is not a deposit or an advance payment.

4.17.2 If the Lessee delays any of the payments due under the Agreement, or as a result of the Lessee's guilty actions, the Facility, common areas in the Building, the Building itself, the territory adjacent to the Building and the Lessor's property located on such territory are damaged, the Lessor has the right to deduct the amount of such damages from the Security Payment.

The availability of the Security Payment and an opportunity of deductions from it do not release the Lessee from responsibility to fulfill its financial obligations stipulated in the Agreement (in full or in part).

4.17.3 The procedure for deducting an amount from the Security Payment: seven (7) business days in advance, the Lessor sends a written notification to the Lessee specifying the grounds and an amount of deduction from the Security Payment in the calculation attached. If the Lessee does not object to the received notice of deduction, the Lessee is obliged to restore the amount of the Security Payment to the originally agreed amount within seven (7) banking days from the date of receiving the notice of deduction. This obligation also occurs in the event of an increase in the Permanent Part of Rent provided for in the Agreement.

4.17.4 Upon expiration of the Agreement, the Lessor shall return the amount of the Security Payment to the Lessee, taking into account possible deductions in accordance with the provisions of clauses 4.17.2 and 4.17.3 above, within seven (7) banking days after the Lessee moves out from the leased premises in accordance with the procedures established by the Agreement.

5. LIABILITIES OF PARTIES

5.1 The Parties are liable for non-performance or improper performance of the terms and conditions of the Agreement and the obligations assumed by them to the extent of damages caused in accordance with the Legislation.

5.2 In case of a breach by the Lessee of provisions of clauses 4.7 and 4.17.1 of the Agreement, penalties in the amount of 0.1% from the overdue sum for each day of delay are to be charged.

5.3 If the Lessor does not fulfill its obligation to submit a set of documents required for state registration of the Agreement to the authorized state authorities, provided for in clause 10.6, the Lessee has the right to suspend payment of the Lessee's Payments until the date of submission by the Lessor of the required set of documents for the Agreement state registration. After submission of the above set of documents for state registration, the rent payment is to be resumed in full, without reducing its amount for the period of such suspension.

5.4 In case of violation of time limits for the delivery of the Facility under the Facility Delivery and Acceptance Certificate through the fault of the Lessor, the rent is not to be charged.

5.5 Payment of any penalties does not release the violating Party from fulfilling its obligations and eliminating the violations.

5.6 If one of the Parties violates the terms and conditions of the Agreement, the Party that discovered the relevant violation sends a claim to the other Party with a request for elimination of the violations, including for compensation of losses caused by such violations.

5.7 If any damage is caused to one Party through the fault of the other Party, the guilty Party shall compensate the damage to the other Party in full.

5.8 The Lessee is liable under the Agreement only if there is its fault and only compensates for actual damages; it shall not be liable for any losses or claims against the Lessor in connection with any lost profits or other losses of the Lessor incurred through no fault of the Lessee.

5.9 The Parties agree that to the extent permitted by the Legislation, neither Lessee, nor its representatives accept any liability for the damage caused to the Lessor, its employees and other persons, as well as for loss of their property and the damages caused (as a result of theft, fire, explosion, plaster collapsing, effect of steam, gas, electricity, water, rain, snow or leaks from any part of the Building, pipes, roofs, from the street, from the ground or any other place; or as a result of dampness; or for any other reason), except when the cause of harm, loss or damage is an act (or an omission) of the Lessee, its employees, and/or representatives.

5.10 All penalties provided for in the Agreement are of punitive nature.

5.11 Unless otherwise provided for in the Agreement, the Lessee and the Lessor shall not be considered violating any of their obligations under the Agreement, if they eliminate any such violation within five (5) calendar days (with regard to the violation of any payment obligations), or within thirty (30) calendar days (with regard to other obligations), or within a longer (within reason) period (with regard to a particular obligation violation that does not provides a reasonable opportunity to eliminate the violation within thirty (30) calendar days, provided however, that the violation shall be eliminated in the shortest possible time from the moment of receiving the notice on the corresponding violation by the violating Party.

5.12 Unless otherwise provided for in the Agreement, if the Lessor has violated any obligation under the Agreement and has failed to remedy such violation within thirty (30) calendar days from the moment of receiving the notice from the Lessee about it; herewith, the Lessee will be entitled but not obliged to eliminate such violation. In this case, the Lessor will compensate the reasonable documented expenses incurred to the Lessee within five (5) calendar days after receiving the Lessee's invoice. The right of the Lessee provided for in this clause 5.12 can be used by the Lessee in addition to or in lieu of the rights provided for in the Agreement (at the discretion of the Lessee).

5.13 In relation to any goods or other property of the Lessee and/or any separable improvements that are not taken away by the Lessee within one (1) month after signing the Premise Return Certificate, the Parties shall agree that the Lessee's actions on such goods (property) abandonment indicate its consent with its elimination from ownership, use and disposition of the goods (property) that is the Lessee's waiver from the ownership to such property in accordance with Article 236 of the RF Civil Code. If such property becomes property of the Lessor, the Lessor has the right to dispose of such property at its own discretion, without being liable to the Lessee for its loss.

5.14 The Party that caused damages to the other Party's property through its guilty actions shall be liable for such damages.

The fact of causing such property damages is registered in the relevant certificate (hereinafter referred to as the "Damage Certificate"), which is subject to preparation by the Parties as soon as possible after the (detected) incident.

The Damage Certificate shall, among other things, contain a description of the relevant damages caused to the property of the Party and reflect actual conditions and circumstances of such damages, with a photo and/or video report attached to such certificate. The relevant Damage Certificate shall be signed by the Parties within one (1) day after its execution. If one of the Parties unreasonably avoids signing the Damage Certificate (whether a representative of such Party participated in the relevant damage inspection or not), the other Party has the right to sign the Damage Certificate unilaterally. In this case, the Damage Certificate is considered binding for the Parties, as if it were signed by both of them. The Party that has executed the Damage Certificate undertakes to send a signed copy of such Damage Certificate to the other Party within ten (10) business days after its signing.

6. GROUNDS FOR AGREEMENT TERMINATION

6.1 The Agreement can be terminated at any moment by agreement of the Parties, as well as unilaterally in accordance with pre-trial procedures by any of the Parties in the cases provided for in clauses 6.2, 6.3 of the Agreement.

6.2 The Lessee has the right to unilaterally refuse to perform the Agreement in the following cases:

6.2.1 the Lessor violated the time limits set for the delivery of the Facility specified in clause 2.4 of the Agreement;

6.2.2 the Lessor creates any obstacles in possession and use of the Facility in accordance with the Permitted Use;

6.2.3 the Lessor has given any false warranties and representations provided for in clauses 7.1 and 7.2 of the Agreement;

6.2.4 the Lessor does not register the Agreement within the period specified in clause 10.6;

6.2.5 if within thirty (30) calendar days in a row, due to the fault of the Lessor, the Facility is not suitable for the Permitted Use or the use of the Facility in accordance with the Permitted Use will contradict the requirements of the Legislation, including, but not limited to, the fire safety and labour protection requirements;

6.2.6 if the provision of all (or some) Housing and Communal Services at the Facility is interrupted for more than thirty (30) consecutive calendar days, resulting in occurrence of obstacles to the use of the Facility in accordance with the Permitted Use;

6.2.7 if an opportunity of using the Building (or its essential part) or the Facility is completely suspended by a decision (instruction, order, decree) of the competent state, municipal, or judicial authority for a period exceeding ninety (90) calendar days;

6.2.8 if the Lessor's authorized management body, judicial body, state or other authority has made a binding decision to liquidate the Lessor.

6.3 The Lessor has the right to unilaterally refuse to perform the Agreement in the following cases:

6.3.1 the Lessee uses the Facility in violation of the Permitted Use;

6.3.2 repeatedly (two or more times in a row), the Lessee fails to make the Lessee's Payments (in whole or in part) and/or repeatedly (two or more times in a row) violates the established deadline for making the Lessee's Payment;

6.3.3 the Lessee intentionally or negligently worsens the condition of the premises.

6.4 The Party that refuses to perform the Agreement in accordance with clauses 6.2, 6.3 of the Agreement shall send a written request to the other Party for the elimination of all the violations that served as the basis for the Agreement termination. If the specified violations are not eliminated within fifteen (15) days from the date of the request sending, the Agreement is considered terminated on the sixteenth (16th) day from the date of the request sending.

6.5 The procedure for the Agreement termination provided for in clause 6.4 shall not apply if the Lessee refuses from the Agreement implementation on the grounds of clauses 6.2.3 – 6.2.8. For the reasons specified in this clause, the Agreement is terminated upon receipt by the Lessor of a notice on unilateral refusal from the Agreement implementation sent by the Lessee.

6.6 Any of the Parties also has the right to unilaterally refuse to implement the Agreement in accordance with pre-trial procedures, if any bankruptcy procedure provided for by Federal law of the Russian Federation No. 127-FZ dated October 26, 2002 "On Insolvency (Bankruptcy)" is initiated in respect of one Party, notifying the other Party about its decision in writing. The Agreement shall be terminated on the eleventh (11th) day after such notification is sent. The Lessee is obliged to move its property out from the Facility on the latest day of the specified term of the Agreement termination. The notification provided for in this clause of the Agreement shall be sent by one Party to the other Party by registered mail with delivery notification and investment inventory to the address of the respective Party specified in the Agreement or in the Unified State Register of valid as of the date of such notice sending. The notification on refusal to perform the Agreement is considered to be delivered in ten (10) days from the date of its sending, as well as in cases where it was delivered to the Party, but due to circumstances depending on this Party, it was not received or read by it.

6.7 This Agreement can be terminated unilaterally by the Lessor by sending a written notice to the Lessee six (6) months prior to the upcoming termination of the Agreement.

6.8 This Agreement can be terminated unilaterally by the Lessee by sending a mandatory notification to the Lessor six (6) months prior to the upcoming termination of the Agreement.

6.9 In case of pre-term termination of the Agreement by the Lessee in accordance with the provisions of clause 6.8, the reduction of the Permanent Part of Rent in the amount of 3,500,000 RUR, provided for in clause 3.1.10 of the Agreement, is not subject to application, if such termination occurred before the completion of the relevant repairs. In case of the Agreement termination by the Lessee in accordance with the provisions of clause 6.8 after completion of repairs and corresponding reduction in the Permanent Part of Rent in accordance with the provisions of clause 3.1.10, the Lessee undertakes to reimburse a part of the above deduction in proportion to the remaining term of the lease to the Lessor.

7. WARRANTIES AND REPRESENTATIONS

7.1 The Parties hereby provide each other with warranties and representations in accordance with Article 431.2 of the RF Civil Code:

- 1) that all the information provided by one Party to the other Party at the Agreement conclusion is accurate and up-to-date;
- 2) about their financial solvency;
- 3) that the Party is a currently acting legal entity and/or a duly registered individual entrepreneur; it is not in the process (and there are no grounds for its) liquidation; it is not in the process (and there are no signs for its) bankruptcy;
- 4) on availability of necessary corporate approvals required in accordance with the Legislation or constituent documents of the Party (approval of the Company's Board of Directors or General Meeting of Participants, etc.) for the Agreement conclusion;
- 5) that the executive bodies of the Party are established in accordance with the current Legislation and the constituent documents of the Party.
- 6) that there are no claims or arbitral, administrative, judicial or other proceedings or investigations against the Facility in any court, arbitration court or other authority that, if resolved unfavourably, would have a material adverse effect on the Party's ability to perform its obligations under the Agreement.

If the given warranties and representations prove to be false, the Party undertakes to compensate the other Party for losses in the amount of actual damages incurred as a result of unreliability of such warranties and representations.

7.2 The Lessor hereby provides warranties and representations valid for the moment of the Agreement signing, in accordance with Article 431.2 of the RF Civil Code:

- 1) that the Lessor has the right to enter into the Agreement and that it has obtained all the necessary consents and permissions for this purpose;
- 2) that the Building and the Facility are not sold, donated, mortgaged, disputed about, not under a ban (arrest), and are not otherwise encumbered, except for the encumbrances specified in clauses 2.6 and 2.7 of the Agreement; the requirements of this clause do not limit the rights of the Lessor to further (during the term of the Agreement) disposal of the Building as a whole (including the Facility), including its alienation, transfer as collateral, encumbrance with the rights of third parties, etc.
- 3) that the Lessor has entered into all the agreements and contracts under which Housing and Communal Services are provided in relation to the Facility.

All the Lessor's warranties and representations specified in this clause 7.1 and clause 7.2 of the Agreement are material for the conclusion, performance and termination of the Agreement by the Lessee. If the given warranties and representations prove to be false, then the Lessor shall reimburse the Lessee for all the losses incurred as a result of unreliability of such warranties and representations. Without prejudice to other provisions of the Agreement, the Lessee has the right to demand invalidation of the Agreement under influence of a fraud or a material mistake caused by false warranties and representations given by the Lessor, in accordance with articles 179 and 178 of the RF Civil Code, respectively.

8. FORCE MAJEURE

8.1 Force majeure circumstances are circumstances of force majeure, such as natural disasters, military actions, occupation, public disorder, etc., as well as circumstances resulting from orders, decrees or other administrative or governmental restrictions. In each case, occurrence of any such circumstance is beyond the control of the Parties and in all such cases, the performance of obligations under the Agreement becomes impossible.

8.2 If force majeure circumstances occur and prevent the Parties from performance of their obligations in a timely manner, the Parties under such extreme conditions are relieved of their obligations until the specified force majeure circumstances are terminated, provided that the Party subjected to the force majeure circumstances immediately notifies the other Party on the occurred circumstances providing a detailed description of the conditions created.

8.3 The Party for which it is impossible to perform its obligations under the Agreement, shall immediately, but not later than within ten (10) calendar days from the moment of their occurrence, notify the other Party in writing of the occurrence and termination of the above circumstances. If, due to force majeure circumstance, the Facility becomes completely or partially unusable for a period of more than thirty (30) days, the Lessee, subject to providing the necessary documents of the competent state authorities, confirming the above circumstances, has

the right to immediately cancel the Agreement with a written notification to the Lessor and does not bear any further obligations or liability to the Lessor.

9. CONFIDENTIALITY

a. The Parties undertake not to disclose material information about the Agreement without the prior written consent of the other Party, except for the cases where disclosure is required by applicable Legislation or is required by the relevant competent authorities; when it is required for normal course of business of the Party, and when it is related to the potential exercise of the Party's rights under the Agreement.

b. The Parties do not intend to exchange confidential information under this Agreement. If there is a need to transfer any confidential information under the Agreement, the Parties undertake to conclude the Confidentiality Agreement.

10. MISCELLANEOUS

10.1 Any dispute or claim between the Lessee and the Lessor arising in connection with the Agreement shall be resolved in accordance with the current legislation of the Russian Federation.

10.2 Any dispute under the Agreement, if the Parties fail to reach an agreement regarding it, is subject to review by the Arbitration Court of Saint Petersburg and Leningrad Region in accordance with the rules valid as of the moment of the dispute resolution.

10.3 If the payment details, postal addresses, or location of the Parties change, notification of any such change shall be sent within seven (7) calendar days from the date of the above changes introduction.

10.4 The Lessee may contact the Lessor with an offer of a phased lease of additional premises in the Building at the rates applicable to premises leased by the Lessee at the moment of additional premises provision.

The Lessee has, at all other things being equal, a pre-emptive right to lease additional premises in the Building.

10.5 The Lessor undertakes to register the Agreement with the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg.

The Lessee undertakes to provide the Lessor with all the documents necessary for the Agreement state registration within ten (10) business days from the date of its signing.

The Lessor within ten (10) business days after receiving all the documents, required for state registration of the Agreement from the Lessee, and development of the Facility Technical Layout submits the Agreement to the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg.

The Lessor's obligation on state registration of the Agreement shall be deemed duly performed if the required set of documents for state registration of the Agreement is submitted in a timely manner, the grounds for suspension (refusal) of state registration of the Agreement (if applicable) are subsequently eliminated, to the extent that it depends on the Lessor and on subsequent submission of the necessary set of documents for state registration of the Agreement, until all violations that prevent state registration of the Agreement are eliminated.

10.6 The Lessor undertakes to carry out state registration of the Agreement by 01.05.2021 inclusive.

10.7 All the expenses related to making notarized copies of documents required for state registration of the Agreement are borne by the Party that shall hold the relevant documents.

The expenses related to obtaining the Facility Technical Layout required for state registration of the Agreement in accordance with the Legislation of the Russian Federation are borne by the Lessor.

The expenses, related to the payment of the state fee for the state registration of the Agreement at the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg, are borne by the Parties equally.

The expenses related to payment of the state fee for state registration of any changes/additions to the Agreement at the Office of the Federal Service for State Registration, Cadastre and Cartography in Saint Petersburg are borne by the Party initiating the relevant changes/additions introduction to the Agreement.

10.8 From the date of a claim announcing, unless otherwise expressly set forth in this Agreement, the funds shall be paid by one Party to the other Party within five (5) business days.

10.9 All the notices under the Agreement shall be made in writing and delivered by registered mail with delivery notification or by courier against signature.

10.10 The Agreement is made in five (5) original copies in Russian, one copy is for the Lessee, the second one – for the Lessor, the third one – for the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg; the remaining two copies of the Agreement are not submitted for the state registration and shall be kept by the Parties until the Agreement is received from the Office of the Federal Service for State Registration, Cadastre and Cartography in St. Petersburg as proof of the fact of the Agreement signing.

10.11 The following appendices are attached to this Agreement and are its integral parts:

Appendix No. 1 – Facility Layout

Appendix No. 2 – Form of the Delivery and Acceptance Certificate

Appendix No. 3 – Certificate of Operational Responsibility Differentiation

Appendix No. 4 – Form of the Certificate on the Facility Occupied by the Lessee Cut Open in Case of Accident or Threat of Accident.

Appendix No. 5 – Electricity Metering Devices Readings Acceptance Certificate

Appendix No. 6 – Building Operation Rules

11. ADDRESSES AND DETAILS OF PARTIES

The Lessee:

Name	SEMRUSH RU LLC
Location Address:	22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
Address for Correspondence:	22 Zastavskaya Str., Building 2, Letter A, office 618, Saint Petersburg 190006
E-mail Address:	legal@semrush.com
Director General	Kilimova Natalia Aleksandrovna
Taxpayer Identification Number (TIN)/Tax Registration Reason Code (KPP)	7810453178/781001001
Primary State Registration Number (OGRN)	1137847340036
Settlement Account No.	
Bank's Name:	
Bank Identification Code (BIC):	
Correspondent Account No.	

The Lessor:

Name	
Location Address:	
E-mail Address:	
Director General	
Taxpayer Identification Number (TIN)/Tax Registration Reason Code (KPP)	
Primary State Registration Number (OGRN)	
Settlement Account No.	
Bank's Name:	
Bank Identification Code (BIC):	
Correspondent Account No.	

On behalf of the Lessee:**On behalf of the Lessor:**

FACILITY LAYOUT

On behalf of the Lessee:

On behalf of the Lessor:

AGREED

SEMRUSH RU, LLC

**Individual
Entrepreneur
Volkov-Kitain Grigory Valentinovich**

FORM

**Delivery and Acceptance
Certificate**

Saint Petersburg

_____, 20__

In accordance with Lease Agreement No. _____ dated __.__.20__ Volkov-Kitain Grigory Valentinovich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 10, 2015 on the form of series 78 No. 009219314, on the one hand,

and

SEMRUSH RU, LLC, hereinafter referred to as the “Lessee”, represented by Natalia Aleksandrovna Kilimova, acting under the Charter, on the other hand, have executed this Certificate stating that the Lessor hereby delivers and the Lessee accepts (for lease) the Facility with a total area of 4,850 sq. m. at the address: 22 Zastavskaya Street, Building 2, Letter according to Lease Agreement No. _____ dated __.__.20__

Brief description of the Facility technical condition:

The technical condition of the leased Facility is satisfactory and corresponds to its purpose and intended use.

Notes:

**The Facility is accepted by
the Lessee:**

**The Facility is delivered by
the Lessor:**

Certificate of Parties' Operational Responsibility Differentiation

On behalf of the Lessee:

—

On behalf of the Lessor:

—

AGREED

SEMRUSH RU, LLC

**Individual
Entrepreneur
Volkov-Kitain Grigory Valentinovich**

BC

22 Zastavskaya Street, Building 2, Letter A, St. Petersburg

_____, 20__

CERTIFICATE

on the Facility Occupied by the Lessee Cut Open in Case of Accident or Threat of Accident without the Lessee's Representative

The Lessee's Name: _____

Numbers of opened sections (doors): _____

Number of the opened seal: _____

The reason for opening: _____

Condition of the Lessee's property: _____

(was it affected by the accident or not, if it was affected, then to what extent, if it was moved,
then to where and on whose instructions) _____

Measures taken to eliminate the accident, protect the Lessee's property until its representative
arrival _____

Administration Representative
Officer that cut the seal(s), section(s), (position) door(s)
open

(position)

(full name)

(signature)

Security Service Representative

BC

(position)

(full name)

(signature)

The Lessee's Representative
That accepted its property after the accident or a
threat of the accident

(position)

(full name)

(signature)

**Certificate
of Electricity Metering Devices Readings Acceptance**

Saint Petersburg

_____, 20__

In accordance with Lease Agreement No. _____ dated __.__.20__ Volkov-Kitain Grigory Valentinovich, Individual Entrepreneur, hereinafter referred to as the “Lessor”, acting under the Certificate of State Registration of Individual Entrepreneur, issued on March 10, 2015 on the form of series 78 No. 009219314, on the one hand,

and

SEMRUSH RU, LLC, hereinafter referred to as the “Lessee”, represented by Natalia Aleksandrovna Kilimova, acting under the Charter, on the other hand, have executed this Electricity Metering Devices Readings Acceptance Certificate (hereinafter referred to as the “Certificate”) as follows:

1. The electricity metering devices readings as of the moment of the Certificate signing:

Number of Electricity Metering Device	Readings, kW/h

2. The above mentioned electricity metering devices are properly sealed, no seals alteration have been found.

On behalf of the Lessee:

On behalf of the Lessor:

BUILDING OPERATION RULES

Regulations on Control of Access to the Building and Surrounding Areas

1. General Provisions

- 1.1 The access control at the facility is carried out by senior administrators, administrators, and supervisors of the security service in accordance with these Regulations.
- 1.2 Entry (exit) of the companies' employees, as well as visitors is carried out through the access control system (turnstiles), using a pass of an established form
- 1.3 Entry (exit) of vehicles belonging to companies, other organizations, as well as employees' vehicles is carried out through:
- entrance No. 1 – 2 Parkovaya Street
 - entrance No. 2 – 17 Tsvetochnaya Street
 - entrance No. 3 – 22 Zastavskaya Street
- 1.4 Entry (exit) of special purpose vehicles (EMERCOM, police, ambulance) are allowed to the facility through any entrances.
- 1.5 It is forbidden to transport (carry) explosive items, weapons, flammable liquids, etc. to the territory of the facility.

2. Types of Passes

- 2.1 Permanent passes are issued to employees of companies and are to be presented at the entrance of (exit from) the facility.
- 2.2 In order to provide temporary employees with access to the facility, company managers shall submit the lists of such employees to the security service indicating the period and nature of the work to be executed by such employees. The lists are approved by the (Deputy) Director General of Megadrive, LLC.
- 2.3 Visitors are provided with access to the facility in accordance with the following procedure:
- a candidate arrived at the facility shall be approved by phone with the head of the company, which the candidate arrived to;
 - then the visitor is recorded in the "Visitor Registration" log, if he/she has a Russian passport with him/her, and is allowed to enter the facility. Visitors are allowed to enter the facility only during working hours,

During non-working hours, visitors are accompanied by an employee of the company.

3. Entry (Exit) of Vehicles

a) during working hours

3.1 Entry (exit) of vehicles belonging to companies is carried out according to the lists approved by the (Deputy) Director General of Megadrive, LLC.

When driving (carrying) out material values from the facility, the administrator (controller) shall withdraw a memo from the head of the company.

3.2 Entry (exit) of third-party organizations' vehicles is carried out according to the following procedure:

- an arrived vehicle is recorded in "Entry (Exit) Registration" log and allowed to enter the territory of the facility.
- when the vehicle is leaving the territory of the facility, a one-time pass issued by the head of the company is withdrawn

3.3 Entry (exit) of vehicles belonging to companies' employees is carried out according to the lists approved by the (Deputy) Director General of Megadrive, LLC.

b) during non-working hours

3.4 Entry (exit) of vehicles belonging to companies is carried out according to the memos approved by the (Deputy) Director General of Megadrive, LLC.

When driving (carrying) out material values from the facility, the administrator (controller) shall withdraw a memo from the head of the company.

3.5 Entry (exit) of third-party organizations' vehicles is carried out according to the following procedure:

- arrived vehicles are allowed to the territory of the facility on the basis of a memo from the head of the company and approved by the (Deputy Director General) of Megadrive, LLC, recorded in "Entry (Exit) Registration" log and then allowed to the territory of the facility.
- when the vehicle is leaving the territory of the facility, a one-time pass issued by the head of the company is withdrawn

3.6 Entry (exit) of vehicles belonging to the companies' employees is allowed on the basis of a memo signed by the head of the company and approved by the (Deputy) Director General of Megadrive, LLC.

4. Access for Companies' Employees to Cut Service Rooms and/or Offices Open

a) during working hours

In order to cut service rooms and/or offices open, company managers appoint a certain number of employees and submit memos to the security service, which are approved by the (Deputy) Director General of Megadrive, LLC.

b) during non-working hours

During non-working hours (weekends and holidays), access for the companies' employees to the facility in order to cut service rooms and/or offices open is limited and is carried out on the basis of memos from the heads of the companies indicating the period of work (beginning and end). Such memos shall be approved by the Deputy) Director General of Megadrive, LLC.

It is strictly forbidden to allow employees to work on weekends and public holidays without a pre-submitted and properly executed memo (on Friday or on the eve of the holiday, not later than at 4.00 p.m.).

5. Position of Gates, Barriers

Gates	No. 3 – 2 Parkovaya Street;	from 8.00 a.m. till 8.00 p.m. – open
	No. 2 – 17 Tsvetochnaya Street;	from 8.00 a.m. till 8.00 p.m. – open
	No. 4 – 22 Zastavskaya Street;	from 8.00 a.m. till 8.00 p.m. – open
	No. 1 – 7 Zastavskaya Street.	24 hours closed
Barriers	No. 3 – 2 Parkovaya Street;	24 hours closed
	No. 2 – 17 Tsvetochnaya Street;	24 hours closed
	No. 4 – 22 Zastavskaya Street.	24 hours closed

LEASE AGREEMENT

BETWEEN

NESHAMINY INTERPLEX, LLC

as Landlord

AND

SEMRUSH, INC.

as Tenant

Seven Neshaminy Interplex

BASIC INFORMATION

Date: March 2016

Landlord: Neshaminy Interplex, LLC

Tenant: SEMRush, Inc.

Building: Building Seven (7)

Premises: Suite 315

Rentable Area 3,019 sqft

Proportionate Area 5.17%

Scheduled Delivery Date: May 1, 2016

Rent Commencement Date: May 1, 2016

Expiration Date: Fifteen months after Commencement Date

Base Rent:

Time Period	Monthly Minimum Rent
Months 1-15	\$4,842.98

Security Deposit: one month's rent

Base Year: 2016

Permitted Use of Premises: Office for software services, but the Demised Premises shall not be used for telemarketing purposes or for call center operations.

Tenant's Address for Notices: From and after Commencement Date:
SEMRUSH , INC.
Seven Neshaminy Interplex
Trevose, Bucks County, PA

Landlord’s Address: c/o Korman Commercial Properties, Inc.

Broker: Kyle Ruffing, GOLA

Exhibits and Schedules: Exhibit A: Floor Plan
Exhibit B: Building Rules

TENANT	LANDLORD
SEMRUSH, INC.	NESHAMINY INTERPLEX, LLC

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FLOOR PLAN OF DEMISED PREMISES	EXHIBIT “C”
TENANT’S FORM W-9	EXHIBIT “D”
TRACT	EXHIBIT “E”
LEASE CERTIFICATE	EXHIBIT “F”

OFFICE LEASE AGREEMENT

THIS **OFFICE LEASE AGREEMENT** (the “**Lease**” or “**Agreement**”) is made on the Lease Date by and between KORMAN COMMERCIAL PROPERTIES, INC., as agent for Landlord, and Tenant.

INTENDING TO BE LEGALLY BOUND HEREBY, Landlord and Tenant covenant and agree as follows:

ARTICLE 1 - BASIC LEASE PROVISIONS, OTHER DEFINITIONS

In addition to those terms which are defined at various places in this Lease, each term which is defined on any of the pages labeled Basic Lease Provisions, attached hereto and made a part hereof, shall have the meaning given to it thereon, whether or not specific reference is made to such page in the body of this Lease.

ARTICLE 2 - GRANT, TERM AND CONDITION OF PREMISES

§2.01 Demised Premises. Landlord does hereby demise, lease and let unto Tenant and Tenant does hereby rent and take from Landlord the Demised Premises, together with the nonexclusive revocable license to use, in common with all others entitled to such use, of the Common Areas for their intended and normal purpose subject, however, to the terms and conditions of this Lease. The Demised Premises contains an area approximately equal to the Rentable Square Footage, is shown on the floor plan attached as Exhibit “C”, and is located in the Building.

§2.02 Common Areas. The term “**Common Areas**” includes, without limitation, the hallways, corridors, entryways, stairways, elevators, driveways, lanes, roads, exits, entrances, sidewalks, walkways, footways, ramps, parking areas, landscaped areas and plantings, rest rooms, stormwater drainage facilities, sanitary sewer facilities and all other areas, improvements and facilities on the Tract that are provided and designated from time to time by Landlord for the general nonexclusive use and convenience of Tenant and other tenants of the Building and their respective employees, invitees, licensees or other visitors.

§2.03 Delivery Of Possession

(a) Landlord will deliver possession of the Demised Premises to Tenant on the Possession Date. If Landlord is unable to give possession of the Demised Premises to Tenant on the Possession Date for any reason, Landlord shall have no liability for failure to give possession on that date, the validity of the Lease shall not be impaired, and the term of this Lease shall not be extended, but all Minimum Rent and Additional Rent shall be abated until such time as Landlord has given Tenant written notice that the Demised Premises are ready for Tenant’s occupancy. Notwithstanding the foregoing, Tenant shall not be entitled to an abatement of the rent if the failure or inability to deliver possession of the Demised Premises is the result of Tenant’s actions or omissions. If possession of the Demised Premises is not delivered to Tenant on or before April 30, 2016 and such failure is not the result of Tenant’s actions or omissions,

then Tenant may terminate this Lease upon twenty (20) days prior written notice; provided, however, that if possession is delivered within that twenty (20) day period, then Tenant's termination notice shall be automatically null and void. Upon request, Landlord and Tenant shall execute a written certificate setting forth the Possession Date and expiration date of the term of this Lease.

§2.04 Condition Of Demised Premises. Tenant acknowledges that neither Landlord nor Agent have made any representations or warranties as to the suitability or fitness of the Demised Premises for the conduct of Tenant's business or for any other purpose. Except as expressly set forth in Exhibit "B", Tenant agrees to accept possession of the Demised Premises in "AS IS" and "WHERE IS" condition without any construction, alterations, improvements or other work by Landlord to the Demised Premises.

§2.05 Commencement and Length of Term

(a) Term. The term of this Lease begins on the Possession Date. If the Possession Date is the first day of a calendar month, the term of this Lease shall extend and continue from the Possession Date for a period of time equal to the Initial Term. If the Possession Date is a day other than the first day of a calendar month, the term of this Lease shall extend and continue from the Possession Date through the last day of the calendar month during which the Possession Date occurs (the "**Stub Period**") and thereafter for a period of time equal to the Initial Term. This Lease and the tenancy hereby created shall cease and automatically terminate at the end of the Initial Term without the necessity of any notice from either party at which time Tenant shall surrender possession of the Demised Premises to Landlord in the condition required by this Lease. Tenant waives all notice to vacate the Demised Premises upon expiration of the term.

(b) Holding Over. Tenant shall not hold over or retain possession of the Demised Premises at the expiration or earlier termination of this Lease. If Tenant holds over, such holding over: (1) shall constitute an immediate default under this Lease without any requirement that Landlord give Tenant written notice and the opportunity to cure the default; and (2) shall not constitute an extension of this Lease. During such holding over and in addition to all other rights and remedies of Landlord, Tenant shall pay Holdover Rent to Landlord (which payment shall not constitute a grant of permission to Tenant to continue in possession, an acceptance of such holding over, or an extension of the term), together with all compensatory and consequential damages of Landlord as a result of such holding over. The term "**Holdover Rent**" means, for each month or partial month that Tenant holds over, 150% of the Minimum Rent payable by Tenant during the last month of the term plus 150% of the Additional Rent payable by Tenant during the last six months of the term.

ARTICLE 3 - RENT

§3.01 No Set-Off. Tenant shall pay, without set-off, demand or deduction for any purpose, all Minimum Rent, Additional Rent and other sums payable by Tenant under this Lease. Landlord is not required to accept any payment due under this Lease by electronic funds transfer.

Minimum Rent. During the term of this Lease, Tenant shall pay to Landlord as minimum rent for the Demised Premises the amounts set forth in the Basic Lease Provisions as Minimum Rent. Minimum Rent is payable in advance, on or before the first day of each calendar month during the term of this Lease and pro-rated for any partial month within the Lease term. Minimum Rent for the Stub Period, if any, shall be paid at the same rate per rentable square foot as the first month for which Tenant is obligated to pay Minimum Rent. Tenant shall pay the first monthly installment of Minimum Rent (regardless of any period of free or reduced rent), together with the first monthly installment of the sums due under Article 5, upon execution of this Lease.

§3.03 Additional Rent. In addition to Minimum Rent, Tenant shall pay as Additional Rent all sums of money and other charges required to be paid by Tenant under this Lease, whether or not such sums or charges are designated as “**Additional Rent**” under this Lease, including but not limited to electricity charges, Excess Real Estate Taxes and Excess Operating Costs.

§3.04 Rentable Square Footage. Landlord and Tenant agree that the Rentable Square Footage of the Demised Premises has been determined by measurements made to and from the outside of exterior walls and to and from the center of party walls plus a portion of the Common Areas of the Building.

§3.05 Security Deposit.

(a) Upon execution of this Lease, Tenant shall pay the Security Deposit to Landlord which shall be held as collateral security for the payment and performance by Tenant of all of the terms and provisions of this Lease. Landlord may use, apply and retain all or part of the Security Deposit for the payment of any sums due from Tenant under this Lease in which event Tenant shall replace or restore the Security Deposit upon demand. The Security Deposit shall be returned to Tenant after the expiration of the term of this Lease provided Tenant has paid and performed all of its obligations under this Lease. Landlord is not required to hold the Security Deposit in a separate account but may co-mingle the Security Deposit with other funds. The Security Deposit is not a trust fund or account, and no interest shall be paid to Tenant on the Security Deposit. Tenant may not use or apply the Security Deposit for the last month’s rent.

(b) If Tenant is in default under this Lease more than three times within any twelve month period, regardless of whether or not such default is cured, then, without limiting Landlord’s other rights and remedies in this Lease or at law or in equity, the Security Deposit may, in Landlord’s discretion, be increased by an amount equal to the greater of (i) three times the original Security Deposit, or (ii) three months Minimum Rent, which sum shall be immediately due and payable by Tenant upon demand.

(c) In the event of a sale of Landlord’s interest in the Tract to a purchaser who assumes the obligations of Landlord under this Lease, Landlord shall have the right to transfer the Security Deposit to such purchaser and Landlord shall thereupon be released and discharged by Tenant from all liability for the return of such Security Deposit and Tenant agrees to look solely to the purchaser for the return thereof.

§3.06 Recapture. If Tenant is granted a period of time to occupy the Demised Premises without paying Minimum Rent, Excess Real Estate Taxes or Excess Operating Costs (the “**Free Rent Period**”), then Landlord shall have the right, upon the occurrence of an Event of Default by Tenant, to require Tenant to pay upon demand, in full and in one lump sum, the Minimum Rent, Excess Real Estate Taxes and Excess Operating Costs for the Free Rent Period. For purposes of this provision, the Minimum Rent for the Free Rent Period shall be the greater of: (a) the Minimum Rent in effect at the end of the Free Rent Period, or (b) the Minimum Rent in effect at the start of the Free Rent Period.

§3.07 Alternative Security. If a guaranty is at any time provided in connection with this Lease and Landlord determines that the creditworthiness, economic strength or financial status of the guarantor is unacceptable to Landlord (including, but not limited to, a bankruptcy proceeding, a breach of the guaranty, death of an individual guarantor, or dissolution), then Landlord may, upon demand, require Tenant to deliver the Alternative Security. For purposes of this provision, “**Alternative Security**” means one of the following, as selected by Landlord:

- (a) an additional 6 months’ Minimum Rent; or
- (b) an irrevocable letter of credit, in form reasonably satisfactory to Landlord, in an amount to be determined by Landlord in its sole judgment (not to exceed one year’s Minimum Rent and additional charges under this Lease); or
- (c) a substitute guaranty, in form and substance acceptable to Landlord, from a person and/or entity acceptable to Landlord in its sole discretion.

ARTICLE 4 - USE AND OCCUPANCY

§4.01 Use. Tenant shall continuously use and occupy the Demised Premises only as an office for the purpose of conducting the Permitted Use and for no other purpose. No more than 5 persons per 1,000 rentable square feet may use or occupy the Demised Premises at any time, and Tenant shall not conduct second or third shift or round-the-clock operations in the Demised Premises. Landlord’s consent to any assignment of this Lease or to any subletting or other occupancy of the Demised Premises shall not be construed as a consent by Landlord to the use of the Demised Premises for any use other than the Permitted Use.

§4.02 Compliance. Tenant shall, at Tenant’s sole cost and expense and without notice or demand from Landlord, comply with all laws, ordinances, rules and regulations now in force or that may be enacted hereafter pertaining to Tenant’s use and occupancy of the Demised Premises, including without limitation obtaining all licenses, permits and approvals necessary for the lawful use of the Demised Premises and payment of all taxes and fees assessed or imposed upon Tenant in connection with Tenant’s use and occupancy of the Demised Premises. Tenant shall comply with all laws, ordinances, rules and regulations governing disability, handicapped access and architectural barriers (the “**Disability Laws**”) for the Demised Premises. Landlord shall comply with all Disability Laws for the Common Areas, except to the extent such compliance is necessitated by Tenant’s use of or improvements to the Demised Premises.

§4.03 Prohibition of Use. Tenant shall have no claim against Landlord for any damages or other loss, nor shall any of Tenant's obligations under this Lease be affected, should use and occupancy of the Demised Premises be prohibited or impaired by reason of any law, ordinance, rule or regulation.

§4.04 Relocation Right.

(a) Landlord shall have the right to relocate Tenant from the Demised Premises to other reasonably comparable space within The Neshaminy Interplex complex (the "**Relocation Space**").

(b) Landlord shall give Tenant at least forty-five (45) days prior written notice of relocation, designating the Relocation Space and including reasonably detailed plans or drawings showing the location and layout of the Relocation Space as finished for Tenant's occupancy (the "**Relocation Plans**").

(c) Landlord shall bear the cost and expense of preparing the Relocation Space for Tenant's use and occupancy substantially as shown in the Relocation Plans (including voice and data cabling and wiring), together with the cost and expense of moving the contents of the Demised Premises to the Relocation Space. Landlord shall also reimburse Tenant for the reasonable costs and expenses incurred by Tenant for new stationary, business cards and letterhead, not to exceed \$250.00. Landlord shall exercise reasonable efforts to complete the relocation of Tenant at a time and in a manner which will minimize the disruption of Tenant's business and the business activities of other tenants.

(d) The Rentable Square Footage of the Relocation Space shall consist of not less than 90% nor more than 110% of the Rentable Square Footage of the Demised Premises. In Landlord's discretion, the Rentable Square Footage of the Relocation Space may exceed 110% of the Rentable Square Footage of the Demised Premises in which case Minimum Rent and Tenant's Proportionate Area for the Relocation Space shall be determined as if the Rentable Square Footage of the Relocation Space was equal to 110% of the Rentable Square Footage of the Demised Premises.

(e) Tenant shall continue to pay all sums due under this Lease for the Demised Premises until the relocation is complete. Upon completion of the relocation: (i) Tenant shall surrender possession of the original Demised Premises in the condition required by the Lease, (ii) the Relocation Space shall be substituted for the Demised Premises under the Lease, (iii) Minimum Rent (using the same rate per square foot as the original Demised Premises) and Tenant's Proportionate Area shall be adjusted based on the change, if any, in the Rentable Square Footage of the Relocation Space from the Demised Premises, and (iv) Tenant shall continue to pay all other sums due under the Lease. Upon request, Tenant shall execute, acknowledge and deliver such instruments as Landlord may reasonably request to confirm, among other things, the exercise of Landlord's relocation right, the substitution of the Relocation Space for the Demised Premises, the modified terms of the Lease, if any, resulting from the relocation, and that this Lease remains in full force and effect with respect to the Relocation Space.

§4.05 Hazardous Materials. (a) Notwithstanding any other provision of this Lease: (i) Tenant shall not use, sell, generate, store, treat, release, emit, discharge, dispose of or otherwise handle Hazardous Materials on or in any manner affecting the Demised Premises or the Tract; and (ii) Tenant shall not assign the Lease or sublet the Demised Premises nor permit any other person or entity to use or occupy the Demised Premises if the proposed transferee's or occupant's use involves the sale, storage, generation, emission, handling, discharge, release, treatment, use or disposal of Hazardous Materials.

(b) Tenant may store for use at the Demised Premises small quantities of routine office cleaning supplies solely for use in the Demised Premises provided they are used in compliance with all applicable laws, ordinances, rules and regulations; in ordinary and intended quantities; and for their intended purpose.

(c) The term "**Hazardous Materials**" means any substance, material or waste which is now or hereafter classified or considered to be hazardous, toxic or dangerous under any law, ordinance, rule or regulation relating to pollution or the protection or regulation of human health, natural resources or the environment, or which poses or threatens to pose a hazard to the health or safety of persons or property on the Tract.

ARTICLE 5 - EXCESS REAL ESTATE TAXES AND EXCESS OPERATING COSTS

§5.01 Excess Real Estate Taxes. Landlord shall pay in the first instance all real estate taxes and assessments ("**Taxes**") which may be levied against the Demised Premises, the Building, the Tract and any improvements thereon. Taxes includes the cost of consultants retained in an effort to lower Taxes and all costs incurred in any proceeding to dispute or lower Taxes for the Building or Tract. If Taxes for any tax year during the Lease term exceed the amount of Taxes for the Base Tax Year, Tenant shall pay as Additional Rent, within ten (10) business days after presentation of a statement therefor, the amount of such excess ("**Excess Real Estate Taxes**") multiplied by Tenant's Proportionate Area. The calculation of Excess Real Estate Taxes shall be based on the period of time for which the levy or assessment applies, regardless of when such Taxes may be billed to or paid by Landlord and shall be pro-rated for any partial year within the Lease term. If the method of taxation at any time changes so that in addition to, in lieu of or as a substitute for the whole or any part of such Taxes there shall be levied, assessed or imposed (i) a tax on the rents received from the Tract, (ii) a license fee measured by the rents receivable by Landlord for the Tract or any portion thereof, or (iii) a tax or license fee imposed upon Landlord which is otherwise measured by or based upon rents or value of the Tract or any portion thereof, then such taxes and fees shall be included in the computation of Excess Real Estate Taxes. Tenant waives all right to appeal or protest the appraised value of the Building, the Tract and the Demised Premises.

§5.02 Excess Operating Costs. Landlord shall pay in the first instance all direct and indirect costs incurred in connection with the ownership, operation, management, repair and maintenance of the Demised Premises, the Building, the Common Areas, the Tract and all improvements and other facilities now or hereafter located on the Tract (the "**Operating Costs**"). Operating Costs include, but are not limited to, water and sewer rents (including costs, expenses, charges and fees for stormwater drainage and control and for sanitary sewer); the cost of power,

electricity, gas and other utility services; cleaning services and supplies; lighting; landscaping; signage; security and policing services; costs for improvements which, although capital in nature, are expected to reduce normal operating, management or maintenance costs (including utility costs), as amortized using a commercially reasonable interest rate over a time period reasonably estimated by Landlord to recover the cost of such improvements; insurance premiums, charges and other expenses including payments made within any commercially reasonable deductible, any self-insured plan, and any partial self-insured retention plan; management fees (charged by Landlord, Agent, any affiliate of Landlord or any other entity managing the Building or the Tract and determined at a rate consistent with prevailing market rates for comparable services and projects); labor, materials, supplies and equipment; wages, salaries, compensation and benefits of employees; waste disposal; legal, consulting and accounting services; that part of office rent or rental value of space used or furnished to enhance, manage, operate and maintain the Tract; and all other costs and expenses constituting direct or indirect operating, management and maintenance costs as determined by Landlord's accountant in accordance with standard accounting principles. In the event Operating Costs for any year during the Lease term exceed the amount of Operating Costs for the Base Operating Cost Year, Tenant shall pay as Additional Rent, within ten (10) business days after presentation of a statement therefor, the amount of such excess ("**Excess Operating Costs**") multiplied by Tenant's Proportionate Area. In determining Operating Expenses for any Base Year, Landlord may, in its reasonable discretion: (1) average the cost and expense for snow removal and ice control over a three (3) year period; and (2) reduce the amount of any unusually large or extraordinary expense in that Base Year to a number which is consistent with historical averages for that expense. Tenant's proportionate share of Excess Operating Costs is based on the total Operating Costs for the entire year (even if some Operating Costs are incurred prior to or after termination of the term of the Lease), but shall be pro-rated for any partial year within the term of the Lease. To the extent that Operating Costs pertain to or include property other than the Building or the Tract, Landlord shall allocate those Operating Costs among all of the properties so included as determined by Landlord in its sole, but reasonable, discretion.

(b) Operating Costs shall not include: the costs of altering space or other improvements made for other tenants on the Tract; finders' fees and real estate brokers' commissions; ground lease payments, mortgage principal or interest; costs of excess or additional services provided to any tenant in the Building that are directly billed to such tenants; the cost of repairs due to casualty or condemnation that are actually reimbursed by third parties; any income, estate, inheritance or other transfer tax and any excess profit, franchise or similar taxes on Landlord's business; and legal fees incurred by Landlord in enforcing its rights under other leases in the Building.

(c) Tenant acknowledges that Landlord has not made any representation, warranty or assurance concerning the amount of Taxes or Operating Costs per Rentable Square Foot of the Demised Premises.

§5.03 Monthly Payments On Account. From time to time, Landlord may make reasonable estimates of Tenant's proportionate share of Excess Real Estate Taxes and of Excess Operating Costs which may include reasonably anticipated increases from prior years and which

may be revised from time to time. At Landlord's option, Tenant shall pay one-twelfth (1/12th) of such estimated amount at the same time when each payment of Minimum Rent is due for such year. Within 120 days following the end of each year, Landlord shall give Tenant a written statement (the "**Annual Statement**") showing in reasonable detail the amounts due from Tenant on account of Excess Real Estate Taxes and Excess Operating Costs together with the estimated payments made by Tenant. If the amount so paid by Tenant exceeds the amount determined to be due, the excess shall be credited to future estimated payments of Excess Real Estate Taxes or Excess Operating Costs or, upon expiration of the Lease and provided Tenant is not in default, Landlord shall refund such overpayment to Tenant. If the amount so paid by Tenant is less than the amount determined to be due, Tenant shall pay such deficiency within ten (10) days after presentation of the Annual Statement.

§5.04 Proration And Survival. Tenant's obligations under this Article survive the expiration or earlier termination of the Lease. If this Lease terminates or expires other than at the end of the year in which Excess Real Estate Taxes or Excess Operating Costs are determined, Tenant agrees to pay on demand its Proportionate Share of such items even though the Lease may have expired before the demand is made.

§5.05 Audit.

(a) Provided no Event of Default has occurred, Tenant may, at Tenant's sole expense, inspect Landlord's books and records relating to Excess Real Estate Taxes and Excess Operating Costs for the purpose of verifying the amount of the charges contained therein (the "**Tenant Audit**") provided that:

(i) Tenant must send written notice to Landlord within sixty (60) days after receipt of the Annual Statement of its desire to conduct the Tenant Audit (the "**Audit Notice**");

(ii) the Audit Notice identifies with particularity the specific items in the Annual Statement that Tenant believes are incorrect; and

(iii) Tenant has paid the Annual Statement in full. The Tenant Audit shall be promptly completed and Landlord shall be given a copy of the results and all workpapers.

Tenant shall be entitled to no more than one (1) Tenant Audit per calendar year. The Tenant Audit shall be promptly completed and Landlord shall be given a copy of the results and all work papers.

(b) The Tenant Audit shall be conducted only by an independent firm of certified public accountants of national standing that is not being compensated on a contingency

fee basis or any other basis dependent on the outcome of the Tenant Audit, and during regular business hours at the office where Landlord maintains its books and records.

(c) The Tenant Audit shall be limited to those items in the Annual Statement that Tenant has specifically identified in writing as being allegedly incorrect. Once having conducted a Tenant Audit with respect to a specific item in any year, Tenant shall have no right to conduct another Tenant Audit of the same item for such year.

(d) Any records reviewed under this Section are confidential and shall not be disclosed to anyone other than the auditor performing the Tenant Audit, the principals of Tenant who receive the results of the Tenant Audit, or as otherwise required by law. The disclosure of such information to any person, whether by Tenant or by anyone acting on Tenant's behalf, is a material breach of this Lease. Upon request, Tenant and its auditors shall execute and deliver to Landlord a confidentiality agreement prior to the commencement of any Tenant Audit.

(e) If the results of the Tenant Audit show that Tenant has overpaid its obligations and is due a credit for a preceding period, Landlord shall credit the amount due against Tenant's next and succeeding installment payments on account of Excess Real Estate Taxes and Excess Operating Costs. Tenant may not terminate the Lease because of an overpayment. If, as a result of the Tenant Audit, Tenant has been underbilled for a preceding period, the amount of such underbilling shall be paid by Tenant to Landlord within ten days of completion of the Tenant Audit.

(f) Tenant shall pay Landlord, on demand and as Additional Rent, the reasonable costs of photocopying and retrieving documents, the time spent by Landlord's employees in supervising, coordinating and cooperating with the Tenant Audit, and such other expenses of Landlord as are reasonably incurred in connection with the Tenant Audit.

§5.06 Taxes On Leasehold Or Personal Property. Tenant shall be solely responsible for and shall pay before delinquency all taxes of any nature whatsoever which are levied or assessed against any leasehold interest or personal property of any kind owned by Tenant or placed in, upon or about the Demised Premises.

ARTICLE 6 - ELECTRICITY AND BUILDING SERVICES

§6.01 Electricity.

(a) From and after the Possession Date, Tenant shall pay, as Additional Rent: (i) the cost of electricity furnished to or used in the Demised Premises (including HVAC service); and (ii) the cost of electricity furnished to the Common Areas multiplied by Tenant's Proportionate Area. Payment shall be made monthly within ten business (10) days after Tenant receives Landlord's invoice or, at Landlord's option, directly to the service provider. If the service provider requires a deposit or other security in order to provide service to Tenant or to place the account in Tenant's name, then Tenant shall pay the deposit or security so required.

(b) Payment for electricity shall be based on the actual charges billed to, paid by or incurred by Landlord and shall be calculated as follows:

(i) if Tenant's electricity usage is sub-metered, calculation of Tenant's cost shall be based on (1) the actual monthly reading of the sub-meter, and (2) the cost of electricity to the Common Areas multiplied by Tenant's Proportionate Area, plus (3) a reasonable service fee for Landlord's services for meter reading, calculating, invoicing and collection; or

(ii) if Tenant's electricity usage is not sub-metered, Tenant's cost of electricity shall be calculated by multiplying the cost of electricity furnished to the Building (less the cost of any sub-metered electricity) by a fraction the numerator of which is the Rentable Square Footage of the Demised Premises and the denominator of which is the Rentable Square Footage of all non-submetered leasable space in the Building, plus a reasonable service fee for Landlord's services for calculation, invoicing and collection.

§6.02 Services To Be Provided By Landlord. As long as Tenant is not in default of this Lease, Landlord shall provide: (a) heat to the Demised Premises from October 1 through April 30 of the next succeeding year during Normal Business Hours (defined as weekdays, other than holidays, from 8:00 A.M. to 6:00 P.M. and Saturdays from 8:00 A.M. to 1:00 P.M.); (b) air-conditioning to the Demised Premises from May 1 through September 30 during Normal Business Hours; (c) cleaning services to the Demised Premises; (d) replacement of light bulbs or fluorescent tubes for each lighting fixture on the Demised Premises as of the Possession Date, provided, however, that the type and voltage of such bulbs or tubes shall be determined solely by Landlord; and (e) electricity to the Demised Premises during Normal Business Hours for Tenant's use of lighting fixtures, small business machines and lightweight office equipment (such as computers requiring normal 110 volt non-filtered electric supply and electric typewriters). Landlord is not required to supply heat or air conditioning beyond Normal Business Hours or electricity for Tenant's computers and other equipment or machines requiring in excess of 110 volt non-filtered electric supply or any specialized circuitry; however, where reasonably available, Landlord may furnish such services upon Tenant's payment of all installation costs, including wiring and separate metering, and upon Tenant's agreement in writing, in form and substance acceptable to Landlord, to pay the cost of such services and electricity as Additional Rent. If, in Landlord's sole judgment, Tenant uses electricity in an excessive or unreasonable manner, Landlord may install or require Tenant to install meters and Tenant shall pay for the excessive amount of electricity.

§6.03 Service Interruption. Landlord shall not be liable in damages or otherwise for any interruption or impairment in the supply of any utility, electric, internet, telecommunications or other services regardless of the cause and whether or not provided by Landlord or others. Any such interruption or impairment shall not constitute a breach by Landlord of the terms and conditions of this Lease or entitle Tenant to an abatement of any sums payable by Tenant. Tenant shall not at any time overburden or exceed the capacity of the mains, ducts, feeders,

conduits or other facilities by which such services are supplied to, distributed in or serve the Demised Premises, the Building or the Tract.

§6.04 Meters And Submeters. In the event Landlord elects or is required to install individual meters, submeters or other devices to measure any or all of the electricity or other utilities consumed in the Demised Premises, Tenant shall pay to Landlord the charges incurred for the purchase and installation thereof.

ARTICLE 7 - CONTROL OF INTERPLEX, BUILDING, TRACT AND COMMON AREAS

§7.01 Management. The buildings, facilities and other improvements which now or hereafter constitute The Neshaminy Interplex (the “**Interplex**”), the Building, all Common Areas and the Tract shall at all times be subject to the exclusive operation, control and management of Landlord in Landlord’s sole discretion. Landlord shall have the exclusive right, at any time and from time to time: to modify, construct, maintain, operate, repair and replace all or part of the Common Areas; to police and maintain security for the Common Areas; to change the size, area, level, location, use and arrangement of all or part of the Common Areas and the buildings, facilities and other improvements within the Interplex; to modify, install, maintain, use, repair and replace the utilities, pipes, ducts, conduits, wires, equipment and other facilities in, through or serving the Demised Premises, the Interplex, the Building or the Tract; to make alterations or additions to the Interplex, the Building, the Common Areas and the other improvements on the Tract; to construct, alter, modify or remove the buildings, facilities or improvements which comprise the Interplex or which are located on or within, or which serve, the Interplex or the Tract; to modify, limit, expand or otherwise change the purposes for which the Building, the Tract and the other buildings and improvements within the Interplex may be used or devoted; to restrict parking by Tenant and other tenants of the Tract and its and their officers, agents and employees to employee parking areas designated by Landlord; to close temporarily all or any portion of the Common Areas or the Interplex to such extent as may, in the opinion of Landlord’s counsel, be legally sufficient to prevent a dedication thereof or the accrual of any rights to any person or the public therein; to close all or any portion of the Interplex, the Building, the Common Areas and the Tract for the purpose of making repairs or changes thereto, or in connection with any emergency; and to do and perform, or refrain from doing or performing, such other acts or things in, to and with respect to the Interplex, the Demised Premises, the Building and the Tract as may be necessary, appropriate, advisable or convenient in Landlord’s sole discretion. Landlord shall not be liable for any inconvenience, disturbance, loss of business or any other annoyance arising from the exercise of any its rights in this Article.

§7.02 Diminution. The Common Areas are to be used and occupied by Tenant under a revocable, non-exclusive license. Tenant shall not be entitled to any compensation, damages, or diminution or abatement of rent if such license is revoked, or if the size, area, location, facilities, or arrangement of any of the Common Areas are at any time changed or diminished, nor shall any such change or diminution be deemed a constructive or actual eviction.

ARTICLE 8 - MAINTENANCE, REPAIRS, AND ALTERATIONS

§8.01 Maintenance and Repairs. Landlord shall maintain and repair the Common Areas and the public portions of the Building, both exterior and interior, in reasonably good order and condition. Tenant shall maintain and repair the interior of the Demised Premises and the improvements, fixtures and appurtenances therein in good order and condition and, upon the expiration or earlier termination of this Lease, shall deliver the Demised Premises to Landlord in good order and condition, reasonable wear and tear excepted. Notwithstanding the foregoing, all damage or injury to the Demised Premises or to any other part of the Building or the Tract, whether requiring structural or non-structural repairs, caused by or resulting from carelessness, omission, neglect or improper conduct of Tenant, its servants, employees, invitees or licensees, shall be repaired promptly by Tenant at its sole cost and expense and to the reasonable satisfaction of Landlord. Tenant shall also repair all damage to the Building, the Tract and the Demised Premises caused by the installation and removal of Tenant's fixtures, furniture or equipment.

§8.02 Failure To Make Repairs. Tenant shall give Landlord prompt notice of any defective condition in any plumbing, heating or air-conditioning system, electrical lines or other equipment or facilities located in, servicing or passing through the Demised Premises. Landlord shall have no liability by reason of inconvenience, annoyance, injury or damage arising from making or failing to make any repairs, alterations, additions or improvements in or to any portion of the Demised Premises or the Building and there shall be no abatement of rent as a result thereof. If any work done by Tenant in or to the Demised Premises affects the structural integrity, structural walls or foundation of the Building, Landlord shall be released and discharged from any duty to keep and maintain the portion or portions so affected, and Tenant agrees to be solely responsible for and thereafter to promptly and diligently repair and maintain the portion or portions so affected.

§8.03 Alterations. No alterations, additions or improvements shall be made in or to the Demised Premises except in accordance with detailed plans and specifications prepared by Tenant and approved in writing by Landlord, and by contractors or mechanics approved in writing by Landlord. All alterations, additions, improvements and fixtures shall become the property of Landlord and remain at the Demised Premises or, at Landlord's option after written notice to Tenant, all or part thereof shall be removed by Tenant before the expiration or earlier termination of this Lease and Tenant shall restore the Demised Premises to the condition existing prior to the installation thereof. All property remaining in the Demised Premises after Tenant's removal shall be deemed abandoned and may, at the election of Landlord, either be retained as Landlord's property or removed and discarded at Tenant's expense.

§8.04 Standards. All alterations, additions, improvements, construction, repairs, and other work done by or on behalf of Tenant in the Demised Premises (the "**Work**") shall be of first-class quality, workmanship and materials and in compliance with all applicable laws, ordinances, rules and regulations, with the terms of this Lease, and with all reasonable rules that Landlord may make. Before performing any Work and promptly upon completion thereof, Tenant shall obtain and provide Landlord with copies of all required permits, licenses and

approvals. All Work shall be conducted and coordinated so as not to interfere with other work in progress or with the transaction of business in the Building, the Demised Premises or on the Tract. In the performance of any Work, Tenant shall comply with the No Labor Conflict Requirement.

§8.05 Discharge Of Liens. In performing any Work, Tenant shall promptly pay all contractors, laborers, suppliers and materialmen so that no mechanic's, laborer's or materialman's lien is filed against the Demised Premises or the Tract. If any such lien is made or filed, Tenant shall take all action necessary to bond against and discharge the lien within the earlier of ten (10) days after Tenant first learns of the lien or ten (10) days after written request by Landlord. If Tenant fails to do so, an Event of Default by Tenant has occurred and, in addition to all other rights and remedies, Landlord may, but shall not be obligated to, take any action necessary to discharge or remove the lien (which may include paying the amount claimed to be due or procuring the discharge of the lien by deposit or by bonding proceedings). Landlord may also, if Landlord so elects, compel the prosecution of an action for the foreclosure of the lien by the lienor. Any amount paid by Landlord and all costs and expenses incurred by Landlord (including attorney's fees and costs), together with interest thereon, shall constitute additional rent which shall be paid by Tenant to Landlord on demand.

§8.06 Waiver of Liens. Contemporaneously with making any payment to any person or entity who may be entitled to assert a mechanic's lien or any other lien (a "**Lien**") against the Demised Premises or the Tract in connection with any services rendered, work performed or material supplied to, for the benefit of, or at the request of Tenant (a "**Claimant**"), Tenant shall obtain from the Claimant (and provide to Landlord) a written waiver of the right to assert a Lien to the extent of the payment made. In addition, prior to the start of any Work, the provision of any services, or the provision of any materials which might give rise to the filing of a Lien (collectively, the "**Lien Work**"), Tenant shall: (a) require all contractors performing the Lien Work to obtain a payment bond (in form, amount and substance satisfactory to Landlord) sufficient to pay all Claimants and allow Tenant to obtain a valid and binding advance waiver of Liens (in form and substance satisfactory to Landlord) which is binding on all contractors, subcontractors, sub-subcontractors, materialmen and suppliers (a "**Lien Waiver**") and provide Landlord with copies of all such bonds; and (b) cause the Lien Waiver to be filed in the Office of the Prothonotary or Clerk of Courts of the county in which the Tract is located at least ten (10) days prior to the start of any Lien Work and provide Landlord with proof of the timely filing of the Lien Waiver.

§8.07 No Consent Intended. Nothing in this Lease shall be deemed or construed in any way as constituting the consent or request of Landlord, express or implied by inference or otherwise, to any contractor, subcontractor, sub-subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any Work, Lien Work, Construction or repair to the Demised Premises or the Tract, nor as giving Tenant any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any Lien against the Demised Premises or the Tract.

§8.08 Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all liability, damage, cost and expense (including reasonable attorney's fees) incurred as a result of or in connection with the filing of any Lien or Tenant's breach of or failure to comply with its obligations under this Article. This obligation survives the expiration or earlier termination of the Lease.

§8.09 No Labor Conflict. In the performance of any work in the Demised Premises (including, without limitation, the Tenant Improvements), Tenant may employ labor of its choice, but if the use of such labor causes at the Building, the Tract or The Neshaminy Interplex any picketing, protesting, union labor lines, strike, conflict or controversy with any union or labor organization (a "**Labor Conflict**"), then Tenant shall promptly and diligently take all action necessary to eliminate the Labor Conflict (the requirement of this sentence being referred to in this Lease as the "**No Labor Conflict Requirement**"). If Tenant fails to eliminate the Labor Conflict within forty-eight (48) hours after written notice, then a Tenant Default has occurred without any requirement that Tenant be given any additional notice or opportunity to cure. Upon the occurrence of a Tenant Default in connection with a Labor Conflict: (a) Landlord may, in addition to all other rights and remedies, take all action, make all payments, and incur all expenses that may be necessary or appropriate to eliminate the Labor Conflict (which may include but is not limited to the institution and prosecution of legal proceeding to eliminate the Labor Conflict or impose limitations in connection therewith); (b) Tenant shall be solely responsible for, and shall indemnify, defend, and hold harmless Landlord from and against, all claims, demands, lawsuits, causes of action, judgments, costs, liability and expenses (including reasonable attorney's fees) that are asserted against Landlord in connection with the Labor Conflict or Landlord's efforts to eliminate the Labor Conflict or impose limitations thereon; (c) Tenant shall, within three (3) days after written request, reimburse Landlord for all costs and expenses (including, without limitation, reasonable attorney's fees) incurred in connection with the Labor Conflict or Landlord's efforts to eliminate the Labor Conflict or impose limitations thereon; and (d) Tenant shall be liable to Landlord for all damages and losses resulting from the Labor Conflict.

ARTICLE 9 - INSURANCE

§9.01 Insurance Of Tenant. Tenant shall maintain, at Tenant's sole cost and expense, in responsible insurance companies authorized to do business in the Commonwealth of Pennsylvania, and reasonably acceptable to Landlord as to form, content and insurer, throughout the term of this Lease and during such other times as Tenant occupies the Demised Premises or any part thereof:

(a) Commercial general liability insurance with respect to the Demised Premises and Tenant's business activities in the amount of not less than \$1 million for each occurrence and \$2 million in the aggregate and providing coverage for bodily injury, property damage, and personal injury. Upon at least 30 days prior written notice from Landlord, Tenant shall increase such limits to such greater amounts as may be reasonably required by the circumstances existing from time to time.

(b) If the nature of Tenant's business is such as to place any or all of its employees under the coverage of local workers' compensation laws or similar statutes, workers' compensation or similar insurance affording at least the minimum statutory coverage and statutory limits.

§9.02 Certificates. Prior to the date Tenant first enters upon the Demised Premises, Tenant shall provide Landlord with certificates of coverage for the insurance required by this Article, together with satisfactory evidence of the payment of all premiums. At least fifteen (15) days prior to the expiration of any such policy, Tenant shall provide Landlord with renewal certificates for such coverage, together with satisfactory evidence of the payment of all premiums. Upon request, Tenant shall provide Landlord with copies of the insurance policies required by this Article.

§9.03 Policy Provisions. Each policy of insurance required to be carried by Tenant shall provide that such policy shall not be subject to cancellation, termination or change except upon at least thirty (30) days prior written notice to Landlord and to all persons who are additional insureds under such policy. Each such policy shall name Landlord, and the holder of any interest in the Tract which Landlord may require Tenant to name, as additional insureds, as their respective interests may appear. Tenant shall not obtain separate insurance concurrent in form or contributing, in the event of loss, with that required by Tenant under this Lease, or increase the amounts of any existing insurance by securing an additional policy or policies, without in each instance naming as additional insureds thereunder Landlord and all other persons and entities required to be named as additional insureds under this Lease.

§9.04 Effect of Failure to Insure. If Tenant fails to obtain and keep in force any or all of the insurance required under this Article, then Tenant shall indemnify and hold Landlord harmless from and against any loss which would have been covered by that insurance. Nothing contained in this section shall be construed to limit Tenant's indemnity of Landlord under any other provision of this Lease.

§9.05 Adequacy Of Insurance Coverage. All property of Tenant kept or stored on the Demised Premises shall be so kept or stored at the sole risk of Tenant. Tenant expressly acknowledges and agrees that it is solely responsible for insuring its personal property, improvements, betterments, and the other contents of the Demised Premises at its sole cost and expense. Landlord makes no representation or warranty that the limits of insurance coverage required to be carried by Tenant pursuant to this Lease are adequate to protect Tenant. If Tenant believes that additional insurance coverage is required, Tenant shall be solely responsible for obtaining such coverage as it deems necessary or sufficient.

§9.06 Increase In Rates. Tenant shall not do, keep or allow anything in, upon or about the Demised Premises, the Building or the Tract which will violate the provisions of any policy of insurance carried by Landlord or which will prevent Landlord from obtaining insurance in companies acceptable to Landlord at reasonable rates and charges. If anything done, kept or allowed by Tenant in, upon or about the Demised Premises, the Building or the Tract causes the insurance premiums or other insurance cost and expense for the Building, the Tract or any part thereof to be increased, then Tenant will pay the entire amount of any resulting increase on

demand. If anything done, kept or allowed by Tenant in, upon or about the Demised Premises, the Building or the Tract causes any increase in the insurance premiums or other insurance cost and expense for any other tenant or occupant of the Building or Tract and Landlord is obligated to reimburse such other tenant or occupant for the resulting increase, then Tenant shall promptly pay such increase on demand.

ARTICLE 10 - ASSIGNMENT AND SUBLETTING

§10.01 Consent Required.

(a) Any assignment, transfer, pledge, mortgage, or encumbrance of this Lease or any interest of Tenant herein, in whole or in part, and any subletting of the whole or any part of the Demised Premises is prohibited without the prior written consent of Landlord which may be withheld by Landlord in its sole discretion. The foregoing prohibition includes any assignment or transfer occurring voluntarily, involuntarily or by operation of law, as well as any occupancy of the Demised Premises by licensees or concessionaires. Landlord's failure to respond to such a request within twenty (20) days shall be deemed to be a denial of consent. Any consent by Landlord to an assignment or other encumbrance of this Lease or to any subletting or use or occupancy of the Demised Premises by others shall apply only to the specific transaction thereby authorized and shall not constitute a waiver of the necessity for such consent to any subsequent assignment or other encumbrance of this Lease or any subsequent subletting or use or occupancy of the Demised Premises by others.

(b) Provided Tenant is not in default of this Lease, Landlord's consent to one assignment of the Lease or one subletting of the entire Demised Premises shall not be unreasonably withheld provided each of the following conditions are met:

(i) Landlord receives at least twenty (20) days prior written notice of such subletting or assignment together with such additional information and documents as Landlord may reasonably request;

(ii) the financial condition and creditworthiness of the assignee or subtenant is acceptable to Landlord in its business judgment and the assignee or subtenant provides such additional security as Landlord may request;

(iii) the assignee and/or subtenant assumes in writing, in form and substance satisfactory to Landlord, the performance and observance of all of the terms, covenants and conditions of the Lease;

(iv) the assignee or subtenant is a subsidiary, affiliate, division or corporation which, as of the Lease Date, is controlling, controlled by or under common control with Tenant; and

(v) Tenant pays Landlord for all out-of-pocket fees and expenses (including reasonable attorney's fees) incurred in connection with any such assignment or subletting, not to exceed \$2,500.00 per transaction.

(c) In the event of any sale, transfer, encumbrance, subletting or assignment (whether or not permitted by this Lease), Tenant shall remain liable for, and is not released or discharged from, the full performance of all of Tenant's obligations under this Lease.

(d) Notwithstanding any other provision of this Lease, Tenant may not assign the Lease or sublet the Demised Premises to any person or entity:

(i) which is an occupant of the Building, the Tract or any other portion of the Neshaminy Interplex;

(ii) where pedestrian or vehicular traffic to the Demised Premises or the occupancy load of the Demised Premises would materially increase (such as but not limited to telemarketing, call center, and round-the-clock type operations);

(ii) which is a governmental entity, agency or division;

(iv) with whom Landlord is then, or has been within the past four (4) months, negotiating to lease space in the Building, the Tract or any other portion of the Neshaminy Interplex; or

(v) where the assignee or subtenant will pay to Tenant less than ninety-five percent (95%) of the Minimum Rent and one hundred percent (100%) of the other charges payable by Tenant to Landlord under this Lease.

(e) Notwithstanding any other provision of this Lease, Landlord may, within 30 days after Tenant's request for Landlord's consent to an assignment or subletting, terminate this Lease as to the portion of the Demised Premises proposed to be sublet or assigned, effective on a date to be specified in Landlord's notice of cancellation.

(f) No signs or other advertising material shall be placed in, on or about the Demised Premises or the Tract in connection with any assignment or subletting without Landlord's prior written consent.

§10.02 Effect of Assignment. If this Lease or any interest herein is assigned or otherwise encumbered or if the Demised Premises or any part thereof is sublet or used or occupied by anyone other than Tenant in violation of this Lease, Landlord may nevertheless collect rent and additional rent from the assignee, sublessee, user or occupant and apply the net amount collected to the rent and other sums due under this Lease, and no such collection shall be deemed a waiver of Tenant's violation of the covenants contained herein, an acceptance of the assignee, subtenant, user or occupant as Tenant hereunder, or constitute a release of Tenant from the performance of the terms and provisions of this Lease.

§10.03 Tenant Entity. If Tenant is a corporation, limited liability company, partnership or other entity, any dissolution, merger, consolidation, sale or other reorganization of such entity, or any pledge, issuance, sale or other transfer of a controlling interest in Tenant or the Lease (whether in a single transaction or cumulatively), shall constitute an assignment of this Lease for

all purposes of this Article. The term “controlling interest” means the ownership of interests possessing, or having the right to exercise, more than fifty percent of the voting interests of such entity, whether by direct ownership or indirect ownership through another person or entity, or otherwise having the ability to direct and control the operations of Tenant. This Section shall not apply whenever Tenant is an entity whose voting interests are listed on a recognized security exchange.

ARTICLE 11 - RIGHT OF ACCESS

Landlord and its authorized representatives have the right to enter and remain upon the Demised Premises at all times upon reasonable advance notice for the purpose of inspecting the Demised Premises; showing the Demised Premises; making repairs, additions, improvements and alterations; accessing, installing, maintaining, repairing and replacing utilities, internet, telecommunications and other services; serving or posting notices; curing any default by Tenant; and taking such action as Landlord deems necessary or appropriate. During the progress of any work, Landlord shall exercise reasonable efforts to minimize the disruption of Tenant’s business; provided however that Landlord shall not be liable for any inconvenience, annoyance, disturbance, loss of business or other damage and Tenant shall not be entitled to any abatement or reduction of rent by reason of the making of repairs, the performance of work, or the taking of such action and the obligations of Tenant under this Lease shall not thereby be affected in any manner. If neither Tenant nor any of Tenant’s employees are present to permit an entry into the Demised Premises, Landlord may nevertheless enter the Demised Premises, using force or otherwise, without being liable therefor and without in any manner affecting Tenant’s obligations under this Lease.

ARTICLE 12 - FIRE OR OTHER CASUALTY

§12.01 Damage By Fire Or Other Casualty. If all or any part of the Demised Premises is damaged by fire or other casualty, Tenant shall give prompt written notice to Landlord and this Lease shall continue in full force and effect except as otherwise set forth in this Article.

§12.02 Partial Destruction. If the Demised Premises are partially damaged by fire or other casualty (a “**Casualty**”), the damage shall be repaired by and at the expense of Landlord as set forth in Section 12.05. Until such repair has been substantially completed, rent shall be abated proportionately from the day following the casualty according to the part of the Demised Premises which is untenantable.

§12.03 Total Destruction. If the Demised Premises are totally destroyed by a Casualty, then the rent from the day following the Casualty shall totally abate until the date when the Demised Premises has been substantially repaired and restored as set forth in Section 12.05. Landlord shall have the right to terminate the Lease upon 30 days prior written notice at any time following such destruction.

§12.04 Landlord’s Election To Terminate. Notwithstanding any provision of this Lease to the contrary, if (i) the damage to the Demised Premises or the Building resulting from any Casualty requires in excess of 30 days to repair (as determined by Landlord in the exercise of

reasonable discretion) or due to the extent of such damage, Landlord elects to demolish the Building, or (ii) the recovered proceeds of Landlord's insurance (free and clear of the claims of any Mortgagee or holder of a security interest and exclusive of business interruption and rent insurance) is insufficient to pay fully for the cost of repair and restoration of the Demised Premises, the Building and all other damaged property, or (iii) the Demised Premises or the Building is damaged by a Casualty which is not covered by Landlord's insurance, Landlord may terminate this Lease by giving written notice within 90 days after the date of such Casualty in which case this Lease shall terminate and expire upon the 30th day after such notice is given and Tenant shall vacate and surrender possession of the Demised Premises.

§12.05 Repair By Landlord. If Landlord is required or elects to repair the Demised Premises, then Landlord's obligation shall be limited to the repair and restoration of the Demised Premises to substantially the same condition that the Demised Premises were in when possession was originally delivered to Tenant. Landlord shall make the repairs as expeditiously as reasonable, subject to delays due to adjustment of insurance claims, labor troubles and causes beyond Landlord's control. Upon completion of such work, Tenant shall, at Tenant's expense, promptly restore the remainder of the Demised Premises to substantially the same condition as existed prior to the Casualty.

§12.06 "Untenantable" Defined. For purposes of this Article, the term "untenantable" means that the Demised Premises are rendered substantially unusable by Tenant for office use for a period in excess of 5 consecutive business days.

ARTICLE 13 - EMINENT DOMAIN

§13.01 Total Taking. In the event of a taking by any public or quasi-public authority under the power of eminent domain, condemnation or expropriation or in the event of a conveyance in lieu thereof (which events are collectively referred to as a "**Taking**") of the whole of the Demised Premises, then this Lease shall terminate, effective, at the option of Landlord, upon the date title to the Demised Premises vests in the condemning authority or the date when Tenant is required to surrender possession thereof.

§13.02 Partial Taking. In the event of a Taking of a portion of the Demised Premises, then this Lease shall terminate only as to the part taken as of the date Tenant is required to surrender possession thereof and:

(a) Minimum Rent shall be reduced to that sum which bears the same proportion to the Minimum Rent in effect immediately prior to such Taking as the Rentable Square Footage of the Demised Premises remaining after such Taking bears to the Rentable Square Footage of the Demised Premises preceding such Taking, such reduction to commence as of the date that Tenant is required to surrender possession of the part taken; and

(b) upon receipt of the compensation awarded or payment made for such Taking (the "**Taking Proceeds**"): (i) Landlord shall make all necessary repairs or alterations to restore the remaining portion of the Demised Premises to as near its condition as existed upon delivery of possession to Tenant as the circumstances will permit; provided, however, that

Landlord shall not be required to spend for such repairs and alterations any sums in excess of the Taking Proceeds received by Landlord which are attributable to the part of the Demised Premises taken (excluding the proportionate part attributable to the market value of the land taken) less the cost of collecting such compensation or payment.

As used in this Article, Taking Proceeds means that portion of the compensation or payment for such Taking received by Landlord from the condemning authority which is free and clear of all prior claims or collections by the holder of any Mortgage or other security interest.

§13.03 Termination. Notwithstanding any other provision of this Lease to the contrary, Landlord may terminate this Lease upon a Taking of so much of the Building, the Tract or the improvements thereon as to render restoration and repair not feasible in the exercise of Landlord's business judgment, effective, at the option of Landlord, either upon the date title vests in the condemning authority, or upon the date Landlord is required to deliver possession of the part taken or conveyed.

§13.04 Waiver of Right to Compensation. In the event of any Taking, whether whole or partial, all compensation awarded or payments made for the Taking of the fee and leasehold estate, as damages or otherwise, belong to and are the property of Landlord, except that Tenant may recover from the condemning authority, but not from Landlord, such amounts as may be separately awarded to Tenant for leasehold improvements and fixtures, removal expenses, business dislocation damages and moving expenses.

§13.05 Temporary Taking. Notwithstanding any other provision of this Article, in the event of a Taking only of the right to possession of the Demised Premises for a fixed period of time or for the duration of an emergency or other temporary condition, then this Lease shall continue in full force and effect without any abatement of Minimum Rent or Additional Rent, but the amounts payable by the condemnor for any period of time prior to the expiration or termination of this Lease shall be paid to Landlord and the condemnor shall be considered a subtenant of Tenant. If the condemnor pays in monthly installments, Landlord shall apply the amount of such installments toward the amount of Minimum Rent and Additional Rent due from Tenant for that period and Tenant shall pay to Landlord any deficiency, while Landlord shall pay to Tenant any excess of the amount of the award over the amount of the rent.

ARTICLE 14 - SUBORDINATION AND ATTORNMENT

§14.01 Subordination and Attornment. This Lease and all of Tenant's rights hereunder are, and shall at all times be, automatically subject and subordinate to any lease or other arrangement or right to possession under which Landlord is in control of the Demised Premises, to the rights of the owner of the Tract, to all rights of Landlord's landlord or other party through or by whom Landlord's interest is derived, and to the lien, terms and conditions of all Mortgages that now exist or that may hereafter affect or be placed upon the Demised Premises, the Building, the Tract or any part thereof or interest therein (including, without limitation, any leasehold interest of Landlord, if Landlord shall now or at any time hereafter hold its interest in the Tract as lessee under any lease) and to all advances made upon the security of any such instrument or lien and to any interest accruing thereon, without the necessity of any further instrument or act on the

part of Tenant to effectuate such subordination. If the holder of any Mortgage (herein referred to as a “**Mortgagee**”) or if the purchaser at any foreclosure sale or under a power of sale contained in any Mortgage shall, at its sole option, so request, Tenant will attorn to and recognize such Mortgagee or purchaser as Landlord under this Lease for the remaining balance of the term of this Lease, and subject to all the covenants and provisions contained herein. Tenant shall, from time to time, upon written request, execute, acknowledge and deliver, without charge, such further instruments of subordination and attornment as may be requested.

§14.02 Failure to Execute Instruments. Tenant does hereby make, constitute and appoint Landlord as Tenant’s attorney-in-fact with full power to execute and deliver in the name of Tenant any instrument referred to in this Article. This power of attorney is given as security, coupled with an interest, and is irrevocable. Landlord agrees not to execute or deliver any instrument under such power of attorney unless Tenant fails to execute and deliver such instrument within ten (10) days after request.

§14.03 Mortgage Defined. As used in this Lease, the term “**Mortgage**” refers to any mortgage, deed of trust, or other device to secure repayment of a loan and all renewals, replacements, modifications, consolidations or extensions of the same.

§14.04 Mortgagee Protection. If a Mortgagee succeeds to Landlord’s interest under this Lease, the Mortgagee shall not be: (a) liable for any act or omission of any prior lessor (including Landlord); (b) bound by any Rent or Additional Rent or advance rent which Tenant has paid for more than the current month to any prior lessor (including Landlord), and all such Rent shall remain due and owing notwithstanding such advance payment; (c) bound by any security or advance rental deposit which is not actually delivered or paid to the Mortgagee; (d) bound by any termination, amendment, extension or modification of this Lease made without the Mortgagee’s consent and written approval, except for those terminations, amendments, extensions and modifications permitted to be made by Landlord without the Mortgagee’s consent pursuant to the terms of the loan documents between Landlord and the Mortgagee; (e) subject to any defenses which Tenant may have against any prior lessor (including Landlord); and (f) subject to any offsets against any prior lessor (including Landlord) except for those offset rights which are expressly provided for in this Lease, which relate to periods of time following the Mortgagee’s succession to Landlord’s interest, and Tenant has provided written notice to the Mortgagee and provided the Mortgagee with a reasonable opportunity to cure the event giving rise to such offset right. A Mortgagee of Landlord shall have no liability or responsibility under or pursuant to the terms of this Lease or otherwise after it ceases to own an interest in the Building or Tract. Nothing in this Lease shall require the Mortgagee to apply the proceeds of any loan in any particular manner and Tenant’s agreements in this Section shall not be impaired or modified by any modification of the documents evidencing and securing any loan given by Landlord to Mortgagee.

ARTICLE 15 - ESTOPPEL CERTIFICATE

Tenant shall, at any time and from time to time, within ten (10) days after written request, execute, acknowledge and deliver a written instrument in recordable form: (1) ratifying this Lease; (2) confirming the Possession Date, the Rent Commencement Date and the expiration

date of the term; (3) certifying that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended, except by such writings as shall be stated therein and attached thereto; (4) certifying that to the best knowledge of the signer of such certificate, all conditions and agreements in this Lease to be satisfied or performed by Landlord have been satisfied and performed (except as shall be stated) and certifying that Landlord is not in default under this Lease and that there are no defenses or offsets against the enforcement of this Lease by Landlord (or stating the defaults and/or defenses claimed); (5) certifying the amount of advance rent, if any, paid by Tenant and the date to which rent has been paid; (6) certifying the amount of the Security Deposit; and (7) certifying any other information that may be reasonably requested (the “**Estoppel Certificate**”). If Tenant fails to return the Estoppel Certificate within ten (10) days after written request, an Event of Default by Tenant has occurred. Tenant agrees that any such statement may be relied upon by any actual or prospective purchaser or Mortgagee of the Tract or any interest therein, and by any assignee of Landlord’s interest in this Lease or any part thereof.

ARTICLE 16 - INDEMNIFICATION AND WAIVER OF CLAIM

§16.01 Indemnification. Tenant shall indemnify and hold Landlord and its agents, servants and employees harmless from and against any and all claims, actions, lawsuits, damages, judgments, cost, liability and expense (including but not limited to reasonable attorneys’ fees and expenses): (i) for loss of life, personal injury or damage to property arising from, related to, or in connection with Tenant’s occupancy or use of the Demised Premises, the Building, the Common Areas or the Tract, or resulting wholly or in part from any act or omission of any contractor, subcontractor, invitee, agent, servant or employee of Tenant; or (ii) resulting from Tenant’s failure to keep, observe or perform any of the covenants, agreements, terms, provisions or conditions of this Lease on its part to be kept, observed or performed (collectively, an “**Indemnity Obligation**”). If Landlord or Agent are made a party to any litigation involving an Indemnity Obligation, then Tenant shall indemnify, defend and hold Landlord and Agent harmless from and against all claims asserted in that litigation and shall pay all cost, expense and reasonable attorneys’ fees incurred or paid by Landlord or Agent in connection therewith. The obligations of Tenant under this Article shall survive the expiration or earlier termination of this Lease.

§16.02 Waiver Of Claims. Landlord shall not be liable for, and Tenant hereby releases, waives and discharges Landlord and its agents, servants, and employees from, any and all claims for injury or damage to persons, property or business sustained by Tenant or others, whether by casualty, accident, theft, fire, or other occurrence, condition or event in or upon the Demised Premises, the Building, the Tract or any part thereof, including but not limited to any such claims resulting from:

(1) any latent defect in or failure of any improvement, equipment, machinery, utilities, facilities, appliances or apparatus in the Building or on the Tract, including, without limitation plumbing, heating, air conditioning, electrical wiring, stairs, railings, walks, drains, sewers, pipes or tanks;

(2) the presence, leakage or discharge of water, snow or ice from the roof, sprinklers, equipment, plumbing or any other portion of the Building or the Tenant;

(3) broken glass, explosion or collapse; and

(4) any act or omission of other tenants or occupants of the Building or the Tract.

Tenant expressly acknowledges and agrees that the waivers contained in this Section pertain to all matters existing before as well as after the execution of the Lease and the commencement of the term. Tenant agrees that in the event of loss or damage to Tenant's property, regardless of the cause or origin, Tenant shall look solely to its insurance, if any, for recovery.

§16.03 Waiver of Subrogation. The parties hereby waive, release and discharge all rights of recovery against each other and their principals, agents, servants or employees by way of subrogation with respect to any damage or destruction to property regardless of the cause or origin. The parties further agree to obtain all policies of property insurance with a clause or endorsement waiving the insurer's right of subrogation without prejudice to the right of recovery thereunder.

ARTICLE 17 - ADDITIONAL COVENANTS OF TENANT

§17.01 Additional Covenants of Tenant. Tenant shall, at its sole cost and expense:

(a) take such action as may be necessary to prevent its employees, agents, customers and invitees from loitering within the Building, the Tract or the Common Areas or using same for other than the intended purpose or in violation of this Lease or any other rules and regulations promulgated by Landlord.

(b) peaceably deliver and surrender possession of the Demised Premises and all improvements thereon or therein at the expiration or earlier termination of this Lease in the same condition and repair in which they are required to be kept by Tenant, reasonable wear and tear excepted.

(c) promptly notify Landlord if any agent, servant, worker, employee or invitee is injured on the Demised Premises or the Tract.

§17.02 Covenants Concerning Certain Acts. Tenant shall not at any time during the term of this Lease:

(a) do, permit or allow anything in, upon or about the Building, the Demised Premises or the Tract which will expose or subject Landlord to any liability or responsibility for injury or damage to any person or property by reason of any activity being conducted by Tenant;

(b) erect, construct or place any structure, building, improvement, sign, advertising device, obstruction or thing of any type or kind in or upon the Common Areas; solicit business or hold demonstrations in the parking areas or other Common Areas or post or distribute

any hand bills or other advertising matter to, in, or upon any automobiles parked in the parking area or in any other Common Areas;

(c) use, store, treat, dispose of, discharge, release, emit or otherwise handle any matter or thing in, on or about the Demised Premises, the Building or the Tract which is regulated by any environmental law, except for routine office cleaning supplies which are used in ordinary quantities, in the safe and intended manner, and in compliance with all applicable laws.

(d) permit undue accumulations of garbage, trash, rubbish and other refuse or cause or permit objectionable fumes, odors or vapors to emanate or be dispelled from the Demised Premises;

(e) overload any floor in the Demised Premises, or use or operate any property, equipment, apparatus or other device that is harmful to the Building or that transmits vibrations or noise beyond the confines of the Demised Premises;

(f) use the plumbing facilities in the Building for any purpose other than that for which they were constructed or dispose of any damaging or injurious substance therein;

(g) place or allow any sign, lettering or advertising matter on, or paint or decorate any part of, the exterior of the Demised Premises, any exterior window or door of the Demised Premises, or any part of the interior of the Demised Premises which is visible from the exterior.

(h) perform any acts or carry on any practices which will injure or damage the Demised Premises, the Building or the Tract or which interfere with, annoy or constitute a nuisance or menace to other tenants.

ARTICLE 18 - DEFAULT BY TENANT

Each of the following shall constitute an Event of Default by Tenant under this Lease:

(a) The failure to pay Minimum Rent, Excess Real Estate Taxes, Excess Operating Costs, Additional Rent, or any other sum of money when due and such failure continues for a period of five (5) days after written notice; provided, however, that Landlord shall not be required to give such notice more than two times in any calendar year;

(b) An unpermitted assignment or other transfer of this Lease or any interest therein, or an unpermitted subletting or transfer of all or any part of the Demised Premises;

(c) The commencement by or against Tenant, or any guarantor of Tenant's obligations under this Lease ("**Guarantor**"), of any voluntary or involuntary bankruptcy, insolvency, receivership or similar proceedings under any state or federal law and, in the event of any involuntary proceeding, such proceeding is not terminated or discharged within thirty (30) days after commencement;

(d) An assignment for the benefit of creditors by Tenant or Guarantor, the appointment of a receiver for all or substantially all of the assets of Tenant or Guarantor, or the insolvency of Tenant or Guarantor;

(e) A levy or execution upon or against Tenant or Guarantor or any of its or their assets whether or not located upon or at the Demised Premises;

(f) the use of the Demised Premises for a use or purpose other than the Permitted Use and such conduct continues for a period of three (3) business days after Tenant's receipt of written notice;

(g) Tenant fails to comply with or breaches any provision of this Lease pertaining to the Building or the Common Areas and that conduct continues for a period of five (5) days after Tenant's receipt of written notice;

(h) Tenant acts or fails to act in any manner which materially interferes with other tenants or occupants of the Building or The Neshaminy Interplex, which creates a risk of imminent bodily injury or death, or which creates a risk of substantial damage to property and that conduct or failure to act continues for a period of two (2) days after Tenant's receipt of written notice;

(i) Tenant acts or fails to act in a manner which constitutes a nuisance or which interferes with the occupancy, use or enjoyment of premises leased by other tenants or occupants of the Building or The Neshaminy Interplex and such actions or omissions continue for a period of two (2) business days after Tenant's receipt of written notice;

(j) the use of the Demised Premises or the Common Areas in violation of any applicable law, ordinance, code, rule or regulation and such conduct, omission or use continues for a period of two (2) business days after written notice; and

(k) except where a shorter period of time is specified elsewhere in this Lease, the failure to comply with any other provision of this Lease and that failure continues for a period of twenty (20) days after written notice; provided, however, that if, despite due diligence, such failure cannot be cured within this twenty (20) day period, Tenant shall have an additional ten (10) days to cure such failure so long as Tenant has promptly commenced and is diligently pursuing the correction of such default.

ARTICLE 19 - REMEDIES OF LANDLORD

§19.01 Remedies. In the event of an Event of Default by Tenant, Landlord shall have each and all of the following remedies, which may be exercised separately, independently and concurrently, in addition to all other rights and remedies now or hereafter existing at law or in equity:

(a) to accelerate the whole or any part of the Minimum Rent, Additional Rent and all other charges, payments, costs and expenses agreed to be paid by Tenant which sums if

so accelerated (the “**Accelerated Rent**”) shall, in addition to any and all monetary obligations of Tenant already due and payable and in arrears, be deemed to be immediately due and payable as if, by the terms and provisions of this Lease, such accelerated sums were immediately due and payable in advance. Excess Real Estate Taxes and Excess Operating Costs for each year of acceleration shall be calculated based upon the amounts payable by Tenant during the year immediately preceding the Event of Default. Accelerated Rent shall be reduced to present value at the discount rate of the Federal Reserve Bank of New York in effect at the time of acceleration.

(b) to enter the Demised Premises and proceed to distress and sale of the goods and personal property there found, by public or private sale, and to levy all sums of money due from Tenant under this Lease. Tenant shall pay all fees and costs for making the levy and conducting the sale. Tenant hereby authorizes and consents to the sale of any goods, personal property or merchandise distrained or levied upon for rent at any time after 5 days from such distraint or levy, without any appraisal, condemnation or requirement for further notice. Tenant further expressly waives the benefit of all laws now or hereafter made regarding any limitation on the manner in which distress, levy or sale is made and on the goods, personal property or other merchandise that may be subject to or exempt from such distress, levy or sale.

(c) to enter and repossess the Demised Premises and remove all persons and property therefrom, by action at law or otherwise, without being liable to indictment, prosecution or damages therefor. Upon recovering possession of the Demised Premises, Landlord may, at Landlord’s option, either (i) terminate this Lease, or (ii) make such alterations and repairs as may be necessary or appropriate in order to relet all or part of the Demised Premises upon such terms and conditions as Landlord may determine in its sole discretion. All rents received by Landlord from such reletting shall be applied to the payment of all sums due under this Lease in such order as Landlord may determine in its sole discretion. Tenant shall pay any deficiency resulting from such reletting. No re-entry, taking possession of the Demised Premises, making of alterations and/or improvements thereto, or reletting thereof shall be construed as an election on the part of Landlord to terminate this Lease unless written notice of such termination is given to Tenant. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach.

(d) to terminate this Lease and the term hereby created without any right on the part of Tenant to redeem, to waive the forfeiture by payment of any sum due or by performance of any condition, term or covenant broken, or to cure the Event of Default.

(e) to bring an action for damages and other losses resulting from such Event of Default, including all costs and expenses incurred by Landlord in connection with the Event of Default.

(f) to cure such default on behalf of Tenant, in which event Tenant shall reimburse Landlord upon demand for all sums paid and costs incurred (including reasonable attorney’s fees) in curing such default, plus interest at the Involuntary Rate from the date such payments were made or costs incurred by Landlord.

(g) to confess judgment as set forth in Section 19.02.

§19.02 Confession of Judgment.

THE FOLLOWING PROVISIONS SET FORTH REMEDIES OF CONFESSION OF JUDGMENT AGAINST TENANT AND IN FAVOR OF LANDLORD. IN CONFERRING UPON LANDLORD THESE REMEDIES OF CONFESSION OF JUDGMENT, TENANT ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY COUNSEL OR HAS HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL IN THE NEGOTIATION OF THIS LEASE AND THAT IT HAS FREELY, VOLUNTARILY, KNOWINGLY, AND INTELLIGENTLY WAIVED THE RIGHT TO PRIOR NOTICE AND A HEARING BEFORE THE ENTRY OF ANY CONFESSED JUDGMENT.

(a) Intentionally omitted.

(b) Judgment In Ejectment For Possession. Upon the occurrence of an Event of Default and/or upon the expiration or earlier termination of this Lease, Tenant hereby authorizes any Prothonotary, Clerk or attorney of any court of record to appear as attorney for Tenant, and for all persons claiming by, through or under Tenant, and to bring an action at law or in equity to obtain possession of the Demised Premises and to eject Tenant, and all persons claiming by, through and under Tenant, and therein to confess judgment in ejectment for recovery by Landlord of possession of the Demised Premises, for which this Lease shall be sufficient warrant. If for any reason after such action has been commenced, it shall be discontinued and possession of the Demised Premises shall remain in or be restored to Tenant, Landlord shall have the right for the same default or for any subsequent default, and upon and after the expiration or earlier termination of this Lease, to bring one or more further actions to confess judgment in ejectment for the recovery of possession of the Demised Premises as aforesaid, and to eject Tenant, and all persons claiming by, through, or under Tenant, from the Demised Premises.

(c) In any action or proceeding to confess judgment for possession, Landlord shall file in such action an affidavit setting forth the facts necessary to authorize the entry of judgment and if a true copy of this Lease is filed in such action, it shall not be necessary to file the original as a warrant of attorney, notwithstanding any rule of court, custom or practice to the contrary.

(d) Tenant waives, to the fullest extent permitted by law, any requirement that the warrant of attorney or power of attorney to confess judgment be acknowledged before a notary public or other individual authorized by law to take acknowledgements and agrees that the confession of judgment remedies granted to Landlord remain valid and enforceable even without such acknowledgement.

§19.03 Equitable Relief. In the event of a breach or threatened breach by Tenant of the covenants or provisions of this Lease, Landlord shall have the right of injunction and the right to invoke any remedy allowed at law or in equity notwithstanding any of the remedies conferred herein.

§19.04 Remedies Cumulative. No right or remedy conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy but each shall be cumulative, may be exercised separately or concurrently, and are in addition to every other right or remedy given in this Lease or now or hereafter existing at law, in equity, or by statute.

§19.05 Landlord's Attorney's Fees And Costs. Tenant hereby covenants and agrees to pay the reasonable attorneys', engineers' and architects' fees, costs and expenses of Landlord and Agent, together with all other costs and expenses incurred by Landlord or Agent, in connection with (a) enforcing, protecting or preserving any of Landlord's rights and remedies under this Lease, at law or in equity; and (b) any Event of Default by Tenant.

§19.06 Adequacy Of Notice. Except for the notice required by this Lease, Tenant hereby waives the benefit of any and all notices and demands which may be required by law (including, but not limited to, the Landlord and Tenant Act of 1951, as amended) in connection with the exercise of Landlord's remedies as a result of any Event of Default. Tenant expressly acknowledges and agrees that the form, manner and time of issuing notice as set forth in this Lease is sufficient and acceptable notice.

ARTICLE 20 - DEFAULT BY LANDLORD

Landlord shall not be in default of any of its obligations in this Lease unless and until Landlord has failed to begin to perform such obligation within thirty (30) days after written notice from Tenant which properly specifies how Landlord has failed to perform any such obligation and Landlord shall have failed to proceed thereafter with reasonable diligence to complete such performance.

ARTICLE 21 - NON LIABILITY OF AGENT

Tenant agrees that Agent is acting only as the disclosed agent for Landlord only in connection with this Lease and that Agent shall not in any event be held liable to Tenant for the fulfillment or nonfulfillment of any of the terms or conditions of this Lease. Any waiver of Landlord's liability in this Lease, including the waiver of subrogation rights, shall apply with equal force and effect to Agent and its agents, servants and employees.

ARTICLE 22 - ADDITIONAL LEASE PROVISIONS

§22.01 Waiver of Jury Trial. Both Landlord and Tenant agree to and do hereby waive trial by jury in any action, proceeding or counter-claim brought under or in connection with this Lease.

§22.02 Rules and Regulations. Landlord may from time to time establish, modify and enforce reasonable rules and regulations applicable to the Building, the Common Areas, the Demised Premises and the Tract, and may amend and supplement such rules and regulations. Tenant and its employees, agents, visitors, invitees and licensees shall strictly comply with and faithfully observe all such rules and regulations. The Rules and Regulations attached to this Lease are incorporated herein by reference. In case of any conflict or inconsistency between this Lease and any rules and regulations adopted by Landlord, the provisions of this Lease shall control.

§22.03 Quiet Enjoyment. Upon timely payment by Tenant of the rents and other sums required to be paid by Tenant and upon the observance and performance by Tenant of all of the covenants, agreements, terms and conditions of this Lease, Tenant shall peaceably and quietly hold and enjoy the Demised Premises for the term hereby demised subject, nevertheless, to the terms, provisions and conditions of this Lease, to all other agreements, conditions, restrictions and encumbrances of record, to all Mortgages, and to all underlying leases of record to which this Lease, is or may become subject and subordinate.

§22.04 Entire Lease. This Lease and the Exhibits attached hereto and forming a part hereof set forth all of the promises, agreements, conditions and understandings between Landlord and Tenant relating to the Demised Premises and the demise, and there are no promises, agreements, conditions or understandings, either oral or written, between Landlord and Tenant other than those herein set forth. No alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

§22.05 Succession And Binding Effect.

(a) Subject to the limitations set forth in this Section, this Lease is binding on the parties and their respective heirs, personal representatives, successors and assigns. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Landlord in writing or is otherwise expressly permitted under this Lease. If there is more than one Tenant: (i) each shall be bound jointly and severally by the terms, covenants and agreements of this Lease; and (ii) any notice required or permitted by the terms of this Lease may be given to any one thereof, and shall have the same force and effect as if given to all. The term “**Landlord**” includes any subsequent owner of the Demised Premises, the Building or the Tract, as well as their respective successors and assigns, each of whom shall have the same rights, remedies, powers, authorities and privileges as if it had originally signed this Lease as Landlord.

(b) Notwithstanding any other provision of this Lease: (i) Landlord shall have no personal liability with respect to any of the provisions of this Lease, and if Landlord is in breach or default with respect to Landlord’s obligations or otherwise under this Lease, Tenant shall look solely to the equity of Landlord in the Tract for the satisfaction of Tenant’s remedies, and (ii) Landlord’s liability under the terms, covenants, conditions, warranties and obligations of this Lease shall in no event exceed the loss of Landlord’s equity interest in the Tract. Upon a sale or other transfer of Landlord’s interest in the Demised Premises or the Building, Landlord

shall be released of all further liability and Tenant shall look solely to Landlord's successor-in-interest as Landlord under this Lease.

(c) Landlord shall have the right at any time and from time to time to replace Agent or to designate any other agent in connection with this Lease.

§22.06 Captions. The captions, headings, articles, sections and subsections are inserted solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect, define or limit its meaning, construction or effect.

§22.07 Force Majeure. In the event that either party is delayed, hindered in, or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reasons of a like nature not the fault of, or under the control of, the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this section do not apply to a violation by Tenant of the No Labor Conflict Requirement and shall not excuse Tenant from the prompt payment of Minimum Rent, Additional Rent or any other payments required by the terms of this Lease.

§22.08 Brokers. Tenant represents and warrants to Landlord that Tenant has had no dealings, negotiations or consultations with respect to the Demised Premises or this transaction with any broker, agent, finder or other intermediary other than the Broker listed in the Basic Lease Provisions and that no other broker, agent, finder or intermediary brought the Demised Premises to Tenant's attention for lease. In the event that any agent, broker, finder or intermediary other than Broker claims to have submitted the Demised Premises or any other space to Tenant, to have induced Tenant to lease the Demised Premises, or to have taken part in any dealings, negotiations or consultations with respect to the Demised Premises or this transaction, Tenant shall be responsible for and shall indemnify, defend and save Landlord and Agent harmless from and against any and all costs, fees (including without limitation, attorney's fees), expenses, liabilities and claims resulting therefrom.

§22.09 Notices; Payment of Rent.

(a) All monetary payments shall be sent or delivered to Landlord at Landlord's Address or to such other address as Landlord may designate.

(b) All notices and other communications required or permitted under this Lease ("**Notice**") shall be in writing and given to the parties at their respective Addresses set forth in the Basic Lease Provisions or to such other address as Landlord or Tenant may designate by written notice in compliance with this Section. All such Notices shall be sent by certified mail, return receipt requested, postage prepaid or by an overnight delivery service maintaining signed delivery receipts. Notices are effective upon receipt or upon refusal of receipt at the notice address.

(c) Any Notice to be given by Landlord may be given on Landlord's behalf by Agent and when so given shall have the same force and effect as if given by Landlord.

§22.10 Effect of Submission. The submission of this Lease to Tenant in draft form shall have no binding force or effect, shall not constitute an option for the leasing of the Demised Premises, nor confer any rights or impose any obligations upon either party. The submission of this Lease for execution by Tenant and the actual execution and delivery thereof by Tenant shall similarly have no binding force and effect unless and until Landlord has executed this Lease and returned a copy to Tenant.

§22.11 Partial Invalidity. If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

§22.12 Construction. If any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which shall render it valid. Printed, hand-written or typewritten parts of this Lease shall be given equal effect.

§22.13 Waiver, Custom And Usage. Notwithstanding any action or omission by Landlord or any law, usage or custom to the contrary, Landlord shall have the right at all times to enforce the covenants and conditions of this Lease in strict accordance with their terms. The failure of Landlord to strictly enforce its rights under this Lease shall not be construed as a waiver or modification of any provision of this Lease or as having created a custom in any way or manner contrary to the specific terms, provisions and covenants of this Lease. No covenant, term or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing, signed by Landlord and specifically refers to the provision being waived, and any such waiver is expressly limited to the provision so waived. Landlord's acceptance of rent or any other payment shall not be deemed to be a waiver of any breach by Tenant of any provision of this Lease, other than the failure of Tenant to pay the particular amount so accepted. Landlord's failure or refusal to enforce any rule, regulation or provision of any other lease against any other tenant or occupant of the Building or Tract shall not constitute a waiver of or otherwise affect Landlord's right to enforce such provisions against Tenant; shall not constitute an actual or constructive eviction, in whole or in part; shall not entitle Tenant to any abatement or diminution of rent; shall not relieve Tenant from any of its obligations under this Lease; and shall not impose any liability upon Landlord or Agent.

§22.14 Interest And Late Charge. Any Minimum Rent or Additional Rent which is not paid when due shall bear interest on the unpaid portion at the lesser of (i) the highest rate allowed by law, or (ii) the prime rate as published in the Wall Street Journal plus 4%. In addition, Tenant shall pay a late charge of 5% of the amount of the payment which is overdue. Tenant shall reimburse Landlord for all bank charges incurred for any of Tenant's payments which are returned to Landlord because of insufficient funds or other reasons.

§22.15 Financial Reports. Within ten days after written request following an Event of Default and upon execution of a confidentiality agreement (acceptable to the parties in their reasonable discretion) governing the terms and conditions of disclosure of Tenant's non-public, material or proprietary information, Tenant shall furnish to Landlord true and correct copies of its most recent audited financial statements or, if unaudited, such other financial statements as prepared by an independent certified public accountant, or if not independently prepared, Tenant's internally prepared financial statements. If Tenant is publicly traded, Tenant may satisfy its obligations under this section by providing Tenant's most recent annual and quarterly reports. Tenant agrees to discuss its financial statements with Landlord. Landlord will not disclose any confidential information contained in Tenant's financial reports except to Landlord's mortgagee, to prospective mortgagees or purchasers, in litigation between Landlord and Tenant, or as required by court order.

§22.16 Recording. Tenant shall not record this Lease without the prior written consent of Landlord which may be withheld by Landlord in its sole discretion. Any recording or attempted recording of this Lease shall constitute a material and irrevocable default of this Lease.

§22.17 Effect Of Statement Submitted By Landlord. Tenant's failure to object to any statement, invoice or billing from Landlord within a period of thirty (30) days of receipt shall constitute Tenant's acquiescence and acceptance thereof.

§22.18 Cure by Mortgagee. If any Mortgagee sends to Tenant written notice of the existence of its Mortgage, then Tenant shall, so long as such Mortgage is in existence, be required to give to such Mortgagee the same notice and opportunity to correct any default as is required to be given to Landlord under this Lease, but such notice of default may be given by Tenant to Landlord and such Mortgagee concurrently.

§22.19 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than that required by this Lease shall be deemed to be other than on account of the earliest payment due, nor shall any endorsement, notation or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due or pursue any other remedy provided for in this Lease or available at law or in equity.

§22.20 Authority. Each party warrants that it is authorized to enter into this Lease, that the person signing on its behalf is duly authorized to execute this Lease, and that no other signatures or approvals are necessary.

§22.21 Time Of The Essence. Time is of the essence for all provisions of this Lease.

§22.22 Counterparts/Facsimile Signature. This Lease may be executed in counterparts with the same effect as if all parties and signatories had signed the same document at the same time. All counterparts may be consolidated, shall be construed together, and shall constitute one document. The parties agree to accept facsimile signatures as originals; a party supplying a facsimile signature shall supply the original signature upon request.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease under seal on the Lease Date.

NESHAMINY INTERPLEX, LLC,
by and through its agent,
Korman Commercial Properties, Inc.

By:

Name:

Title:

SEMRUSH INC.

By:

Name:

Title:

EXHIBIT "A"

RULES AND REGULATIONS

Tenant shall comply with the following rules and regulations unless Landlord otherwise agrees in writing:

1. The sidewalks, lobbies, corridors, passages and stairways shall not be obstructed by Tenant or used by Tenant for any purpose other than ingress and egress from and to the Demised Premises. Landlord shall in all cases retain the right to control or prevent access of all persons whose presence, in the judgment of Landlord, shall be prejudicial to the safety, peace, character, or reputation of the Building or any tenants or occupants thereof.

2. The toilet rooms, water closets, sinks, faucets, plumbing or other service apparatus of any kind shall not be used by Tenant for any purpose other than that for which they were installed, and no sweepings, rubbish, rags, ashes, chemicals or other refuse or injurious substances shall be placed therein or used in connection therewith or left by Tenant in the lobbies, passages, elevators or stairways. All damage resulting from any misuse shall be borne by the tenant who, or whose servants, agents, employees, visitors or licensees, cause such damage.

3. No sign, lettering, insignia, advertisement or notice shall be inscribed, painted, installed or placed on any windows, window spaces, office doors or any other part of the outside or inside of the Demised Premises or the Building. Building standard signs at the suite entrance in design and form approved by Landlord shall be installed by Landlord at Landlord's expense.

4. Tenant shall not alter, change, replace or re-key any lock and shall not place additional locks upon any doors and shall surrender all keys for all locks at the expiration or earlier termination of the Lease.

5. Tenant shall not do or commit, or suffer to be done or committed, any act or thing whereby, or in consequence whereof, the rights of other tenants will be obstructed or interfered with, or other tenants will in any other way be injured or annoyed. Tenant shall not use, keep or permit in the Building any matter having an offensive odor, nor any kerosene, gasoline, benzine, camphene, fuel or other explosive or highly flammable material. No birds, fish or other animals shall be brought into or kept in or about the Demised Premises.

6. Tenant shall store all of its trash and garbage within the Demised Premises. No material shall be placed in trash receptacles if such material is of such a nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage without being in violation of any law or ordinance governing such disposal. In order that the Demised Premises may be kept in a good state of preservation and cleanliness, Tenant shall permit only Landlord's employees and contractors to clean the Demised Premises. Landlord shall not be responsible for any damage done to furniture or other property of Tenant or others by any of Landlord's employees or any other person, or for any loss of any kind in or from

the Demised Premises, however occurring. Tenant shall assure that the windows are closed and the doors securely locked before leaving the Demised Premises each day.

7. If Tenant desires to install signaling, telegraphic, telephonic, internet, telecommunications, protective alarm or other wires, apparatus or devices, Landlord shall direct where and how the same are to be placed, and except as so directed, no installation, boring or cutting shall be permitted. Landlord shall have the right to prevent and terminate the transmission of excessive or dangerous current of electricity into or through the Building or the Demised Premises and to require the changing of wiring connections or layout at Tenant's expense to the extent that Landlord may deem necessary. All wires installed by Tenant must be clearly tagged at the distributing boards, junction boxes and anywhere else required by Landlord, with the number of the office to which the wires lead, the purpose for which the wires are used, and the name of the person or entity operating and maintaining same.

8. A directory on a bulletin board on the ground floor shall be provided by Landlord on which the name of Tenant shall be placed and any other names of occupants of the Building approved by Landlord.

9. Landlord retains the right to prescribe the method, manner and times in which furniture, packages, equipment, supplies or merchandise of Tenant will be received in the Building, or carried up or down in the elevators or stairways, or brought in or taken out of the Building.

10. No holes shall be drilled (with the exception of nail holes) into walls or partitions; nor shall walls or partitions be painted, papered or otherwise covered or moved in any way or marked or broken; nor shall any connection be made to electric wires for the running of fans, motors or other devices or equipment; nor shall machinery of any kind other than customary small business machines be allowed in the Demised Premises; nor shall Tenant use any other method of heating, air-conditioning or cooling than that provided by Landlord. Telephones, switchboards, internet, telecommunications, telephone and other wiring and equipment shall be placed only where designated by Landlord. No mechanics shall be allowed to work in or about the Building other than those employed by Landlord without Landlord's prior written consent.

11. In buildings which have keyed locks, Landlord will provide Tenant with keys for access to the Building after normal business hours. Normal business hours are defined as Monday through Friday from 8:00 a.m. to 5:00 p.m. except on legal holidays. Landlord may, in its discretion, require Tenant to return the keys to the Building in order to institute an alternative security system. Landlord may promulgate additional regulations with regard to access to the Building with key punch or card security systems. Tenant shall not prop open any doors to the Building. An appropriate charge for lost keys will be made and Tenant shall be liable for jeopardizing the security of the Building by reason of lost keys and/or by leaving doors open or unlocked. In the event keys are lost, Landlord reserves the right to change locks or otherwise to secure the Demised Premises, at Tenant's expense, and Tenant shall be responsible for any and all results of its failure to maintain its keys in a safe and secure fashion or for unlocking and leaving unlocked in any position the doors providing access to the Building. Notwithstanding that Tenant will be allowed access to the Building after normal business hours, Landlord shall

not be obligated to provide any services pursuant to this Lease (including but not limited to heat and air conditioning) after normal business hours. Landlord shall, in no case, be responsible for the admission or exclusion of any person, in case of invasion, hostile attack, insurrection, mob violence, riot, public excitement or other commotion, explosion, fire or any casualty. Landlord reserves the right to bar or limit access to the Building for the safety of occupants or protection of property.

12. The use of rooms as sleeping quarters is prohibited at all times.

13. No cooking is allowed by Tenant or any other occupant except that use of microwave ovens and UL-approved equipment for brewing coffee, tea, hot chocolate and similar beverages is permitted for personal consumption on the Demised Premises, provided that such use complies with all applicable laws, ordinances, rules and regulations.

14. Landlord shall have the right, exercisable upon written notice and without liability to any tenant, to change the name and street address of the Building.

15. Canvassing, pedaling, soliciting and distributing handbills or any other written materials in the Building or on the Tract is prohibited.

16. Tenant shall not conduct itself, or permit its agents, servants, employees and invitees to conduct themselves, in a manner that is inconsistent with the character of the Building as a first-class quality office building or that will impair the comfort and convenience of other tenants in the Building.

17. Except for service animals which are acceptable to Landlord at its reasonable discretion (such as guide dogs for the blind), no pets, animals or livestock are permitted.

EXHIBIT "B"

TENANT IMPROVEMENTS AND BUILDING STANDARDS

1. Tenant Improvements.

(a) Prior to the Possession Date, Landlord shall perform the work to the Demised Premises which is shown on Exhibit "C" together with the following additional work (collectively, the "**Tenant Improvements**"): building standard carpet and paint throughout the Demised Premises in a color of Tenant's choice plus vinyl composition tile in the kitchen area. The Tenant Improvements do not include any workstations, cubicles, furniture, equipment or other personal property that may be shown or depicted on Exhibit "C".

(b) Tenant acknowledges and agrees that certain work to the Demised Premises may be performed by Landlord after possession has been delivered, such as, but not necessarily limited to, fire alarm and life safety work. Landlord shall exercise reasonable efforts to complete this work at a time and in a manner which does not unreasonably interfere with Tenant's use of the Demised Premises, but the performance of this work after possession has been delivered shall not entitle Tenant to an abatement, offset or reduction in Minimum Rent or the other sums due under this Lease.

(c) Except as otherwise set forth in Exhibit "C", the Tenant Improvements shall conform to the following building standards:

(1) **Partition**: Partitions shall be constructed of one-half (1/2") inch drywall mounted on metal studs.

(2) **Interior Doors**: Interior doors shall be 3' 0" X 6' 8" flush solid core, set in hollow metal frame.

(3) **Ceiling**: The ceiling shall be 2' X 4' "T" bar system with five-eighths (5/8") inch Class A celotex tile.

(4) **Floor**: Floor covering shall be building standard carpeting with jute backing, direct glue-down installation.

(5) **Electric**: Electric duplex outlets shall be 110 volt, 15 amp installed in accordance with the plan. Single pole light switches shall be installed in accordance with the plan. Recessed fluorescent light fixture shall be 2' x 4' prismatic lenses, t-8 32 watt bulbs.

(6) **HVAC**: Ceiling diffusers shall be provided as required in accordance with ASHRAE design standards.

2. **Completion Of Tenant Improvements**. The Tenant Improvements shall be completed by Landlord at its sole cost and expense, in a good and workmanlike manner, and in compliance with all applicable laws, codes, ordinances, rules and regulations. Landlord shall

exercise reasonable efforts to substantially complete the Tenant Improvements within thirty (30) days of receipt of all permits, licenses and approvals required for the Tenant Improvements. If specified materials are not available or cannot be obtained within a reasonable time, Landlord may substitute materials of substantially the same or better quality and shall notify Tenant of such substitution. Any changes by Tenant to the Tenant Improvements are subject to Landlord's prior written consent (which shall not be unreasonably withheld, conditioned or delayed) and shall be performed at Tenant's sole cost and expense.

3. **Sign.** Landlord shall provide an initial Suite identification and building lobby sign for Tenant at Landlord's expense consistent with Landlord's building standard sign criteria. Any changes in signage shall be subject to Landlord's reasonable approval, shall comply with building standard sign criteria, and shall be made at Tenant's expense.

4. **Tenant Plans And Specifications.** Landlord's approval of any plans or specifications submitted by Tenant (the "**Tenant Plans and Specifications**") does not create any representation or warranty as to the design, sufficiency, adequacy or functionality of those Plans and Specifications or their compliance with applicable laws, ordinances, rules and regulations (collectively, the "**Laws**"). Landlord shall not be liable for, and Tenant shall indemnify, defend and hold Landlord harmless from and against, any claims, causes of action, liabilities, cost and expense resulting from the design, sufficiency, adequacy or functionality of the Tenant Plans and Specifications or their compliance with Laws.

PARTITION LEGEND

ELECTRICAL LEGEND & NOTES

GENERAL CONTRACTOR NOTES

DEMOLITION NOTES

LIFE SAFETY LEGEND

ELEVATION OF CEILING PLAN

ELEVATION OF FLOORS

ELEVATION OF TACTILE BRaille SIGN

CODE ANALYSIS

KEY PLAN

DOOR SCHEDULE & NOTES

A-1

EXHIBIT "D" – TENANT'S FORM W-9

Form W-9 (Rev. August 2013) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give Form to the requester. Do not send to the IRS.
Print or type See Specific instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: ☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate ☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ ☐ Other (see instructions) ▶ _____	
	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3. Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.		
		Social security number
		Employer identification number
Part II Certification Under penalties of perjury, I certify that: 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and 3. I am a U.S. citizen or other U.S. person (defined below), and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.		
Sign Here	Signature of U.S. person ▶	Date ▶
General Instructions Section references are to the Internal Revenue Code unless otherwise noted. Future developments. The IRS has created a page on www.irs.gov/w9 for information about Form W-9, at www.irs.gov/w9 . Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page. Purpose of Form A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to: 1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued), 2. Certify that you are not subject to backup withholding, or 3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the		
withholding tax on foreign partners' share of effectively connected income, and 4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9. Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are: • An individual who is a U.S. citizen or U.S. resident alien, • A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, • An estate (other than a foreign estate), or • A domestic trust (as defined in Regulations section 301.7701-7). Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.		

EXHIBIT "E" - TRACT

ALL THAT CERTAIN parcel or tract of land situate in the Township of Bensalem, County of Bucks and Commonwealth of Pennsylvania as shown on a plan entitled "Land Title Survey, Building 7, Neshaminy Interplex" Drawing No. 2, dated July 1, 1993; and "Neshaminy Interplex - Phase II, Subdivision Plan", Drawing No. 29, dated August 1, 1984, last revised September 23, 1987, both prepared by Pennoni Associates, Inc., Consulting Engineers.

BEGINNING at a point in a common property line between lands now or formerly of Trevoise Assoc., et al., said point along being the corner of Lots 4 and 1 on said Subdivision Plan and also being located the following four (4) courses and distances as measured from the point of tangency of a curve (80 feet radius) connecting the Northerly right of way line of Interplex Circle (68 feet wide) with the Northerly right of way line of Lincoln Highway U.S. Route 1 - L.R. 281 (140 feet wide); (a) along the Northerly right of way line of Lincoln Highway, North 47 degrees 46 minutes 18 seconds East, a distance of 71.73 feet to a point; (b) leaving said Northerly right of way, North 42 degrees 14 minutes 20 seconds West, a distance of 180.00 feet to a point; (c) North 25 degrees 38 minutes 40 seconds East, a distance of 200.00 feet to a point; (d) North 84 degrees 48 minutes 20 seconds West a distance of 242.75 feet to the beginning point of the herein described parcel. Proceeding in a Southerly direction as measured along lines of separating Lot No. 1 and Lot No. 4 the following six courses and distances: thence (1) South 05 degrees 11 minutes 40 seconds West a distance of 115.00 feet to a point; thence (2) North 84 degrees 48 minutes 20 seconds West, a distance of 141.21 feet to a point; thence (3) South 77 degrees 07 minutes 29 seconds West a distance of 31.00 feet to a point; thence (4) continuing in a Northwesterly direction along a curve to the left having a radius of 143.00 feet for an arc distance of 66.82 feet to a point; thence (5) North 39 degrees 38 minutes 58 seconds West a distance of 73.69 feet to a point; thence (6) South 50 degrees 21 minutes 02 seconds West, a distance of 310.47 feet to a point; thence (7) proceeding along a common line between Lots 2 and 4, North 39 degrees 38 minutes 58 seconds West, a distance of 350.80 feet to a point in the Southerly right of way of a cul-de-sac which is a part of the Northgate Road Extension; thence (8) along the circumference of a curve to the right of way of said cul-de-sac, having a radius of 60.00 feet for an arc distance of 66.09 feet to a point of tangency; thence (9) continuing along the Southerly right of way of Northgate Road, North 35 degrees 25 minutes 42 seconds East, a distance of 29.28 feet to a point; thence (10) leaving said right of way and proceeding along a common line between Lot #4 and lands now or formerly Bucks County Ind. Devel. Authority, et al and Trevoise Assoc., et al, South 75 degrees 54 minutes 20 seconds East, a distance of 648.00 feet to a point; thence (11) proceeding along a common line between Lot #4 and lands now or formerly of Trevoise Assoc., et al., South 84 degrees 48 minutes 20 seconds East, a distance of 55.00 feet to the first mentioned point and place of beginning.

CONTAINING 2.6099 Acres of land.

EXHIBIT "F" – LEASE CERTIFICATE

_____ ("Landlord") and _____ ("Tenant") hereby certify that the following information is true and correct in connection with that certain _____ dated _____ (the "Lease") for the premises located at _____ (the "Premises"):

1. Landlord has satisfactorily completed all tenant improvements and other work (if any) required to be performed prior to delivery of possession of the Premises to Tenant, and possession of the Premises was delivered to Tenant on _____. The Stub Period (if any) as defined in Section _____ of the Lease runs from _____ to _____.

2. Tenant's obligation to pay Minimum Rent under the Lease began on _____. The current monthly Minimum Rent is \$ _____. Minimum Rent for the Stub Period (if any) is _____.

3. Landlord is currently holding a security deposit pursuant to the Lease of \$ _____.

4. The term of the Lease expires on _____. Tenant has the following extension options (if any) under the Lease: _____.

IN WITNESS WHEREOF and intending to be legally bound, Landlord and Tenant have signed this Lease Certificate on _____.

Insert signature blocks

**VERIFICATION OF NO RETAIL INSTALLMENT SALE,
ANNUAL INCOME, NON-MILITARY SERVICE
AND BUSINESS TRANSACTION**

The undersigned hereby verifies that the following facts are true and correct:

1. This lease agreement is not a retail installment sale.
2. Tenant's annual income exceeds \$10,000.00.
3. Tenant is not in the military service of the United States, nor any State or Territory thereof or its allies as defined in the Soldiers' and Sailors' Civil Relief Act of 1940 and the amendments thereto.
4. This lease is a business transaction and for business purposes.

I verify that the above statements are true and correct. I understand that false statements made herein are subject to the penalties of 18 Pa. C.S.A. 4904 relating to unsworn falsification to authorities.

SEMRUSH INC.

By:

Name:

Title:

FIRST AMENDMENT

TO

LEASE AGREEMENT

BETWEEN

NESHAMINY INTERPLEX, LLC

as Landlord

AND

SEMRUSH, INC.

as Tenant

Seven Neshaminy Interplex

BASIC INFORMATION

Date:	March 2017								
Landlord:	Neshaminy Interplex, LLC								
Tenant:	SEMRush, Inc.								
Building:	Building Seven (7)								
Amendment	Tenant currently lists space in Buildings Seven (7) and Eight (8). Tenant will surrender rented space in Building Eight to the Landlord in exchange for the right to rent additional space in Building Seven (7) from the Landlord.								
Premises:	Suite 301 and Suite 315								
Rentable Area	Additional space from amendment: 13,232 sqft; total space in Building Seven: 16,251 sqft								
Proportionate Area	27.81%								
Scheduled Delivery Date:	Expansion Date is June 1, 2017								
Rent Commencement Date:	September 1, 2017								
Expiration Date:	August 31, 2020								
Base Rent:	<table><tr><th>Time Period</th><th>Monthly Minimum Rent</th></tr><tr><td>6/1/2017 - 8/31/2018</td><td>\$26,300.08</td></tr><tr><td>9/1/2018 - 8/31/2019</td><td>\$26,977.21</td></tr><tr><td>9/1/2019 - 8/31/2020</td><td>\$27,654.33</td></tr></table>	Time Period	Monthly Minimum Rent	6/1/2017 - 8/31/2018	\$26,300.08	9/1/2018 - 8/31/2019	\$26,977.21	9/1/2019 - 8/31/2020	\$27,654.33
Time Period	Monthly Minimum Rent								
6/1/2017 - 8/31/2018	\$26,300.08								
9/1/2018 - 8/31/2019	\$26,977.21								
9/1/2019 - 8/31/2020	\$27,654.33								
Security Deposit:	\$15,179.61								
Base Year:	2017								
Permitted Use of Premises:	Office space.								

Tenant’s Address for Notices:

From and after Commencement Date:

SEMRUSH , INC.
Seven Neshaminy Interplex
Trevose, Bucks County, PA

Broker:

Kyle Ruffing, GOLA

Exhibits and Schedules

Exhibit A: Floor Plan
Exhibit B: Building Rules

TENANT

SEMRUSH, INC.

LANDLORD

NESHAMINY INTERPLEX, LLC

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FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (the “Amendment”) is made on March _____, 2017 by and between **NESHAMINY INTERPLEX, LLC** (“Landlord”), by and through its agent, Korman Commercial Properties, Inc., and SEMRUSH, INC. (“Tenant”).

RECITALS:

WHEREAS, Landlord and Tenant are parties to that certain Office Lease Agreement dated March 31, 2016 (the “Building Seven Lease”) pursuant to which Tenant leases from Landlord certain premises containing approximately 3,019 rentable square feet located at Suite 315, Seven Neshaminy Interplex in Trevose, Bucks County, Pennsylvania (the “Building Seven Premises”); and

WHEREAS, Landlord and Tenant are also parties to that certain Office Lease Agreement dated April 29, 2013, as amended (the “Building Eight Lease”), pursuant to which Tenant leases from Landlord certain premises containing approximately 6,361 rentable square feet located at Suite 207, Eight Neshaminy Interplex in Trevose, Bucks County, Pennsylvania (the “Building Eight Premises”); and

WHEREAS, Tenant currently leases from Landlord approximately 9,380 rentable square feet pursuant to the Building Seven Lease and the Building Eight Lease and Tenant desires to lease from Landlord an additional 6,871 rentable square feet by surrendering the Building Eight Premises and its interest in the Building Eight Lease prior to the expiration date of the Building Eight Lease and leasing additional space in Building Seven pursuant to the Building Seven Lease and this Amendment; and

WHEREAS, the Building Seven Lease expires on August 31, 2017, and Landlord and Tenant desire to amend and extend the Building Seven Lease upon the terms and conditions set forth in this Amendment.

NOW, THEREFORE, intending to be legally bound, Landlord and Tenant agree as follows:

1. Recitals/Defined Terms. The foregoing Recitals are true, correct and incorporated herein by reference. Capitalized terms which are not otherwise defined in this Amendment shall have the meaning given to them in the Building Seven Lease.

2. Expansion Of Demised Premises. Beginning on the “Expansion Date” (as hereafter defined in Section 3(c) of this Amendment):

(a) Landlord leases to Tenant, and Tenant rents from Landlord, the additional premises containing approximately 13,232 rentable square feet which is shown on the attached Exhibit A (the “Additional Premises”) and the Additional Premises shall thereafter be included in the term “Demised Premises” for all purposes under the Building Seven Lease, as amended by this Amendment;

- (b) the Demised Premises (including the Additional Premises) contains a total of 16,251 rentable square feet;
- (c) Tenant's Proportionate Area shall be 27.81%;
- (d) the Base Tax Year and the Base Operating Cost Year shall be 2017;
- (e) the Building Seven Premises (including the Additional Premises) shall be known as Suite 301; and

(f) Tenant may hang, within the interior of the Demised Premises only and in a manner which does not cause permanent damage, its branding posters (the "Posters"). The Posters shall not be hung or attached to the exterior of the Demised Premises, to any exterior door or exterior glass of the Demised Premises or to any window of the Demised Premises.

3. Landlord's Work.

(a) Prior to the Expansion Date, Landlord shall perform, at its sole cost and expense and in compliance with all applicable laws, the work shown on Exhibit "A" ("Landlord's Work"). Landlord's Work includes painting and carpeting, in a color of Tenant's choice using building standard materials (except as otherwise shown on Exhibit A), of: (1) the Additional Premises; and (2) only those portions of Suite 315 that have been disturbed as a result of Landlord's Work therein. Landlord's Work does not include any workstations, cubicles, furniture, equipment or other personal property that may be shown or depicted on Exhibit "A".

(b) Tenant acknowledges and agrees that the performance of Landlord's Work may result in some interference with Tenant's ability to use and enjoy the Building Seven Premises, but Landlord will exercise reasonable efforts to complete Landlord's Work in a time and manner to minimize such interference. Tenant also acknowledges and agrees that certain work to the Building Seven Premises may be performed by Landlord after possession of the Additional Premises has been delivered, such as, but not necessarily limited to, fire alarm and life safety work. Landlord shall exercise reasonable efforts to complete this work at a time and in a manner which does not unreasonably interfere with Tenant's use of the Building Seven Premises, but the performance of this work after possession has been delivered shall not entitle Tenant to an abatement, offset or reduction in Minimum Rent or the other sums due under this Lease.

(c) The Expansion Date is June 1, 2017. Landlord is not responsible if the Expansion Date is delayed because of Tenant's actions or omissions.

4. Surrender Of Original Premises.

(a) Within three (3) days after the Expansion Date, Tenant shall surrender possession of the Building Eight Premises in broom clean condition, with all of Tenant's furniture, equipment, personal property and other contents removed, and otherwise in the

condition required by the Building Eight Lease. Tenant is solely responsible for moving the furniture currently located in the Building Eight Premises to the Building Seven Premises.

(b) Tenant shall continue to pay all sums due under the Building Eight Lease for the Building Eight Premises until possession of the Building Eight Premises is surrendered to Landlord as required by the Building Eight Lease and this Amendment (the “Surrender Date”). Upon such surrender, the Building Eight Lease shall terminate and the parties shall have no further liability under the Building Eight Lease except for: (1) all sums due from Tenant under the Building Eight Lease for the Building Eight Premises prior to the Surrender Date and for reconciliation of electric charges and prorata charges under the Building Eight Lease prior to the Surrender Date (even if billed to Tenant after the Surrender Date but for the period prior to the Surrender Date); and (2) the “Surviving Liabilities” which means all liabilities, obligations and duties arising out of claims by persons or entities other than Landlord or Tenant (for example, but without limitation, claims for bodily injury or property damage by third parties).

5. Extension of Term. The term of the Building Seven Lease for the Building Seven Premises (including the Additional Premises) is extended for a period of three (3) years from and including September 1, 2017 through August 31, 2020 (the “First Extension Term”). Tenant acknowledges that it has no further right to extend the term of the Building Seven Lease beyond the First Extension Term.

6. Minimum Rent. Beginning on the Expansion Date and in addition to all other sums due under the Building Seven Lease, as amended by this Amendment, and in lieu of the Minimum Rent set forth in Basic Lease Provision 12 of the Building Seven Lease, Tenant shall pay Monthly Minimum Rent for the Demised Premises (including the Additional Premises) for the balance of the initial term of the Building Seven Lease and for the First Extension Term as follows:

Time Period	Monthly Minimum Rent
6/1/2017 – 8/31/2018	\$26,300.08
9/1/2018 – 8/31/2019	\$26,977.21
9/1/2019 – 8/31/2020	\$27,654.33

Plus electric

7. Additional Security Deposit. Landlord is currently holding a Security Deposit of \$10,336.63 under the Building Eight Lease and a Security Deposit of \$4,842.98 under the Building Seven Lease, for a total combined Security Deposit of \$15,179.61 (the “Combined Security Deposit”). The Combined Security Deposit shall continue to be held by Landlord as the Security Deposit pursuant to Section 3.05 of the Building Seven Lease.

8. Confession of Judgment.

(a) THIS SECTION GRANTS TO LANDLORD CERTAIN RIGHTS TO CONFESS JUDGMENT AGAINST TENANT FOR POSSESSION. IN GRANTING THESE

RIGHTS TO LANDLORD, TENANT ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY COUNSEL (OR HAS HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL) IN THE NEGOTIATION OF THIS AMENDMENT AND THAT IT HAS FREELY, VOLUNTARILY, KNOWINGLY AND INTELLIGENTLY WAIVED THE RIGHT TO PRIOR NOTICE AND A HEARING BEFORE THE ENTRY OF ANY CONFESSED JUDGMENT. Tenant: (1) consents to and agrees to be bound by the right of Landlord to confess judgment in ejectment for possession set forth in Article 19 of the Building Seven Lease, which provisions are incorporated by reference as if fully set forth herein, and hereby grants to Landlord the warrants of attorney set forth therein; and (2) further acknowledges and agrees that the right to confess judgment in ejectment for possession applies with full force and effect to the Additional Premises.

(b) Tenant waives, to the fullest extent permitted by law, any requirement that the warrant of attorney or power of attorney to confess judgment be acknowledged before a notary public or other individual authorized by law to take acknowledgements and agrees that the confession of judgment remedies granted to Landlord remain valid and enforceable even without such acknowledgement.

9. Broker. Tenant represents and warrants to Landlord that it has not hired or retained, and has had no dealings with, any broker, realtor, agent, finder or similar person or entity in connection with this Amendment other than Kyle Ruffing of GOLA (“Broker”). Tenant shall be solely responsible for, and shall indemnify, defend and hold harmless Landlord from and against, all claims, demands, debts, liabilities, judgments, costs and expenses (including reasonable attorney’s fees) asserted by any person or entity other than Broker claiming entitlement to a broker’s fee, finder’s fee, commission, compensation or other fee in connection with this Amendment.

10. Ratification. Except as expressly modified by this Amendment, all other terms and provisions of the Building Seven Lease are unchanged, are hereby ratified and confirmed, and remain in full force and effect.

11. Entire Agreement. The Building Seven Lease and this Amendment set forth the entire agreement and understanding between the parties regarding the Building Seven Premises. No party has made any promises, representations or warranties which are not expressly set forth therein or herein. The Building Seven Lease and this Amendment can only be amended in a writing signed by Landlord and Tenant.

12. Binding Effect. This Amendment is binding upon the parties and their successors and assigns.

13. Counterparts/Signatures. This Amendment may be executed in counterparts. The parties agree to accept facsimile, electronic and scanned signatures as originals; a party supplying a facsimile, electronic or scanned signature shall supply the original signature upon request.

IN WITNESS WHEREOF, Landlord and Tenant have signed this Amendment as of the date first set forth above.

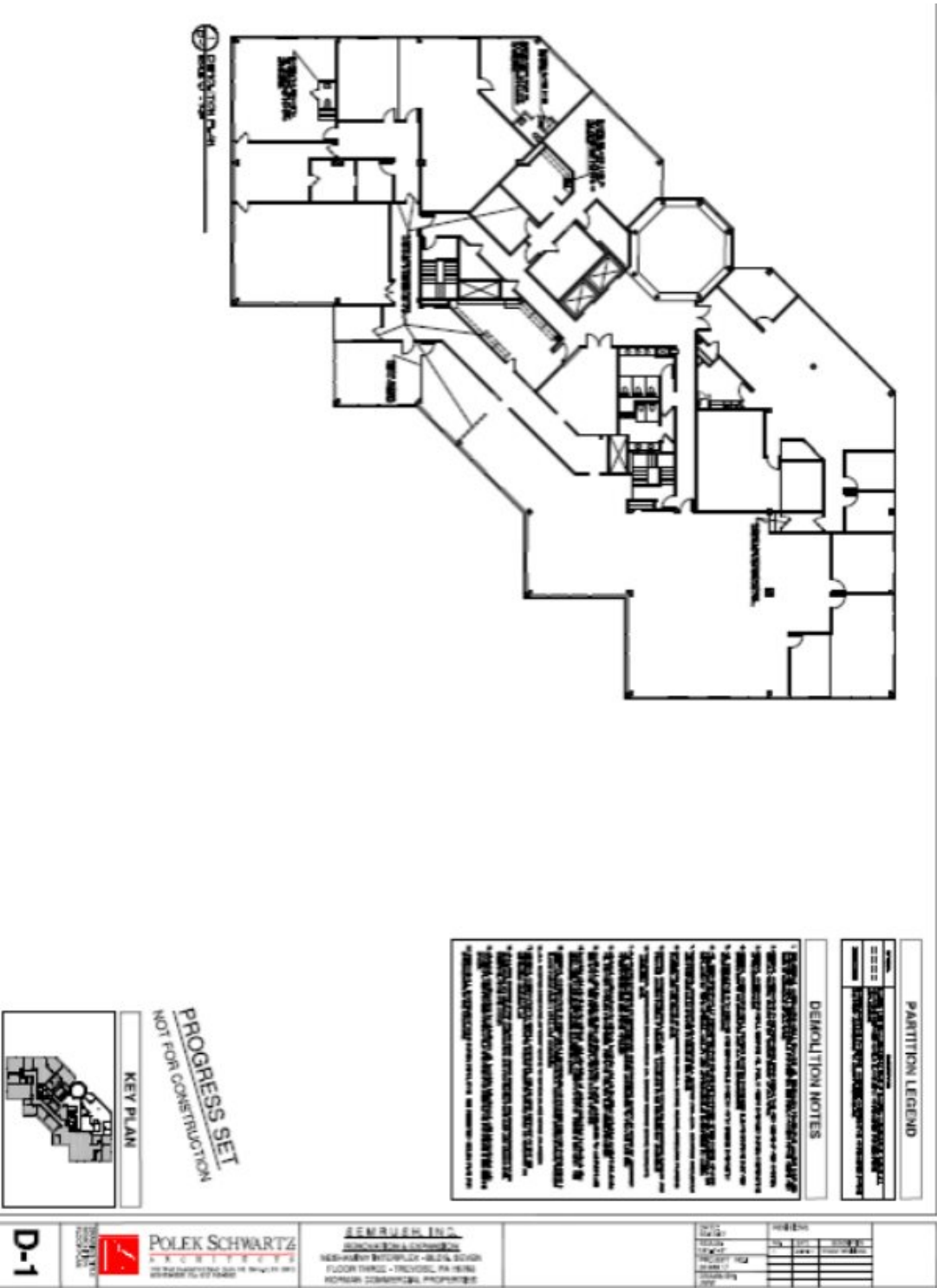
NESHAMINY INTERPLEX, LLC,
by and through its agent,
Korman Commercial Properties, Inc.

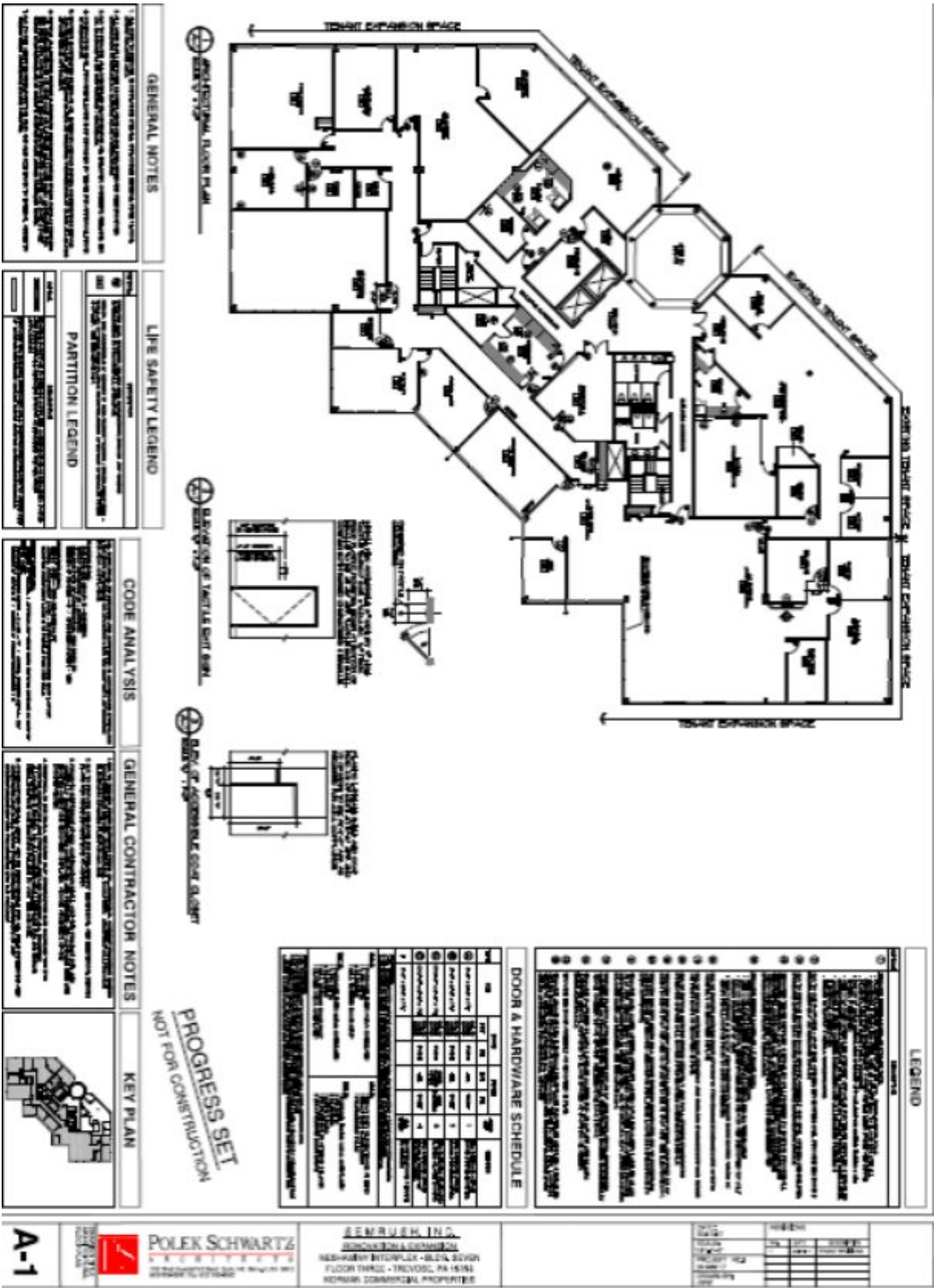
By: _____
Name:
Title:

SEMRUSH INC.

By: _____
Name:
Title:

EXHIBIT "A"







about 1000
back to
the
the

PROGRESS SET
NOT FOR CONSTRUCTION

KEY PLAN



A-3



SECOND AMENDMENT

TO

LEASE AGREEMENT

BETWEEN

NESHAMINY INTERPLEX, LLC

as Landlord

AND

SEMRUSH, INC.

as Tenant

Seven Neshaminy Interplex

BASIC INFORMATION

Date: September 2020

Landlord: Neshaminy Interplex, LLC

Tenant: SEMRush, Inc.

Building: Building Seven (7)

Amendment: Extension of term for a period of two (2) years from and including September 1, 2020 through August 31, 2022

Premises: Suite 301 and Suite 315

Rentable Area Total space in Building Seven: 16,251 sqft

Proportionate Area 27.81%

Scheduled Delivery Date: Expansion Date is June 1, 2017

Rent Commencement Date: September 1, 2020

Expiration Date: August 31, 2022

Base Rent:

Time Period	Monthly Minimum Rent
9/1/2020 – 8/31/2022	\$27,654.33

Security Deposit: \$15,179.61 (carried over)

Base Year: 2017

Permitted Use of Premises: Office space.

Tenant's Address for Notices: From and after Commencement Date:

SEMRUSH , INC.

Seven Neshaminy Interplex

Trevose, Buck County, PA

Broker: Kyle Ruffing, GOLA

Exhibits and Schedules: Exhibit A: Floor Plan
Exhibit B: Building Rules

TENANT	LANDLORD
SEMRUSH, INC.	NESHAMINY INTERPLEX, LLC

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SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE (the "Amendment") is made on _____, 2020 by and between NESHAMINY INTERPLEX, LLC ("Landlord"), by and through its agent, Korman Commercial Properties, Inc., and SEMRUSH, INC. ("Tenant").

RECITALS:

WHEREAS, Landlord and Tenant are parties to that certain Office Lease Agreement dated March 31, 2016 (the "Lease Agreement"), as amended by that certain First Amendment To Lease dated March 29, 2017 (the "First Amendment"), pursuant to which Tenant leases from Landlord certain premises containing approximately 16,251 rentable square feet located at Suite 301, Seven Neshaminy Interplex in Trevose, Bucks County, Pennsylvania. The Lease Agreement and the First Amendment are collectively referred to as the "Lease"; and

WHEREAS, the Lease expires on August 31, 2020 and the parties desire to amend and extend the Lease upon the terms and conditions set forth in this Amendment.

NOW, THEREFORE, intending to be legally bound, the parties agree as follows:

1. Recitals/Defined Terms. The foregoing Recitals are true, correct and incorporated herein by reference. Capitalized terms which are not otherwise defined in this Amendment have the meaning given to them in the Lease.
2. Extension of Term. The term of the Lease is extended for a period of two (2) years from and including September 1, 2020 through August 31, 2022 (the "Second Extension Term"). Tenant accepts possession of the Demised Premises during the Second Extension Term in "AS IS" and "WHERE IS" condition without any work by Landlord. Tenant acknowledges that it has no further right to extend the term of the Lease beyond the Second Extension Term.
3. Minimum Rent. In addition to all other sums due under the Lease, as modified by this Amendment, Tenant shall pay Minimum Rent during the Second Extension Term as follows:

Time Period	Monthly Minimum Rent
9/1/2020 – 8/31/2022	\$27,654.33

Plus electric

4. Variable Operating Costs. For the Base Year and any later calendar year or partial calendar year in which less than ninety-five percent (95%) of the rentable area of the Building is occupied by tenants or in which Landlord is providing services to less than ninety-five percent (95%) of the rentable area of the Building, Variable Operating Costs for such period shall be increased to the amount which would have been incurred had ninety-five percent (95%) of the rentable area of the Building been occupied or had Landlord been providing services to ninety-five percent (95%) of the rentable area of the Building. "Variable Operating Costs" means any costs and expenses included in the definition of Operating Costs, the amount of which varies with the level of occupancy in the Building.
5. Broker. Tenant represents and warrants to Landlord that it has not hired or retained, and has had no dealings with, any broker, realtor, agent, finder or similar person or entity in connection with this Amendment. Tenant shall be solely responsible for, and shall indemnify, defend and hold harmless Landlord from and against, all claims, demands, debts, liabilities, judgments, costs and expenses (including reasonable attorney's fees) asserted by any person or entity claiming entitlement to a broker's fee, finder's fee, commission, compensation or other fee in connection with this Amendment.
6. Ratification. Except as expressly modified by this Amendment, all other terms and provisions of the Lease are unchanged. Tenant ratifies and confirms its obligations under and the terms of the Lease, including the confession of judgment remedies granted to Landlord, and represents and warrants to Landlord that Tenant has no claims, counterclaims, setoffs or defenses against Landlord arising out of the Lease. The parties represent and warrant to each other that, as of the date of this Amendment: (a) the Lease is in full force and effect; and (b) neither party is in default of the Lease beyond the applicable notice and cure period, if any.
7. Entire Agreement. The Lease and this Amendment set forth the entire agreement and understanding between the parties. No party has made any promises, representations or warranties which are not expressly set forth therein or herein. The Lease and this Amendment can only be amended in a writing signed by Landlord and Tenant.
8. Binding Effect. This Amendment is binding upon the parties and their successors and assigns.
9. Counterparts/Signatures. This Amendment may be executed in counterparts. The parties agree to accept facsimile, electronic and scanned signatures as originals; a party supplying a facsimile, electronic or scanned signature shall supply the original signature upon request.

IN WITNESS WHEREOF, the parties have signed this Amendment as of the date first set forth above.

NESHAMINY INTERPLEX, LLC,
by and through its agent,
Korman Commercial Properties, Inc.

By: _____
Name: Alison Korman
Title: President

SEMRUSH, INC.

By: _____
Name:
Title:

LEASE AGREEMENT

BETWEEN

Zbigniew Franciszek Ogiński

as Landlord

AND

PROWLY.COM SPÓŁKĄ Z O.O.

as Tenant

ul. Katedralna 3/5 m. 4

BASIC LEASE INFORMATION

Date:	March 29, 2017
Landlord:	Volkov-Kitain Grigory Valentinovich
Tenant:	PROWLY.COM SPÓŁKĄ Z O.O.
Building:	The building located at ul. Madalińskiego 71 in Warsaw, Poland
Premises:	Commercial unit 1
Rentable Area of Premises:	Approximately 141.92 square meters with a cellar approximately 16.63 square meters
Scheduled Delivery Date:	March 29, 2017
Rent Commencement Date:	Payable monthly on the tenth (10 th) of each month.
Expiration Date:	Eighteen (18) months
Base Rent:	PLN 7,500.00 (seven thousand five hundred zlotys); lessee pays electricity
Security Deposit:	One month of rent PLN 7,500.00
Base Year:	2017
Permitted Use of Premises:	Commercial space.
Tenant's Address for Notices:	From and after Commencement Date: PROWLY.COM SPÓŁKĄ Z O.O. ul. Madalińskiego 71/1 (02-549) Warszawa
Landlord's Address for Notices:	
Exhibits and Schedules:	Exhibit A: Power of Attorney for Justyna Oginska Sliwak Exhibit B: Power of Attorney for Bazyli Oginski Exhibit C: National Court Register entry for the Lessee Exhibit D: Handover Report Exhibit E: List of adaptation activities at the unit

The provisions of the Lease identified above in parentheses are those provisions where references to particular Basic Lease Information appear. Each such reference shall incorporate

the applicable Basic Lease Information. In the event of any conflict between any Basic Lease Information and the Lease, the latter shall control.

TENANT

PROWLY.COM SPÓŁKĄ Z O.O.

LANDLORD

Zbigniew Ogiński

LEASE AGREEMENT

Concluded on 29 March 2017 in Warsaw by and between:

Zbigniew Franciszek Ogiński, referred to as the **Lessor**

And

PROWLY.COM SPÓŁKA Z O.O. registered by the District Court for Warsaw under KRS number 0000462787 with its registered office at ul. Huculska no. 6 in Warsaw (zip code 00-730), NIP PL [tax] identification number 5213649218, REGON [statistical number] 146685631 represented by Joanna Katarzyna Drabent, hereinafter referred to as the **Lessee**

To the following effect:

1. The subject of the lease is commercial unit 1 in a residential building at ul. Madalińskiego 71 in Warsaw, with floor space of 141.92 sq. m together with a cellar of 16.63 sq. m allocated thereto.

2. The Lessor declares that he and his daughter Justyna Ogińska-Śliwiak and his son Bazyli Ogiński own a part of the residential building at ul. Madalińskiego 71 in Warsaw on real estate that is plot no. 62 for which land and mortgage register no. WA2M/00053397/6 is kept, in cadastral district 1-01-17, and they have the exclusive right, unrestricted by any third party rights, to dispose of such Subject of the Lease.

3. Zbigniew Ogiński declares that his daughter, Ms. Justyna Ogińska-Śliwiak, and his son, Mr. Bazyli Ogiński, gave him powers of attorney to conclude the Lease Agreement concerning the Subject of the Lease described above on such terms and for such price as the attorney may see fit, and attaches hereto powers of attorney of 1 April 2011 and 6 April 2011, which have not expired and have not been terminated to date.

The powers of attorney are attached hereto as Schedules 1 and 2 hereto.

The Lessor declares that this Lease Agreement does not infringe any third party rights to the Subject of the Lease described in section 1 hereof.

Section 2

1. The purpose of the Agreement is for the Lessor to lease the unit to the Lessee for a fixed term, in exchange for the agreed rent and costs to be borne, as listed in the Agreement.

2. The Lessee agrees to use the subject of the lease for the purposes of its business activity, in accordance with an entry in the National Court Register under number 0000462787 as at the signing date of this Lease Agreement, whose copy is attached hereto as schedule 3.

3. Any changes to the subject of the lease that represent a breach of this Agreement and those contrary to the intended use of the subject of the lease or affect its substance always require the Lessor's consent.

Section 3

This Agreement is concluded for a period of 18 months, counting from the day of taking the unit over under a handover report. After such period expires, the Agreement will automatically be extended for an indefinite term and can be terminated with three months' notice. Each of the Parties has the right to submit a written statement that the Agreement will expire at the end of its term not later than three months before the end of the first lease.

Section 4

1. The Lessee will pay the Lessor a monthly rent of PLN 7,500.00 (seven thousand five hundred zlotys) plus applicable VAT for the lease of the unit referred to in Section 1.

2. The rent will be payable monthly in advance under an invoice issued correctly by the Lessor and delivered to the Lessee by the 10th of each month. In the case of delay in the delivery of the invoice, the deadline for payment of the rent will be extended by the number of days of delay.

3. In view of the need to adapt the unit to the needs of the Lessee, the Parties agree that no rent will be collected by the Lessor for April 2017.

4. Payment will be made by bank transfer to an account specified by the Lessor.

Section 5

1. In addition to the rent, the Lessee is obliged to bear the cost of electricity.

2. The Lessee is entitled to enter into separate contracts with utility providers.

Section 6

The Lessor is obliged to pay all public charges related to the subject of the lease, in particular real estate tax and costs related to the administration of the unit.

Section 7

1. The Parties set the amount of the security deposit at the amount corresponding to one month's rent, i.e. [PLN] 7,500.00 net. The security deposit will serve as security for any claims the Lessor may have under the lease and will be returned within 30 days after the expiration of the Lease Agreement. The Parties agree that the amount of PLN 1,000 will be paid to the Lessor's account. The Lessor will leave the remaining amount of the deposit, of PLN 6,500.00 net, at the disposal of the Lessee; it will be used to cover the costs of renovating the bathroom next to the kitchen.

2. The deposit may be reduced by an amount of any compensation due to the Lessor (resulting from improper use of the unit) or an amount of unpaid rent installments.

Section 8

The Subject of the Lease will be handed over to the Lessee today under the handover report attached hereto as schedule 4.

Section 9

The Lessor may terminate this Agreement without notice only if:

1. The Lessee uses the Subject of the Lease in a manner inconsistent with this Agreement or the intended use of the facility, or in a manner causing damage exceeding normal wear and tear standards.

2. The Lessee is in arrears with payments for the lease for more than one full payment period.

Such termination must be made in writing to be valid.

Section 10

The Lessee may terminate this Agreement without notice only if:

1. The Subject of the Lease will become (through no fault of the Lessee) unfit for the agreed use (force majeure).

2. The Lessor, through his actions or omissions, prevents the use of the Subject of the Lease in accordance with this Agreement.

3. The Lessor has breached material terms of the Agreement.

Such termination must be made in writing to be valid.

Section 11

1. The Lessee is not entitled to make any structural or adaptation changes of the Subject of the Lease without the prior written consent of the Lessor, except for adaptation activities agreed upon by the Parties, [whose list is] attached as schedule 5.

2. The Lessee does not have the right to sublease or lend for use the Subject of the Lease without the prior written consent of the Lessor.

Section 12

1. The Lessor agrees to insure the Subject of the Lease against the consequences of random events at his own expense throughout the term of the lease; the Lessor will not be liable

for damage caused to the Lessee's movable property located in in the unit resulting from flooding, fire, burglary and other random events.

2. If there is any damage to the subject of the lease, other than resulting from natural wear and tear, caused by the Lessee during the term of the Lease Agreement, the Lessee is obliged to cover the repair costs.

3. The Lessee is not liable for any damage to the subject of the lease for reasons beyond its control.

4. The Lessor agrees to immediately repair any damage and breakdowns caused otherwise than through the Lessee's fault.

Section 13

1. The Lessee is obliged to return the Subject of the Lease in a non-deteriorated condition, normal wear and tear excepted, on the last day of the lease at the latest.

2. The Subject of the Lease will be returned under a handover report.

Section 14

1. The Civil Code will apply to any matters not provided for herein.

2. The Parties agree that any disputes related to performance hereof will be resolved by common courts with jurisdiction over the Lessor's seat.

Section 15

Any amendments hereto must be made in writing to be valid.

Section 16

The Parties agree on the following addresses for delivery:

Lessor: Zbigniew Ogiński

Lessee:

Prowly.com Sp. z o.o.

All statements, letters, etc. sent to one of the Parties by registered mail or electronic mail with acknowledgement of receipt to the above addresses will be deemed to have been delivered correctly.

Section 17

This Agreement is drawn up in two counterparts, one for each Party.

LESSOR LESSEE

Schedules:

1. Power of attorney from Justyna Ogińska-Śliwiak
2. Power of attorney from Bazyli Ogiński
3. National Court Register entry for the Lessee
4. Handover report
4. List of adaptation activities at the unit

Częstochowa, 1 April 2011

POWER OF ATTORNEY

I, the undersigned Justyna Ogińska-Śliwiak declare that I give my father Zbigniew Ogiński power of attorney to lease out commercial unit no. 1 in the building in Warsaw at ul. Madalińskiego 71 co-owned by me, including to sign a lease agreement concerning such unit with the Lessee on such terms and for such price as the attorney may see fit, to collect all amounts due in respect of the rent and the deposit and to specify the number of the bank account to which amounts due in that respect are to be paid.

Justyna Ogińska-Śliwiak

I, the undersigned Bazyli Ogiński declare that I authorize my father Zbigniew Ogiński to act on my behalf in all matters concerning the administration and management of the real estate at ul. Madalińskiego 71 in Warsaw co-owned by me. This applies in particular to signing lease agreements concerning commercial unit 1, residential units 6 and 6a and the garage, all located on that real estate. And to represent me and my interests before administrative, civil and criminal courts and also civil and governmental administration bodies and authorities in all matters related to that real estate.

Bazyli Ogiński

NOTARIAL OFFICE

Bazyli Ogiński

Notariusz Maria Świerczek
ul. Dąbrowskiego 26/1
42-200 CZĘSTOCHOWA
tel./fax 365-50-76 IDS 150524014, NIP 573-001-93-68

REPERTORY A NO. 778/2011

I certify that on this sixth day of April two thousand and eleven (06.04.2011)

BAZYLI PIOTR OGIŃSKI, son of Zbigniew and Barbara affixed his hand on a power of attorney before me, **Maria Świerczek**, notary running my Notarial Office in Częstochowa at ulica Dąbrowskiego no. 26/1.

[Information on notarial fees collected]

[Plan of the commercial unit]

**AMENDMENT OF 1 OCTOBER 2018
TO LEASE AGREEMENT
CONCLUDED ON 27 MAY 2017**

by and between:

Zbigniew Franciszek Ogiński, referred to in the Agreement as the **Lessor**

and

Prowly.com Sp. z o.o. registered by the District Court for Warsaw with its registered office at ul. Madalińskiego 71/1 in Warsaw (zip code 02-549 represented by: Joanna Katarzyna Drabent, President of Management Board, hereinafter referred to as the **Lessee**

1. The Parties mutually agree to amend that part of the agreement concerning its term and remuneration.
2. By mutual agreement of the Parties, Section 3 and section 4 are amended to read:

Section 3

1. *This Agreement is concluded for an indefinite term and can be terminated with three months' notice, effective at the end of the month.*

Section 4

1. *Starting from January 2019, the Lessee will pay the Lessor a monthly rent of PLN 8 000.00 (eight thousand zlotys) plus VAT due for the lease of the unit specified in Section 1.*
 2. *The rent will be payable monthly in advance under an invoice issued correctly by the Lessor and delivered to the Lessee by the 10th day of each month. In the case of delay in the delivery of the invoice, the deadline for rent payment will be extended by the number of days of delay.*
 3. *In view of the need to adapt the unit to the needs of the Lessee, the Parties agree that no rent will be collected by the Lessor for April 2017.*
 4. *Payment will be made by bank transfer to an account specified by the Lessor.*
3. Other provisions of the agreement remain unchanged.

LESSOR

LESSEE

**FIRST AMENDMENT
TO THE
LEASE AGREEMENT
BETWEEN
Zbigniew Franciszek Ogiński
as Landlord
and
PROWLY.COM SPÓŁKĄ Z O.O.
as Tenant
ul. Katedralna 3/5 m. 4**

BASIC LEASE INFORMATION

Date:	July 1, 2020
Landlord:	Volkov-Kitain Grigory Valentinovich
Tenant:	PROWLY.COM SPÓŁKĄ Z O.O.
Amendment:	This Agreement is concluded for an indefinite term and can be terminated with three months' notice, effective at the end of the month.
Building:	The building located at ul. Madalińskiego 71 in Warsaw, Poland
Premises:	Commercial unit 1
Rentable Area of Premises:	Approximately 141.92 square meters with a cellar approximately 16.63 square meters
Scheduled Delivery Date:	March 29, 2017
Rent Commencement Date:	Payable monthly on the tenth (10 th) of each month.
Expiration Date:	with three-months' notice, effective August 2020
Base Rent:	PLN 6,00.00 (six thousand zlotys); lessee pays electricity. Payment will be made by bank transfer to an account specified by the Lessor.
Security Deposit:	One month of rent PLN 7,500.00 (carryover from original agreement)
Base Year:	2017
Permitted Use of Premises:	Commercial space.
Tenant's Address for Notices:	From and after Commencement Date: PROWLY.COM SPÓŁKĄ Z O.O. ul. Madalińskiego 71/1 (02-549) Warszawa

Landlord's Address for Notices Zbigniew Ogiński

Exhibits and Schedules: Exhibit A: Power of Attorney for Justyna Oginska Sliwak
Exhibit B: Power of Attorney for Bazyli Oginski
Exhibit C: National Court Register entry for the Lessee
Exhibit D: Handover Report
Exhibit E: List of adaptation activities at the unit

The provisions of the Lease identified above in parentheses are those provisions where references to particular Basic Lease Information appear. Each such reference shall incorporate the applicable Basic Lease Information. In the event of any conflict between any Basic Lease Information and the Lease, the latter shall control.

TENANT

LANDLORD

PROWLY.COM SPÓŁKĄ Z O.O.

Zbigniew Ogiński

**AMENDMENT OF 1 JULY 2020
TO LEASE AGREEMENT
CONCLUDED ON 27 MAY 2017**

by and between:

Zbigniew Franciszek Ogiński, referred to in the Agreement as the Lessor

And

Prowly.com Sp. z o.o. registered by the District Court for Warsaw with its registered office at ul. Madalińskiego 71/1 in Warsaw (zip code 02-549), represented by: Joanna Katarzyna Drabent, President of Management Board, hereinafter referred to as the Lessee

1. The Parties mutually agree to cancel the unit lease termination notice and amend the provisions of the agreement concerning its term and remuneration.
2. By mutual agreement of the Parties, Section 3 and section 4 are amended to read:

Section 3

1. This Agreement is concluded for an indefinite term and can be terminated with three months' notice, effective at the end of the month.

Section 4

1. Starting from July 2020, the Lessee will pay the Lessor a monthly rent of PLN 6 000.00 (six thousand zlotys) plus VAT due for the lease of the unit specified in Section 1.
2. The rent will be payable monthly in advance under an invoice issued correctly by the Lessor and delivered to the Lessee by the 10th day of each month. In the case of delay in the delivery of the invoice, the deadline for rent payment will be extended by the number of days of delay.
3. In view of the need to adapt the unit to the needs of the Lessee, the Parties agree that no rent will be collected by the Lessor for April 2017.
4. Payment will be made by bank transfer to an account specified by the Lessor.
5. Other provisions of the agreement remain unchanged.

LESSOR

LESSEE

Delbert Humenik
8/14/17

Dear Del,

On behalf of SEMrush Inc., I am pleased to extend to you this Offer letter for the position of Chief Revenue Officer (CRO).

COMPENSATION

\$225,000.00 annual base salary with a bonus of \$125,000.00/year.

All flights to and from the US Treveose, PA office will be paid/expensed as needed; this includes hospitality expenses (hotels). All international travel will be expensed as well.

EMPLOYEE STATUS

Full Time (Exempt)

START DATE

August 14, 2017.

HEALTHCARE COVERAGE

Medical, vision and dental health coverage is provided in conjunction with the employee health coverage plan.

Provided health care will be made 30 days after the employee's start date. SEMrush Inc. and the employee will share expenses.

PAID TIME OFF (PTO)

Paid time off (PTO) is available for employees to take time off for any reason including vacation, sick or personal time. All employees will receive a prorated accrued PTO amount depending on the employee's hire date. All employees are eligible for a full 15 days of accrued PTO each year. After 5 years of fulltime employment with SEMrush Inc., the employee is eligible for 20 accrued PTO days.

PAID HOLIDAYS REMAINING FOR 2017

- Labor Day
 - Thanksgiving Day
 - Day after Thanksgiving
 - Christmas Eve (half day)
 - Christmas Day
 - New Years' Eve (half day)
-

401K

All employees are eligible to opt-in to 401K plan starting 90 days from date of hire. All participants must be 21 years of age.

ADDITIONAL INFORMATION

If this start date does not accommodate your schedule, please contact Lauren Maurone directly with your proposed start date.

If you are accepting this position, please sign below and send back to Lauren Maurone via email to indicate your acceptance of this offer.

We are confident that you will make a significant contribution to the success of SEMrush Inc. department and we are truly excited at the prospect of you joining our team.

Looking forward to hearing from you!

Sincerely,

Lauren Maurone
HR Manager, Philadelphia Office
Direct: 855-814-4510 (Ext. 55513)
Email: lauren.maurone@semrush.com

I, Delbert Humenik, hereby accept the above offer of Chief Revenue Officer.

Employee Signature: /s/ Delbert Humenik

Date: 08/14/2017

June 8, 2020

Jeffrey Belanger

Dear Jeffrey Belanger:

On behalf of SEMrush Inc. (the “Company”), I am pleased to offer employment to you. The purpose of this letter is to outline the initial terms for your employment.

Position: Your position with the Company will be Chief HR Officer.

Start Date: Unless otherwise agreed, your first day of employment will July 6, 2020.

Salary: The Company will pay you a salary at an annual rate of **\$275,000** in installments in accordance with the Company’s payroll schedule. Your salary is subject to periodic review and adjustment at the Company’s discretion.

Bonus: You will be eligible to receive annual discretionary performance bonus. The Company initially will target the bonus at up to **30%** of your annual salary rate. Whether a bonus is awarded, the criteria and metrics for such bonus, the target bonus amount, and the actual amount of any bonus each will be subject to the Company’s discretion. To earn any bonus, you must be employed by the Company on the date the bonus is paid.

Benefits: You will be eligible to participate in the employee benefits and insurance programs generally made available to the Company’s full-time employees, subject in each case to the terms of the Company’s benefit plans in effect from time to time. The Company reserves the right to alter or eliminate any benefit in its discretion.

Stock Options: You will be eligible to participate in the Company’s stock option program, subject to approval by the Board of Directors. We will recommend to the Board of Directors that you be granted an option to purchase **109,500** shares of the Company’s common stock at the stock’s then fair market value. Your eligibility for stock options will be governed by the SEMrush Holdings, Inc. 2019 Stock Option and Grant Plan and any associated stock option agreement required to be entered into by you and the Company (the “Equity Documents”). In the event of any conflict between this letter and the Equity Documents, the Equity Documents shall control.

Representation Regarding Other Obligations: You represent that you have provided to the Company a copy of any confidentiality, noncompetition, nonsolicitation or other restrictive covenant agreement you have with your current employer. If you have entered into any other agreement that may restrict your activities on behalf of the Company, please provide me with a copy of the agreement as soon as possible. This offer is conditioned on your representation that (i) you are not subject to any confidentiality, non-competition, nonsolicitation or other agreement or obligation that may affect your ability to devote full time and attention to your work at the Company; and (ii) you will not bring with you, use or disclose any confidential information from any former employer or service recipient.

Other Terms: This offer is conditioned upon the Company's completion of a background check that is acceptable to the Company. Your employment with the Company shall be on an at-will basis. In other words, you or the Company may terminate employment for any reason and at any time, with or without notice. Similarly, the terms and conditions of employment outlined in this letter are subject to change at any time by the Company in its discretion. You also must sign the Company's standard Employee Confidentiality, Assignment and Non-Competition Agreement (the "Employee Agreement") as a condition of your employment. A copy of the Employee Agreement is enclosed and incorporated herein by reference. This letter and the Employee Agreement and the Equity Documents constitute the complete agreement between you and the Company, contain all of the terms of your employment with the Company and supersede any prior agreements, representations or understandings (whether written, oral or implied) between you and the Company. By signing below, you agree that you are not relying on any representation, communication or understanding with or from the Company (including any Company employee or agent). Unless otherwise expressly provided in the Employee Agreement or the Equity Documents, any disputes between you and the Company shall be governed by Massachusetts law and shall be heard exclusively in the state and federal courts of Massachusetts. You and the Company waive any right to a jury in the event of such dispute. In addition, as with all employees, our offer to you is contingent on your submission of satisfactory proof of your identity and your legal authorization to work in the United States, as well as your satisfactory completion of reference and background checks.

Please confirm your acceptance of this offer of employment by signing below and returning a copy to me no later than 5:00 PM on June 10, 2020 on which date this offer will expire.

Very truly yours,

Dmitry Melnikov
Chief Operating
Officer
dmitri@semrush.com

Enclosures

Accepted and agreed:

/s/Jeffrey Belanger

Jeffrey Belanger

6/10/20

Date

ТРУДОВОЙ ДОГОВОР № 17

г.Санкт-Петербург «09» января 2014г.

Обищенко Виталий Васильевич, именуемый далее Работник, с одной стороны, и Общество с ограниченной ответственностью «ПрофИТ» именуемое в дальнейшем **Работодатель**, в лице Генерального директора Мельникова Дмитрия Александровича действующее на основании Устава с другой стороны, заключили настоящий трудовой договор о нижеследующем.

1. Предмет трудового договора. Общие положения.

1.1. Работник принимается в ООО «ПрофИТ» на работу согласно должностной инструкции (Приложение №1)

По настоящему трудовому договору работодатель обязуется предоставить работнику работу по обусловленной трудовой функции, обеспечить условия труда, предусмотренные трудовым законодательством и иными нормативными правовыми актами, содержащими нормы трудового права, коллективным договором (в случае его заключения), соглашениями, локальными нормативными актами и данным соглашением, своевременно и в полном размере выплачивать работнику заработную плату, а работник обязуется лично выполнять определенную этим соглашением трудовую функцию, соблюдать правила внутреннего трудового распорядка, действующие у данного работодателя.

1.2. Настоящий трудовой договор заключен на неопределенный срок.

1.3. Работнику устанавливается испытательный срок 1 (один) месяц.

1.4. Дата начала работы, то есть дата, с которой работник обязан приступить к работе - «09» января 2014г.

1.5. Настоящий трудовой договор вступает в силу с момента подписания его обеими сторонами.

1.6. Работа по настоящему трудовому договору является для Работника основным местом работы.

2. Права и обязанности Работника.

2.1. Работник осуществляет свою деятельность в соответствии с действующим законодательством Российской Федерации о труде, Правилами внутреннего трудового распорядка Работодателя, иными локальными нормативными актами Работодателя, должностной инструкцией и условиями настоящего трудового договора.

EMPLOYMENT CONTRACT No. 17

Saint Petersburg January 09th, 2014

Obishchenko Vitali Vasilevich, hereinafter referred to as **the Employee**, and ProfIT, Limited Liability Company, hereinafter referred to as the **Employer**, represented by the Director General Melnikov Dmitry Aleksandrovich, acting under the Articles of Association, on the other hand, have concluded this Employment Contract as follows.

1. Subject of Employment Contract. General Provisions.

1.1. The Employee is hired for work in ProfIT, LLC according to the Job Description (Appendix No. 1)

Under this Employment Contract, the Employer undertakes to provide the Employee with work in accordance with his/her job function, to provide proper working conditions stipulated by labor legislation and other normative legal acts containing norms of labor law, collective agreement (if concluded), agreements, local regulations and this Contract, to pay salary to the employee timely and in full, while the Employee undertakes to perform the job function established by this Employment Contract, to follow the rules of internal labor regulations applied by the Employer.

1.2. This Employment Contract is concluded for an indefinite period of time.

1.3. A probationary period of one (1) month is established for the Employee.

1.4. The employment start date, that is, the date on which the Employee is required to start working is January 9, 2014.

1.5. This Employment Contract shall enter into force upon signing by both Parties.

1.6. Work under this Employment Contract is the principal place of employment for the Employee.

2. Employee's Rights and Obligations

2.1. The Employee shall carry out his/her activities in accordance with the current labor legislation of the Russian Federation, Rules of Internal Labor Regulations of the Employer, other local regulations of the Employer, the Job Description and the terms of this Employment Contract.

2.2. Работник подчиняется Генеральному директору

2.3. Работник имеет право на:

изменение и расторжение трудового договора в порядке и на условиях, которые установлены Трудовым кодексом РФ, иными федеральными законами;

предоставление ему работы, обусловленной трудовым договором;

рабочее место, соответствующее государственным нормативным требованиям охраны труда и условиям, предусмотренным коллективным договором (при его наличии);

своевременную и в полном объеме выплату заработной платы в соответствии со своей квалификацией, сложностью труда, количеством и качеством выполненной работы;

отдых, обеспечиваемый установлением соответствующей закону продолжительности рабочего времени, предоставлением еженедельных выходных дней, нерабочих праздничных дней, оплачиваемых ежегодных отпусков;

полную достоверную информацию об условиях труда и требованиях охраны труда на рабочем месте;

профессиональную подготовку, переподготовку и повышение своей квалификации в порядке, установленном Трудовым кодексом РФ, иными федеральными законами;

объединение, включая право на создание профессиональных союзов и вступление в них для защиты своих трудовых прав, свобод и законных интересов;

ведение коллективных переговоров и заключение коллективных договоров и соглашений через своих представителей, а также на информацию о выполнении коллективного договора, соглашений;

защиту своих трудовых прав, свобод и законных интересов всеми не запрещенными законом способами;

разрешение индивидуальных и коллективных трудовых споров, включая право на забастовку, в порядке, установленном Трудовым кодексом РФ, иными федеральными законами;

возмещение вреда, причиненного ему в связи с исполнением трудовых обязанностей, и компенсацию морального вреда в порядке, установленном Трудовым кодексом РФ, иными федеральными законами;

2.2. The Employee is subordinated directly to the Director General.

2.3. The Employee is entitled to:

amend and terminate the Employment Contract in the manner and under the conditions established by the Labor Code of the Russian Federation and other federal laws;

be provided by work stipulated by the Labor Contract;

have a workplace that meets the state regulatory requirements for labor protection, as well as conditions stipulated by the collective agreement (if any);

have timely and full payment of wages in accordance with his/her qualifications, complexity, scope and quality of work performed;

have a rest provided through working hours set corresponding to current legislation, through providing weekly days off, non-working holidays, paid annual leaves;

have complete reliable information on working conditions and occupational safety requirements at his/her workplace;

have a professional training, re-training and professional development in accordance with the procedure established by the Labor Code of the Russian Federation and other federal laws;

participate in association, including to have the right to form and to join trade unions in order to protect his/her labor rights, freedoms and legitimate interests;

conduct collective negotiations and to conclude collective agreements through his/her representatives, as well as to receive information on implementation of all the collective agreements;

protect his/her labor rights, freedoms and legitimate interests in all the ways not prohibited by law;

resolve any individual and collective labor disputes, including to have the right to participate in a strike, in accordance with the procedure established by the Labor Code of the Russian Federation and other federal laws;

compensation of damages caused to him/her in connection with execution of his/her labor duties, as well as compensation for moral damage in the manner prescribed by the Labor Code of the Russian Federation and other federal laws;

have compulsory social insurance in cases stipulated by federal laws;

The Employee also has other rights granted to him/her by the labor legislation.

обязательное социальное страхование в случаях, предусмотренных федеральными законами;

Работник имеет и иные права, предоставленные ему трудовым законодательством.

2.4. Работник обязуется:

добросовестно исполнять свои трудовые обязанности, возложенные на него трудовым договором;

соблюдать правила внутреннего трудового распорядка;

соблюдать трудовую дисциплину;

выполнять установленные нормы труда;

соблюдать требования по охране труда и обеспечению безопасности труда;

бережно относиться к имуществу работодателя (в том числе к имуществу третьих лиц, находящемуся у работодателя, если работодатель несет ответственность за сохранность этого имущества) и других работников;

немедленно сообщить работодателю либо непосредственному руководителю о возникновении ситуации, представляющей угрозу жизни и здоровью людей, сохранности имущества работодателя (в том числе имущества третьих лиц, находящегося у работодателя, если работодатель несет ответственность за сохранность этого имущества).

принимать меры по устранению причин и условий, препятствующих нормальному выполнению работы (аварии, простои и так далее), и немедленно сообщать о случившемся происшествии Работодателю;

поддерживать свое рабочее место, оборудование и приспособления в исправном состоянии, порядке и чистоте;

соблюдать установленный Работодателем порядок хранения документов, материальных и денежных ценностей;

возместить Работодателю ущерб, причиненный разглашением информации, которая составляет коммерческую тайну;

не собирать и не распространять недостоверную информацию о Работодателе;

повышать свой профессиональный уровень путем систематического самостоятельного изучения специальной литературы, периодических изданий, информации из иных источников по своей должности (профессии, специальности), по выполняемой работе;

2.4. The Employee undertakes:

to perform his/her job duties assigned to him/her by the Labor Contract in good faith;

to follow the Rules of Internal Labor Regulations;

to observe labor discipline;

to comply with established labor standards;

to comply with occupational safety and health requirements;

to take care of the Employer's property (including property of any third parties held by the Employer, if the latter is responsible for the safety of such property) and property of other employees;

to immediately inform the Employer or his/her direct supervisor on a situation that poses a threat to the life and health of people, the safety of the employer's property (including property of any third parties held by the Employer, if the latter is responsible for the safety of such property).

to take measures on elimination of causes and conditions that prevent the normal performance of work (accidents, downtime, and so on), and to immediately report on any incident to the Employer;

to keep his/her workplace, equipment, and appliances in good condition, in order and clean;

to observe the procedure established by the Employer for storing documents, materials and monetary values;

to reimburse the Employer for damages caused by any disclosure of information that constitutes a trade secret;

not to collect or distribute false information about the Employer;

to improve his/her professional level through systematic independent study of special literature, periodicals, information from other sources according to the occupied position (profession, specialty) in line with the work performed;

to perform other duties arising from the current legislation and this Employment Contract.

2.5. Any failure to include any of the rights and/or obligations of the Employee and Employer, established by labor legislation and other regulatory legal acts containing labor law norms, local regulations, as well as the rights and/or obligations of the Employee and

исполнять иные обязанности, вытекающие из законодательства и настоящего трудового договора.

2.5. Не включение в трудовой договор каких-либо из прав и (или) обязанностей работника и работодателя, установленных трудовым законодательством и иными нормативными правовыми актами, содержащими нормы трудового права, локальными нормативными актами, а также прав и обязанностей работника и работодателя, вытекающих из условий коллективного договора, соглашений, не может рассматриваться как отказ от реализации этих прав или исполнения этих обязанностей.

3. Права и обязанности Работодателя.

3.1. Работодатель вправе:

изменять и расторгать трудовой договор с работником в порядке и на условиях, которые установлены Трудовым кодексом РФ, иными федеральными законами;

вести коллективные переговоры и заключать коллективные договоры;

поощрять работника за добросовестный эффективный труд;

требовать от работника исполнения им трудовых обязанностей и бережного отношения к имуществу работодателя (в том числе к имуществу третьих лиц, находящемуся у работодателя, если работодатель несет ответственность за сохранность этого имущества) и других работников, соблюдения правил внутреннего трудового распорядка;

привлекать работника к дисциплинарной и материальной ответственности в порядке, установленном Трудовым кодексом РФ, иными федеральными законами;

принимать локальные нормативные акты;

создавать объединения работодателей в целях представительства и защиты своих интересов и вступать в них;

Работодатель имеет и другие права, предоставленные ему трудовым законодательством.

3.2. Работодатель обязуется:

соблюдать трудовое законодательство и иные нормативные правовые акты, содержащие нормы трудового права, локальные нормативные акты, условия коллективного договора (при его наличии), соглашений и настоящего трудового договора;

предоставлять работнику работу, обусловленную трудовым договором;

обеспечивать безопасность и условия труда, соответствующие государственным нормативным

Employer arising from the terms and conditions of the collective agreements, into this Employment Contract cannot be considered as a waiver of these rights exercising or these duties performance.

3. Employer's Rights and Obligations

3.1. The Employer is entitled to:

amend and terminate the Employment Contract with the Employee in the manner and under the conditions established by the Labor Code of the Russian Federation and other federal laws;

conduct collective negotiations and enter into collective agreements;

encourage the Employee for effective and fare work;

require the Employee to perform his/her job duties and to respect the Employer's property (including property of any third parties held by the Employer, if the latter is responsible for the safety of such property) and property of other employees, his/her compliance with Rules of Internal Labor Regulations;

bring the Employee to disciplinary and financial responsibility in accordance with the procedure established by the Labor Code of the Russian Federation and other federal laws;

adopt local regulations;

create associations of employers for the representation and protection of their interests and to join them;

The Employer also has other rights granted to it by the labor legislation.

3.2. The Employer undertakes:

to comply with labor laws and other regulatory legal acts that contain labor law norms, local regulations, terms and conditions of the collective agreements (if any), and this Labor Contract;

to provide the Employee with work that is stipulated by the Employment Contract;

to ensure safety and working conditions that meet state regulatory requirements for labor protection;

требованиям охраны труда;

обеспечивать работника оборудованием, инструментами, технической документацией и иными средствами, необходимыми для исполнения ими трудовых обязанностей;

обеспечивать работнику своевременную в полном объеме выплату заработной платы в соответствии со своей квалификацией, сложностью труда, количеством и качеством выполненной работы;

знакомить работника под роспись с принимаемыми локальными нормативными актами, непосредственно связанными с их трудовой деятельностью;

рассматривать представления соответствующих профсоюзных органов, иных избранных работниками представителей о выявленных нарушениях трудового законодательства и иных актов, содержащих нормы трудового права, принимать меры по устранению выявленных нарушений и сообщать о принятых мерах указанным органам и представителям;

обеспечивать бытовые нужды работника, связанные с исполнением им трудовых обязанностей;

осуществлять обязательное социальное страхование работника в порядке, установленном федеральными законами;

возмещать вред, причиненный работнику в связи с исполнением им трудовых обязанностей, а также компенсировать моральный вред в порядке и на условиях, которые установлены Трудовым кодексом РФ, другими федеральными законами и иными нормативными правовыми актами Российской Федерации;

вести на работника трудовую книжку в соответствии с законодательством Российской Федерации.

исполнять иные обязанности, предусмотренные трудовым законодательством и иными нормативными правовыми актами, содержащими нормы трудового права, коллективным договором (при его наличии), соглашениями, локальными нормативными актами и настоящим трудовым договором.

исполнять иные обязанности, вытекающие из законодательства и настоящего трудового договора.

4. Режим труда и отдыха.

4.1. Работнику устанавливается следующий режим рабочего времени: 40-часовая рабочая неделя, нормированный рабочий день.

Время начала, окончания работы, перерывов в работе определяется индивидуально, по согласованию с Генеральным директором.

to provide the Employee with equipment, tools, technical documentation and other means necessary for the performance of their job duties;

to provide the Employee with timely and full payment of wages in accordance with his/her qualifications, complexity, scope and quality of work performed;

to inform the Employee (against his/her signature) with the local regulations that are directly related to his/her job functions;

to consider the submissions to the relevant trade union bodies and other representatives elected by the employees on violations of labor legislation and other acts containing labor law norms; to take measures on elimination of the violations identified and to report on the measures taken to the specified bodies and representatives;

to provide for the daily needs of the Employee related to the performance of his/her job duties;

to perform compulsory social insurance of the Employee in accordance with the procedure established by federal laws;

to compensate the damage caused to the Employee in connection with the performance of his/her job duties, and also to compensate moral damage in the manner and under the terms and conditions established by the Labor Code of the Russian Federation, other federal laws and other normative legal acts of the Russian Federation;

to keep a work record for an employee in accordance with the legislation of the Russian Federation;

to perform other duties provided for by labor legislation and other regulatory legal acts containing labor law norms, collective agreements (if any), local regulations, and this Employment Contract.

to perform other duties arising from the current legislation and this Employment Contract.

4. Schedule of Work and Rest

4.1. The following working hours are established for the Employee: 40-hour working week, standard working day.

Time for work starting and finishing, as well as time for breaks is to be determined individually, in agreement with the Director General.

Работнику предоставляются выходные дни суббота, воскресенье, праздничные дни.

4.2. Работнику предоставляется ежегодный основной оплачиваемый отпуск продолжительностью 14 календарных дней два раза в год.

4.3. По семейным обстоятельствам и другим уважительным причинам Работнику по его заявлению Работодатель может предоставить кратковременный отпуск без сохранения заработной платы.

5. Условия оплаты труда.

5.1. Работодатель обязуется ежемесячно выплачивать Работнику: 18 000 (восемнадцать тысяч) рублей.

5.2. Работодатель выплачивает Работнику заработную плату два раза в месяц: «10» и «25» числа. При совпадении дня выплаты с выходным или нерабочим праздничным днем выплата заработной платы производится накануне этого дня. Оплата отпуска производится не позднее, чем за три дня до его начала.

5.3. Удержания из заработной платы работника производятся только в случаях, предусмотренных Трудовым кодексом РФ и иными федеральными законами.

5.4. С суммы заработной платы и с иных доходов Работника Работодатель уплачивает налоги в размерах и порядке, предусмотренных законодательством РФ.

6. Характеристика условий труда

6.1. Выполняемая работником по настоящему договору работа не относится к тяжелой, без вредных и опасных условий труда.

6.2. Работнику создаются следующие условия труда: предоставляется оргтехника, канцелярские принадлежности, средства связи и так далее.

7. Другие условия.

7.1. Настоящий трудовой договор в период его действия может быть изменен или дополнен его сторонами. При все изменения и дополнения оформляются дополнительным соглашением к трудовому договору заключаемым в письменной форме, которые являются неотъемлемой частью трудового договора.

7.2. Настоящий трудовой договор расторгается по основаниям и в порядке, предусмотренном действующим законодательством о труде.

7.3. Все материалы, созданные с участием Работника и по заданиям Работодателя, являются собственностью Работодателя.

The Employee doesn't work at his/her days off – on Saturdays, Sundays, and public holidays.

4.2. The Employee is provided with an annual basic paid leave of fourteen (14) calendar days twice a year.

4.3. For family reasons and other valid reasons, the Employer can provide the Employee upon his/her application with a short-term leave without pay.

5. Terms of Remuneration

5.1. The Employer undertakes to pay monthly to the Employee: 18 000 (eighteen thousand) rubles.

5.2. The Employer pays the salary to the Employee twice a month: on the 10th and 25th day of each month. If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day. The paid leave shall be paid to the Employee not later than three (3) days before its starting.

5.3. Deductions from the Employee's salary are made only in cases stipulated by the Labor Code of the Russian Federation and other federal laws.

5.4. The Employer pays all the Employee's payroll taxes and all other income taxes in the amount and manner prescribed by the legislation of the Russian Federation.

6. Characteristics of Working Conditions

6.1. The work performed by the Employee under this Labor Contract is not considered to be heavy work, it is not related to harmful and dangerous working conditions.

6.2. The Employee is provided with the following working conditions: office equipment, office supplies, communication equipment, etc.

7. Miscellaneous

7.1. This Employment Contract can be amended or supplemented by the Parties within its validity period. Herewith, all the amendments and supplements are made by additional agreements to the Employment Contract concluded in writing, being an integral part hereof.

7.2. This Employment Contract is terminated on the grounds and in the manner prescribed by the current labor legislation.

7.3. All the materials created with the participation of the Employee and on the instructions of the Employer are the property of the Employer.

7.4. Стороны обязуются не разглашать условия настоящего трудового договора без обоюдного согласия.

7.5. Споры и разногласия, которые могут возникнуть при исполнении условий настоящего трудового договора, стороны будут стремиться разрешать мирным путем по взаимному соглашению. При не достижении взаимоприемлемого решения - спор может быть передан для разрешения его в порядке, предусмотренном законодательством о труде Российской Федерации.

7.6. По всем вопросам, не нашедшим своего решения в условиях настоящего трудового договора, но прямо или косвенно вытекающим из отношений Работодателя и Работника по нему, стороны настоящего трудового договора будут руководствоваться положениями Трудового кодекса РФ и иных нормативных актов Российской Федерации.

7.8. Настоящий трудовой договор подписан в двух экземплярах: по одному для каждой из сторон, при этом оба экземпляра имеют равную юридическую силу.

7.4. The Parties undertake not to disclose the terms and conditions of this Employment Contract without mutual consent.

7.5. The Parties shall seek to resolve all the disputes and disagreements that may arise during the performance of any terms and conditions of this Employment Contract, through peaceful negotiations. In case of any failure to find a mutually acceptable solution, the dispute can be referred for resolution in accordance with the procedure provided for by the labor legislation of the Russian Federation.

7.6. In solving any other issues not covered by the terms and conditions of the Employment Contract, but directly or indirectly arising from the relationship of Employer and Employee according to it, the Parties to this Employment Contract will be guided by the provisions of the Labor Code and other normative acts of the Russian Federation.

7.8. This Employment Contract is signed in two (2) copies: one for each of the Parties, and both copies have equal legal force.

Работник:

Обищенко Виталий Васильевич
дата рождения 28.01.1985, паспорт серия 40 11 № 494542 выдан ТП
№139 отдела УФМС России по Санкт-Петербургу и Ленинградской обл. в
Центральном
районе гор. Санкт-Петербурга,
дата выдачи 09.04.2012
зарегистрирован по адресу: Ленинградская обл., Всеволожский р-он,
деревня Старая, ул.Верхняя, д.24, кв.39
ИНН - 511500829694
Реквизиты банка: ОАО «Альфа-Банк»
к/с 30101810200000000593
БИК 044525593
Расчетный счет 40817810904750022955

_____ (Обищенко В.В.)

Employee:

Obishchenko Vitali Vasilevich
date of birth 1985/01/28, passport
series 4011, No. 494542, issued by TD No. 139 of Administration Department
of the Federal Migration Service of Russia for St. Petersburg and Leningrad
Region in Centralny
District of St. Petersburg
date of issue 2012/09/04
Registered at: Leningrad region, Vsevolozhsk district, the village of Staraya,
Verhnyaya Street,24, apt.39
Taxpayer Identification Number (INN): 511500829694
Bank's Details: Alfa Bank OJSC
Correspondent Account No.: 30101810200000000593
Bank Identification Code (BIC): 044525593
Settlement Account No.: 40817810904750022955

_____ (Obishchenko V.V.)

Работодатель:

ООО «ПрофИТ»
ИНН 7810453178
КПП 781001001
ОГРН 1137847340036
Юр. Адрес: 196084, г. Санкт-Петербург, ул. Рыбинская, д. 5, литер. А,
офис 408
р/сч 40702810401050093053
в ОАО «Энергомашбанк» г. СПб
к/с 30101810700000000754
БИК 044030754

Генеральный директор
ООО «ПрофИТ»

_____ (Мельников Д.А.)

Работник получил один экземпляр трудового договора

(дата получения, подпись работника)

Employer:

ProfIT, LLC
Taxpayer Identification Number (INN): 7810453178
Tax Registration Reason Code (KPP): 781001001
Primary State Registration Number (OGRN) 1137847340036
Legal Address: 5 Rybinskaya Street, Letter A, Office 408, Saint Petersburg
196084, Russia.
Settlement Account No.: 40702810401050093053
with Energomashbank, JSC (Saint Petersburg)
Correspondent Account No. 30101810700000000754
BIC (Bank Identification Code): 044030754

Director General
ProfIT, LLC

_____ (Melnikov D. A.)

The Employee has received one copy of the Employment Contract

(date of receiving, the Employee's signature)

**Additional Agreement No. 1
to Employment Contract No. 17 dated January 09, 2014**

Saint Petersburg

April 30, 2014

Profit, Limited Liability Company, hereinafter referred to as the "Employer", represented by the Director General Dmitry Aleksandrovich Melnikov, acting under the Articles of Association, on the one hand, and

Obishchenko Vitali Vasilevish, hereinafter referred to as the Employee, on the other hand, together referred to as the "Parties" have concluded this Additional Agreement (hereinafter referred to as the "Agreement") to Employment Contract No. 17 dated January 09, 2014 on the following:

1. Establish the official salary for the Employee from May 01, 2014 in the amount of 28 000 (twenty eight thousand) roubles and reword clause 5.1 as follows: "The Employer undertakes to pay monthly to the Employee: 28 000 (twenty eight thousand) roubles".
2. This Agreement is considered concluded from the moment of its signing by the Parties.
3. This Agreement shall be an integral part of the Employment Contract.
4. This Agreement has been executed and signed in two identical copies of the same legal force, one of which is to be kept by the Employer and the other one – by the Employee.

Employee:

/signature/ Obishchenko V. V./

Employer:

Director General
Profit, LLC

/signature/ Melnikov D. A./

/Round seal:
Profit, Limited Liability Company
Saint Petersburg/

ADDITIONAL AGREEMENT No. 2
to Employment Contract No. 17 dated January 09, 2014

Saint Petersburg

April 01, 2015

ProFIT, Limited Liability Company, hereinafter referred to as the Employer, represented by the Director General Melnikov Dmitry Aleksandrovich, acting under the Articles of Association, on the other hand, and Vitaly Vasilievich Obishchenko, hereinafter referred to as the "Employee", on the other hand, have signed this Additional Agreement to Employment Contract No. 17 dated January 09, 2014 on the following.

1. Transfer the Employee from the position of Lead Programmer to the position of Head of Backlink Analytics Department. In this regard, introduce the following changes to the Employment Contract with the Employee:

- Section 5 "**Terms of Remuneration**" of the Employment Contract shall be of the following wording:

5.1. For the performance of his/her duties provided for in this Employment Contract and his/her Job Description, the following payments are established for the Employee:

5.1.1. Monthly official salary in the amount of 130 000 (one hundred and thirty thousand) roubles.

5.1.2. Payments of Compensative Nature:

- monthly bonus of 49% of the official salary for the complexity, intensity and high importance of the work.

The bonus is paid in the following cases:

5.1.2.1. Successful and conscientious performance of the Employee's official duties (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.2. Reasonable initiative, creativity and application of modern forms and methods of labour organization in his/her work (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.3. No fixed penalties imposed on the Employee for the past (reporting) month.

5.2. The Employer pays the salary to the Employee twice a month: on the 20th day of the reporting month and on the 5th day of the month following the reporting month. On the 20th day of the reporting month, the Employee is paid 84 000 (eighty four thousand) roubles and on the 5th day of the month following the reporting month – the rest of the salary.

If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day. The paid leave shall be paid to the Employee not later than three (3) days before its starting.

2. This Agreement is an integral part of the Employment Contract No. 17 dated January 09, 2014 and comes into force on April 01, 2015.

3. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.

Signatures of Parties:

Employer: ProfIT, LLC Taxpayer Identification Number (INN): 7810453178 Tax Registration Reason Code (KPP): 780601001 Primary State Registration Number (OGRN): 1137847340036 Legal Address: 8 Carla Faberge Square, Building B, Office 713, 714, Saint Petersburg 195112, Russia Settlement Account No.: 40702810401050093053 with Energomashbank, JSC (Saint Petersburg) Correspondent Account No. 30101810700000000754 Bank Identification Number (BIC): 044030754 Director General <u>/signature/</u> Melnikov D. A. April 01, 2015	Employee: Obishchenko Vitaly Vasilievich passport series 4011, No. 494542, issued by TD No. 139 of Administration Department of the Federal Migration Service of Russia for St. Petersburg and Leningrad Region in Centralny District of St. Petersburg <u>/signature/</u> Obishchenko V.V. April 01, 2015

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/Round seal:

ProfIT, Limited Liability Company

Saint Petersburg/

ADDITIONAL AGREEMENT No. 3
to Employment Contract No. 17 dated January 09, 2014

Saint Petersburg

May 01, 2015

Profit, Limited Liability Company, hereinafter referred to as the "Employer", represented by the Director General Dmitry Aleksandrovich Melnikov, acting under the Articles of Association, on the one hand, and Obishchenko Vitaly Vasilievich, hereinafter referred to as the "Employee", on the other hand, have entered into this additional agreement to Employment Contract No. 17 dated January 09, 2014 on the following.

1. Transfer the Employee from the position of the "Head of Backlink Analytics Department" to the position of "Product Director" in the Management Department. In this regard, introduce the following changes to the Employment Contract with the Employee:

- Section 5 "**Terms of Remuneration**" of the Employment Contract shall be of the following wording:

5.1. For the performance of his/her duties provided for in this Employment Contract and his/her Job Description, the following payments are established for the Employee:

5.1.1. Monthly official salary in the amount of 200 000 (two hundred thousand) roubles.

5.1.2. Payments of Compensative Nature:

- monthly bonus of 33% of the official salary for the complexity, intensity and high importance of the work.

The bonus is paid in the following cases:

5.1.2.1. Successful and conscientious performance of the Employee's official duties (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.2. Reasonable initiative, creativity and application of modern forms and methods of labour organization in his/her work (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.3. No fixed penalties imposed on the Employee for the past (reporting) month.

5.2. The Employer pays the salary to the Employee twice a month: on the 20th day of the reporting month and on the 5th day of the month following the reporting month. On the 20th day of the reporting month, the Employee is paid 115 000 (one hundred and fifteen thousand) roubles and on the 5th day of the month following the reporting month – the rest of the salary.

If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day. The paid leave shall be paid to the Employee not later than three (3) days before its starting.

2. This Agreement is an integral part of the Employment Contract No. 17 dated January 09, 2014 and comes into force on May 01, 2015.

3. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.

Employer: Profit, LLC Taxpayer Identification Number (INN): 7810453178 Tax Registration Reason Code (KPP): 780601001 Primary State Registration Number (OGRN): 1137847340036 Legal Address: 8 Carla Faberge Square, Building B, Office 713, 714, Saint Petersburg 195112, Russia Settlement Account No.: 40702810401050093053 with Energomashbank, JSC (Saint Petersburg) Correspondent Account No. 301018107000000000754 Bank Identification Number (BIC): 044030754 Director General <u>/signature/</u> Melnikov D. A. May 01, 2015	Employee: Obishchenko Vitaly Vasilievich passport series 4011, No. 494542, issued by TD No. 139 of Administration Department of the Federal Migration Service of Russia for St. Petersburg and Leningrad Region in Centralny District of St. Petersburg <u>/signature/</u> Obishchenko V.V. May 01, 2015

/Round seal:

Profit, Limited Liability Company
Saint Petersburg/

ADDITIONAL AGREEMENT No. 4
to Employment Contract No. 17 dated January 09, 2014

Saint Petersburg

October 01, 2015

Profit, Limited Liability Company, hereinafter referred to as the "Employer" represented by the Provisional Director General Yulia Sergeevna Volkova acting under Power of Attorney w/n dated September 04, 2015, on the one hand and Obishchenko Vitaly Vasilievich, hereinafter referred to as the "Employee", on the other hand, have entered into this additional agreement to Employment Contract No. 17 dated January 09, 2014 on the following.

1. Transfer the Employee from the position of the Product Director in the Directorate Department to the position of the Product Director in the Product Development Department.

2. Section 4 "Schedule of Work and Rest" of the Employment Contract shall be read as follows:

4.1. The reduced working regime is established for the Employee.

4.2. The following working hours are established for the Employee: a 10-hour, five-day working week. Time for work starting and finishing, as well as time for breaks is to be determined individually, in agreement with the Director General. The Employee doesn't work at his/her days off – on Saturdays, Sundays, and public holidays.

4.3. The Employee is provided with an annual basic paid leave with a total duration of twenty-eight (28) calendar days.

4.3.1. The Employee has the right to divide such an annual basic paid leave into several parts, at that one part shall not be less than fourteen (14) calendar days.

4.4. For family reasons and other valid reasons, the Employer can provide the Employee upon his/her application with a short-term leave without pay.

3. Section 5 "Terms of Remuneration" of the Employment Contract shall be of the following wording:

5.1. For the performance of his/her duties provided for in this Employment Contract and his/her Job Description, the following payments are established for the Employee:

5.1.1. Monthly official salary in the amount of 300 000 (three hundred thousands) roubles is set for the Employee. The salary is calculated depending on the amount of actually worked hours.

5.1.2. Payments of Compensative Nature:

- monthly bonus of 15% of the official salary for the complexity, intensity and high importance of the work.

The bonus is paid in the following cases:

5.1.2.1. Successful and conscientious performance of the Employee's official duties (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.2. Reasonable initiative, creativity and application of modern forms and methods of labour organization in his/her work (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.3. No fixed penalties imposed on the Employee for the past (reporting) month.

5.2. The Employer pays the salary to the Employee twice a month in proportion to worked hours: on the 20th day of the reporting month – 38 000 (thirty eight thousand) roubles and on the 5th day of the month following the reporting month – the rest of the salary.

If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day. The paid leave shall be paid to the Employee not later than three (3) days before its starting.

4. This Agreement is an integral part of the Employment Contract No. 17 dated January 09, 2014 and comes into force on October 01, 2015.

5. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.

Signatures of Parties:

Employer: Profit, LLC Taxpayer Identification Number (INN): 7810453178 Tax Registration Reason Code (KPP): 780601001 Primary State Registration Number (OGRN): 1137847340036 Legal Address: 8 Carla Faberge Square, Building B, Office 713, 714, Saint Petersburg 195112, Russia Settlement Account No.: 40702810401050093053 with Energomashbank, JSC (Saint Petersburg) Correspondent Account No. 30101810700000000754 Bank Identification Number (BIC): 044030754 Provisional Director General <u>/signature/</u> Volkova Yu. S. October 01, 2015	Employee: Obishchenko Vitaly Vasilievich passport series 4011, No. 494542, issued by TD No. 139 of Administration Department of the Federal Migration Service of Russia for St. Petersburg and Leningrad Region in Centralny District of St. Petersburg <u>/signature/</u> Obishchenko V.V. October 01, 2015

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/Round seal:

ProfIT, Limited Liability Company

Saint Petersburg/

ADDITIONAL AGREEMENT No. 5

to Employment Contract No. 17 dated January 09, 2014

Saint Petersburg

November 01, 2016

Profit, Limited Liability Company, hereinafter referred to as the "Employer", represented by the Director General Dmitry Aleksandrovich Melnikov, acting under the Articles of Association, on the one hand, and Obishchenko Vitaly Vasilievich, hereinafter referred to as the "Employee", on the other hand, have entered into this additional agreement to Employment Contract No. 17 dated January 09, 2014 on the following.

1. Section 5 "**Terms of Remuneration**" of the Employment Contract shall be of the following wording:

5.1. For the performance of his/her duties provided for in this Employment Contract and his/her Job Description, the following payments are established for the Employee:

5.1.1. Monthly official salary in the amount of 85 500 (eighty five thousand five hundred) roubles.

5.1.2. Payments of Compensative Nature:

- monthly bonus of 15% of the official salary for the complexity, intensity and high importance of the work.

The bonus is paid in the following cases:

5.1.2.1. Successful and conscientious performance of the Employee's official duties (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.2. Reasonable initiative, creativity and application of modern forms and methods of labour organization in his/her work (this condition is considered fulfilled, unless specifically stated otherwise);

5.1.2.3. No fixed penalties imposed on the Employee for the past (reporting) month.

5.2. The Employer pays the salary to the Employee twice a month: on the 20th day of the reporting month and on the 5th day of the month following the reporting month. On the 20th day of the reporting month, the Employee is paid 41 250 (forty one thousand two hundred and fifty) roubles and on the 5th day of the month following the reporting month – the rest of the salary.

If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day. The paid leave shall be paid to the Employee not later than three (3) days before its starting.

2. This Agreement is an integral part of the Employment Contract No. 17 dated January 09, 2014 and comes into force on November 01, 2016.

3. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.

Employer: ProfiT, LLC Taxpayer Identification Number (INN): 7810453178 Tax Registration Reason Code (KPP): 780601001 Primary State Registration Number (OGRN): 1137847340036 Legal Address: 8 Carla Faberge Square, Building B, Office 713, 714, Saint Petersburg 195112, Russia Settlement Account No.: 40702810401050093053 with Energomashbank, JSC (Saint Petersburg) Correspondent Account No. 30101810700000000754 Bank Identification Number (BIC): 044030754 Director General <u>/signature/</u> Melnikov D. A. November 01, 2016	Employee: Obishchenko Vitaly Vasilievich passport series 4011, No. 494542, issued by TD No. 139 of Administration Department of the Federal Migration Service of Russia for St. Petersburg and Leningrad Region in Centralny District of St. Petersburg <u>/signature/</u> Obishchenko V.V. November 01, 2015

/Round seal:

Saint Petersburg/

ADDITIONAL AGREEMENT

to Employment Contract No. 0000017 dated January 09, 2014

St. Petersburg

October 03, 2016

ProfiT, Limited Liability Company, hereinafter referred to as the "Employer", represented by the Director General Dmitry Aleksandrovich Melnikov, acting under the Articles of Association, on the one hand, and Obishchenko Vitaly Vasilievich, hereinafter referred to as the "Employee", on the other hand, have entered into this additional agreement to Employment Contract No. 17 dated January 09, 2014 on the following.

1. The Employee, Obishchenko Vitaly Vasilievich, the Product Director, the Product Development Department, is transferred to the position of Product Director, the Directorate Department (0.25 rate) from October 03, 2016.

2. Section 5 "**Terms of Remuneration**" of the Employment Contract shall be of the following wording:

5.1. The Employee's salary in accordance with the Employer's current remuneration system consists of the fixed official salary.

5.2. For his/her job functions performing, a fixed official salary in the amount of 82 500 (eighty two thousand five hundred) roubles is set for the Employee.

5.3. The Employee is paid a monthly bonus of 15 % of his/her official salary for complexity, intensity, and tension.

5.3.1. The monthly bonus is paid in the following cases:

5.3.1.1. Successful and conscientious performance of the Employee's official duties (this condition is considered fulfilled, unless specifically stated otherwise);

5.3.1.2. Reasonable initiative, creativity and application of modern forms and methods of labour organization in his/her work (this condition is considered fulfilled, unless specifically stated otherwise);

5.3.1.3. No fixed penalties imposed on the Employee for the past (reporting) month.

5.4. The Employer pays the salary to the Employee twice a month: on the 20th day of the reporting month and on the 5th day of the month following the reporting one. On the 20th day of the month the Employee is to be paid 41 250 (forty one thousand two hundred and fifty) roubles for fully worked first half of the month and on the 5th day of the month following the reporting one – the rest part of the salary.

5.4.1. If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day.

5.4.2. The salary is to be made in the currency of the Russian Federation, in a non-cash form by its transferring to the Employee's settlement account specified by him/her for this purpose. The application with the settlement account details is to be submitted by the Employee to the Employer's Accounting Department.

5.5. Deductions from the Employee's salary are made only in cases stipulated by the Labour Code of the Russian Federation and other federal laws.

5.6. The paid leave shall be paid to the Employee not later than three (3) days before its starting.

5.7. The Employer pays all the Employee's payroll taxes and all other income taxes in the amount and manner prescribed by the legislation of the Russian Federation.

3. This Agreement is an integral part of the Employment Contract No. 17 dated January 09, 2014 and comes into force on October 03, 2016.

4. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.

Addresses and Details of Parties:

Employee:
Obishchenko Vitaly Vasilievich
passport
series 4011, No. 494542, issued by TD No. 139 of Administration
Department of the Federal Migration Service of Russia for St.
Petersburg and Leningrad Region in Centralny
District of St. Petersburg

Employer:
ProfiT, LLC

/signature/ Obishchenko V.V.
November 01, 2015

Director General /signature/ Melnikov D. A.

Stamp here
/Round seal:
ProfiT, Limited Liability Company
Saint Petersburg/

The copy has been received personally on

October 03, 2016

/Obishchenko V. V./

/signature/

ADDITIONAL AGREEMENT

to Employment Contract No. 17 dated January 09, 2014

Saint Petersburg

January 09, 2017

ProflT, Limited Liability Company, hereinafter referred to as the "Employer", represented by the Director General Dmitry Aleksandrovich Melnikov, acting under the Articles of Association, on the one hand, and Obishchenko Vitaly Vasilievish, hereinafter referred to as the "Employee", on the other hand, have entered into this additional agreement to Employment Contract No. 17 dated January 09, 2014 on the following.

1. The Employee, Obishchenko Vitaly Vasilievish, the Product Director, the Directorate (0.25 rate) is transferred to a full-time position, a 40-hour work week.

2. Section 5 "**Terms of Remuneration**" of the Employment Contract shall be of the following wording:

5.1 The Employee's salary in accordance with the Employer's current remuneration system consists of an official salary.

5.2 For his/her job functions performing, a fixed official salary in the amount of 12 000 (twelve thousand) US dollars is set for the Employee. The payment is made in rubles at the exchange rate of the Central Bank of the Russian Federation on the date of the salary payment, but not less than 60.6569 rubles per 1 US dollar (the exchange Rate of the Central Bank of the Russian Federation on the date of this Agreement signing).

5.3 The Employer pays the salary to the Employee twice a month: on the 20th day of the reporting month and on the 5th day of the month following the reporting month. On the 20th day of the month the Employee is paid 313 200 (three hundred thirteen thousand two hundred) roubles for the fully worked first half of the month and on the 5th day of the month following the reporting one – the rest part of the salary.

5.3.1. If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day.

5.3.2. The salary is to be paid in the currency of the Russian Federation, in a non-cash form by its transfer to the Employee's settlement account specified by him/her for this purpose. The application with the settlement account details is to be submitted by the Employee to the Employer's Accounting Department.

5.4 Deductions from the Employee's salary are made only in cases stipulated by the Labour Code of the Russian Federation and other federal laws.

5.5 The paid leave shall be paid to the Employee not later than three (3) days before its starting.

5.6 The Employer pays all the Employee's payroll taxes and all other income taxes in the amount and manner prescribed by the legislation of the Russian Federation.

5.7 Upon termination of the Agreement by agreement of the Parties, the amount of the severance allowance may not exceed one average monthly salary of the Employee in cash, subject to the rules of the current Labour legislation of the Russian Federation. At that, the period of mandatory work

out, from the moment of the agreement signing, cannot exceed thirty (30) calendar days, taking into account periods of the Employee absence.

4. This Agreement is an integral part of the Employment Contract No. 17 dated January 09, 2014 and comes into force on January 09, 2017.

5. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.

Addresses and Details of Parties:

Employee: Obishchenko Vitaly Vasilievich passport series 4011, No. 494542, issued by TD No. 139 of Administration Department of the Federal Migration Service of Russia for St. Petersburg and Leningrad Region in Centralny District of St. Petersburg <u>/signature/ /Obishchenko V. V./</u>	Employer: Profit, LLC Taxpayer Identification Number (INN): 7810453178 Tax Registration Reason Code (KPP): 780601001 Primary State Registration Number (OGRN): 1137847340036 Legal Address: 7 Yakornaya Street, Letter A, Saint Petersburg 195027, Russia Settlement Account No.: 40702810900024858920 with St. Petersburg Branch Office of UniCredit Bank, JSC Correspondent Account No. 30101810800000000858 Bank Identification Number (BIC): 0440308584 Director General <u>/signature/</u> Melnikov D. A.

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/Round seal:
Profit, Limited Liability Company
Saint Petersburg/

The copy has been received personally on
January 09, 2017

/signature/ /Obishchenko V. V./

ADDITIONAL AGREEMENT
to Employment Contract No. 0000017 dated January 09, 2014

Saint Petersburg

December 29, 2017

SEMRUSH RU, Limited Liability Company, hereinafter referred to as the "Employer", represented by the Provisional Director General Natalia Aleksandrovna Osipova, acting under Power of Attorney w/n dated December 22, 2017, on the one hand and Obishchenko Vataly Vasilievich, hereinafter referred to as the "Employee", on the other hand, have concluded this additional agreement to Employment Contract No. 0000017 dated **January 09, 2014** on the following.

1. The Employee's place of work is SEMRUSH RU, LLC, St. Petersburg.
 2. The Employee is subordinated directly to the Director General.
 3. Section 5 "**Terms of Remuneration**" of the Employment Contract shall be of the following wording:
 - 5.1. The Employee's salary in accordance with the Employer's current remuneration system consists of the fixed official salary.
 - 5.2. For his/her job functions performing, a fixed official salary in the amount of 12960 (twelve thousand nine hundred and sixty) US dollars is set for the Employee. The payment is made in roubles at the exchange rate of the Central Bank of the Russian Federation on the date of the salary payment, but not less than 60.6569 roubles per 1 US dollar.
 - 5.3. The Employer pays the salary to the Employee twice a month: on the 20th day of the reporting month and on the 5th day of the month following the reporting month.
 - 5.3.1. If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous working day.
 - 5.3.2. The salary is to be made in the currency of the Russian Federation, in a non-cash form by its transferring to the Employee's settlement account specified by him/her for this purpose. The application with the settlement account details is to be submitted by the Employee to the Employer's Accounting Department.
 - 5.4. Deductions from the Employee's salary are made only in cases stipulated by the Labour Code of the Russian Federation and other federal laws.
 - 5.5. The paid leave shall be paid to the Employee not later than three (3) days before its starting.
 - 5.6. The Employer pays all the Employee's payroll taxes and all other income taxes in the amount and manner prescribed by the legislation of the Russian Federation.
 4. Working conditions at the Employee's workplace correspond to the second (acceptable) class of working conditions, according to the results the working conditions special assessment.
 5. This Agreement is an integral part of the Employment Contract No. 0000017 dated **January 09, 2014** and comes into force on January 02, 2018.
 6. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.
-

Addresses and Details of Parties:

Employee: Obishchenko Vitaly Vasilievich passport series 4011, No. 494542, issued by TD No. 139 of Administration Department of the Federal Migration Service of Russia for St. Petersburg and Leningrad Region in Centralny District of St. Petersburg <u>/signature/ /Obishchenko V. V./</u>	Employer: SEMRUSH, LLC

The copy has been received personally on

December 29, 2017 _____/_____/

ADDITIONAL AGREEMENT
to Employment Contract No. **0000017** dated **January 09, 2014**

Saint Petersburg

December 29, 2018

SEMRUSH RU, Limited Liability Company, hereinafter referred to as the "Employer", represented by the Director General Natalia Aleksandrovna Kilimova, acting under the Articles of Association, on the one hand, and Obishchenko Vitaly Vasilievich, hereinafter referred to as the "Employee", on the other hand, have concluded this additional agreement to Employment Contract No. **0000017** dated **January 09, 2014** on the following.

1. Employee, Obishchenko Vitaly Vasilievich, the Product Director in the Directorate Department is transferred to the position of the Product Director in the Top Management Department from January 01, 2019.
 2. The Employee's place of work is SEMRUSH RU, LLC, St. Petersburg.
 3. The Employee is subordinated directly to the Director General.
 4. Section 5 "**Terms of Remuneration**" of the Employment Contract shall be of the following wording:
 - 5.1. The Employee's salary in accordance with the Employer's current remuneration system consists of the fixed official salary.
 - 5.2. For his/her job functions performing, a fixed official salary in the amount of 13 090 (thirteen thousand ninety) US dollars. The payment is made in roubles at the exchange rate of the Central Bank of the Russian Federation on the date of the salary payment, but not less than 60.6569 roubles per 1 US dollar (at the CBR exchange rate on the date of this Agreement signing).
 - 5.3. The Employer pays the salary to the Employee twice a month: on the 20th day of the reporting month and on the 5th day of the month following the reporting month.
 - 5.3.1. If the payment day coincides with a weekend or a non-working holiday, the salary payment is to be made on the previous day.
 - 5.3.2. The salary is to be made in the currency of the Russian Federation, in a non-cash form by its transferring to the Employee's settlement account specified by him/her for this purpose. The application with the settlement account details is to be submitted by the Employee to the Employer's Accounting Department.
 - 5.4. Deductions from the Employee's salary are made only in cases stipulated by the Labour Code of the Russian Federation and other federal laws.
 - 5.5. The paid leave shall be paid to the Employee not later than three (3) days before its starting.
 - 5.6. The Employer pays all the Employee's payroll taxes and all other income taxes in the amount and manner prescribed by the legislation of the Russian Federation.
 5. Working conditions at the Employee's workplace correspond to the second (acceptable) class of working conditions, according to the results the working conditions special assessment.
-

6. This Agreement is an integral part of the Employment Contract No. **0000017** dated **January 09, 2014** and comes into force on January 01, 2019.

7. This Agreement is made in two (2) copies, one of which is kept by the Employer in the Employee's personal file, and the second – by the Employee. Both copies have equal legal force.

Addresses and Details of Parties:

Employee:

Employer:

SEMRUSH, LLC

The copy has been received personally on
December 29, 2018 _____ / _____ /



SEMrush Inc.
800 Boylston Street. Suite 2475
Boston: MA 02199
Phone: (855) 814 - 4510
Email: mail@semrush.com

Evgeny Fetisov
April 30, 2019

Dear Evgeny,

On behalf of SEMrush Inc., we are pleased to extend to you this offer letter for the position of Chief Financial Officer within our executive team.

COMPENSATION

Annual base salary: \$300,000.00.

Target Bonus: You are eligible to earn an annual bonus of 30% of your base salary at target. Equity: 0.8%, four (4) year vesting with one (1) year cliff.

START DATE

Please indicate your anticipated start date _____.

HEALTHCARE COVERAGE

Medical, vision and dental health, effective the first date of employment, coverage is provided in conjunction with the employee's selection of a healthcare coverage plan.

PAID TIME OFF (PTO)

Paid time off (PTO) is available for employees to take time off for any reason including vacation, sick or personal time. All full-time employees are eligible for a full 16 days of PTO each year. Depending on the employee's start date, these days will be prorated according to the date started. By way of example, please see below. All PTO days will be reset to 16 as of the 1st of January of every calendar year. After 5 years of fulltime employment with SEMrush Inc., the employee is eligible for an additional 5 days, totaling 21 days. A total of 5 PTO days may be carried over to the following calendar year.

January = 16 days

February = 14.5 days

March = 13 days

April = 11.5 days

May = 10 days

June = 8.5 days

July = 7 days

August = 5.5 days

September = 4 days

October = 2.5 days

November = 1 day

December = 0 days

401K

All employees are eligible to opt-in to 401K plan starting 90 days from date of hire. All participants must be 21 years of age.

LOCATION OF SERVICES:

As discussed, you will be executing on your responsibilities at the Company's Boston, MA office.

ADDITIONAL INFORMATION

If you are accepting this position, please sign below and send back to Oleg Shchegolev, oleg@semrush.com, via email to indicate your acceptance of this offer by 10 pm EST May 1, 2019.

We are confident that you will make a significant contribution to the success of our organization and we are truly excited at the prospect of you joining our team.

Looking forward to hearing from you!

Sincerely,
Oleg Shchegolev and Dmitri Melnikov
CEO, COO and Founders

/s/ Oleg Shchegolev

CREDIT AGREEMENT

dated as of

January 12, 2021

among

SEMRUSH HOLDINGS, INC.,
as a Borrower,

SEMRUSH INC.,
as a Borrower,

THE OTHER LOAN PARTIES PARTY HERETO,

THE LENDERS PARTY HERETO,

and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

JPMORGAN CHASE BANK, N.A.
as Sole Bookrunner and Sole Lead Arranger

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- Exhibit C – Joinder Agreement
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- Exhibit D-2 – U.S. Tax Compliance Certificate (For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)
- Exhibit D-3 – U.S. Tax Compliance Certificate (For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)
- Exhibit D-4 – U.S. Tax Compliance Certificate (For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)
- Exhibit E – Form of Increasing Lender Supplement – Existing Lender
- Exhibit F – Form of Augmenting Lender Supplement – New Lender
- Exhibit G – Form of Borrowing Request
- Exhibit H – Form of Solvency Certificate
- Exhibit I – Form of Note
- Exhibit J – Form of Interest Election Request
- Exhibit K – Borrowing Base Certificate
- Exhibit L – Form of Intercompany Note

CREDIT AGREEMENT dated as of January 12, 2021 (the “**Effective Date**”) (as it may be amended, modified, restated, or otherwise supplemented from time to time, this “**Agreement**”), among SEMRUSH HOLDINGS, INC., a Delaware corporation (“**SEMrush Holdings**”), and SEMRUSH INC., a Delaware corporation (“**SEMrush**”), as the Borrowers, the other Loan Parties party hereto, the Lenders party hereto, and JPMORGAN CHASE BANK, N.A., as the Administrative Agent.

WHEREAS, the Borrowers have requested that the Lenders extend credit to the Borrowers in the form of a revolving credit facility (including a letter of credit subfacility) in an aggregate principal amount of \$45,000,000 pursuant to this Agreement; and

WHEREAS, the proceeds of Borrowings hereunder will be used for working capital and other general corporate purposes of the Borrowers and their Subsidiaries (including Permitted Acquisitions, capital expenditures, and other Investments, Restricted Payments and the refinancing of Indebtedness, in each case, to the extent permitted under this Agreement).

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“**ABR**” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, is bearing interest at a rate determined by reference to the Alternate Base Rate.

“**Account**” has the meaning assigned to such term in the Security Agreement.

“**Account Debtor**” means any Person obligated on an Account.

“**Acquisition**” means any transaction or series of related transactions by any Borrower or any Subsidiaries of any Borrower resulting, directly or indirectly, in (a) the acquisition of all or substantially all of the assets of any Person (other than an existing Subsidiary), or any business or division of any Person (other than an existing Subsidiary), (b) the acquisition of in excess of fifty percent (50%) of the stock (or other Equity Interests) with ordinary voting power of any Person (other than an existing Subsidiary), or (c) the acquisition of another Person (other than an existing Subsidiary) by a merger, amalgamation or consolidation or any other combination with such Person.

“**Acquisition Consideration**” shall mean the sum of the cash purchase price for any Permitted Acquisition payable at or prior to the closing date of such Permitted Acquisition (and which, for the avoidance of doubt, shall not include any purchase price adjustment, royalty, earnout, contingent payment, working capital adjustment or any other deferred payment of a similar nature) plus the aggregate amount of Indebtedness assumed on such date in connection with such Permitted Acquisition.

“Adjusted LIBO Rate” means, with respect to any Eurodollar Borrowing for any Interest Period or for any ABR Borrowing, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

“Administrative Agent” means JPMorgan Chase Bank, N.A. in its capacity as administrative agent for the Lenders hereunder.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Advance Rate” means the product of (a) four hundred percent (400%) multiplied by (b) the Annualized Retention. Changes in the Advance Rate based on changes in the Annualized Retention shall be effective on the first (1st) day of the calendar month following such change in Annualized Retention.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent-Related Person” has the meaning assigned to it in Section 9.03(d).

“Aggregate Credit Exposure” means, at any time, the aggregate Credit Exposure of all the Lenders at such time.

“Agreement” has the meaning assigned to it in the introductory paragraph of this Agreement.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1%, and (c) the Adjusted LIBO Rate for a one (1) month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%, provided that, for the purpose of this definition, the Adjusted LIBO Rate for any day shall be based on the LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one (1) month Interest Period, the Interpolated Rate) at approximately 11:00 a.m. London time on such day. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 (for the avoidance of doubt, only until any amendment has become effective pursuant to Section 2.14(c)), then the Alternate Base Rate shall be the greater of clause (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.50%, such rate shall be deemed to be 1.50% for purposes of this Agreement, provided that following the Repricing Event, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 3.25%, such rate shall be deemed to be 3.25%.

“**Ancillary Document**” has the meaning assigned to it in Section 9.06(b).

“**Annualized Churn**” means the product of (a) Churn, multiplied by (b) two, and expressed as a percentage.

“**Annualized Retention**” means the lesser of (a) one hundred percent (100%), or (b) one hundred percent (100%) minus Annualized Churn, and expressed as a percentage.

“**Anti-Corruption Laws**” means all laws, rules, and regulations of any jurisdiction applicable to any Borrower or any Subsidiaries of any Borrower from time to time concerning or relating to bribery or corruption.

“**Applicable Parties**” has the meaning assigned to such term in Section 8.03(c).

“**Applicable Percentage**” means, at any time with respect to any Lender, a percentage equal to a fraction the numerator of which is such Lender’s Commitment at such time and the denominator of which is the aggregate Commitments at such time (provided that if the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon such Lender’s share of the Aggregate Credit Exposure at such time); provided that, in accordance with Section 2.20, so long as any Lender shall be a Defaulting Lender, such Defaulting Lender’s Commitment shall be disregarded in the calculations above.

“**Applicable Rate**” means, (a) initially, 2.50% per annum in the case of ABR Loans and 3.50% per annum in the case of Eurodollar Loans and (b) following the earlier of (x) an IPO or (y) positive Consolidated EBITDA as of the twelve (12) fiscal months of SEMrush Holdings and its Subsidiaries most recently ended for which financial statements shall have been delivered (or were required to be delivered) under Section 5.01 to the Administrative Agent (the “**Repricing Event**”), (I) 0.00% per annum in the case of ABR Loans and (II) 2.75% per annum in the case of Eurodollar Loans; provided that in the case of the foregoing clause (y), the Applicable Rate shall equal such rate before giving effect to the Repricing Event.

“**Approved Electronic Platform**” has the meaning assigned to it in Section 8.03(a).

“**Approved Fund**” has the meaning assigned to it in Section 9.04(b).

“**Assignment and Assumption**” means an assignment and assumption agreement entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form (including electronic records generated by the use of an electronic platform) approved by the Administrative Agent.

“**Augmenting Lender**” has the meaning assigned to such term in Section 2.22(a).

“**Availability**” means (x) at any time on or prior to the Conversion Date, an amount equal to (a) the lesser of (i) the Commitment and (ii) the Borrowing Base then in effect minus (b) the Aggregate Credit Exposure (calculated, with respect to any Defaulting Lender, as if such Defaulting Lender had funded its Applicable Percentage of all outstanding Borrowings) and (y) at any time after the Conversion Date, an amount equal to (a) the Commitment minus (b) the Aggregate

Credit Exposure (calculated, with respect to any Defaulting Lender, as if such Defaulting Lender had funded its Applicable Percentage of all outstanding Borrowings).

“Availability Period” means the period from and including the Effective Date to but excluding the earlier of the Maturity Date and the date of termination of the Commitments.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (g) of Section 2.14.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Balance Sheet Financed Permitted Acquisition” means any Permitted Acquisition described in clause (b) of the definition thereof.

“Banking Services” means each and any of the following bank services provided to any Loan Party or any Subsidiary by any Lender or any of its Affiliates: (a) credit cards for commercial customers (including, without limitation, “commercial credit cards” and purchasing cards), (b) stored value cards, (c) merchant processing services, and (d) treasury management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, any direct debit scheme or arrangement, overdrafts and interstate depository network services and cash pooling services).

“Banking Services Obligations” means any and all obligations of the Loan Parties and their Subsidiaries, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Banking Services.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as now or hereafter in effect, or any successor thereto, as hereafter amended.

“Bankruptcy Event” means, with respect to any Person, when such Person becomes the subject of a voluntary or involuntary bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith

determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment or has had any order for relief in such proceeding entered in respect thereof; *provided* that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, unless such ownership interest results in or provides such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permits such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“**Benchmark**” means, initially, LIBO Rate; provided that if a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to LIBO Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (c) or clause (d) of Section 2.14.

“**Benchmark Replacement**” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (1) the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;
- (2) the sum of (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;
- (3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower Representative as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; provided further that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, upon the occurrence of a Term SOFR Transition Event, and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date the “Benchmark Replacement” shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, as set forth in clause (1) of this definition (subject to the first proviso above).

If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of “Benchmark Replacement,” the first alternative set forth in the order below that can be determined by the Administrative Agent:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower Representative for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration

thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein;

(3) in the case of a Term SOFR Transition Event, the date that is thirty (30) days after the date of a Term SOFR Notice is provided to the Lenders and the Borrowers pursuant to Section 2.14(d); or

(4) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Unavailability Period**” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14.

“**Beneficial Ownership Certification**” means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

“**Beneficial Ownership Regulation**” means 31 C.F.R. § 1010.230.

“**Benefit Plan**” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations) the assets of any such “employee benefit plan” or “plan”.

“**BHC Act Affiliate**” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“**Board**” means the Board of Governors of the Federal Reserve System of the United States of America.

“**Borrower**” or “**Borrowers**” means individually, each of SEMrush Holdings, Inc., a Delaware corporation, and SEMrush Inc., a Delaware corporation and, to the extent context requires, collectively.

“Borrower Representative” means SEMrush Inc.

“Borrowing” means Loans of the same Type made, converted or continued on the same date and, in the case of Eurodollar Loans, as to which a single Interest Period is in effect.

“Borrowing Base” means, at any time, an amount equal to the product of the Advance Rate multiplied by Monthly Recurring Revenue (for Monthly Recurring Revenue, to be calculated consistently with past practice (other than in accordance with requirements resulting from changes in GAAP) except to the extent consented to by the Administrative Agent), tested as of the last day of the immediately preceding calendar month.

“Borrowing Base Certificate” means a certificate, signed and certified as accurate and complete by a Financial Officer of the Borrower Representative, in substantially the form of Exhibit K or another form which is acceptable to the Administrative Agent in its sole discretion.

“Borrowing Request” means a request by the Borrower Representative for a Borrowing in accordance with Section 2.03, which shall be substantially in the form of Exhibit G or any other form approved by the Administrative Agent.

“Burdensome Restrictions” means any consensual encumbrance or restriction of the type described in clause (a) or (b) of Section 6.09.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Eurodollar Loan or an ABR Loan based on the Adjusted LIBO Rate, the term “Business Day” shall also exclude any day on which banks are not open for general business in London.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases or financing leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP (subject to, for the avoidance of doubt, Section 1.04).

“Cash Burn” means, as of any date of determination, the amount equal to SEMrush Holdings and its subsidiaries’ total unrestricted cash as of the first (1st) day of the immediately preceding four (4) month period minus SEMrush Holdings and its subsidiaries’ total unrestricted cash balance as of the last day of such month for such four (4) month period, and adjusted to exclude any changes in the cash balance as a result of debt and/or equity financing activities.

“Cash Equivalents” means:

- (a) Dollars;
- (b) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or any agency or instrumentality

thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;

(c) investments in commercial paper maturing within one year from the date of acquisition thereof and having, at such date of acquisition, a rating of at least P-2 (or the equivalent thereof) by Moody's or at least A-2 (or the equivalent thereof) by S&P, or if at the time neither is issuing comparable ratings, then a comparable rating of another nationally recognized statistical rating organization;

(d) investments in certificates of deposit, bankers acceptances and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(e) fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in clause (b) above and entered into with a financial institution satisfying the criteria described in clause (d) above;

(f) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least \$5,000,000,000;

(g) Indebtedness issued by Persons with a rating of "A" or higher from S&P or "A-2" or higher from Moody's (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another nationally recognized statistical rating organization) maturing with one year from the date of acquisition thereof;

(h) bills of exchange issued in the United States, Canada or a member state of the European Union eligible for rediscount at the relevant central bank and accepted by a bank (or any dematerialized equivalent);

(i) interests in any investment company, money market or enhanced high yield fund which invests at least 95% of its assets in instruments of the type specified in clauses (a) through (h) above;

(j) instruments and investments of the type and maturity described in clause (a) through (i) denominated in any foreign currency or of foreign obligors, which investments or obligors are, in the reasonable judgment of the Borrowers, comparable in investment quality to those referred to above;

(k) the marketable securities portfolio owned by the Borrowers or their direct or indirect Subsidiaries on the Effective Date or as otherwise approved by the Administrative Agent from time to time in its reasonable discretion;

(l) Investments made pursuant to the Borrowers' investment policy from time to time to the extent such investment policy (and any amendments thereto) is not materially

adverse to the interests of the Lenders and has been approved by the Administrative Agent from time to time in its reasonable discretion; and

(m) solely with respect to any Subsidiary that is a Foreign Subsidiary, investments of comparable tenor and credit quality to those described in the foregoing clauses (b) through (k) customarily utilized in countries in which such Foreign Subsidiary operates for short term cash management purposes.

“**CFC**” means a “controlled foreign corporation” within the meaning of Section 957 of the Code in which any Loan Party is a “United States shareholder” within the meaning of Section 951(b) of the Code.

“**Change in Control**” means (a) at any time prior to an IPO, any combination of Permitted Holders shall fail to own beneficially (within the meaning of Rules 13d-3 and 13d-5 of the Exchange Act as in effect on the Effective Date), directly or indirectly, in the aggregate, Equity Interests representing at least a majority of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrowers, (b) at any time on and after an IPO, any person or “group” (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Effective Date), but excluding (x) any employee benefit plan of such person and its Subsidiaries and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan and (y) any combination of Permitted Holders, shall have, directly or indirectly, acquired beneficial ownership of Equity Interests representing 35% or more of the aggregate voting power represented by the issued and outstanding Equity Interests of the Relevant Public Company and the Permitted Holders shall own, directly or indirectly, less than such person or “group” of the aggregate voting power represented by the issued and outstanding Equity Interests of the Relevant Public Company or (c) SEMrush Holdings shall cease to own, directly or indirectly, 100% of the Equity Interests of SEMrush.

“**Change in Law**” means the occurrence after the date of this Agreement of any of the following: (a) the adoption of or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) compliance by any Lender or the Issuing Bank (or, for purposes of Section 2.15(b), by any lending office of such Lender or by such Lender’s or the Issuing Bank’s holding company, if any) with any request, guideline, requirement or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements or directives thereunder or issued in connection therewith or in the implementation thereof, and (y) all requests, rules, guidelines, requirements or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the U.S. or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted, issued or implemented.

“**Charges**” has the meaning assigned to such term in Section 9.17.

“Churn” means (a) the dollar value of Monthly Recurring Revenue that was cancelled, terminated, downgraded, or expired and not renewed in the past six (6) months with respect to customers that were live at the beginning of the trailing six (6) month period, divided by (b) the dollar value of Monthly Recurring Revenue that was in effect at the beginning of such six (6) month period, all calculated as of the last day of the relevant calendar month and expressed as a percentage.

“Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Collateral” means any and all property owned, leased or operated by a Person covered by the Collateral Documents and any and all other property of any Loan Party, now existing or hereafter acquired, that may at any time be, become or be intended to be, subject to a security interest or Lien in favor of the Administrative Agent, on behalf of itself and other Secured Parties, to secure the Secured Obligations; provided that Collateral shall not include any Excluded Property.

“Collateral Documents” means, collectively, the Security Agreement, the Mortgages and all other agreements, instruments and documents executed in connection with this Agreement that are intended to create, perfect or evidence Liens to secure the Secured Obligations, including, all other security agreements, pledge agreements, mortgages, deeds of trust, loan agreements, notes, guarantees, subordination agreements, pledges, powers of attorney relating to any of the foregoing and collateral assignments or similar collateral documents whether heretofore, now or hereafter executed by any Loan Party and delivered to the Administrative Agent.

“Commitment” means, with respect to each Lender, the initial amount of each Lender’s Commitment set forth on Schedule 2.01 opposite such Lender’s name, or in the Assignment and Assumption or other documentation or record (as such term is defined in Section 9-102(a)(70) of the New York Uniform Commercial Code) as provided in Section 9.04(b)(ii)(3), pursuant to which such Lender shall have assumed its Commitment, as applicable, as such commitment may be (a) reduced or increased from time to time pursuant to Section 2.09(a), (b) reduced or increased from time to time pursuant to assignments by or to such Lenders pursuant to Section 9.04 and (c) increased from time to time pursuant to Section 2.22; provided that at no time shall the Credit Exposure of any Lender exceed its Commitment. The initial aggregate amount of the Lenders’ Commitments is \$45,000,000.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“Communications” has the meaning assigned to such term in Section 8.03(c).

“Competitor” means any Person (a) that is an operating company directly and primarily engaged in substantially similar business operations as the Borrowers and (b) any of such Person’s subsidiaries, in each case, identified in writing to the Administrative Agent from time to time.

“Competitor Controller” means any (a) direct or indirect parent company of a Competitor to the extent reasonably identifiable on the basis of such parent’s name and (b) Person that is Controlled by such Competitor in each case identified in writing to the Administrative Agent, excluding in each case of (a) and (b) any Person that is a financial institution, a debt fund or an investment

vehicle that is engaged in the business of making, purchasing, holding or otherwise investing in loans, notes, bonds and similar extensions of credit or securities in the ordinary course of business to or of unaffiliated third parties.

“**Compliance Certificate**” means a certificate of a Financial Officer in substantially the form of Exhibit B.

“**Connection Income Taxes**” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“**Consolidated**” or “**consolidated**” means, with reference to any term defined herein, that term as applied to the accounts of the Borrowers and their Subsidiaries, consolidated in accordance with GAAP.

“**Consolidated EBITDA**” means, with reference to any period, Consolidated Net Income for such period plus

(a) without duplication and, except with respect to amounts added back pursuant to clauses (xii) (solely in the case of amounts constituting the proceeds of business interruption insurance that are not already included in Consolidated Net Income), (xiv) or (xv), to the extent deducted (and not added back) in determining such Consolidated Net Income for such period,

(i) Consolidated Interest Expense (including net losses (or gains) on Swap Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, unused line fees, letter of credit fees, facing fees and bank guaranty fees), net of interest income;

(ii) the provision for taxes based on income, revenue, profits or capital, including federal, foreign, state, local, franchise, excise, value added and similar taxes paid or accrued during such period (including in respect of repatriated funds and any future taxes or other levies which replace or are intended to be in lieu of such taxes and any penalties and interest related to such taxes or arising from tax examinations and any Tax Distributions permitted hereunder) net of any tax credits;

(iii) depreciation expense and amortization expense;

(iv) impairment of goodwill and other long-lived assets;

(v) non-recurring fees, costs and expenses incurred during such period in connection with any issuances of Equity Interests, any Permitted Acquisitions, sale of assets outside the ordinary course of business, Restricted Payments permitted under Section 6.06, any Indebtedness permitted under Section 6.01 and Investments permitted under Section 6.04, whether consummated or not consummated, during such period; provided, that amounts added back in the determination of Consolidated EBITDA pursuant to this clause (v) shall not exceed at any time prior to the Conversion Date (i)(x) from and after the Effective Date until the first anniversary thereof, \$5,000,000 in the aggregate, (y) from and after the first anniversary of

the Effective Date until the second anniversary thereof, \$3,000,000 in the aggregate and (z) thereafter, \$1,000,000 in the aggregate for such period and (ii) from and after the Conversion Date, the greater of (x) \$1,000,000 and (y) 10.0% of Consolidated EBITDA (calculated before giving effect to this clause (v)) in the aggregate for such period; provided further that such limitation shall not apply if such expenses are funded with the net cash proceeds of capital contributions to, and issuance of Equity Interests by, SEMrush Holdings to persons (other than SEMrush and its Subsidiaries);

(vi) any loss from any sale of long-lived assets outside the ordinary course of business;

(vii) non-cash equity-based compensation expenses for such period;

(viii) non-recurring fees and expenses incurred during such period in connection with the Loan Documents;

(ix) extraordinary, unusual or non-recurring losses or expenses;

(x) [reserved];

(xi) the amount of fees, costs, prepayment premiums and expenses previously paid in cash and capitalized and subsequently expensed in connection with the repayment of Indebtedness and any required prepayment premiums in connection therewith during such period;

(xii) proceeds of business interruption insurance and any expenses and payments covered by third party indemnification, insurance, reimbursement, guaranty, purchase price adjustment or similar arrangement, or otherwise reimbursed or reimbursable by a third party, to the extent that such expenses and payments have been paid or reimbursed in cash during such period;

(xiii) the amount of any cash restructuring and similar charges, severance costs, lease termination costs, retention, recruiting and relocation costs, integration and other business optimization expenses, signing costs, retention or completion bonuses, stock-option or equity-based compensation expenses, transition costs, costs related to the closure or consolidation of facilities, future lease commitments and curtailments or modifications to pension and post-retirement employee benefit plans (including any settlement of pension liabilities), including, without limitation, any one-time expense relating to enhanced accounting function or other transaction costs, and other one-time expenses not otherwise added back to Consolidated EBITDA; provided, that amounts added back in the determination of Consolidated EBITDA pursuant to this clause (xiii) shall not, in the aggregate, exceed (i) at any time prior to the Conversion Date, \$1,000,000 and (ii) from and after the Conversion Date, the greater of (x) \$1,000,000 and (y) 10.0% of Consolidated EBITDA (calculated before giving effect to this clause (xiii)) for such period;

(xiv) the amount of “run-rate” cost savings, synergies and operating expense reductions (the “**Cost Savings**”) realized or projected by the Borrowers in good faith and certified by a Financial Officer of the Borrowers in writing to result from actions taken or with respect to which substantial steps have been taken prior to the last day of such measurement period (or reasonably anticipated to be taken or initiated within twelve (12) months after the date of the relevant event or transaction) with respect to integrating, consolidating or discontinuing operations, headcount reductions or closure of facilities, or otherwise, in each case resulting from acquisitions (whether before or after the Effective Date), dispositions outside the ordinary course of business permitted hereunder, restructurings or cost savings initiatives, which cost savings, synergies and operating expense reductions shall be calculated on a Pro Forma Basis as though they had been realized on the first (1st) day of such period, net of the amount of actual benefits realized during such period from such actions that are otherwise included in the calculation of Consolidated EBITDA; provided that (i) a Financial Officer of the Borrowers shall have provided a reasonably detailed statement or schedule of such Cost Savings and shall have certified to Administrative Agent that such cost savings, synergies, operating improvements and operating expense reductions, as the case may be, are directly attributable to the applicable transaction or initiative, reasonably identifiable, factually supportable and projected by the Borrowers in good faith to result from actions that have been taken or are expected to be taken (in the good faith determination of the Borrowers), within twelve (12) months after the relevant transaction or initiative, and (ii) the aggregate amount of all add-backs pursuant to this clause (xiv) shall not exceed 7.5% of Consolidated EBITDA (calculated before giving effect to this clause (xiv)) for such twelve (12) month period;

(xv) the net amount, if any, by which consolidated deferred revenues increased during such period;

(xvi) to the extent not already covered in clauses (a)(i) through (a)(xv) above, all other non-cash charges, write-downs, expenses, losses or other similar items for such period, including the impact of purchase accounting; and

(xvii) currency translation losses related to currency remeasurements of assets or liabilities (including the net loss resulting from hedging agreements for currency exchange risk and revaluations of intercompany balances);

minus (b) without duplication and except with respect to clauses (iii) and (v) to the extent included in such Consolidated Net Income for such period, (i) any cash payments made during such period in respect of items described in clauses (a)(vi), (a)(vii), (a)(ix) or (a)(xvi) above subsequent to the fiscal quarter in which the relevant non-cash expenses or losses were taken or incurred, (ii) extraordinary, unusual or non-recurring income or gains, (iii) currency translation gains related to currency remeasurements of assets or liabilities (including the net gain resulting from hedging agreements for currency exchange risk and revaluations of intercompany balances), (iv) gains on disposal of long-lived assets outside the ordinary course of business, and (v) the net amount, if any, by which consolidated deferred revenues decreased during such period.

For the purposes of calculating Consolidated EBITDA for any Reference Period, (x) if at any time during such Reference Period, any Borrower or any Subsidiary shall have made any sale or disposition of assets or series of related sales or dispositions of assets (other than to the Borrowers or their Subsidiaries), the Consolidated EBITDA for such Reference Period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets that are the subject of such sale or disposition for such Reference Period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period, and (y) if during such Reference Period, any Borrower or any Subsidiary shall have made any Permitted Acquisition or other Investments permitted hereunder, Consolidated EBITDA for such Reference Period shall be calculated after giving effect thereto on a *pro forma* basis as if such Permitted Acquisition or other Investment (including the incurrence or assumption of any Indebtedness in connection therewith) had occurred on the first (1st) day of such Reference Period, without duplicating any other add-back to Consolidated EBITDA.

“Consolidated Funded Debt” means the sum of (a) all Indebtedness of the types described in clauses (a) (solely with respect to obligations for borrowed money), (b), (e), (h) (other than real property leases that are required to be capitalized in accordance with GAAP) and (k), and, to the extent related to Indebtedness of such types, clause (g) of the definition of “Indebtedness,”; *provided* that, with respect to such clauses (e) and (k), all obligations in respect of the deferred purchase price of property or services and obligations under any earn-out shall, in each case, be included only if and to the extent such obligations remain unpaid following the due date thereof, *minus* (b) unrestricted cash and Cash Equivalents of the Borrowers and the Guarantors in an amount not to exceed \$15,000,000; *provided* that, such unrestricted cash and Cash Equivalents shall only be netted to the extent the Administrative Agent has a perfected first priority lien.

“Consolidated Interest Expense” means, for any period, for the Borrowers and their Subsidiaries calculated in accordance with GAAP on a consolidated basis for such period (without duplication), all cash interest expense (including interest expense under Finance Lease Obligations that is treated as interest in accordance with GAAP and regularly scheduled dividends paid in cash for such period on or with respect to Disqualified Equity Interests) with respect to all outstanding Indebtedness of the Borrowers and their Subsidiaries allocable to such period in accordance with GAAP (including all commissions, discounts and other fees and charges owed with respect to letters of credit and net costs under interest rate Swap Agreements to the extent such costs are allocable to such period in accordance with GAAP) less interest income, excluding (a) one-time cash costs associated with breakage in respect of interest rate Swap Agreements, (b) any “additional interest” or “liquidated damages” with respect to securities for failure to comply with registration rights obligations, (c) penalties and interest relating to taxes, and (d) any expensing of bridge, commitment and other financing fees (including annual agency fees paid to any administrative agent or collateral agent under any credit facilities or the debt instruments or documents).

“Consolidated Net Income” means, with reference to any period, the net income (or loss) of the Borrowers and their Subsidiaries calculated in accordance with GAAP on a consolidated basis for such period; *provided, however*, that there will not be included in such Consolidated Net Income (without duplication): (a) the income (or deficit) of any Person (other than a Subsidiary) in which the Borrower or any Subsidiary has an ownership interest, except to the extent that any such income is actually received by the Borrower or such Subsidiary in the form of dividends or

similar distributions, (b) the cumulative effect of a change in accounting principles; (c) any unrealized gains or losses in respect of Swap Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Swap Obligations; and (d) any recapitalization or purchase accounting effects including, but not limited to, adjustments to inventory, property and equipment, software and other intangible assets and deferred revenue in component amounts required or permitted by GAAP and related authoritative pronouncements (including the effects of such adjustments pushed down to the Borrowers and their Subsidiaries), as a result of any consummated acquisition, or the amortization or write off of any amounts thereof.

“Consolidated Total Assets” shall mean, as of any date of determination, the total amount of all assets of the Borrowers and their Subsidiaries, determined on a consolidated basis in accordance with GAAP as of such date.

“Consolidated Total Net Leverage Ratio” means, as of the last day of any fiscal quarter, the ratio of (a) Consolidated Funded Debt as of such date, to (b) Consolidated EBITDA for the Reference Period ended on such date.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise.

“Controlling” and **“Controlled”** have meanings correlative thereto.

“Conversion Date” has the meaning assigned to it in Section 6.10(a).

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Cost Savings” has the meaning assigned to it in the definition of “Consolidated EBITDA”.

“Covered Entity” means any of the following:

- (i) a **“covered entity”** as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a **“covered bank”** as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a **“covered FSI”** as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning assigned to it in Section 9.21(b).

“Credit Exposure” means, with respect to any Lender, at any time, the sum of the aggregate outstanding principal amount of such Lender’s Loans and LC Exposure at such time.

“Credit Party” means the Administrative Agent, each Issuing Bank or any other Lender.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

“Debtor Relief Laws” means the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender” means any Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit, (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, or (iv) comply with its material obligations under this Agreement, unless, in the case of clauses (i) and (iv) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding or other obligations (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrowers or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Loans and participations in then outstanding Letters of Credit under this Agreement; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party’s (x) receipt of such certification in form and substance satisfactory to it and the Administrative Agent, and (y) becoming compliant with its material obligations under this Agreement, or (d) has become the subject of (A) a Bankruptcy Event or (B) a Bail-In Action.

“Disclosed Matters” means the actions, suits, proceedings and the environmental matters disclosed in Schedule 3.06.

“Disposition” or “Dispose” means the sale, transfer, license, lease or other disposition (in one transaction or in a series of transactions and whether effected pursuant to a Division or otherwise) of any property by any Person (including any sale and leaseback transaction and any issuance of Equity Interests by a Subsidiary of such Person), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Disqualified Equity Interests” means Equity Interests that by their terms (or by the terms of any security into which they are convertible or for which they are exchangeable), or upon the happening of any event, (a) require the payment of any dividends (other than dividends payable solely in shares of Qualified Equity Interests), (b) mature or are mandatorily redeemable or subject to mandatory repurchase or redemption or repurchase at the option of the holders thereof (other than solely for Equity Interests in such Person or in the Relevant Public Company that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), in whole or in part and whether upon the occurrence of any event, pursuant to a sinking fund obligation, on a fixed date or otherwise, prior to the date that is ninety one (91) days following the then Latest Maturity Date at such time (other than upon (i) a “change in control” or (ii) an asset sale or similar event; provided that such “change in control”, asset sale or similar event results in the prior payment in full of the Obligations (other than the contingent obligations for which no claim has been made) and termination of the Commitments), or (c) are convertible or exchangeable, automatically or at the option of any holder thereof, into any debt securities or any Equity Interest (other than solely for Equity Interests in such Person or in the Relevant Public Company that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests) referred to in clause (a) or (b) above, prior to the date that is ninety one (91) days following the then Latest Maturity Date at such time; provided that if such Equity Interests are issued pursuant to a plan for the benefit of employees of any Borrower or any Subsidiary (or any parent entity thereof), such Equity Interests shall not constitute Disqualified Equity Interests solely because they may be required to be repurchased by the Borrowers or their Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee’s termination, death or disability.

“Dividing Person” has the meaning assigned to it in the definition of “Division.”

“Division” means the division of the assets, liabilities and/or obligations of a Person (the **“Dividing Person”**) among two or more Persons (whether pursuant to a “plan of division” or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

“Division Successor” means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

“Document” has the meaning assigned to such term in the Security Agreement.

“Dollars”, “dollars” or “\$” refers to lawful money of the U.S.

“Domestic Subsidiary” means a Subsidiary of the Borrowers or any other Loan Party to the extent such Subsidiary is organized under the laws of a jurisdiction located in the U.S.; provided, however, no Foreign Subsidiary Holding Company shall be considered a Domestic Subsidiary.

“Early Opt-in Election” means, if the then-current Benchmark is LIBO Rate, the occurrence of:

- (1) a notification by the Administrative Agent to (or the request by the Borrower Representative to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and
- (2) the joint election by the Administrative Agent and the Borrower Representative to trigger a fallback from LIBO Rate and the provision by the Administrative Agent of written notice of such election to the Lenders.

“ECP” means an “eligible contract participant” as defined in Section 1(a)(18) of the Commodity Exchange Act or any regulations promulgated thereunder and the applicable rules issued by the Commodity Futures Trading Commission and/or the SEC.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

“Electronic Signature” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“Electronic System” means any electronic system, including e-mail, e-fax, web portal access for the Borrowers and any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by the Administrative Agent or the Issuing Bank and any of its

respective Related Parties or any other Person, providing for access to data protected by passcodes or other security system.

“Environmental Laws” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to (a) the environment, (b) preservation or reclamation of natural resources, (c) the management, Release or threatened Release of any Hazardous Material or (d) health and safety matters.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Borrower or any Subsidiary directly or indirectly resulting from or based upon (a) any violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) any exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equipment” has the meaning assigned to such term in the Security Agreement.

“Equity Financed Permitted Acquisition” means any Permitted Acquisition described in clause (a) of the definition thereof.

“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of such equity interest, but excluding any debt securities convertible or exchangeable into any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with the Borrowers, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(a)(14) of ERISA or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder, with respect to a Plan (other than an event for which the 30day notice period is waived); (b) the failure to satisfy the “minimum funding standard” (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrowers or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrowers or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrowers or any ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal of the Borrowers or any ERISA Affiliate from

any Plan or Multiemployer Plan; or (g) the receipt by the Borrowers or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrowers or any ERISA Affiliate of any notice, concerning the imposition upon the Borrowers or any ERISA Affiliate of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent, in critical status or in reorganization, within the meaning of Title IV of ERISA.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Eurodollar” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

“Eurodollar Borrowing” has the meaning given in Section 1.02.

“Eurodollar Loan” has the meaning given in Section 1.02.

“Events of Default” has the meaning assigned to such term in Article VII.

“Excluded Property” has the meaning assigned to such term in the Security Agreement.

“Excluded Subsidiary” means (a) any Subsidiary that is by applicable law or regulation or contractual obligations existing on the date of this Agreement (or, in the case of any newly acquired or organized Subsidiary, in existence at the time of acquisition or organization but not entered into in contemplation thereof) prohibited from Guaranteeing the Obligations, (b) any Subsidiary with respect to which the Administrative Agent and the Borrowers agree that the burden or cost or other consequences (including any material adverse tax consequences) of providing a Guarantee of the Obligations would be excessive in view of the practical benefits to be obtained by the Secured Parties therefrom, (c) any Foreign Subsidiary, (d) Subsidiary of a CFC, (e) any not-for-profit Subsidiary, (f) any Subsidiary that is a captive insurance company, (g) any Subsidiary that is a special purpose entity reasonably satisfactory to the Administrative Agent, (h) any Immaterial Subsidiary, (i) any joint venture that is not solely owned between or among the Borrower and its Subsidiaries (and was not a Guarantor prior to the creation of such joint venture) and (j) any Subsidiary that is a broker-dealer or an investment company under the Investment Company Act of 1940.

“Excluded Swap Obligation” means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an ECP at the time the Guarantee of such Guarantor or the grant of such security interest becomes or would become effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan, Letter of Credit or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan, Letter of Credit or Commitment (other than pursuant to an assignment request by the Borrowers under Section 2.19(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.17(f) and (d) any withholding Taxes imposed under FATCA.

“FATCA” means Sections 1471 through 1474 of the Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“Federal Funds Effective Rate” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions (as determined in such manner as the NYFRB shall set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that, if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Finance Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required, subject to Section 1.04, to be classified and accounted for as a balance sheet liability of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP. For the avoidance of doubt, an operating lease will not be a Finance Lease Obligation.

“Financial Officer” means the chief financial officer, chief operating officer, general counsel, principal accounting officer, treasurer, controller or any other officer of similar and comparable title of the Borrowers.

“Financial Statements” means the financial statements to be furnished pursuant to Sections 5.01(a) and (b).

“Flood Laws” means, collectively, the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), and the Flood Insurance Reform Act of 2004, as such statutes may be amended or re-codified from time to time, any substitution therefor, and any regulations promulgated thereunder, and all other applicable laws relating to flood insurance.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to LIBO Rate.

“Foreign Lender” means (a) if any Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if any Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which any Borrower is resident for tax purpose.

“Foreign Subsidiary” means any Subsidiary that is not a Domestic Subsidiary.

“Foreign Subsidiary Holding Company” means a Subsidiary (a) substantially all of the assets of which are Equity Interests, or Equity Interests and Indebtedness, in one or more CFCs or (b) that is treated as a disregarded entity for U.S. federal income tax purposes and holds Equity Interests in one or more CFCs.

“Funding Account” means the deposit account of the Borrower Representative designated from time to time in writing to the Administrative Agent to which the Administrative Agent is authorized by the Borrower Representative to transfer the proceeds of any Borrowings requested or authorized pursuant to this Agreement.

“GAAP” means generally accepted accounting principles in the U.S.

“Governmental Authority” means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the **“guarantor”**) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the **“primary obligor”**) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Guaranteed Obligations” has the meaning assigned to such term in Section 10.01.

“Guarantor Payment” has the meaning assigned to such term in Section 10.11(a).

“Guarantors” means each Borrower (with respect to the Obligations of each other Borrower) and each direct or indirect Material Domestic Subsidiary of SEMrush Holdings, and the term ***“Guarantor”*** means each or any one of them individually.

“Hazardous Materials” means: (a) any substance, material, or waste that is included within the definitions of “hazardous substances,” “hazardous materials,” “hazardous waste,” “toxic substances,” “toxic materials,” “toxic waste,” or words of similar import in any Environmental Law; (b) those substances listed as hazardous substances by the United States Department of Transportation (or any successor agency) (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) (40 C.F.R. Part 302 and amendments thereto); and (c) any substance, material, or waste that is petroleum, petroleum-related, or a petroleum by-product, asbestos or asbestos-containing material, polychlorinated biphenyls, flammable, explosive, radioactive, freon gas, radon, or a pesticide, herbicide, or any other agricultural chemical.

“Immaterial Subsidiary” means each Subsidiary (other than Subsidiaries that are Excluded Subsidiaries) (a) which, as of the most recent fiscal quarter of the Borrowers, for the period of four consecutive fiscal quarters then ended (determined in accordance with GAAP), has not contributed greater than two and a half percent (2.5%) of consolidated total revenue of the Borrowers and their Subsidiaries for such period and (b) which has not contributed greater than two and a half percent (2.5%) of Consolidated Total Assets as of such date; provided that, if at any time the aggregate amount of consolidated total revenue or Consolidated Total Assets attributable to all Domestic Subsidiaries that are Immaterial Subsidiaries (other than Domestic Subsidiaries that are otherwise Excluded Subsidiaries) exceeds five percent (5%) of consolidated total revenue for any such period or five percent (5%) of Consolidated Total Assets as of the end of any such fiscal quarter, the Borrowers (or, in the event the Borrowers have failed to do so within ten (10) days, the Administrative Agent) shall designate sufficient Domestic Subsidiaries as “non-Immaterial Subsidiaries” to eliminate such excess.

“Impacted Interest Period” has the meaning assigned to it in the definition of “LIBO Rate.”

“Increase Period” has the meaning assigned to such term in Section 6.10(b).

“Increasing Lender” has the meaning assigned to such term in Section 2.22(a).

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) [intentionally omitted], (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding accounts payable incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property

owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Capital Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, in each case, to the extent not cash collateralized, (j) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances, (k) obligations under any earn-out (or similar contingent obligations) solely to the extent due and payable, (l) all obligations of such Person to purchase, redeem, retire or otherwise acquire for value any Disqualified Equity Interests, (m) any Off-Balance Sheet Liability and (a) net obligations payable at the termination of any and all Swap Agreements determined by reference to the termination value thereof to the extent not cash collateralized. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. Notwithstanding anything to the contrary set forth herein, in no event shall the following constitute Indebtedness: (i) accruals for (A) payroll and (B) other non-interest bearing liabilities accrued in the ordinary course of business, (ii) trade accounts payable, deferred revenues, liabilities associated with customer prepayments and deposits and other accrued obligations, in each case incurred in the ordinary course of business, (iii) transfer pricing and accruals for payroll and other operating expenses accrued in the ordinary course of business, in each case incurred in the ordinary course of business, (iv) operating leases (including, without limitation, real property leases that, pursuant to GAAP, would not be classified and accounted for as a balance sheet liability), (v) customary obligations under employment agreements and deferred compensation, and (vi) prepaid or deferred revenue and deferred tax liabilities.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a) hereof, Other Taxes.

"Indemnatee" has the meaning assigned to such term in Section 9.03(c).

"Ineligible Institution" has the meaning assigned to it in Section 9.04(b).

"Information" has the meaning assigned to it in Section 9.12.

"Intercompany Note" means that certain intercompany note in the form of Exhibit L, dated as of the Effective Date, among the Borrowers and their Subsidiaries.

"Interest Election Request" means a request by the Borrowers to convert or continue a Borrowing in accordance with Section 2.08, in the form of Exhibit J or any other form reasonably approved by the Administrative Agent.

"Interest Payment Date" means (a) with respect to any ABR Loan, the first (1st) Business Day of each calendar quarter and the Maturity Date, and (b) with respect to any Eurodollar Loan with an Interest Period of three (3) months or less, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurodollar Borrowing with an Interest Period of more than three (3) months' duration, each day prior to the last day of such

Interest Period that occurs at intervals of three (3) months' duration after the first (1st) day of such Interest Period and the Maturity Date.

“Interest Period” means with respect to any Eurodollar Borrowing, the period commencing on the date of such Eurodollar Borrowing and ending on the numerically corresponding day in the calendar month that is one (1), two (2), three (3) or six (6) month(s) thereafter (or twelve (12) months thereafter if, at the time of the relevant Borrowing or conversion or continuation thereof, all Lenders participating therein agree to make an interest period of such duration available), as the Borrowers may elect; provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Interpolated Rate” means, at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the LIBO Screen Rate for the longest period (for which the LIBO Screen Rate is available) that is shorter than the applicable Impacted Interest Period; and (b) the LIBO Screen Rate for the shortest period (for which the LIBO Screen Rate is available) that exceeds the applicable Impacted Interest Period, in each case, at such time; provided that, if any Interpolated Rate shall be less than 0.50%, such rate shall be deemed to be 0.50% for purposes of this Agreement.

“Inventory” has the meaning assigned to such term in the Security Agreement.

“Investment” means, as applied to the Borrowers and their Subsidiaries, (a) the purchase or acquisition of any Equity Interest, indebtedness or other securities (including any option, warrant or other right to acquire any of the foregoing) of any other Person (including any Subsidiary), (b) any loan, advance or extension of credit (excluding accounts receivable, credit card and debt receivables and trade credit, in each case arising in the ordinary course of business) to, or contribution to the capital of, or Guarantee of any obligations of, any other Person (including any Subsidiary), and (c) any Acquisition. The amount of any Investment shall be the original principal or capital amount thereof less all returns of principal or equity thereon (without adjustment by reason of the financial condition of such other Person) and shall, if made by the transfer or exchange of property other than cash, be deemed to have been made in an original principal or capital amount equal to the fair market value of such property exchanged.

“IPO” means (a) the initial underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) of common Equity Interests in either Borrower or a parent entity of either Borrower or (b) any transaction or series of transactions that results in any common equity interests of the Relevant Public Company being publicly traded on any United States national securities exchange.

“IPO Listco” means the parent entity of either Borrower formed in contemplation of an IPO to become the Relevant Public Company. The Borrowers shall, promptly following its formation, notify the Administrative Agent of the formation of any IPO Listco.

“IPO Reorganization Transactions” means, collectively, the necessary transactions taken in connection with consummating an IPO, constituting the (a) formation and ownership of IPO Shell Companies, (b) entry into, and performance of, (i) a reorganization agreement among any of the Borrowers, their Subsidiaries, parent entities and/or IPO Shell Companies implementing IPO Reorganization Transactions and other reorganization transactions in connection with an IPO so long as after giving effect to such agreement and the transactions contemplated thereby, the security interests of the Secured Parties in the Collateral and the Guarantees of the Secured Obligations, taken as a whole, would not be impaired and (ii) customary underwriting agreements in connection with an IPO and any future follow-on underwritten public offerings of common Equity Interests in the Relevant Public Company, including the provision by the Relevant Public Company and the Borrowers of customary representations, warranties, covenants and indemnification to the underwriters thereunder, (c) the merger of IPO Subsidiary with one or more direct or indirect holders of Equity Interests in the Borrowers with IPO Subsidiary surviving and holding Equity Interests, directly or indirectly, in the Borrowers and no other assets (other than de minimis assets) or the dividend or other distribution by the Borrowers of Equity Interests of IPO Shell Companies or other transfer of ownership to the holder of Equity Interests of the Borrowers, (d) the amendment and/or restatement of organization documents of the Borrowers and any IPO Subsidiaries, (e) the issuance of Equity Interests of IPO Shell Companies to holders of Equity Interests of the Borrowers in connection with any IPO Reorganization Transactions, (f) the making of Restricted Payments to (or Investments in) an IPO Shell Company or the Borrowers or any Subsidiaries to permit the Borrowers to make distributions or other transfers, directly or indirectly, to IPO Listco, in each case solely for the purpose of paying, and solely in the amounts necessary for IPO Listco to pay, IPO-related expenses and the making of such distributions by the Borrowers, (g) the repurchase by IPO Listco of its Equity Interests from the Borrowers or any Subsidiary, (h) the entry into an exchange agreement, pursuant to which holders of Equity Interests in the Borrowers and certain non-economic/voting Equity Interests in IPO Listco will be permitted to exchange such interests for certain economic/voting Equity Interests in IPO Listco (i) any issuance, dividend or distribution of the Equity Interests of the IPO Shell Companies or other Disposition of ownership thereof to the IPO Shell Companies and/or the direct or indirect holders of Equity Interests of the Borrowers and (j) all other transactions reasonably necessary for the consummation of the foregoing (as approved by the Administrative Agent), in each case with respect to clauses (a) – (j) above, so long as such actions are not taken to circumvent any covenant set forth in this Agreement and after giving effect to such agreement and the transactions contemplated thereby, the security interests of the Lenders in the Collateral and the Guarantees of the Secured Obligations (and the value of the Collateral), taken as a whole, would not be impaired.

“IPO Shell Company” means each of IPO Listco and IPO Subsidiary.

“IPO Subsidiary” means a wholly owned subsidiary of IPO Listco formed in contemplation of, and to facilitate, IPO Reorganization Transactions and an IPO. The Borrowers shall, promptly following its formation, notify the Administrative Agent of the formation of an IPO Subsidiary.

“**IRS**” means the United States Internal Revenue Service.

“**Issuing Bank**” means, individually and collectively, each of JPMorgan, in its capacity as the issuer of Letters of Credit hereunder, and any other Lender from time to time designated by the Borrowers as an Issuing Bank, with the consent of such Lender and the Administrative Agent, and their respective successors in such capacity as provided in Section 2.06(i). Any Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by its Affiliates, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate (it being agreed that such Issuing Bank shall, or shall cause such Affiliate to, comply with the requirements of Section 2.06 with respect to such Letters of Credit). If at any time there is more than one Issuing Bank, all singular references to the Issuing Bank shall mean any Issuing Bank, either Issuing Bank, each Issuing Bank, the Issuing Bank that has issued the applicable Letter of Credit, or both (or all) Issuing Banks, as the context may require.

“**Issuing Bank Sublimit**” means, as of the Effective Date, (a) in the case of JPMorgan \$5,000,000 and (b) in the case of any other Issuing Bank, such amount as shall be designated to the Administrative Agent and the Borrowers in writing by an Issuing Bank; provided that any Issuing Bank shall be permitted at any time to increase or reduce its Issuing Bank Sublimit upon providing five (5) Business Days’ prior written notice thereof to the Administrative Agent and the Borrowers.

“**Joinder Agreement**” means a Joinder Agreement in substantially the form of Exhibit C.

“**JPMorgan**” means JPMorgan Chase Bank, N.A., a national banking association, in its individual capacity, and its successors.

“**Latest Maturity Date**” means, at any date of determination, the latest maturity date applicable to any Loan or Commitment hereunder at such time (and excluding any earlier acceleration of the Loans or termination of the Commitments), in each case as extended in accordance with this Agreement from time to time.

“**LC Collateral Account**” has the meaning assigned to such term in Section 2.06(j).

“**LC Disbursement**” means any payment made by an Issuing Bank pursuant to a Letter of Credit.

“**LC Exposure**” means, at any time, the sum of (a) the aggregate undrawn amount of all standby Letters of Credit outstanding at such time plus (b) the aggregate amount of all LC Disbursements relating to standby Letters of Credit that have not yet been reimbursed by or on behalf of the Borrowers at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the aggregate LC Exposure at such time.

“**Lead Arranger**” means JPMorgan Chase Bank, N.A., in its capacity as the Sole Lead Arranger and Sole Bookrunner.

“**Lender Parent**” means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

“Lender-Related Person” has the meaning assigned to such term in Section 9.03(b).

“Lenders” means the Persons listed on Schedule 2.01 and any other Person that shall have become a Lender hereto pursuant to Section 2.09 or an Assignment and Assumption or otherwise, other than any such Person that ceases to be a Lender hereto pursuant to an Assignment and Assumption or otherwise. Unless the context otherwise requires, the term “Lenders” includes the Issuing Bank. The term “Lender” means each or any one of the Lenders individually.

“Letter of Credit Agreement” has the meaning assigned to it in Section 2.06(b).

“Letters of Credit” means the letters of credit issued pursuant to this Agreement, and the term **“Letter of Credit”** means any one of them or each of them singularly, as the context may require. For the avoidance of doubt, each Issuing Bank shall only be required to issue standby Letters of Credit.

“Liabilities” means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

“LIBO Rate” means, with respect to any Eurodollar Borrowing for any applicable Interest Period or for any ABR Borrowing, the LIBO Screen Rate at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period; provided that, if the LIBO Screen Rate shall not be available at such time for such Interest Period (an **“Impacted Interest Period”**), then the LIBO Rate shall be the Interpolated Rate, subject to Section 2.14 in the event that the Administrative Agent shall conclude that it shall not be possible to determine such Interpolated Rate (which conclusion shall be conclusive and binding absent manifest error). Notwithstanding the above, to the extent that “LIBO Rate” or “Adjusted LIBO Rate” is used in connection with an ABR Borrowing, such rate shall be determined as modified by the definition of Alternate Base Rate.

“LIBO Screen Rate” means, for any day and time, with respect to any Eurodollar Borrowing for any Interest Period or for any ABR Borrowing, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for Dollars) for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion); provided that, if the LIBO Screen Rate as so determined would be less than 0.50%, such rate shall be deemed to be 0.50% for the purposes of this Agreement.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities. In no event shall an operating lease be deemed to be a Lien.

“Liquidity” means, as of any date of determination, the sum of (a) unrestricted cash or Cash Equivalents of the Borrowers and the Guarantors as to which, following the date that is ninety (90) days following the Effective Date (or such later date as may be agreed by the Administrative Agent, in its reasonable discretion), the Administrative Agent, for the benefit of itself and the Secured Parties, has a perfected first priority Lien, *plus* (b) Availability.

“Liquidity Covenant” has the meaning assigned to such term in Section 6.10(a)(i).

“Loan Documents” means, collectively, this Agreement, each note delivered pursuant to this Agreement, each Letter of Credit application, continuing agreement or other letter of credit agreement, the Collateral Documents and any other agreements, instruments, documents and certificates executed by or on behalf of any Loan Party and delivered to or in favor of the Credit Parties concurrently herewith or hereafter in connection with the Transactions hereunder. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to such Loan Document as the same may be in effect at any and all times such reference becomes operative.

“Loan Guaranty” means Article X of this Agreement.

“Loan Parties” means, collectively, the Borrowers and each Guarantor and their respective successors and assigns, and the term **“Loan Party”** shall mean any one of them or all of them individually, as the context may require.

“Loans” means the loans and advances made by the Lenders to the Borrowers pursuant to this Agreement.

“Margin Stock” means margin stock within the meaning of Regulations T, U and X, as applicable.

“Material Acquisition” means any Permitted Acquisition by the Borrower or its Subsidiaries in which the aggregate acquisition price of all assets acquired pursuant thereto exceeds \$3,000,000 (which includes the aggregate amount of Indebtedness assumed on such date in connection with such Permitted Acquisition).

“Material Adverse Effect” means any material adverse effect on (i) the business, assets, operations or financial condition of the Borrowers and their Subsidiaries taken as a whole, (ii) the ability of the Loan Parties, taken as a whole, to perform any of their obligations under the Loan Documents to which they are a party, (iii) the Collateral (taken as a whole), or the Administrative Agent’s liens (on behalf of itself and the Lenders) on the Collateral or the priority of such liens except as a result of the Administrative Agent’s failure to maintain possession of any stock certificates, promissory notes or other instruments delivered to it under the Collateral Documents or file Uniform Commercial Code continuation statements, or (iv) the rights of or benefits available to the Administrative Agent, the Issuing Bank or the Lenders under the Loan Documents, taken as a whole.

“Material Agreement” means each contract or agreement of any Borrower and its Subsidiaries as to which the breach, nonperformance, cancellation or failure to renew by any party thereto, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

“Material Domestic Subsidiary” means any Domestic Subsidiary of SEMrush Holdings which is not an Immaterial Subsidiary.

“Material Indebtedness” means any Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Swap Agreements, of any one or more of the Borrowers and their Subsidiaries in an aggregate principal amount exceeding the Threshold Amount. For purposes of determining Material Indebtedness, the “principal amount” of the obligations of a Borrower or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that such Borrower or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

“Maturity Date” means January 12, 2024.

“Maximum Liability” has the meaning assigned to such term in Section 10.10.

“Maximum Rate” has the meaning assigned to such term in Section 9.17.

“Monthly Recurring Revenue” means, for any month as at any date of determination, the sum of the aggregate dollar value of Recurring Revenue for such month taken as a single accounting period under GAAP.

“Moody’s” means Moody’s Investors Service, Inc.

“Mortgage” means any mortgage, deed of trust, deed to secure debt or similar instrument, in form and substance reasonably satisfactory to the Administrative Agent and executed by any Loan Party in favor of (or for the benefit of) the Administrative Agent and the Secured Parties, granting to the Administrative Agent, for the benefit of itself and the Secured Parties, a perfected first priority Lien in and upon the real property and improvements covered thereby, as the same may be amended, modified, restated or otherwise supplemented time to time. In the sole discretion of Administrative Agent, any “Mortgage” or “Mortgages” may take the form of assignments of, and amendments and restatements of, existing mortgages or deeds of trust encumbering any applicable Mortgaged Property.

“Mortgaged Property” means any real property (together with all improvements located thereon) that is subject to a Mortgage.

“Multiemployer Plan” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Non-Consenting Lender” has the meaning assigned to such term in Section 9.02(d).

“Note” means a promissory note of any Borrower payable to any Lender or its registered assigns, substantially in the form of Exhibit I hereto, evidencing the aggregate Indebtedness of any Borrower to such Lender resulting from the Loans made by such Lender.

“**NYFRB**” means the Federal Reserve Bank of New York.

“**NYFRB Rate**” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. New York City time on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“**NYFRB’s Website**” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“**Obligated Party**” has the meaning assigned to such term in Section 10.02.

“**Obligations**” means all advances to, and debts, liabilities, obligations, covenants and duties of, the Borrowers arising under any Loan Document with respect to any Loan or Letter of Credit, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrowers of any proceeding under any Debtor Relief Laws naming the Borrowers as the debtors in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“**Off-Balance Sheet Liability**” of a Person means (a) any repurchase obligation or liability of such Person with respect to accounts or notes receivable sold by such Person, (b) any indebtedness, liability or obligation under any so-called “synthetic lease” transaction entered into by such Person, or (c) any indebtedness, liability or obligation arising with respect to any other transaction which is the functional equivalent of borrowing but which does not constitute a liability on the balance sheet of such Person (other than operating leases).

“**Original Indebtedness**” has the meaning assigned to such term in Section 6.01(f).

“**Other Connection Taxes**” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan, Letter of Credit or Loan Document).

“**Other Taxes**” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight federal funds and overnight Eurodollar borrowings by U.S.-managed banking offices of depository institutions (as such composite rate shall be determined by the NYFRB’s website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Paid in Full” or **“Payment in Full”** means, (a) the indefeasible payment in full in cash of all outstanding Loans and LC Disbursements, together with accrued and unpaid interest thereon, (b) the termination, expiration, or cancellation and return of all outstanding Letters of Credit (or alternatively, with respect to each such Letter of Credit, the furnishing to the Administrative Agent of a cash deposit, or at the discretion of the Administrative Agent a backup standby letter of credit satisfactory to the Administrative Agent and the Issuing Bank, in an amount equal to 103% of the LC Exposure as of the date of such payment), (c) the indefeasible payment in full in cash of the accrued and unpaid fees, (d) the indefeasible payment in full in cash of all reimbursable expenses and other Secured Obligations (other than Unliquidated Obligations for which no claim has been made and other obligations expressly stated to survive such payment and termination of this Agreement), together with accrued and unpaid interest thereon, (e) the termination of all Commitments, and (f) the termination of the Swap Agreement Obligations and the Banking Services Obligations or entering into other arrangements satisfactory to the Secured Parties counterparties thereto.

“Participant” has the meaning assigned to such term in Section 9.04(c).

“Participant Register” has the meaning assigned to such term in Section 9.04(d).

“Participation Fee” has the meaning assigned to such term in Section 2.12(b).

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Perfection Certificate” means that certain perfection certificate of the Loan Parties dated as of the Effective Date.

“Permitted Acquisition” means any Acquisition by SEMrush Holdings or any Subsidiary of (i) all or substantially all the assets of (or all or substantially all the assets constituting a business unit, division, product line or line of business of) and (ii) all or substantially all the Equity Interests in, a Person or division or line of business of a Person or, if in each case, at the time of and immediately after giving effect thereto:

(a) Equity Financed Permitted Acquisition. If the Acquisition Consideration (including deferred payment obligations) for such acquisition solely consists of the Equity Interests of SEMrush Holdings and/or the proceeds of new equity contributions made to SEMrush Holdings by Persons other than SEMrush Holdings and its Subsidiaries, then such acquisition shall be a “Permitted Acquisition” if: (i) no Default or Event of Default shall have occurred and be continuing or would result from the consummation of such acquisition, (ii) the Borrowers shall have provided the Administrative Agent with reasonable calculations signed by a Financial Officer of the Borrowers evidencing that on a *pro forma* basis the Borrowers and their Subsidiaries are in compliance with the financial covenants set forth in Section 6.10 for the four fiscal quarters ended immediately prior to the

proposed date of consummation of such acquisition and (iii) the Borrowers shall have provided the Administrative Agent with written notice of such acquisition at least ten (10) Business Days prior to the anticipated closing date of such acquisition and, not later than three (3) Business Days prior to the anticipated closing date of such acquisition, copies of the then current draft of the acquisition agreement and other material documents relative to such acquisition and shall provide the Administrative Agent with copies of final documents and or amendments and waivers within five (5) Business Days after the closing of such acquisition; and

(b) Balance Sheet Financed Permitted Acquisitions and Revolving Facility Financed Permitted Acquisitions. If the Acquisition Consideration (including deferred payment obligations) for such acquisition is made up in whole or in part of (i) cash on the balance sheet of SEMrush Holdings and its Subsidiaries or (ii) Loans, then in either case such acquisition shall be a “Permitted Acquisition” if: (i) no Default or Event of Default shall have occurred and be continuing or would result from the consummation of such acquisition, (ii)(x) if Liquidity immediately prior to the consummation of such Acquisition and after giving pro forma effect to such Acquisition is less than \$35,000,000, the Acquisition Consideration for any such Balance Sheet Financed Permitted Acquisition or Revolving Facility financed Permitted Acquisition does not exceed \$7,500,000 (and if such acquisition is of a Person that will not become a Loan Party or such assets acquired will not owned by a Loan Party, \$3,000,000) (plus amounts consisting of proceeds contributed to the capital of SEMrush Holdings of a substantially contemporaneous issuance of or contribution to Equity Interests of SEMrush Holdings made by Persons other than SEMrush Holdings and its Subsidiaries) individually and the Acquisition Consideration for all such Balance Sheet Financed Permitted Acquisitions or Revolving Facility financed Permitted Acquisitions permitted under this clause (ii)(x) shall not exceed \$20,000,000 (and if such acquisition is of a Person that will not become a Loan Party or such assets acquired will not owned by a Loan Party, \$10,000,000) (plus amounts consisting of proceeds contributed to the capital of SEMrush Holdings of a substantially contemporaneous issuance of or contribution to Equity Interests of SEMrush Holdings made by Persons other than SEMrush Holdings and its Subsidiaries) in the aggregate or (y) if Liquidity immediately prior to the consummation of such Acquisition and after giving pro forma effect to such Acquisition is equal to or greater than \$35,000,000, the Acquisition Consideration for any such Balance Sheet Financed Permitted Acquisition or Revolving Facility financed Permitted Acquisition does not exceed \$30,000,000 (and if such acquisition is of a Person that will not become a Loan Party or such assets acquired will not owned by a Loan Party, \$10,000,000) (plus amounts consisting of proceeds contributed to the capital of SEMrush Holdings of a substantially contemporaneous issuance of or contribution to Equity Interests of SEMrush Holdings made by Persons other than SEMrush Holdings and its Subsidiaries) individually and the Acquisition Consideration for all such Balance Sheet Financed Permitted Acquisitions or Revolving Facility financed Permitted Acquisitions permitted under this clause (ii)(y) shall not exceed \$75,000,000 (and if such acquisition is of a Person that will not become a Loan Party or such assets acquired will not owned by a Loan Party, \$30,000,000) (plus amounts consisting of proceeds contributed to the capital of SEMrush Holdings of a substantially contemporaneous issuance of or contribution to Equity Interests of SEMrush Holdings made by Persons other than SEMrush Holdings and its Subsidiaries) in the ag-

gregate, (iii) the Borrowers shall have provided the Administrative Agent with (x) historical financial statements of the Person that is being acquired and (y) *pro forma* forecasted balance sheets and profit and loss statements of SEMrush Holdings and its Subsidiaries, all prepared on a basis consistent with their historical financial statements, subject to adjustments to reflect projected consolidated operations following the acquisition, for the one year period following the date of such acquisition, on a quarter by quarter basis, (iv) the Borrowers shall have provided the Administrative Agent with written notice of such acquisition at least ten (10) Business Days prior to the anticipated closing date of such acquisition and, not later than three (3) Business Days prior to the anticipated closing date of such acquisition, copies of the then current draft of the acquisition agreement and other material documents relative to such acquisition and shall provide the Administrative Agent with copies of final documents and or amendments and waivers within five (5) Business Days after the closing of such acquisition, (v) the Borrowers shall have provided the Administrative Agent with reasonable calculations signed by a Financial Officer of the Borrowers evidencing that on a *pro forma* basis, the Borrowers and their Subsidiaries are in compliance with the financial covenants set forth in Section 6.10 for the four fiscal quarters ended immediately prior to the proposed date of consummation of such Acquisition, (vi) solely in the case of a Balance Sheet Financed Permitted Acquisition or a Revolving Facility financed Permitted Acquisition with Acquisition Consideration in excess of \$7,500,000, the Borrowers shall have provided the Administrative Agent with a quality of earnings report prepared by independent registered public accountants of recognized regional standing or any other accounting firm reasonably acceptable to the Administrative Agent; provided that, notwithstanding the foregoing and irrespective of the Acquisition Consideration, if a quality of earnings report is otherwise obtained by the Borrowers, a copy shall be provided to the Administrative Agent, and (vii) the target whose stock is being acquired did not have *pro forma* Consolidated EBITDA (calculated as though all references to SEMrush Holdings and its Subsidiaries contained in such definition or any other defined term used in such definition refer to the target) that is negative in excess of negative \$5,000,000 (after taking into account reasonable adjustments, including the effects of proposed consolidation and restructuring by the Borrower after such acquisition).

“Permitted Holders” means each owner of Equity Interests of SEMrush Holdings as of the Effective Date and (a) their Affiliates and (b)(x) trusts (including voting trusts) for estate planning purposes whereby such owner of Equity Interests of SEMrush Holdings as of the Effective Date maintains voting power of such Equity Interests of the Relevant Public Company and (y) any such owner’s grantor retained annuity trusts.

“Permitted Investments” means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the U.S. (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the U.S.), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within two hundred seventy (270) days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody’s;

(c) investments in certificates of deposit, bankers' acceptances and time deposits maturing within one hundred eighty (180) days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the U.S. or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above;

(e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least \$5,000,000,000;

(f) cash, denominated in dollars, the national currency of any Participating Member State of the European Union (as it is constituted on the Effective Date) and, with respect to any Foreign Subsidiaries, other currencies held by such Foreign Subsidiary in the ordinary course of business; and

(g) solely with respect to any Subsidiary that is a Foreign Subsidiary, investments of comparable tenor and credit quality to those described in the foregoing clauses (a) through (f) customarily utilized in countries in which such Foreign Subsidiary operates for cash management purposes.

"Permitted Liens" means:

(a) Liens created pursuant to any Loan Document;

(b) Liens imposed by law for Taxes that are not yet due or are being contested in compliance with Section 5.04;

(c) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than thirty (30) days or are being contested in compliance with Section 5.04;

(d) pledges and deposits made in the ordinary course of business and trading in compliance with workers' compensation, unemployment insurance and other social security laws or regulations or employment laws or to secure other public, statutory or regulatory obligations or arising by operation of law;

(e) pledges and deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(f) judgment Liens in respect of judgments that do not constitute an Event of

Default under clause (k) of Article VII or securing appeal or surety bonds related to such judgments;

(g) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of a Borrower or any Subsidiary;

(h) any interest or title of a lessor or sublessor under any lease of real estate;

(i) leases, licenses, subleases or sublicenses granted to others not interfering in any material respect with the business of a Borrower or any Subsidiaries;

(j) purported Liens evidenced by the filing of precautionary Uniform Commercial Code financing statements or similar filings (to the extent applicable);

(k) any Lien on any property or asset of a Borrower or any Subsidiary existing on the date hereof and set forth in Schedule 6.02 securing Indebtedness permitted under Section 6.01 and any amendments, modifications, extensions, refinancings, renewals and replacements thereof; *provided* that (i) such Lien shall not encumber any other property or asset of a Borrower or any Subsidiary other than improvements thereon and proceeds from the disposition of such property or asset and (ii) such Lien shall secure only those obligations which it secures on the date hereof and amendments, modifications, extensions, refinancings, renewals and replacements thereof that do not increase the outstanding principal amount thereof (other than as permitted by Section 6.01);

(l) any Lien existing on any property or asset prior to the acquisition thereof by a Loan Party or any Subsidiary or existing on any property or asset of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary and any amendments, modifications, extensions, refinancings, renewals and replacements thereof; *provided* that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not encumber any other property or assets of a Loan Party or any Subsidiary and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be, and amendments, modifications, extensions, refinancings, renewals and replacements thereof that do not increase the outstanding principal amount thereof (other than as permitted by Section 6.01);

(m) Liens on fixed or capital assets (including capital leases) acquired, constructed or improved by a Loan Party or any Subsidiary; *provided* that (i) such Liens secure Indebtedness or Capital Lease Obligations permitted by Section 6.01, (ii) such Liens and the Indebtedness secured thereby are incurred prior to or within one hundred eighty (180) days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed

the cost of acquiring, constructing or improving such fixed or capital assets and (iv) such Liens shall not encumber any other property or assets of a Borrower or any Subsidiary other than improvements thereon or proceeds from the disposition of such property or assets;

(n) Liens on assets of Foreign Subsidiaries that secure Indebtedness permitted under Section 6.01(g); provided that such Liens shall not encumber any other property or assets of a Borrower or any Subsidiary other than the assets of the applicable Foreign Subsidiary;

(o) Liens granted by a Subsidiary that is not a Loan Party in favor of a Borrower or another Loan Party in respect of Indebtedness owed by such Subsidiary to a Borrower or such other Loan Party;

(p) Liens arising out of any conditional sale, title retention, consignment or other similar arrangements for the sale of goods entered into by a Loan Party or any of its Subsidiaries in the ordinary course of business;

(q) Liens pursuant to insurance premium financing arrangements securing insurance proceeds solely to the extent of such premiums;

(r) Liens in favor of collecting banks having a right of setoff, revocation, refund or chargeback with respect to money or instruments of a Loan Party or any of its Subsidiaries on deposits which are in the possession of such banks, other than related to Indebtedness;

(s) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(t) Liens on any cash earnest money deposits made by a Loan Party or any of its Subsidiaries in connection with a Permitted Acquisition, including, without limitation, in connection with any letter of intent or purchase agreement relating thereto;

(u) in connection with the sale or transfer of any assets in a transaction permitted under Section 6.03, customary rights and restrictions contained in agreements relating to such sale or transfer pending the completion thereof;

(v) Liens in the nature of the right of setoff in favor of counterparties to contractual agreements with the Loan Parties in the ordinary course of business;

(w) dispositions and other sales of assets permitted under Section 6.03 or Section 6.05;

(x) Liens securing Indebtedness permitted under Section 6.01 so long as, unless otherwise provided for herein, any such Liens on the Collateral shall be subordi-

nated to the Liens granted under the Loan Documents pursuant to the terms of subordination and intercreditor agreements reasonably satisfactory to the Administrative Agent; and

(y) Liens not otherwise permitted by this definition so long as neither (i) the aggregate outstanding principal amount of the obligations secured thereby nor (ii) the aggregate fair market value (determined as of the date such Lien is incurred) of the assets subject thereto exceeds (as to the Borrowers and their Subsidiaries) (i) prior to the Conversion Date, \$3,500,000 at any one time outstanding, and (ii) on and after the Conversion Date, \$7,500,000 at any one time outstanding.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Personal Data” has the meaning assigned to it in Section 5.15.

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrowers or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Pro Forma Basis” means, with respect to compliance with any test or covenant, that Consolidated EBITDA shall be calculated giving effect to (a) additional add backs (subject to the cap or limitation on the amount of each add-back or type of add-back set forth in the definition of Consolidated EBITDA) which are (i) determined by Borrowers on a basis consistent with Article 11 of Regulation S-X promulgated under the Securities Exchange Act of 1934 and as interpreted by the staff of the SEC (or any successor agency); (ii) recommended by any due diligence quality of earnings report conducted by (y) a firm of independent public accountants of recognized national standing or (z) any other accounting firm reasonably satisfactory to the Administrative Agent, selected by the Borrowers and retained by the Borrowers; or (iii) otherwise determined in such other manner reasonably acceptable to the Administrative Agent, and (b) pro forma adjustments, without duplication for any add backs otherwise added back in Consolidated EBITDA, in each case as if such Acquisition, Permitted Acquisitions, related Indebtedness, or permitted asset

sales, synergies, cost savings, fees, costs or expenses had occurred at the beginning of the applicable period; *provided*, for the avoidance of doubt, that notwithstanding the foregoing, the caps or limitations on the amounts of respective add backs set forth in the definition of Consolidated EBITDA will not be exceeded with respect to any pro forma adjustments set forth in clause (b) above.

“**PTE**” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“**QFC Credit Support**” has the meaning assigned to it in Section 9.21(a).

“**Qualified ECP Guarantor**” means, in respect of any Swap Obligation, each Loan Party that has total assets exceeding \$10,000,000 at the time the relevant Loan Guaranty or grant of the relevant security interest becomes or would become effective with respect to such Swap Obligation or such other person as constitutes an “eligible contract participant” under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an “eligible contract participant” at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

“**Qualified Equity Interests**” means any Equity Interests other than Disqualified Equity Interests.

“**Recipient**” means, as applicable, (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, or any combination thereof (as the context requires).

“**Recurring Revenue**” means, with respect to any period, all maintenance and subscription recurring revenues attributable to software owned, licensed, supported or sold by SEMrush Holdings or any of its Subsidiaries, in each case determined in accordance with GAAP and specifically excluding revenue based on (a) sales of inventory, goods, or equipment, (b) transaction revenue not received in the ordinary course of business, (c) sales of services not in the ordinary course of business, and (d) revenue received due to one-time, non-recurring transactions; provided that Recurring Revenue shall be calculated without giving effect to the impact of purchasing accounting and shall be calculated on a Pro Forma Basis for any Permitted Acquisition or other Permitted Investment consummated during such period.

“**Reference Period**” means, as of the last day of any fiscal quarter, the period of four (4) consecutive fiscal quarters of the Borrowers and their Subsidiaries ending on such date.

“**Reference Time**” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is LIBO Rate, 11:00 a.m. (London time) on the day that is two (2) London banking days preceding the date of such setting, and (2) if such Benchmark is not LIBO Rate, the time determined by the Administrative Agent in its reasonable discretion.

“**Refinancing Indebtedness**” has the meaning assigned to such term in Section 6.01(f).

“**Register**” has the meaning assigned to such term in Section 9.04(b)(v).

“**Regulation D**” means Regulation D of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Regulation T**” means Regulation T of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Regulation U**” means Regulation U of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Regulation X**” means Regulation X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Related Parties**” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, partners, members, trustees, employees, agents, administrators, managers, representatives and advisors of such Person and such Person’s Affiliates.

“**Release**” means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, disposing, or dumping of any substance into the environment.

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the NYFRB, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

“**Relevant Public Company**” shall mean the parent that is the registrant with respect to an IPO.

“**Report**” means reports prepared by the Administrative Agent or another Person showing the results of appraisals, field examinations or audits pertaining to the Borrowers’ assets from information furnished by or on behalf of the Borrowers, after the Administrative Agent has exercised its rights of inspection pursuant to this Agreement, which Reports may be distributed to the Lenders by the Administrative Agent.

“**Repricing Event**” has the meaning assigned to it in the definition of “Applicable Rate”.

“**Required Lenders**” means, subject to Section 2.20, (a) at any time prior to the earlier of the Loans becoming due and payable pursuant to Article VII or the Commitments terminating or expiring, Lenders having Credit Exposure and Unfunded Commitments representing more than 50% of the sum of the Aggregate Credit Exposure and Unfunded Commitments at such time; provided that, solely for purposes of declaring the Loans to be due and payable pursuant to Article VII, the Unfunded Commitment of each Lender shall be deemed to be zero in determining the Required Lenders; and (b) for all purposes after the Loans become due and payable pursuant to Article VII or the Commitments expire or terminate, Lenders having Credit Exposure representing more than 50% of the Aggregate Credit Exposure at such; provided that, in the case of each of clauses (a) and (b) above, if there are two (2) or more Lenders, then Required Lenders must include at least

two (2) Lenders (with Lenders that are Affiliates or Approved Funds of a Lender deemed to be a single Lender for purposes of this proviso).

“Requirement of Law” means, with respect to any Person, (a) the charter, articles or certificate of organization or incorporation and bylaws or operating, management or partnership agreement, or other organizational or governing documents of such Person and (b) any statute, law (including common law), treaty, rule, regulation, code, ordinance, order, decree, writ, judgment, injunction or determination of any arbitrator or court or other Governmental Authority (including Environmental Laws), in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” of any Person means the chief executive officer, president, vice president or any Financial Officer of such Person, and any other officer (or, in the case of any such Person that is a Foreign Subsidiary, director or managing partner or similar official) of such Person with responsibility for the administration of the obligations of such Person under this Agreement.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in any Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in any Borrower or any Subsidiary or any option, warrant or other right to acquire any such Equity Interests in any Borrower, other than the payment of compensation in the ordinary course of business to holders of any such Equity Interests who are employees of any Borrower or any Subsidiary on such date of payment.

“Reuters” means, as applicable, Thomson Reuters Corp, Refinitiv, or any successor thereto.

“Revolving Facility” means, a three-year revolving credit facility in the amount of the stated Commitment hereunder.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or by the United Nations Security Council, the European Union, any European Union member state, Her Majesty’s Treasury of the United Kingdom, or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) or (d) any Person otherwise the subject of any Sanctions.

“**Sanctions**” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state, Her Majesty’s Treasury of the United Kingdom, or other relevant sanctions authority.

“**SEC**” means the Securities and Exchange Commission of the United States of America.

“**Secured Obligations**” means all Obligations, together with all Banking Services Obligations and Swap Agreement Obligations owing to one or more Lenders or their respective Affiliates by any Loan Party; provided that the definition of “Secured Obligations” shall not create any guarantee by any Guarantor of (or grant of security interest by any Guarantor to support, as applicable) any Excluded Swap Obligations of such Guarantor for purposes of determining any obligations of any Guarantor.

“**Secured Parties**” means (a) the Lenders, (b) the Administrative Agent, (c) each Issuing Bank, (d) each provider of Banking Services, to the extent the Banking Services Obligations in respect thereof constitute Secured Obligations, (e) each counterparty to any Swap Agreement, to the extent the obligations thereunder constitute Secured Obligations, (f) the beneficiaries of each indemnification obligation undertaken by any Loan Party under any Loan Document and (g) the successors and permitted assigns of each of the foregoing.

“**Security Agreement**” means that certain Pledge and Security Agreement (including any and all supplements thereto), dated as of the Effective Date, among the Loan Parties and the Administrative Agent, for the benefit of the Administrative Agent and the other Secured Parties, and any other pledge or security agreement securing the Secured Obligations entered into, after the date of this Agreement by such Loan Parties (as required by this Agreement or any other Loan Document) or any other Loan Party for the benefit of the Administrative Agent and the Secured Parties, as the same may be amended, modified, restated or otherwise supplemented from time to time.

“**SEMrush Holdings**” means SEMrush Holdings, Inc., a Delaware corporation.

“**SOFR**” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website at approximately 8:00 a.m. (New York City time) on the immediately succeeding Business Day.

“**SOFR Administrator**” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“**SOFR Administrator’s Website**” means the NYFRB’s Website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Solvency Certificate” means the solvency certificate executed and delivered by a Financial Officer of the Borrower Representative on the Effective Date, substantially in the form of Exhibit H.

“Solvent” means, with respect to the Borrowers and their Subsidiaries, on a consolidated basis, that as of the date of determination (a) the fair value of the assets of the Borrowers and their Subsidiaries, on a consolidated basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise; (b) the present fair saleable value of the property of the Borrowers and their Subsidiaries, on a consolidated basis, will be or is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (c) the Borrowers and their Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (d) the Borrowers and their Subsidiaries, on a consolidated basis, are not engaged in, and are not about to engage in, business for which they have unreasonably small capital. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that would reasonably be expected to become an actual and matured liability.

“Specified Transaction” means any (a) disposition of all or substantially all the assets of or all the Equity Interests of any Borrower or Subsidiary or of any product line, business unit, line of business or division of any Borrower or Subsidiary for which historical financial statements are available, (b) Permitted Acquisitions, (c) Investment, (d) the proposed incurrence of Indebtedness or making of a Restricted Payment or payment in respect of Indebtedness in respect of which compliance with any financial test or ratio is by the terms of this Agreement required to be calculated on a Pro Forma Basis or (e) cost savings initiative, operating improvement, restructuring or other initiative, action or event.

“Statutory Reserve Rate” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Federal Reserve Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D). Such reserve percentage shall include those imposed pursuant to Regulation D of the Board. Eurodollar Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D of the Board or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“Step-Up” has the meaning assigned to such term in Section 6.10(b).

“Subordinated Indebtedness” means any Indebtedness of any Borrower or any Subsidiary that is expressly subordinated by a written agreement (a) in right of payment and performance to the Obligations and/or (b) in respect of security to the Liens securing the Secured Obligations, in each case, to the reasonable satisfaction of the Administrative Agent.

“**subsidiary**” means, with respect to any Person (the “**parent**”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent and/or one or more subsidiaries of the parent.

“**Subsidiary**” means any direct or indirect subsidiary of a Borrower.

“**Supported QFC**” has the meaning assigned to it in Section 9.21(a).

“**Swap Agreement**” means any agreement with respect to any swap, forward, spot, future, credit default or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrowers or their Subsidiaries shall be a Swap Agreement.

“**Swap Agreement Obligations**” means any and all obligations of the Loan Parties and their Subsidiaries, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any Swap Agreement permitted hereunder with a Lender or an Affiliate of a Lender, and (b) any cancellations, buy backs, reversals, terminations or assignments of any Swap Agreement transaction permitted hereunder with a Lender or an Affiliate of a Lender.

“**Swap Obligation**” means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act or any rules or regulations promulgated thereunder.

“**Tax Distribution**” means any distribution made to any Borrower (or any other direct or indirect parent company of such Borrower) to (i) permit Borrower (or any other direct or indirect parent company of such Borrower) to pay U.S. federal and state income taxes then due and owing by the consolidated, combined or similar income tax group for U.S. federal and/or applicable state or local income tax purposes of which any Borrower (or any other direct or indirect parent company of such Borrower) is the common parent and of which any Borrower or any Borrower Subsidiary are members, and (ii) pay any administrative, overhead and related expenses (including franchise Taxes) of Borrower (or any other direct or indirect parent company of such Borrower). A Tax Distribution shall not exceed the amount of taxes that would be paid by a Borrower on a stand-alone basis, or as the parent of a consolidated, combined, or similar income tax group in which the Borrower is the common parent.

“**Taxes**” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), value added taxes, or any other goods and services, use or sales taxes, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“**Term SOFR**” means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“**Term SOFR Notice**” means a notification by the Administrative Agent to the Lenders and the Borrower Representative of the occurrence of a Term SOFR Transition Event.

“**Term SOFR Transition Event**” means the determination by the Administrative Agent that (a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Administrative Agent and (c) a Benchmark Transition Event or an Early Opt-in Election as applicable, has previously occurred resulting in a Benchmark Replacement in accordance with Section 2.14 that is not Term SOFR to deliver a Term SOFR Notice.

“**Test Period**” shall mean, for any determination under this Agreement, the four consecutive fiscal quarters of the Borrowers most recently ended on or prior to such date of determination and for which financial statements shall have been delivered (or were required to be delivered) under Section 5.01 to the Administrative Agent (or, before the first delivery of such financial statements, the most recent period of four fiscal quarters at the end of which financial statements are available).

“**Threshold Amount**” means \$7,500,000.

“**Total Net Leverage Covenant**” has the meaning assigned to such term in Section 6.10(b)(i).

“**Transactions**” means the execution, delivery and performance by each Loan Party of each Loan Document to which it is a party, the borrowing of Loans, the use of the proceeds of the Loans hereunder and the issuance of Letters of Credit hereunder.

“**Type**”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate, the Alternate Base Rate.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of New York or in any other state, the laws of which are required to be applied in connection with the issue of perfection of security interests.

“**UK Financial Institutions**” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended

from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“**UK Resolution Authority**” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“**Unadjusted Benchmark Replacement**” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“**Unfunded Commitment**” means, with respect to each Lender, the Commitment of such Lender less its Credit Exposure.

“**Unliquidated Obligations**” means, at any time, any Secured Obligations (or portion thereof) that are contingent in nature or unliquidated at such time, including any Secured Obligation that is: (a) an obligation to reimburse a bank for drawings not yet made under a letter of credit issued by it; (b) any other obligation (including any guarantee) that is contingent in nature at such time; or (c) an obligation to provide collateral to secure any of the foregoing types of obligations.

“**U.S.**” or “**United States**” means the United States of America.

“**U.S. Person**” means a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“**U.S. Special Resolution Regime**” has the meaning assigned to it in Section 9.21(a).

“**USA Patriot Act**” has the meaning assigned to such term in Section 9.14.

“**Withdrawal Liability**” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“**Write-Down and Conversion Powers**” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a “**Eurodollar Loan**”). Borrowings also may be classified and referred to by Type (e.g., a “**Eurodollar Borrowing**”).

SECTION 1.03 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “law” shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply) and all judgments, orders and decrees of all Governmental Authorities. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (including pursuant to any permitted refinancing, extension, renewal, replacement, restructuring or increase (in each case, whether pursuant to one or more agreements or with different lenders or different agents), but subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any law, statute, rule or regulation shall, unless otherwise specified, be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person’s successors and assigns (subject to any restrictions on assignments set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (f) any reference in any definition to the phrase “at any time” or “for any period” shall refer to the same time or period for all calculations or determinations within such definition, (g) all reference to “knowledge” or “awareness” of any Loan Party or a Subsidiary thereof means the actual knowledge of a Responsible Officer of a Loan Party or such Subsidiary and (h) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 1.04 Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided* that, if after the date hereof there occurs any change in GAAP or in the application thereof on the operation of any provision hereof and the Borrower Representative notifies the Administrative Agent that the Borrowers request an amendment to any provision hereof to eliminate the effect of such change in GAAP or in the application thereof (or if the Administrative Agent notifies the Borrower Representative that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision is amended in accordance herewith. Notwithstanding the foregoing and for the avoidance of doubt, notwithstanding any change in GAAP after December 31, 2018 that would require lease obligations that would be treated as operating leases as of the date hereof to be classified and accounted for as financing leases or otherwise reflected on the Borrowers’ consolidated balance sheet, for the

purposes of determining compliance with any covenant contained herein, such obligations (whether entered into as of the date hereof or thereafter) shall be treated in the same manner as operating leases are treated on December 31, 2018. Notwithstanding any other provision contained herein, (i) all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (x) without giving effect to any election under Financial Accounting Standards Board Accounting Standards Codification 825-10-25 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of any Borrower or any Subsidiary at “fair value”, as defined therein and (y) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 or 2015-03 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

SECTION 1.05 Status of Obligations. In the event that any Loan Party shall at any time issue or have outstanding any Subordinated Indebtedness, the Borrowers shall take or cause such other Loan Party to take all such actions as shall be necessary to cause the Secured Obligations to constitute senior indebtedness (however denominated) in respect of such Subordinated Indebtedness. Without limiting the foregoing, the Secured Obligations are hereby designated as “senior indebtedness” and as “designated senior indebtedness” and words of similar import under and in respect of any indenture or other agreement or instrument under which such Subordinated Indebtedness is outstanding.

SECTION 1.06 Interest Rates; LIBOR Notification. The interest rate on Eurodollar Loans is determined by reference to the LIBO Rate, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. In July 2017, the U.K. Financial Conduct Authority announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions to the ICE Benchmark Administration (together with any successor to the ICE Benchmark Administrator, the “**IBA**”) for purposes of the IBA setting the London interbank offered rate. As a result, it is possible that commencing in 2022, the London interbank offered rate may no longer be available or may no longer be deemed an appropriate reference rate upon which to determine the interest rate on Eurodollar Loans. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of the London interbank offered rate. Upon the occurrence of a Benchmark Transition Event or an Early Opt-In Election, Section 2.14(c) provides a mechanism for determining an alternative rate of interest. The Administrative Agent will notify the Borrowers, as required pursuant to Section 2.14(f), of any change to the reference rate upon which the interest rate on Eurodollar Loans is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of “LIBO Rate” or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.14(c), whether upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.14(d)), in-

cluding without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the LIBO Rate or have the same volume or liquidity as did the London interbank offered rate prior to its discontinuance or unavailability.

SECTION 1.07 Pro Forma Calculations. With respect to any period during which the Transactions or any Specified Transaction occurs, for purposes of the calculation of Consolidated EBITDA, Consolidated Total Assets, Consolidated Total Net Leverage Ratio or for any other similar purpose hereunder, with respect to such period shall be made on a Pro Forma Basis.

SECTION 1.08 Rounding. Any financial ratios required to be maintained pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up for five). For example, if the relevant ratio is to be calculated to the hundredth decimal place and the calculation of the ratio is 5.125, the ratio will be rounded up to 5.13.

SECTION 1.09 Letters of Credit. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the amount of such Letter of Credit available to be drawn at such time; provided that with respect to any Letter of Credit that, by its terms or the terms of any Letter of Credit Agreement related thereto, provides for one or more automatic increases in the available amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum amount is available to be drawn at such time. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Article 29(a) of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600 (or such later version thereof as may be in effect at the applicable time) or Rule 3.13 or Rule 3.14 of the International Standby Practices, International Chamber of Commerce Publication No. 590 (or such later version thereof as may be in effect at the applicable time) or similar terms of the Letter of Credit itself, or if compliant documents have been presented but not yet honored, such Letter of Credit shall be deemed to be “outstanding” and “undrawn” in the amount so remaining available to be paid, and the obligations of the Borrowers and each Lender shall remain in full force and effect until the Issuing Bank and the Lenders shall have no further obligations to make any payments or disbursements under any circumstances with respect to any Letter of Credit.

SECTION 1.10 Divisions. For all purposes under the Loan Documents, in connection with any Division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.11 Currency Translation. For purposes of determining compliance as of any date after the Effective Date with Section 6.01, Section 6.02, Section 6.03, Section 6.04,

Section 6.05, Section 6.06, Section 6.07, Section 6.08 or Section 6.10, or for purposes of making any determination under clauses (f), (g) or (k) of Article VII, or for any other specified purpose hereunder, amounts incurred or outstanding in currencies other than Dollars shall be translated into Dollars at currency exchange rates in effect on the last Business Day of the fiscal month immediately preceding the fiscal month in which such determination occurs or in respect of which such determination is being made (as applicable), as such currency exchange rates shall be determined in good faith by the Borrowers by reference to customary indices; provided that for purposes of determining compliance with the Consolidated Total Net Leverage Ratio on any date of determination, amounts denominated in a currency other than Dollars will be translated into Dollars (i) with respect to income statement items and balance sheet items, at currency exchange rates determined in a manner consistent with the determination of such currency exchange rates used in calculating Consolidated Net Income or balance sheet items, respectively, in the latest financial statements delivered pursuant to Section 5.01(a), (b) or (c) and (ii) will, in the case of Indebtedness, reflect the currency translation effects, determined in accordance with GAAP, of Swap Agreements permitted hereunder for currency exchange risks with respect to the applicable currency in effect on the date of determination of the dollar equivalent of such Indebtedness. No Default or Event of Default shall arise as a result of any limitation or threshold set forth in Dollars in Section 6.01, Section 6.02, Section 6.03, Section 6.04, Section 6.05, Section 6.06, Section 6.07, Section 6.08, Section 6.10 or clauses (f), (g) or (k) of Article VII, being exceeded solely as a result of changes in currency exchange rates from those rates applicable on the last day of the fiscal month immediately preceding the fiscal month in which such determination occurs or in respect of which such determination is being made (as applicable).

ARTICLE II. THE CREDITS

SECTION 2.01 Revolving Commitments. Subject to the terms and conditions set forth herein, each Lender (acting through any of its branches or affiliates) severally (and not jointly) agrees to make Loans in Dollars to the Borrowers from time to time during the Availability Period in an aggregate principal amount that will not result (after giving effect to any application of proceeds of such Borrowing pursuant to Section 2.10) in (a) such Lender's Credit Exposure exceeding such Lender's Commitment or (b) the Aggregate Credit Exposure exceeding the lesser of (x) the aggregate Commitments and (y) the Borrowing Base. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Loans.

SECTION 2.02 Loans and Borrowings.

(a) Each Loan shall be made as part of a Borrowing consisting of Loans made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to

make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; *provided* that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Subject to Section 2.14, each Borrowing shall be comprised entirely of ABR Loans or Eurodollar Loans as the Borrowers may request in accordance herewith. Each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan (and in the case of an Affiliate, the provisions of Section 2.14, 2.15, 2.16 and 2.17 shall apply to such Affiliate to the same extent as to such Lender); *provided* that any exercise of such option shall not affect the obligation of the Borrowers to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is (x) an integral multiple of \$100,000 and not less than \$500,000 or (y) such lesser amount constituting the remaining undrawn Commitments. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is (x) an integral multiple of \$100,000 and not less than \$500,000 or (y) such lesser amount constituting the remaining undrawn Commitments; *provided* that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e). Borrowings of more than one Type may be outstanding at the same time; *provided* that there shall not at any time be more than a total of eight (8) Eurodollar Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrowers shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

SECTION 2.03 Requests for Borrowings. To request a Borrowing, the Borrower Representative shall notify the Administrative Agent of such request by submitting a Borrowing Request (a) in the case of a Eurodollar Borrowing, not later than 11:00 a.m., New York City time, three (3) Business Days before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the day of the proposed Borrowing; *provided* that any such notice of an ABR Borrowing to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e) may be given not later than 10:00 a.m., New York City time, on the date of the proposed Borrowing. Each such Borrowing Request shall be irrevocable. Each such Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the aggregate amount of the requested Borrowing;
- (ii) name of the applicable Borrower(s);
- (iii) the date of such Borrowing, which shall be a Business Day;
- (iv) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing;

(v) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term “Interest Period”; and

(vi) the location and number of the Borrowers’ account to which funds are to be disbursed, which shall comply with the requirements of Section 2.07.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the applicable Borrower shall be deemed to have selected an Interest Period of one (1) month’s duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender’s Loan to be made as part of the requested Borrowing.

SECTION 2.04 [Intentionally Omitted].

SECTION 2.05 [Intentionally Omitted].

SECTION 2.06 Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, the Borrower Representative, on behalf of a Borrower, may request any Issuing Bank to issue Letters of Credit denominated in Dollars as the applicant thereof for the support of its or its Subsidiaries’ obligations, in a form reasonably acceptable to such Issuing Bank, at any time and from time to time during the Availability Period.

(b) Notice of Issuance, Amendment, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment or extension of an outstanding Letter of Credit), the Borrower Representative shall hand deliver or fax (or transmit through Electronic Systems, if arrangements for doing so have been approved by the Issuing Bank) to the Issuing Bank selected by it and to the Administrative Agent (reasonably in advance of the requested date of issuance, amendment or extension, but in any event no less than three (3) Business Days) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended or extended, and specifying the date of issuance, amendment or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section 2.06), the amount of such Letter of Credit, the name and address of the beneficiary thereof, and such other information as shall be necessary to prepare, amend or extend such Letter of Credit. In addition, as a condition to any such Letter of Credit issuance, the applicable Borrower shall have entered into a continuing agreement (or other letter of credit agreement) for the issuance of letters of credit and/or shall submit a letter of credit application, in each case, as required by the Issuing Bank and using such Issuing Bank’s standard form (each, a “**Letter of Credit Agreement**”). In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any Letter of Credit Agreement, the terms and conditions of this Agreement shall control. A Letter of Credit shall be issued, amended or extended only if (and upon issuance, amendment or extension of each Letter of Credit the Borrowers shall be deemed to represent and warrant that), after giving effect to such issuance, amendment or extension (i) the aggregate LC Exposure

shall not exceed the Issuing Bank Sublimit (unless otherwise agreed by the Borrower Representative and the applicable Issuing Bank), (ii) no Lender's Credit Exposure shall exceed its Commitment and (iii) the Aggregate Credit Exposure shall not exceed the lesser of the aggregate Commitments and the Borrowing Base. Notwithstanding the foregoing or anything to the contrary contained herein, no Issuing Bank shall be obligated to issue or modify any Letter of Credit if, immediately after giving effect thereto, the outstanding LC Exposure in respect of all Letters of Credit issued by such Person and its Affiliates would exceed such Issuing Bank's Issuing Bank Sublimit. Without limiting the foregoing and without affecting the limitations contained herein, it is understood and agreed that the Borrower Representative may from time to time request that an Issuing Bank issue Letters of Credit in excess of its individual Issuing Bank Sublimit in effect at the time of such request, and each Issuing Bank agrees to consider any such request in good faith. Any Letter of Credit so issued by an Issuing Bank in excess of its individual Issuing Bank Sublimit then in effect shall nonetheless constitute a Letter of Credit for all purposes of the Credit Agreement, and shall not affect the Issuing Bank Sublimit of any other Issuing Bank, subject to the limitations on the aggregate LC Exposure set forth in clause (i) of this Section 2.06(b).

An Issuing Bank shall not be under any obligation to issue any Letter of Credit if:

(i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Bank from issuing such Letter of Credit, or any Requirement of Law relating to such Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Bank shall prohibit, or request that such Issuing Bank refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Bank with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Bank is not otherwise compensated hereunder) not in effect on the Effective Date, or shall impose upon such Issuing Bank any unreimbursed loss, cost or expense which was not applicable on the Effective Date and which such Issuing Bank in good faith deems material to it, or

(ii) the issuance of such Letter of Credit would violate one or more policies of such Issuing Bank applicable to letters of credit generally.

(c) Expiration Date. Each Letter of Credit shall expire (or be subject to termination or non-extension by notice from the applicable Issuing Bank to the beneficiary thereof) at or prior to the close of business on the earlier of (i) the date that is one year after the date of the issuance of such Letter of Credit and (ii) the date that is five (5) Business Days prior to the Maturity Date; *provided* that any Letter of Credit with a one year tenor may contain customary automatic extension provisions acceptable to the Issuing Bank pursuant to which the expiration date of such Letter of Credit shall be automatically extended for a period of up to twelve (12) months (but not to a date later than the date set forth in clause (ii) above, except to the extent otherwise cash collateralized or backstopped pursuant to arrangements reasonably acceptable to the Issuing Bank and the Administrative Agent).

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Bank or the Lenders, the Issuing Bank hereby grants to each Lender, and each Lender hereby acquires

from the Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement in Dollars made by the Issuing Bank and not reimbursed by the Borrowers on the date due as provided in paragraph (e) of this Section 2.06, or of any reimbursement payment required to be refunded to the Borrowers for any reason, including after the Maturity Date. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever in Dollars.

(e) Reimbursement. If the Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrowers shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 11:00 a.m., New York City time, on (i) the Business Day that the Borrowers receive notice of such LC Disbursement, if such notice is received prior to 9:00 a.m., New York City time, on the day of receipt, or (ii) the Business Day immediately following the day that the Borrower Representative receives such notice, if such notice is received after 9:00 a.m., New York City time, on the day of receipt; provided that, if such LC Disbursement is greater than or equal to \$1,000,000, the Borrowers may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with an ABR Borrowing in an equivalent amount and, to the extent so financed, the Borrowers' obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing. If the Borrowers fail to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Borrowers in respect thereof, and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrowers, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrowers pursuant to this paragraph, the Administrative Agent shall distribute such payment to the Issuing Bank or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse the Issuing Bank, then to such Lenders and the Issuing Bank, as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the Issuing Bank for any LC Disbursement (other than the funding of ABR Loans as contemplated above) shall not constitute a Loan and shall not relieve the Borrowers of their obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrowers' joint and several obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit, any Letter of Credit Agreement or this Agreement, or any term or provision therein or herein, (ii) any draft or other document presented under a Letter of Credit proving to be

forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) any payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrowers' obligations hereunder (other than the defense of payment or performance). Neither the Administrative Agent, the Lenders nor the Issuing Bank, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank; *provided* that the foregoing shall not be construed to excuse the Issuing Bank from liability to the Borrowers to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Borrowers to the extent permitted by applicable law) suffered by any Borrower that are caused by the Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the Issuing Bank (as finally determined by a court of competent jurisdiction), the Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuing Bank shall promptly notify the Administrative Agent and the Borrower Representative by telephone (confirmed by fax or through Electronic Systems) of such demand for payment and whether the Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrowers of their obligations to reimburse the Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If the Issuing Bank shall make any LC Disbursement, then, unless the Borrowers shall reimburse such LC Disbursement in full in accordance with paragraph (e) of this Section, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrowers reimburse such LC Disbursement, at the rate per annum then applicable to ABR Loans and such interest shall be due and payable on the date when such reimbursement is due and payable; provided that, if the Borrowers fail to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(c) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the Issuing Bank, except that interest accrued on and after the date of payment by any Lender

pursuant to paragraph (e) of this Section to reimburse the Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement and Resignation of an Issuing Bank.

(i) Any Issuing Bank may be replaced at any time by written agreement among the Borrower Representative, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of the Issuing Bank. At the time any such replacement shall become effective, the Borrowers shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement, (x) the successor Issuing Bank shall have all the rights and obligations of the Issuing Banks under this Agreement with respect to Letters of Credit to be issued thereafter and (y) references herein to the term “Issuing Bank” shall be deemed to refer to such successor or to any previous Issuing Banks, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit then outstanding and issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(ii) Subject to the appointment and acceptance of a successor Issuing Bank by the Borrower Representative and the Administrative Agent, the Issuing Bank may resign as an Issuing Bank at any time upon thirty (30) days’ prior written notice to the Administrative Agent, the Borrowers and the Lenders, in which case, such resigning Issuing Bank shall be replaced in accordance with this Section 2.06(i).

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Borrower Representative receives written notice from the Administrative Agent or the Required Lenders demanding the deposit of cash collateral pursuant to this paragraph, the Borrowers shall deposit in an account of a Loan Party maintained with the Administrative Agent or that is subject to a control agreement (the “**LC Collateral Account**”), an amount in cash (or in a manner otherwise acceptable to the Administrative Agent) equal to 103% of the LC Exposure as of such date plus accrued and unpaid interest thereon; *provided* that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrowers described in clause (h) or (i) of Article VII. The Borrowers also shall deposit cash collateral in accordance with this paragraph as and to the extent required by Section 2.11(b) or 2.20. Each such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Secured Obligations. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over the LC Collateral Account and the Borrowers hereby grant the Administrative Agent a security interest in the LC Collateral Account and all moneys or other assets on deposit therein or credited thereto. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrowers’ risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse

the Issuing Bank for LC Disbursements for which it has not been reimbursed, together with related fees, costs, and customary processing charges, and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrowers for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of the Required Lenders), be applied to satisfy other Secured Obligations. If the Borrowers are required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrowers within three (3) Business Days after all Events of Default have been cured or waived.

(k) Issuing Bank Reports to the Administrative Agent. Unless otherwise agreed by the Administrative Agent, each Issuing Bank shall, in addition to its notification obligations set forth elsewhere in this Section, report in writing to the Administrative Agent (i) periodic activity (for such period or recurrent periods as shall be requested by the Administrative Agent) in respect of Letters of Credit issued by such Issuing Bank, including all issuances, extensions and amendments, all expirations and cancelations and all disbursements and reimbursements, (ii) reasonably prior to the time that such Issuing Bank issues, amends or extends any Letter of Credit, the date of such issuance, amendment or extension, and the amount of the Letters of Credit issued, amended or extended by it and outstanding after giving effect to such issuance, amendment or extension (and whether the amounts thereof shall have changed), (iii) on each Business Day on which such Issuing Bank makes any LC Disbursement, the date and amount of such LC Disbursement, (iv) on any Business Day on which the Borrowers fail to reimburse an LC Disbursement required to be reimbursed to such Issuing Bank on such day, the date of such failure and the amount of such LC Disbursement, and (v) on any other Business Day, such other information as the Administrative Agent shall reasonably request as to the Letters of Credit issued by such Issuing Bank.

(l) LC Exposure Determination. For all purposes of this Agreement, the amount of a Letter of Credit that, by its terms or the terms of any document related thereto, provides for one or more automatic increases in the amount thereof shall be deemed to be the maximum amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum amount may be drawn immediately at the time of determination.

(m) [Intentionally Omitted].

(n) Letters of Credit Issued for Account of Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder supports any obligations of, or is for the account of, a Subsidiary, or states that a Subsidiary is the “account party,” “applicant,” “customer,” “instructing party,” or the like of or for such Letter of Credit, and without derogating from any rights of the applicable Issuing Bank (whether arising by contract, at law, in equity or otherwise) against such Subsidiary in respect of such Letter of Credit, the Borrowers (i) shall reimburse, indemnify and compensate the applicable Issuing Bank hereunder for such Letter of Credit (including to reimburse any and all drawings thereunder) as if such Letter of Credit had been issued solely for the account of the Borrowers and (ii) irrevocably waives any and all defenses that might otherwise be available to it as a guarantor or surety of any or all of the obligations of such Subsidiary in respect of such Letter of Credit. The Borrowers hereby acknowledge that the issuance of such Letters of Credit for their Subsidiaries inures to the benefit of the Borrowers, and that the Borrowers’ business derives substantial benefits from the businesses of such Subsidiaries.

SECTION 2.07 Funding of Borrowings.

(a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof solely by wire transfer of immediately available funds by 2:00 p.m., New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders in an amount equal to such Lender's Applicable Percentage. The Administrative Agent will make such Loans available to the Borrowers by promptly crediting the funds so received in the aforesaid account of the Administrative Agent to the Funding Account(s); provided that ABR Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the Issuing Bank.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the applicable Borrower each severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrowers, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing; provided that any interest received from the Borrowers by the Administrative Agent during the period beginning when Administrative Agent funded the Borrowing until such Lender pays such amount shall be solely for the account of the Administrative Agent.

SECTION 2.08 Interest Elections.

(a) Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower Representative may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.08. The Borrower Representative may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower Representative shall notify the Administrative Agent of such election either in writing (delivered by hand, e-mail or fax) by delivering an Interest Election Request signed by a Financial Officer of the Borrower Representative or through Electronic Systems, if arrangements for doing so have been approved by the Administrative Agent, by the time that a Borrowing Request would be required under Section 2.03

if the Borrowers were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such Interest Election Request shall be irrevocable.

(c) Each Interest Election Request (including requests submitted through Electronic Systems) shall specify the following information in compliance with Section 2.02:

(i) The name of the applicable Borrower and the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrowers shall be deemed to have selected an Interest Period of one (1) month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrower Representative fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be continued as a Eurodollar Borrowing for an additional Interest Period of one (1) month. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower Representative, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.09 Termination and Reduction of Commitments.

(a) Unless previously terminated, all of the Commitments shall terminate on the Maturity Date.

(b) The Borrowers may at any time terminate, or from time to time reduce, the Commitments; *provided* that (i) each reduction of the Commitments shall be in an amount that is (x) an

integral multiple of \$250,000 and not less than \$500,000 or (y) such lesser amount constituting the remaining undrawn Commitments and (ii) the Borrowers shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, (A) any Lender's Aggregate Credit Exposure would exceed such Lender's Commitment or (B) the Aggregate Credit Exposure would exceed the lesser of the aggregate Commitments or the Borrowing Base.

(c) The Borrower Representative shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section 2.09 at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower Representative pursuant to this Section 2.09 shall be irrevocable; *provided* that a notice of termination of the Commitments delivered by the Borrower Representative may state that such notice is conditioned upon the effectiveness of other credit facilities or transactions, in which case such notice may be revoked or extended by the Borrower Representative (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Commitments.

SECTION 2.10 Repayment of Loans; Evidence of Debt.

(a) The Borrowers hereby unconditionally promise to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Loan on the Maturity Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section 2.10 shall be *prima facie* evidence of the existence and amounts of the Obligations recorded therein; *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request in writing to the Borrowers that Loans made by it be evidenced by a promissory note. In such event, the Borrowers shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and substantially in the form of Exhibit I. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment

pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

SECTION 2.11 Prepayment of Loans.

(a) The Borrowers shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section 2.11; *provided* that each prepayment shall be in an aggregate amount that is (x) an integral multiple of \$250,000 and not less than \$500,000 or (y) such lesser amount constituting the entire outstanding amount of such Borrowing. In the absence of such direction by the Borrowers, voluntary prepayments shall be applied first, to any outstanding ABR Loans until such ABR Loans are repaid in full, and then, to any outstanding Eurodollar Loans (in each case, in direct order of maturity).

(b) The Borrowers shall notify the Administrative Agent in writing or by telephone (confirmed by e-mail or fax) or through Electronic Systems, if arrangements for doing so have been approved by the Administrative Agent, of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Borrowing, not later than 1:00 p.m., New York City time, three (3) Business Days before the date of the proposed prepayment, or (ii) in the case of prepayment of an ABR Borrowing, not later than 1:00 p.m., New York City time, on the date of the proposed prepayment. Each such telephone and written notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; *provided* that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09 or is otherwise conditioned upon the consummation of a transaction, then such notice of prepayment may be revoked (or extended) if such notice of termination is revoked or extended in accordance with Section 2.09 or such transaction does not occur. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02, except as necessary to apply fully the required amount of a mandatory prepayment. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued but unpaid interest to the extent required by Section 2.13.

SECTION 2.12 Fees.

(a) The Borrowers agree to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the rate of 0.25% per annum on the average daily unused amount of the Commitment of such applicable Lender during the period from and including the Effective Date to but excluding the date on which the Lenders' Commitments terminate; *provided*, that no commitment fee shall accrue on the Commitment of a Defaulting Lender for so long as such Lender is a Defaulting Lender. Accrued commitment fees shall be payable in arrears on the first (1st) Business Day of each fiscal quarter of each year and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of three hundred and sixty (360) days and shall

be payable for the actual number of days elapsed (including the first (1st) day but excluding the last day).

(b) The Borrowers agree to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit (the “**Participation Fee**”), which shall accrue at the same Applicable Rate used to determine the interest rate applicable to Eurodollar Loans on the average daily amount of such Lender’s LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender’s Commitment terminates and the date on which such Lender ceases to have any LC Exposure and (ii) to each Issuing Bank for its own account a fronting fee with respect to each Letter of Credit issued by such Issuing Bank, which shall accrue at the rate or rates per annum separately agreed upon between the Borrower Representative and such Issuing Bank on the daily maximum amount then available to be drawn under such Letter of Credit, during the period from and including the Effective Date to but excluding the later of the date on which such Lender’s Commitment terminates and the date on which such Lender ceases to have any LC Exposure, as well as such Issuing Bank’s standard fees and commissions with respect to the issuance, amendment or extension of any Letter of Credit and other processing fees, and other standard costs and charges, of such Issuing Bank relating to Letters of Credit as from time to time in effect. Participation Fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third (3rd) Business Day following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to the Issuing Bank pursuant to this paragraph shall be payable within ten (10) days after written demand. All Participation Fees and fronting fees shall be computed on the basis of a year of three hundred and sixty (360) days and shall be payable for the actual number of days elapsed (including the first (1st) day but excluding the last day).

(c) The Borrowers agree to pay to the Administrative Agent and the Lead Arranger, for their own respective accounts, fees payable in the amounts and at the times separately agreed upon in writing between the Borrowers, on the one hand, and the Administrative Agent and the Lead Arranger, on the other.

(d) All fees payable hereunder shall be paid on the dates due, in dollars in immediately available funds, to the Administrative Agent (or to the Issuing Bank, in the case of fees payable to it) for distribution, in the case of commitment fees and participation fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

SECTION 2.13 Interest.

(a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Eurodollar Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Notwithstanding the foregoing, after the occurrence and during the continuance of an Event of Default, the Administrative Agent or the Required Lenders may, at their option, by written notice to the Borrower Representative (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 9.02 requiring the consent of “each Lender affected thereby” for reductions in interest rates), declare that (i) all Loans that are overdue shall bear interest at 2% per annum plus the rate otherwise applicable to such Loans as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount hereunder that is overdue, such amount shall accrue at 2% per annum plus the rate applicable to ABR Borrowings.

(d) Accrued interest on each Loan (for ABR Loans, accrued through the last day of the prior calendar month) shall be payable in arrears on each Interest Payment Date for such Loan and, in the case of Loans, upon termination of the Commitments; *provided* that (i) interest accrued pursuant to paragraph (c) of this Section 2.13 shall be payable on written demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurodollar Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest hereunder shall be computed on the basis of a year of three hundred and sixty (360) days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of three hundred and sixty five (365) days (or three hundred and sixty six (366) days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first (1st) day but excluding the last day). The applicable Alternate Base Rate, Adjusted LIBO Rate or LIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.14 Alternate Rate of Interest; Illegality.

(a) Subject to clauses (c), (d), (e), (f), (g) and (h) of this Section 2.14, if prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate or the LIBO Rate, as applicable (including, without limitation, by means of an Interpolated Rate or because the LIBO Screen Rate is not available or published on a current basis) for such Interest Period; provided that no Benchmark Transition Event shall have occurred at such time; or

(ii) the Administrative Agent is advised by the Required Lenders that the Adjusted LIBO Rate or the LIBO Rate, as applicable, for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or Loan) included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower Representative and the Lenders through Electronic System as provided in Section 9.01 as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower Representative and the Lenders that the circumstances giving rise to such notice no longer exist, (A) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective and any such Eurodollar Borrowing shall be repaid or converted into an ABR Borrowing on the last day of the then current Interest Period applicable thereto, and (B) if any Borrowing Request requests a Eurodollar Borrowing (or if in the absence of instructions, a Borrowing would automatically have continued as or been converted into a Eurodollar Borrowing), such Borrowing shall be made as (or continued as or converted into) an ABR Borrowing; provided that if the circumstances giving rise to such notice affect only one Type of Borrowings, then the other Type of Borrowings shall be permitted.

(b) If any Lender determines that any Requirement of Law has made it unlawful, or if any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain, fund or continue any Eurodollar Borrowing, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower Representative through the Administrative Agent, any obligations of such Lender to make, maintain, fund or continue Eurodollar Loans or to convert ABR Borrowings to Eurodollar Borrowings will be suspended until such Lender notifies the Administrative Agent and the Borrower Representative that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrowers will upon demand from such Lender (with a copy to the Administrative Agent), either prepay or convert all Eurodollar Borrowings of such Lender to ABR Borrowings, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Borrowings to such day, or immediately, if such Lender may not lawfully continue to maintain such Loans. Upon any such prepayment or conversion, the Borrowers will also pay accrued interest on the amount so prepaid or converted.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document, (and any Swap Agreement shall be deemed not to be a “Loan Document” for purposes of this Section 2.14), if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(d) Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this paragraph, if a Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that, this clause (d) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower Representative a Term SOFR Notice. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term SOFR Notice after a Term SOFR Transition Event and may do so in its sole discretion.

(e) In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(f) The Administrative Agent will promptly notify the Borrower Representative and the Lenders of (i) any occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.14, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.14.

(g) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or LIBO Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of “Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative

Agent may modify the definition of “Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(h) Upon the Borrowers’ receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrowers may revoke any request for a Eurodollar Borrowing of, conversion to or continuation of Eurodollar Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrowers will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

SECTION 2.15 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate) or the Issuing Bank;

(ii) impose on any Lender or the Issuing Bank or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, continuing, converting into or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender, the Issuing Bank or such other Recipient of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender, the Issuing Bank or such other Recipient hereunder (whether of principal, interest or otherwise), then the Borrowers will pay to such Lender, the Issuing Bank or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, the Issuing Bank or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or the Issuing Bank determines in good faith that any Change in Law regarding capital or liquidity requirements has or would have the effect of materially reducing the rate of return on such Lender’s or the Issuing Bank’s capital or on the capital of such Lender’s or the Issuing Bank’s holding company, if any, as a consequence of any Loan Document or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the Issuing Bank, to a level below that which such Lender or the Issuing Bank or such Lender’s or the Issuing Bank’s holding company could have achieved but for such Change in Law (taking

into consideration such Lender's or the Issuing Bank's policies and the policies of such Lender's or the Issuing Bank's holding company with respect to capital adequacy and liquidity), then from time to time the Borrowers will, following receipt of a certificate from such Lender or the Issuing Bank in accordance with clause (c) of this Section 2.15, pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or the Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or the Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section 2.15 shall be delivered to the Borrower Representative and shall be conclusive absent manifest error; *provided*, that in each case such Lender or Issuing Bank shall determine such amount or amounts in good faith and in a manner generally consistent with such Lender's or Issuing Bank's treatment of similarly situated borrowers of such Lender or Issuing Bank (with respect to similarly affected commitments, loans or participations under agreements having provisions similar to this Section 2.15) after consideration of such factors as such Lender or Issuing Bank then reasonably determines to be relevant. The Borrowers shall pay such Lender or the Issuing Bank, as the case may be, the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(d) Failure or delay on the part of any Lender or the Issuing Bank to demand compensation pursuant to this Section 2.15 shall not constitute a waiver of such Lender's or the Issuing Bank's right to demand such compensation; *provided* that the Borrowers shall not be required to compensate a Lender or the Issuing Bank pursuant to this Section 2.15 for any increased costs or reductions incurred more than two hundred and seventy (270) days prior to the date that such Lender or the Issuing Bank, as the case may be, notifies the Borrower Representative of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Bank's intention to claim compensation therefor by delivery of a certificate in accordance with clause (c) of this Section 2.15; *provided further* that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the two hundred and seventy (270) day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.16 Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or as a result of any prepayment pursuant to Section 2.11), (b) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurodollar Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.09(c) and is revoked in accordance therewith), or (d) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower Representative pursuant to Section 2.19 or 9.02(d), then, in any such event, after receipt of a written request by such Lender (which request shall set forth the basis for requesting such amount and, absent manifest error, the amount request shall be conclusive) the Borrowers shall compensate such Lender for the loss, cost and expense attributable to such event, but excluding any losses of anticipated profits. In the case of a Eurodollar Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Eurodollar Loan had such event not occurred, at the Adjusted LIBO Rate

that would have been applicable to such Eurodollar Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Eurodollar Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market, but excluding any losses of anticipated profits. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.16, showing in reasonable detail the basis for the calculations thereof, shall be delivered to the Borrower Representative and shall be conclusive absent manifest error. The Borrowers shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

SECTION 2.17 Payments Free of Taxes.

(a) All payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.17) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Loan Parties. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(c) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.17, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by the Loan Parties. The Loan Parties shall jointly and severally indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.17) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrowers by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to setoff and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to such Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower Representative and the Administrative Agent, at the time or times reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower Representative or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower Representative or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower Representative or the Administrative Agent as will enable the Borrower Representative or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that any Borrower is a U.S. Person:

(A) any Lender that is a U.S. Person shall deliver to the Borrower Representative and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), an executed copy of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower Representative and the Administrative Agent (in such number of copies as

shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the U.S. is a party (x) with respect to payments of interest under any Loan Document, an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) an executed copy of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit D-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10-percent shareholder” of the Borrowers within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “**U.S. Tax Compliance Certificate**”) and (y) an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable; or

(4) to the extent a Foreign Lender is not the beneficial owner, an executed copy of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 or Exhibit D-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower Representative or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower Representative and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrower Representative and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower Representative and the Administrative Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.17 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph (g) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival. Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(i) Defined Terms. For purposes of this Section 2.17, the term "Lender" includes any Issuing Bank and the term "applicable law" includes FATCA.

SECTION 2.18 Payments Generally; Allocation of Proceeds; Pro Rata Treatment; Sharing of Set-offs.

(a) The Borrowers shall make each payment required to be made by them hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, 2.16 or 2.17, or otherwise) at or prior to the time expressly required hereunder (or, if not such time is expressly required, no later than 1:00 p.m., New York City time), on the date when due, in immediately available funds, without set off, recoupment or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 270 Park Avenue, New York, New York, except payments to be made directly to the Issuing Banks as expressly provided herein and except that payments pursuant to Sections 2.15, 2.16, 2.17 and 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars.

(b) Any proceeds of Collateral received by the Administrative Agent (i) not constituting either (A) a specific payment of principal, interest, fees or other sum payable under the Loan Documents (which shall be applied as specified by the Borrowers), or (B) a mandatory prepayment (which shall be applied in accordance with Section 2.11) or (ii) after an Event of Default has occurred and is continuing and the Administrative Agent so elects or the Required Lenders so direct, shall be applied ratably first, to pay any fees, indemnities, or expense reimbursements then due to the Administrative Agent and the Issuing Bank from the Borrowers (other than in connection with Banking Services Obligations or Swap Agreement Obligations), second, to pay any fees, indemnities, or expense reimbursements then due to the Lenders from the Borrowers (other than in connection with Banking Services Obligations or Swap Agreement Obligations), third, to pay interest then due and payable on the Loans ratably, fourth, to prepay principal on the Loans and unreimbursed LC Disbursements and to pay any amounts owing in respect of Swap Agreement Obligations and Banking Services Obligations up to and including the amount most recently provided to the Administrative Agent pursuant to Section 2.22, ratably, fifth, to pay an amount to the Administrative Agent equal to one hundred three percent (103%) of the aggregate LC Exposure, to be held as cash collateral for such Obligations, and sixth, to the payment of any other Secured Obligation due to the Administrative Agent or any Lender from the Borrowers or any other Loan Party. Notwithstanding anything to the contrary contained in this Agreement, unless so directed by the Borrowers, or unless an Event of Default has occurred and is continuing, neither the Administrative Agent nor any Lender shall apply any payment which it receives to any Eurodollar Loan, except (i) on the expiration date of the Interest Period applicable thereto, or (ii) in the event, and only to the extent, that there are no outstanding ABR Loans and, in any such event, the Borrowers shall pay the break funding payment required in accordance with Section 2.16. The Administrative Agent and the Lenders shall have the continuing and exclusive right to apply and reverse and reapply any and all such proceeds and payments to any portion of the Secured Obligations. Notwithstanding the foregoing, Secured Obligations arising under Banking Services Obligations or Swap Agreement Obli-

gations shall be excluded from the application described above and paid in clause sixth if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may have reasonably requested from the applicable provider of such Banking Services or Swap Agreements.

(c) At the election of the Administrative Agent during the continuance of an Event of Default, all payments of principal, interest, LC Disbursements, fees, premiums, reimbursable expenses (including, without limitation, all reimbursement for fees, costs and expenses pursuant to Section 9.03), and other sums payable under the Loan Documents, may be paid from the proceeds of Borrowings made hereunder, whether made following a request by the Borrowers pursuant to Section 2.03 or a deemed request as provided in this Section, or may be deducted from any deposit account of the Borrowers maintained with the Administrative Agent. The Borrowers hereby irrevocably authorizes, during the continuance of an Event of Default, (i) the Administrative Agent to make a Borrowing for the purpose of paying each payment of principal, interest and fees as it becomes due and payable hereunder or any other amount due and payable under the Loan Documents and agrees that all such amounts charged shall constitute Loans, and that all such Borrowings shall be deemed to have been requested pursuant to Section 2.03, and (ii) the Administrative Agent to charge any deposit account of the Borrowers maintained with the Administrative Agent for each payment of principal, interest and fees as it becomes due and payable hereunder or any other amount due and payable under the Loan Documents.

(d) If any Lender shall, by exercising any right of set off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements; *provided* that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Borrowers or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

(e) Unless the Administrative Agent shall have received, prior to any date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Bank pursuant to the terms hereof or any other Loan Document (including any date that is fixed for pre-

payment by notice from the Borrower Representative to the Administrative Agent pursuant to Section 2.11(c)), notice from the Borrower Representative that the Borrowers will not make such payment or prepayment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Bank, as the case may be, the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders or the Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(f) The Administrative Agent may from time to time provide the Borrowers with account statements or invoices with respect to any of the Secured Obligations (the “**Statements**”). The Administrative Agent is under no duty or obligation to provide Statements, which, if provided, will be solely for the Borrowers’ convenience. Statements may contain estimates of the amounts owed during the relevant billing period, whether of principal, interest, fees or other Secured Obligations. If the Borrowers pay the full amount indicated on a Statement on or before the due date indicated on such Statement, the Borrowers shall not be in default of payment with respect to the billing period indicated on such Statement; provided that acceptance by the Administrative Agent, on behalf of the Lenders, of any payment that is less than the total amount actually due at that time (including but not limited to any past due amounts) shall not constitute a waiver of the Administrative Agent’s or the Lenders’ right to receive payment in full at another time.

SECTION 2.19 Mitigation Obligations; Replacement of Lenders.

(a) If any Lender requests compensation under Section 2.15, or if the Borrowers are required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Sections 2.15 or 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrowers hereby agree, subject to Section 9.03(a), to pay all reasonable and documented out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If (i) any Lender requests compensation under Section 2.15, (ii) the Borrowers are required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, or (iii) any Lender becomes a Defaulting Lender or a Non-Consenting Lender, then, in each case, the Borrowers may, at their sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights (other than its existing rights to payments pursuant to Sections 2.15 or 2.17) and obligations under the Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided

that (i) to the extent required under Section 9.04, the Borrowers shall have received the prior written consent of the Administrative Agent (and if a Commitment is being assigned, the Issuing Bank), which consent shall not unreasonably be withheld or delayed, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and funded participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts), (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments, and (iv) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrowers to require such assignment and delegation permanently cease to apply. Each party hereto agrees that (i) an assignment and delegation required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower Representative, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and (ii) the Lender required to make such assignment and delegation need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided further that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.20 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 2.18(b) or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Bank hereunder; *third*, to cash collateralize the Issuing Banks' LC Exposure with respect to such Defaulting Lender in accordance with this Section 2.20; *fourth*, as the Borrower Representative may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower Representative, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Banks' future LC Exposure with respect to such Defaulting Lender

with respect to future Letters of Credit issued under this Agreement, in accordance with this Section 2.20; *sixth*, to the payment of any amounts owing to the Lenders or the Issuing Banks as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the Issuing Banks against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement or under any other Loan Document; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement or under any other Loan Document; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans or LC Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and LC Disbursements owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LC Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure are held by the Lenders pro rata in accordance with the Commitments without giving effect to clause (d) below. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.20 shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(c) the Commitment and Credit Exposure of such Defaulting Lender shall not be included in determining whether all Lenders or the Required Lenders, as applicable, have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 9.02) and such Defaulting Lender shall not be entitled to vote thereon; *provided* that any amendment, waiver or other modification requiring the consent of all Lenders or each affected Lender affected which affects such Defaulting Lender disproportionately when compared to the other affected Lenders, or increases or extends the Commitment of such Defaulting Lender, shall require the consent of such Defaulting Lender;

(d) if any LC Exposure exists at the time such Lender becomes a Defaulting Lender and such Lender is a Lender then:

(i) all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only (x) to the extent that such reallocation does not, as to any non-Defaulting Lender, cause such non-Defaulting Lender's Credit Exposure to exceed its Commitment and (y) if the conditions set forth in Section 4.02 are satisfied at such time;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrowers shall within one Business Day following notice by the Administrative Agent, cash collateralize for the benefit of the Issuing Bank only the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.06(j) for so long as such LC Exposure is outstanding;

(iii) if the Borrowers cash collateralize any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrowers shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 2.12(a) and 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of the Issuing Bank or any other Lender hereunder, all letter of credit fees payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the Issuing Bank until and to the extent that such LC Exposure is reallocated and/or cash collateralized; and

(e) so long as such Lender is a Defaulting Lender and a Lender, the Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and such Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Borrowers in accordance with Section 2.20(d), and LC Exposure related to any newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.20(d)(i) (and such Defaulting Lender shall not participate therein).

If (i) a Bankruptcy Event or a Bail-In Action with respect to a Lender Parent shall occur following the date hereof and for so long as such event shall continue or (ii) any Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, the Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless the Issuing Bank, as the case may be, shall have entered into arrangements with the Borrowers or such Lender, satisfactory to each Issuing Bank, as the case may be, to defease any risk to it in respect of such Lender hereunder.

In the event that the Administrative Agent, the Borrowers and each Issuing Bank each agrees that a Defaulting Lender that is a Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

SECTION 2.21 Returned Payments. If, after receipt of any payment which is applied to the payment of all or any part of the Obligations (including a payment effected through exercise of a right of setoff), the Administrative Agent or any Lender is for any reason compelled to surrender such payment or proceeds to any Person because such payment or application of pro-

ceeds is invalidated, declared fraudulent, set aside, determined to be void or voidable as a preference, impermissible setoff, or a diversion of trust funds, or for any other reason (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion), then the Obligations or part thereof intended to be satisfied shall be revived and continued and this Agreement shall continue in full force as if such payment or proceeds had not been received by the Administrative Agent or such Lender. The provisions of this Section 2.21 shall be and remain effective notwithstanding any contrary action which may have been taken by the Administrative Agent or any Lender in reliance upon such payment or application of proceeds. The provisions of this Section 2.21 shall survive the termination of this Agreement.

SECTION 2.22 Expansion Option; Incremental Facilities.

(a) The Borrowers may from time to time elect to increase the Commitments in a minimum amount of \$5,000,000 and an integral multiple of \$1,000,000 in excess thereof so long as, after giving effect thereto, the aggregate amount of all such Commitment increases does not exceed \$25,000,000. Each request from the Borrower Representative pursuant to this Section 2.22 shall set forth the requested amount and proposed terms of the relevant Commitment increase. The Borrowers may arrange for any such Commitment increase to be provided by one or more Lenders (each Lender so agreeing to an increase in its Commitment, an “**Increasing Lender**”), or by one or more new banks, financial institutions or other entities (each such new bank, financial institution or other entity, an “**Augmenting Lender**”), to increase the existing Commitments; *provided*, that (i) each Augmenting Lender (other than any Affiliate of an existing Lender) shall, to the extent required by Section 9.04, be subject to the approval of the Administrative Agent and the Issuing Bank, which approvals shall not be unreasonably withheld, conditioned or delayed, and (ii) (A) in the case of an Increasing Lender, the Borrowers and such Increasing Lender execute an agreement substantially in the form of Exhibit E, and (B) in the case of an Augmenting Lender, the Borrowers and such Augmenting Lender execute an agreement substantially in the form of Exhibit F hereto. No existing Lender shall have any obligation or be required to provide any Commitment increase unless it expressly so agrees. No consent of any Lender (other than the Lenders participating in such Commitment increase) shall be required for any such increase pursuant to this Section 2.22.

(b) Commitment increases created pursuant to this Section 2.22 shall become effective on the date agreed by the Borrower Representative, the Administrative Agent and the relevant Increasing Lenders or Augmenting Lenders, and the Administrative Agent shall notify each Lender thereof. Notwithstanding the foregoing, no increase in the Commitments (or in the Commitment of any Lender) shall become effective under this paragraph unless (i) on the proposed date of the effectiveness of such Commitment increase: (A) (1) the representations and warranties of the Loan Parties and their Subsidiaries set forth in this Agreement are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representation or warranty to the extent that it is already qualified or modified by materiality in the text thereof) as of such date (except to the extent any such representation or warranty expressly relates to an earlier date, in which case, such representation or warranty shall be true and correct in all material respects as of such earlier date); and (2) no Default exists on such date; and (B) the Borrowers shall be in compliance on a Pro Forma Basis with the financial covenants set forth in Section 6.10, recomputed (1) as if such Commitment increase (and the application of proceeds thereof to the repayment of any other Indebtedness) had occurred on the first (1st) day of the Reference Period then most recently ended for which the Borrower Representative has delivered Financial Statements (treating all such

Commitment increases as fully drawn), and (2) with Consolidated Funded Debt measured as of the date of and immediately after giving effect to any funding in connection with such Commitment increase (and the application of proceeds thereof to the repayment of any other Indebtedness) and (3) with Consolidated EBITDA measured for the Reference Period then most recently ended for which the Borrower Representative has delivered Financial Statements; and (ii) solely to the extent the Borrowers in their sole discretion have agreed to pay additional fees to the Administrative Agent or the Lenders in connection with such Commitment increase, the Borrowers shall have paid to the Administrative Agent and the Lenders such fees; *provided, however*, that the conditions set forth in clauses (i) and (ii) shall be subject to Section 5.10.

(c) On the effective date of any increase in the Commitments, (i) to the extent applicable, each relevant Increasing Lender and Augmenting Lender shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders, as being required in order to cause, after giving effect to such Commitment increase and the use of such amounts to make payments to such other Lenders, each Lender's portion of the outstanding Loans of all the Lenders to equal its Applicable Percentage of such outstanding Loans and (ii) the Borrowers shall be deemed to have repaid and reborrowed all outstanding Loans as of the date of any increase in the Commitments (with such reborrowing to consist of the Types of Loans, with related Interest Periods if applicable, specified in a notice delivered by the Borrower Representative, in accordance with the requirements of Section 2.03). The deemed payments made pursuant to clause (ii) of the immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Eurodollar Loan, shall be subject to indemnification by the Borrowers pursuant to the provisions of Section 2.16 if the deemed payment occurs other than on the last day of the related Interest Periods. The terms (including interest and fees) of any increase in the Commitments shall be the same to those of the existing Commitments.

(d) The Borrower Representative and the Administrative Agent may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section 2.22. Nothing contained in this Section 2.22 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Commitment hereunder at any time.

SECTION 2.23 Banking Services and Swap Agreements. Each Lender or Affiliate thereof providing Banking Services for, or having Swap Agreements with, any Loan Party or any Subsidiary shall deliver to the Administrative Agent, promptly after entering into such Banking Services or Swap Agreements, written notice setting forth the aggregate amount of all Banking Services Obligations and Swap Agreement Obligations of such Loan Party or Subsidiary thereof to such Lender or Affiliate (whether matured or unmatured, absolute or contingent). In furtherance of that requirement, each such Lender or Affiliate thereof shall furnish the Administrative Agent, from time to time after a significant change therein or upon a request therefor, a summary of the amounts due or to become due in respect of such Banking Services Obligations and Swap Agreement Obligations. The most recent information provided to the Administrative Agent shall be used in determining which tier of the waterfall, contained in Section 2.18(b), such Banking Services Obligations and/or Swap Agreement Obligations will be placed. For the avoidance of doubt, so long as JPMorgan or its Affiliate is the Administrative Agent, neither JPMorgan nor any of its

Affiliates providing Banking Services for, or having Swap Agreements with, any Loan Party shall be required to provide any notice described in this Section 2.23 in respect of such Banking Services or Swap Agreements.

ARTICLE III. REPRESENTATIONS AND WARRANTIES

Each Borrower and each other Loan Party represents and warrants to the Lenders that:

SECTION 3.01 Organization; Powers. Each Loan Party and each Subsidiary is duly organized or incorporated, validly existing and in good standing under the laws of the jurisdiction of its organization or incorporation, has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.

SECTION 3.02 Authorization; Enforceability. The Transactions are within each Loan Party's organizational or constitutional powers and have been duly authorized by all necessary organizational and, if required, stockholder or other equity holder action. Each Loan Document to which each Loan Party is a party has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 3.03 Governmental Approvals; No Conflicts. The Transactions (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect, except for filings necessary to perfect Liens created pursuant to the Loan Documents and except as would not reasonably be expected to result in a Material Adverse Effect, (ii) will not violate in any respect any applicable law or regulation or the charter, by-laws or other organizational or constitutional documents of each Loan Party or any Subsidiaries or any order of any Governmental Authority except as would not reasonably be expected to result in a Material Adverse Effect, (iii) will not violate or result in a default under any indenture, agreement or other instrument binding upon each Loan Party or any Subsidiary or its assets, or give rise to a right thereunder to require any payment to be made by each Loan Party or any Subsidiary except as would not reasonably be expected to result in a Material Adverse Effect, and (iv) will not result in the creation or imposition of any Lien on any asset of any Loan Party or any Subsidiary (other than Liens created pursuant to or otherwise permitted under the Loan Documents).

SECTION 3.04 Financial Condition; No Material Adverse Change.

(a) The Borrower Representative has heretofore furnished to the Lenders the consolidated balance sheet and statements of income, stockholders equity and cash flows of SEMrush Holdings and its Subsidiaries (i) as of and for the fiscal year ended December 31, 2018 and December 31, 2019, reported on by its independent public accountants and (ii) as of and for the fiscal month and the portion of the fiscal year ended December 31, 2019. Other than as described on

Schedule 3.04, all such financial statements are prepared in accordance in all material respects with GAAP, subject to normal year-end audit adjustments and to any other adjustments described therein (including the notes thereto, if any) and present fairly, in all material respects, the financial position of SEMrush Holdings and its Subsidiaries as of such dates and the results of the operations and cash flows of SEMrush Holdings and its Subsidiaries for such periods.

(b) Since December 31, 2019, there has been no event, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

SECTION 3.05 Properties; Intellectual Property.

(a) As of the date of this Agreement, Schedule 3.05 sets forth the address of each parcel of real property that is owned or leased by any Loan Party. Each of the Loan Parties and each Subsidiary has good title to, or valid leasehold interests in, all its real and personal property material to its business, except (x) for defects in title that do not interfere with its ability to conduct its business as conducted from time to time or to utilize such properties for their intended purposes and (y) to the extent encumbered by Liens permitted under the Loan Documents.

(b) A correct and complete list of all intellectual property owned by any Loan Party or any Subsidiary that is registered or applied for with the United States Patent and Trademark Office, the United States Copyright Office or, with solely with respect to any Loan Party or Domestic Subsidiary, any other similar government or administrative agency, as of the date of this Agreement, is set forth on Schedule 3.05. Each Loan Party and each Subsidiary owns, or is licensed to use, all trademarks, trade names, copyrights, patents, trade secrets and other intellectual property used in or necessary and material to its business as currently conducted, and the operation of their respective business by each Loan Party and each Subsidiary does not infringe upon or violate the rights of any other Person, except for any such infringements or violations that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.06 Litigation and Environmental Matters.

(a) There are no actions, suits, proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Loan Party, threatened in writing against or affecting any Loan Party or any Subsidiary (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, would reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters) or (ii) that involve any Loan Document or the Transactions.

(b) Except for the Disclosed Matters (i) no Loan Party nor any of its Subsidiaries has received written notice of any claim with respect to any Environmental Liability or knows of any basis for any such Environmental Liability, in each case, except as would not reasonably be expected to result in a Material Adverse Effect and (ii) except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, no Loan Party nor any of its Subsidiaries (1) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law or (2) has become subject to any Environmental Liability.

(c) Since the date of this Agreement, there has been no change in the status of the Disclosed Matters that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

SECTION 3.07 Compliance with Laws and Agreements. Each Loan Party and each Subsidiary is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.08 Investment Company Status. No Loan Party nor any Subsidiary is an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

SECTION 3.09 Taxes. Each Loan Party and each Subsidiary has timely filed or caused to be filed all U.S. federal income and all other material Tax returns and reports required to have been filed and has paid or caused to be paid all material Taxes (including withholding Taxes) required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which such Loan Party or such Subsidiary has set aside on its books adequate reserves in accordance with GAAP. No claims or investigations are being or, to the knowledge of any Loan Party, reasonably likely to be, made or conducted against any Loan Party with respect to Taxes except as would not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.10 ERISA.

(a) No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. The present value of all accumulated benefit obligations under each Plan (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of such Plan.

(b) As of the Effective Date, each Borrower is not and will not be using “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments.

SECTION 3.11 Disclosure.

(a) No written information of a factual nature other than the projections, other forward-looking information and information of a general economic or industry specific nature furnished by or by a representative of the Loan Parties on behalf of the Loan Parties or any Subsidiary in connection with this Agreement or any other Loan Document (as modified or supplemented by other information so furnished) when taken as a whole contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, when taken as a whole, not materially misleading in light of the circumstances under which such statements are made; *provided* that, with respect to any projections, other forward-looking information and information of a general economic or industry specific nature, the Loan Parties represent only that such pro-

jections, other forward-looking information and information of a general economic or industry specific nature were prepared in good faith based upon assumptions believed to be reasonable at the time delivered and, if such projections were delivered prior to the Effective Date, as of the Effective Date, it being recognized by Lenders that any such projections, other forward-looking information and information of a general economic or industry specific nature are subject to significant uncertainties and contingencies, many of which are beyond the Loan Parties' control, that no assurance can be given that any particular projections will be realized and that actual results may differ and that such differences may be material and are not a guarantee of performance.

(b) As of the Effective Date, to the best knowledge of each Borrower, the information included in the Beneficial Ownership Certification provided on or prior to the Effective Date to any Lender in connection with this Agreement is true and correct in all material respects.

SECTION 3.12 No Default. No Default or Event of Default exists or would result from the incurrence by each Borrower or any Subsidiary of any Obligations hereunder or under any other Loan Document.

SECTION 3.13 Solvency. The Loan Parties and their Subsidiaries, on a consolidated basis, are Solvent.

SECTION 3.14 Insurance. Schedule 3.14 sets forth a description of all insurance maintained by or on behalf of the Loan Parties as of the Effective Date. The Loan Parties believe that the insurance maintained by or on behalf of the Loan Parties and their Subsidiaries is adequate and customary for companies engaged in the same or similar businesses of similar size operating in the same or similar locations.

SECTION 3.15 Capitalization and Subsidiaries. As of the Effective Date, Schedule 3.15 is a complete list of each of the Borrowers' Subsidiaries and such Subsidiary's jurisdiction of incorporation. All of the issued and outstanding Equity Interests owned by any Loan Party in each of its Subsidiaries have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non-assessable.

SECTION 3.16 Security Interest in Collateral. The provisions of this Agreement and the other Loan Documents create legal, valid and enforceable (subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law) Liens on and security interests in, all the Collateral purported to be secured by the Collateral Documents in favor of the Administrative Agent, for the benefit of the Secured Parties, and (a) when all appropriate filings, notices or recordings are made in appropriate offices, corporate records or with the appropriate Persons as may be required under applicable laws and/or any Collateral Documents (which filings, notices or recordings shall be made to the extent required by any Collateral Document) and (b) upon the taking of possession or control by the Administrative Agent of such Collateral with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the Administrative Agent to

the extent required by any Collateral Document), such Liens will constitute perfected and continuing Liens on the Collateral, securing the Secured Obligations and having priority over all other Liens on the Collateral except (i) Permitted Liens to the extent any such Permitted Liens would have priority over the Liens in favor of the Administrative Agent pursuant to any applicable law, (ii) Liens perfected only by possession (including possession of any certificate of title), but only to the extent the Administrative Agent has not obtained or does not maintain possession of such Collateral and (iii) any other Liens not required to be perfected under the Loan Documents or by the Administrative Agent.

SECTION 3.17 Employment Matters. There are no strikes, lockouts or slowdowns against any Loan Party or any Subsidiary pending or, to the knowledge of any Loan Party, threatened in writing that could reasonably be expected to result in a Material Adverse Effect. The hours worked by and payments made to employees of the Loan Parties and their Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable federal, state, local or foreign law dealing with such matters in a manner resulting in liabilities that could reasonably be expected to result in a Material Adverse Effect. All payments due from any Loan Party or any Subsidiary, or for which any claim may be made against any Loan Party or any Subsidiary, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of such Loan Party or such Subsidiary to the extent required by GAAP.

SECTION 3.18 Margin Regulations. No Loan Party is engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of any Borrowing and no Letter of Credit hereunder will be used to buy or carry any Margin Stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than 25% of the value of the assets (either of any Loan Party only or of the Loan Parties and their Subsidiaries on a consolidated basis) will be Margin Stock.

SECTION 3.19 Burdensome Restrictions. No Loan Party is subject to any Burdensome Restrictions except Burdensome Restrictions permitted under Section 6.09.

SECTION 3.20 Anti-Corruption and Anti-Terrorism Laws and Sanctions.

(a) Each Loan Party has implemented and maintains in effect policies and procedures designed to ensure compliance by such Loan Party, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and such Loan Party, its Subsidiaries and their respective officers and directors and, to the knowledge of such Loan Party, its employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) any Loan Party or any Subsidiary or any of their Affiliates or any of their respective directors or officers or employees, or (b) to the knowledge of any such Loan Party or Subsidiary or any of their Affiliates, any agent of such Loan Party or any Subsidiary or any of their Affiliates that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing or Letter of Credit, use of proceeds, Transaction or other transaction contemplated by this Agreement or the other Loan Documents will violate Anti-Corruption Laws or applicable Sanctions.

(b) Use of Proceeds. The proceeds of the Loans will be used only (i) to pay fees, costs and expenses incurred in connection with the Transactions and (ii) for working capital and other general corporate purposes of the Borrowers and the Subsidiaries (including the financing of Permitted Acquisitions, capital expenditures, Investments, Restricted Payments and the refinancing of Indebtedness, in each case, not prohibited by the Loan Documents).

SECTION 3.21 Federal Reserve Regulations. None of the Borrowers nor any Subsidiary is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (as defined in Regulation U of the Board), and no part of the proceeds of any Loan will be used, directly or indirectly, to buy or carry, or to extend credit to others to buy or carry, any margin stock or for any other purpose that entails a violation of any Regulations of the Board, including Regulations T, U and X.

SECTION 3.22 EEA Financial Institutions. No Loan Party is an EEA Financial Institution.

SECTION 3.23 Plan Assets; Prohibited Transactions. None of the Loan Parties or any of their Subsidiaries is an entity deemed to hold “plan assets” (within the meaning of the Plan Asset Regulations), and neither the execution, delivery nor performance of the transactions contemplated under this Agreement, including the making of any Loan and the issuance of any Letter of Credit hereunder, will give rise to a non-exempt prohibited transaction under Section 406(a) of ERISA or Section 4975(c) (1)(A), (B), (C) or (D) of the Code, assuming that none of the Lenders use “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans or the Letters of Credit.

ARTICLE IV. CONDITIONS

SECTION 4.01 Effective Date. The obligations of the Lenders hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received from each party hereto (i) either (x) a counterpart of this Agreement signed on behalf of such party or (y) written evidence satisfactory to the Administrative Agent (which may include telecopy transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement and (ii) duly executed copies of the other Loan Documents.

(b) The Administrative Agent (or its counsel) shall have received:

(i) subject to Section 5.13, from the Loan Parties executed counterparts of the Collateral Documents set forth on Schedule 4.01(b) to be entered into on and as of the Effective Date and prior to the funding of any Loans on the Effective Date;

(ii) [reserved];

(iii) with respect to each Loan Party, UCC-1 financing statements in a form appropriate for filing in the state of organization of such Loan Party;

(iv) subject to Section 5.13, delivery of original stock or share certificates for certificated Equity Interests of each Subsidiary that constitutes Collateral, together with appropriate duly executed instruments of transfer endorsed in blank;

(v) all promissory notes evidencing the Collateral accompanied by instruments of transfer endorsed in blank;

(vi) an executed Perfection Certificate;

(vii) the results of a recent lien search in the jurisdiction of organization of each Loan Party and its respective Subsidiaries and each jurisdiction where assets of each Loan Party and its respective Subsidiaries are located, and the results of search reports in respect of the intellectual property of each Loan Party and its Subsidiaries, and such search shall reveal no Liens on any of the assets of such Loan Parties and its Subsidiaries except for liens permitted by Section 6.02 or discharged on or prior to the Effective Date pursuant to a pay-off letter or other documentation reasonably satisfactory to the Administrative Agent; and

(viii) insurance certificates satisfying the requirements of Section 5.09.

(c) The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of Goodwin Procter LLP, counsel for the Loan Parties, and covering such matters relating to the Loan Parties, this Agreement, or other Loan Documents as the Administrative Agent shall reasonably request.

(d) The Administrative Agent shall have received: (i) a copy of each organizational or constitutional document of each Loan Party and, to the extent applicable, certified as of a recent date by the appropriate governmental official; (ii) incumbency certificates of the officers of the Loan Parties executing the Loan Documents to which it is a party as of the Effective Date; (iii) resolutions of the board of directors (or, if applicable, shareholders) or similar governing body of each Loan Party approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which such Loan Party is a party as of the Effective Date and certified as of the Effective Date by such Loan Party as being in full force and effect without modification or amendment; and (iv) a good standing certificate (to the extent such concept is known in the relevant jurisdiction) from the applicable Governmental Authority of each Loan Party's respective jurisdiction of incorporation, organization or formation dated as of a recent date prior to the Effective Date.

(e) The Administrative Agent shall have received all fees due and payable hereunder or under the Fee Letter on or prior to the Effective Date, and, to the extent invoiced at least one (1) day prior to the Effective Date, shall have been reimbursed, subject to Section 9.03(a), for all out of pocket expenses (including legal fees and expenses) required to be reimbursed by the Borrowers hereunder.

(f) The Administrative Agent shall have received a Borrowing Request relating to the Borrowing on the Effective Date (to the extent applicable).

(g) The Administrative Agent shall have received a Solvency Certificate.

(h) [Intentionally Omitted].

(i) (A) The Administrative Agent shall have received at least five (5) days prior to the Effective Date all documentation and other information with respect to the Borrowers and the Guarantors required under applicable “know your customer” and anti-money laundering rules and regulations, including the USA Patriot Act, as the Administrative Agent and Lenders shall have reasonably requested prior to the Effective Date; and (B) to the extent the Borrowers qualify as a “legal entity customer” under the Beneficial Ownership Regulation, at least five (5) days prior to the Effective Date, any Lender that has requested prior to the Effective Date a Beneficial Ownership Certification in relation to the Borrowers shall have received such Beneficial Ownership Certification (*provided* that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (B) shall be deemed to be satisfied).

(j) The representations and warranties of the Borrowers and each Loan Party set forth in this Agreement shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representation or warranty to the extent that it is already qualified or modified by materiality in the text thereof).

(k) No Default or Event of Default hereunder shall have occurred and be continuing.

(l) Since December 31, 2019, no Material Adverse Effect shall have occurred or exist, and there has been no event, development or circumstance that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(m) The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrowers certifying that each of the conditions specified in paragraphs (j), (k) and (l) of this Section 4.01 has been satisfied.

(n) The Administrative Agent shall have received (i) audited consolidated financial statements of SEMrush Holdings and its Subsidiaries for the fiscal year ended December 31, 2019, and the related audited consolidated statements of income, shareholders’ equity and cash flows of SEMrush Holdings and its Subsidiaries for such fiscal year and (ii) unaudited interim consolidated financial statements of the SEMrush Holdings and its Subsidiaries for each fiscal month ended after the date of the latest applicable financial statements delivered pursuant to clause (i) of this paragraph and on or prior to October 31, 2020.

(o) Each document (including any Uniform Commercial Code financing statement or federal intellectual property filings) required by the Collateral Documents or under law or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a perfected Lien on the Collateral described therein, prior and superior in right to any other Person (other than with respect to Liens expressly permitted by Section 6.02), shall be in proper form for filing, registration or recordation.

SECTION 4.02 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing and of the Issuing Bank to issue, amend or extend any Letter of Credit, in each case, is subject to the satisfaction of each of the following conditions:

(a) The representations and warranties of the Borrowers and each Loan Party set forth in this Agreement or the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representation or warranty to the extent that it is already qualified or modified by materiality in the text thereof) on and as of the date of such Borrowing or the date of issuance, amendment or extension of such Letter of Credit, as applicable (except to the extent any such representation or warranty expressly relates to an earlier date, in which case, such representation or warranty shall be true and correct in all material respects as of such earlier date).

(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment or extension of such Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.

(c) The Administrative Agent shall have received a Borrowing Request meeting the requirements of Section 2.03.

(d) Immediately after giving effect to such Borrowing or the issuance, amendment or extension of such Letter of Credit, as applicable, the Aggregate Credit Exposure shall not exceed the lesser of (i) the Commitment and (ii) the Borrowing Base then in effect.

Each Borrowing (*provided* that a conversion or a continuation of a Borrowing shall not constitute a “Borrowing” for purposes of this Section 4.02) and each issuance, amendment or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrowers on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section 4.02.

ARTICLE V. AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been Paid in Full and all Letters of Credit shall have expired or terminated in each case, without any pending draw, and all LC Disbursements shall have been reimbursed (or cash collateralized in accordance with the terms herein), the Borrowers covenant and agree with the Lenders that:

SECTION 5.01 Financial Statements; Borrowing Base and Other Information. The Borrower Representative will furnish to the Administrative Agent (for distribution to the Lenders):

(a) within one hundred twenty (120) days after the end of each fiscal year of SEMrush Holdings (beginning with the fiscal year ended December 31, 2020), its audited consolidated balance sheet and related statements of operations, stockholders’ equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by independent public accountants of recognized national standing or any other accounting firm reasonably acceptable to the Administrative Agent (without qualification,

commentary or exception, and without any qualification or exception as to the scope of such audit other than a qualification resulting solely from an upcoming maturity date for the Loans occurring within one year from the time such opinion is delivered) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of SEMrush Holdings and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied; provided that following an IPO, the financial statements required to be delivered under this clause (a) shall be permitted to be delivered within five (5) days after the date on which such financial statements are required to be filed by SEMrush Holdings or its Affiliates with the SEC;

(b) after the end of each fiscal quarter of SEMrush Holdings (beginning with the first fiscal quarter ending after an IPO), its consolidated balance sheet and related statements of operations and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of such fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer as presenting fairly in all material respects the financial condition as of the date thereof and results of operations of the Borrowers and their consolidated Subsidiaries on a consolidated basis for the periods covered thereby in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes; provided that (x) such financial statements required to be delivered under this clause (b) shall not be required to be delivered prior to an IPO and (y) the financial statements required to be delivered under this clause (b) shall be permitted to be delivered within five (5) days after the date on which such financial statements are required to be filed by SEMrush Holdings or its Affiliates with the SEC (after giving effect to any permitted extensions);

(c) within thirty (30) days after the end of each fiscal month of SEMrush Holdings (beginning with the fiscal month ended December 31, 2020), its consolidated balance sheet and related statements of operations and cash flows as of the end of and for such fiscal month and the then elapsed portion of such fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer as presenting fairly in all material respects the financial condition as of the date thereof and results of operations of SEMrush Holdings and its consolidated Subsidiaries on a consolidated basis for the periods covered thereby in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes; provided that following an IPO, the financial statements required to be delivered under this clause (c) shall be not required to be delivered;

(d) concurrently with any delivery of financial statements under clause (a), (b) or (c) above, a Compliance Certificate (i) certifying, in the case of the financial statements delivered under clause (a) and (b), that such financial statements present fairly in all material respects the financial condition and results of operations of SEMrush Holdings and its consolidated Subsidiaries on a consolidated basis as of the date thereof in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes, (ii) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (iii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.10 and (iv) setting forth the information required under the Security Agreement;

(e) as soon as available, and in any event no later than ninety (90) days after the end of each fiscal year of SEMrush Holdings and its Subsidiaries, a consolidated budget for the following fiscal year in each case in the form normally prepared and presented to management;

(f) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Borrowers or any Subsidiary, or compliance with the terms of any Loan Document, as the Administrative Agent (or any Lender through the Administrative Agent) may reasonably request and to the extent reasonably available to the Borrowers; *provided*, none of the Borrowers or any Subsidiary will be required to disclose or deliver information (i) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by any law, any fiduciary duty or by any binding agreement, (ii) that constitutes trade secrets or (iii) that is subject to attorney-client privilege or constitutes attorney work product;

(g) as soon as available but in any event within thirty (30) days of the end of each calendar month, and at such other times as may be necessary to re-determine Availability hereunder, as of the period then ended, a Borrowing Base Certificate and supporting information in connection therewith, together with any additional reports with respect to the Borrowing Base as the Administrative Agent may reasonably request;

(h) promptly after receipt thereof by any Borrower or any Subsidiary, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by the SEC or such other agency regarding financial or other operational results of any Borrower or any Subsidiary thereof; and

(i) promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable “know your customer” and anti-money laundering rules and regulations, including the USA Patriot Act and the Beneficial Ownership Regulation, as applicable.

SECTION 5.02 Notices of Material Events. The Borrowers will furnish to the Administrative Agent (for distribution to the Lenders) prompt written notice of the following:

(a) Promptly upon becoming aware of the existence of any condition or event that constitutes a Default or Event of Default, written notice thereof specifying the nature and duration, thereof and the action being or proposed to be taken with respect thereto;

(b) Promptly upon becoming aware of any litigation or of any investigative proceedings by a Governmental Authority commenced or threatened in writing against any Borrower or any of its Subsidiaries of which they have notice, the outcome of which could reasonably be expected to have a Material Adverse Effect on the Borrowers and their Subsidiaries on a consolidated basis, written notice thereof and the action being or proposed to be taken with respect thereto;

(c) Promptly upon becoming aware of the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrowers and their Subsidiaries in an aggregate amount exceeding the Threshold Amount;

(d) Promptly upon becoming aware of the existence of any casualty or other insured damage to any portion of the Collateral with a value in excess of the Threshold Amount or the commencement of any action or proceeding for the taking of any portion of the Collateral in excess of the Threshold Amount or interest therein under power of eminent domain or by condemnation or similar proceeding;

(e) Promptly after any occurrence or after becoming aware of any condition affecting any Borrower or any Subsidiary that results in, or would reasonably be expected to result in, a Material Adverse Effect; and

(f) any change in the information provided in the Beneficial Ownership Certification delivered to such Lender that would result in a change to the list of beneficial owners identified in such certification.

Each notice delivered under this Section 5.02 shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower Representative setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

SECTION 5.03 Existence; Conduct of Business. Each Loan Party will, and will cause each Subsidiary to, do or cause to be done all things reasonably necessary to preserve, renew and keep in full force and effect its legal existence and the rights, qualifications, licenses, permits, franchises, governmental authorizations, intellectual property rights, licenses and permits material to the conduct of the Borrowers' business when taken as a whole, and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except, in each case, where failure to maintain such requisite authority or failure to maintain such right, qualification, license, permit, franchise, governmental authorization, intellectual property right, license or permit would not reasonably be expected to result in a Material Adverse Effect; *provided* that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03.

SECTION 5.04 Payment of Obligations. Each Loan Party will, and will cause each Subsidiary to, pay or discharge all U.S. federal and all other material Taxes (which may, for the avoidance of doubt, be effected through the payment of a Tax Distribution), before the same shall become delinquent or in default (taking into account applicable grace periods), except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) such Loan Party or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect; *provided*, that each Loan Party will, and will cause each Subsidiary to, remit material withholding Taxes and other payroll Taxes to appropriate Governmental Authorities as and when due and payable, notwithstanding the foregoing exceptions.

SECTION 5.05 Maintenance of Properties. Each Loan Party will, and will cause each Subsidiary to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear and damage by fire or other casualty excepted.

SECTION 5.06 Books and Records; Inspection Rights. Each Loan Party will, and will cause each Subsidiary to, (a) keep proper books of record and account in which true and complete entries in all material respects in accordance with GAAP will be made reflecting all of its and its Subsidiaries business and financial transactions; *provided* that, it being understood and agreed that Foreign Subsidiaries may maintain individual books and records in conformity with generally accepted accounting principles that are applicable in their respective jurisdiction of organization, and (b) permit any representatives designated by the Administrative Agent on behalf of the Lenders (including employees of the Administrative Agent, any Lender or any consultants, accountants, lawyers, agents and appraisers retained by the Administrative Agent, in each case, who have signed a non-disclosure agreement in form and substance reasonably satisfactory to the Borrowers), upon reasonable prior written notice, to visit and inspect its properties, to examine and make copies from its books and records, including to discuss its affairs, finances and condition with its officers, all at such reasonable times during Borrowers' normal business hours and as often as reasonably requested. The Loan Parties acknowledge that the Administrative Agent, after exercising its rights of inspection, may prepare and distribute to the Lenders certain reports pertaining to the Loan Parties' assets for internal use by the Administrative Agent and the Lenders. In the absence of a continuing Event of Default only one (1) such examination in any period of twelve (12) consecutive calendar months shall be conducted (as coordinated by the Administrative Agent) and shall be at the Borrowers' expense, and during the continuance of an Event of Default all such examinations shall be at the Borrowers' expense (and may occur with greater frequency); *provided*, that any and all expenses incurred by a Lender pursuant to this Section 5.06 shall be solely at such Lender's expense and Borrowers shall have no obligation to reimburse any such Lender's expenses. Notwithstanding anything to the contrary in this Section 5.06, no Borrower nor any Subsidiary will be required to disclose, permit the inspection, examination or making copies of abstracts of, or discussion of, any document, information or other matter (i) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by any law or by any binding agreement or (ii) that is subject to attorney-client privilege or constitutes attorney work product.

SECTION 5.07 Compliance with Laws and Material Contractual Obligations. Each Loan Party will, and will cause each of its Subsidiaries to, (i) comply with all material laws, rules, regulations and orders of any Governmental Authority applicable to it or its property (including without limitation Environmental Laws) and (ii) perform in all material respects its obligations under Material Agreements to which it is a party, except, in each case, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Each Loan Party will maintain in effect and enforce policies and procedures designed to ensure compliance in all material respects by Loan Party, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

SECTION 5.08 Use of Proceeds and Letters of Credit. The proceeds of the Loans will be used only for purposes permitted under Section 3.20(b). No part of the proceeds of any Loan will be used, whether directly or indirectly, to buy or carry, or to extend credit to others to buy or carry, any Margin Stock or for any other purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X. All Letters of Credit will be issued only to support general corporate purposes of the Borrowers and their Subsidiaries. The Borrowers will not request any Borrowing or Letter of Credit, and the Borrowers shall not use, and shall

procure that their Subsidiaries and its or their respective directors, officers, employees and agents shall not use the proceeds of any Borrowing or use any Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

SECTION 5.09 Insurance.

(a) General. Each Loan Party will, and will cause each Subsidiary to, maintain with financially sound and reputable carriers (a) insurance in such amounts (with no greater risk retention) and against such risks and such other hazards, as the senior officers of the Borrowers in the exercise of their reasonable judgment deem to be adequate, as are customary in the industry for companies of established reputation engaged in the same or similar business in the same or similar locations and owning or operating similar properties and shall be reasonably satisfactory to the Administrative Agent (it being agreed that insurance that is substantially similar to that in effect on the Effective Date is reasonably satisfactory to the Administrative Agent), and (b) all insurance required pursuant to the Collateral Documents. The Borrowers will furnish to the Administrative Agent, upon reasonable request of the Administrative Agent, information in reasonable detail as to the insurance so maintained. The Borrowers shall deliver, within ninety (90) days (or such later date as may be agreed by the Administrative Agent, in its reasonable discretion) after the Effective Date, to the Administrative Agent endorsements (x) to all property or casualty insurance policies covering Collateral naming the Administrative Agent as lender loss payee, (y) to all general liability and other liability policies naming the Administrative Agent an additional insured, which endorsements shall be in effect at all times and (z) providing that thirty (30) days' advance notice will be given to Administrative Agent prior to any cancellation or non-renewal of such policy (or ten (10) days' advance notice prior to any such cancellation due to non-payment of premium). In the event any Borrower or any Subsidiary at any time hereafter shall fail to obtain or maintain any of the policies or insurance required herein or to pay any premium in whole or in part relating thereto, then the Administrative Agent, without waiving or releasing any obligations or resulting Default hereunder, may at any time or times thereafter (but shall be under no obligation to do so), in consultation with the Borrowers, obtain and maintain such policies of insurance and pay such premiums and take any other action with respect thereto which the Administrative Agent reasonably deems advisable to ensure compliance under this Section 5.09. All sums so disbursed by the Administrative Agent shall constitute part of the Obligations, payable as provided in this Agreement. No later than ninety (90) days (or such later date as may be agreed by the Administrative Agent, in its reasonable discretion) after the Effective Date (or the date any such insurance is obtained, renewed or extended in the case of insurance obtained, renewed or extended after the Effective Date), the Borrowers will cause all property and casualty insurance policies with respect to Collateral to be endorsed or otherwise amended to include a lender's loss payable, mortgagee or additional insured, as applicable, endorsement, or otherwise reasonably satisfactory to the Administrative Agent.

(b) Flood Insurance. With respect to each Mortgaged Property (if any) that is located or lies within a "special flood hazard area" as designated on maps prepared by the Federal Emer-

gency Management Agency (FEMA), the Borrowers or other applicable Loan Party (A) will maintain, with financially sound and reputable insurance companies, a flood insurance policy or policies (whether or not coverage is available from the National Flood Insurance Program and whether or not required by the Flood Laws), in form and substance acceptable to the Administrative Agent covering each such Mortgaged Property on terms reasonably acceptable to the Administrative Agent and otherwise sufficient to comply with all applicable Flood Laws, and (B) promptly upon the reasonable request of the Administrative Agent, will deliver to the Administrative Agent evidence of such compliance in form and substance reasonably acceptable to the Administrative Agent, including, without limitation, evidence of annual renewals of such insurance.

SECTION 5.10 Additional Subsidiaries. In the event (i) any Borrower acquires or creates any Subsidiary (other than an Excluded Subsidiary) or (ii) any Excluded Subsidiary ceases to be an Excluded Subsidiary after the Effective Date, such Borrower shall forthwith promptly (and in any event within sixty (60) days (or such longer time as the Administrative Agent may agree in its reasonable discretion) after the acquisition or creation of such Subsidiary, or change in such Subsidiary's status as an Excluded Subsidiary) cause such Subsidiary to become a Guarantor by delivering to the Administrative Agent (x) a Joinder Agreement, duly executed by such Subsidiary, pursuant to which such Subsidiary agrees to be bound by the terms and provisions of this Agreement, and (y) such joinders or supplements to the Security Agreement and/or the other relevant Collateral Documents and such other documents as the Administrative Agent shall deem necessary or advisable to perfect the Lien in any property of such Subsidiary which constitutes Collateral in accordance with all applicable Requirements of Law, including the filing of financing statements in such jurisdictions as may be reasonably requested by the Administrative Agent and such joinders to be accompanied by appropriate corporate resolutions, other corporate organizational documentation and customary legal opinions upon the reasonable request of the Administrative Agent in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

SECTION 5.11 Additional Collateral; Further Assurances.

(a) The Borrowers will, and each Subsidiary (other than an Excluded Subsidiary) will, cause (i) all of its personal property (whether tangible, intangible or mixed, subject to the exceptions expressly contained in the Security Agreement), (ii) subject to other applicable provisions of this Agreement, all of its fee-owned real property, if any, having a fair market value (as reasonably determined by the Borrowers) of \$5,000,000 or more and (iii) all outstanding equity interests of the Borrowers' Subsidiaries (limited to 65% of the equity interests of any Foreign Subsidiary Holding Company or any CFC (a) to the extent a pledge of a greater percentage could reasonably be expected to result in adverse tax consequences and (b) so long as the Lenders' ability to be repaid in full will not be impaired), to be subject at all times to first priority, perfected Liens (including a Mortgage, in the case of such real property) in favor of the Administrative Agent for the benefit of the Secured Parties to secure the Secured Obligations in accordance with the terms and conditions of the Collateral Documents, subject in any case to Liens permitted by Section 6.02.

(b) Without limiting the foregoing, the Borrowers will, and will cause each Subsidiary (other than an Excluded Subsidiary) to, execute and deliver, or cause to be executed and delivered, to the Administrative Agent such documents, agreements and instruments, and will take or cause to be taken such further actions (including the filing and recording of financing statements and other

documents and such other actions or deliveries of the type required by Section 4.01, as applicable), which may be required by law or which the Administrative Agent may, from time to time, reasonably request to carry out the terms and conditions of this Agreement and the other Loan Documents and to ensure perfection and priority of the Liens created or intended to be created by the Collateral Documents (and subject to the exceptions set forth therein), all in form and substance reasonably satisfactory to the Administrative Agent.

(c) SEMrush Holdings will pledge and grant a first priority, perfected Lien in favor of the Administrative Agent in 100% of the issued and outstanding Equity Interests of the SEMrush Inc.

(d) Notwithstanding the foregoing, under no circumstance will any Loan Party be required to execute any Collateral Documents governed by the laws of any jurisdiction other than the United States.

SECTION 5.12 Accuracy of Information. The Borrowers will ensure that any written information of a factual nature other than the projections, other forward-looking information and information of a general economic or industry specific nature furnished by them or by a representative of the Borrowers on behalf of the Borrowers or any Subsidiaries in connection with this Agreement or any other Loan Document (as modified or supplemented by other information so furnished) when taken as a whole does not contain any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, when taken as a whole, not materially misleading in light of the circumstances under which such statements are made; *provided*, that with respect to any projections, the Borrowers covenant only that it will cause the projections to be prepared in good faith based upon assumptions believed by the Borrowers to be reasonable at the time made, it being recognized by Lenders that such projections as to future events are not to be viewed as facts, are subject to significant uncertainties and contingencies, many of which are beyond the Loan Parties' control, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any such projections may differ materially from the projected results.

SECTION 5.13 Post-Closing Covenant. The Borrowers agree to deliver, or cause to be delivered (or to use commercially reasonable efforts to deliver or cause to be delivered, to the extent applicable and specified on Schedule 5.13), to the Administrative Agent, the items described on Schedule 5.13 hereof on or before the dates specified with respect to such items, or such later dates as may be agreed to by the Administrative Agent in its reasonable discretion.

SECTION 5.14 Depository Banks. Within ninety (90) days after the Effective Date, JPMorgan and its Affiliates shall be the Borrowers' and their Subsidiaries principal depository and disbursement bank in the United States. Additionally, JPMorgan and its Affiliates shall be the principal provider of other bank products (excluding merchant processing services) to the Borrowers and their Subsidiaries in the United States, except as otherwise agreed to by JPMorgan.

SECTION 5.15 Compliance with Data Protection Regulations. Each Loan Party and each of its Subsidiaries shall (i) operate their respective businesses in a manner compliant in all material respects with all privacy, data security and data protection laws and regulations applicable

to each Loan Party's and its Subsidiaries' receipt, collection, handling, processing, sharing, transfer, usage, disclosure or storage of all information that relates to an identified or identifiable individual ("**Personal Data**"), (ii) maintain its compliance with policies and procedures designed to ensure the privacy, integrity, security and confidentiality of all Personal Data handled, processed, collected, shared, transferred, used, disclosed and/or stored by each Loan Party or its Subsidiaries in connection with each Loan Party's and its Subsidiaries' operation of their respective businesses, (iii) maintain compliance with policies and procedures designed to ensure privacy and data protection laws are complied with and (iv) require all third parties to which they provide any Personal Data to maintain the privacy and security of such Personal Data, except, in each case, where the failure to so comply would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Loan Parties and their Subsidiaries, taken as a whole.

ARTICLE VI. NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been Paid in Full and all Letters of Credit have expired or terminated, in each case, without any pending draw, and all LC Disbursements shall have been reimbursed (or cash collateralized or backstopped in accordance with the terms herein), the Borrowers covenant and agree with the Lenders that:

SECTION 6.01 Indebtedness. No Loan Party will, nor will any Loan Party permit any of its respective Subsidiaries to, create, incur assume or suffer to exist any Indebtedness, except:

- (a) the Secured Obligations;
- (b) Indebtedness existing on the date hereof and set forth in Schedule 6.01 and any extensions, renewals, refinancings and replacements of any such Indebtedness in accordance with clause (t) hereof;
- (c) Indebtedness of any Borrower to any Subsidiary and of any Subsidiary to any Borrower or any other Subsidiary, provided that (i) Indebtedness of any Subsidiary that is not a Loan Party to any Borrower or any other Loan Party shall be subject to Section 6.04, and (ii) Indebtedness of any Loan Party to any Subsidiary that is not a Loan Party shall be subordinated to the Obligations on terms reasonably satisfactory to the Administrative Agent (it being understood that the subordination terms of the Intercompany Note are satisfactory to the Administrative Agent);
- (d) Guarantees by a Loan Party of Indebtedness or other obligations of any Subsidiary and by any Subsidiary of Indebtedness of any Loan Party or any other Subsidiary;
- (e) Indebtedness of any Loan Party or Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including Capital Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and amendments, modifications, extensions, refinancings, renewals and replacements of any such Indebtedness; provided that (i) such Indebtedness is incurred prior to or within one hundred eighty (180) days after such acquisition or the completion of such construction or improvement and (ii) the aggregate outstanding principal

amount of Indebtedness permitted by this clause (e) shall not exceed \$4,000,000 at any time outstanding;

(f) Indebtedness of a Loan Party or any Subsidiary as an account party in respect of commercial letters of credit;

(g) Indebtedness of any Foreign Subsidiary that is not a Loan Party; *provided* that the aggregate outstanding principal amount of Indebtedness permitted by this clause (g) shall not exceed \$2,000,000 at any time outstanding;

(h) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business or existing on the Effective Date;

(i) Indebtedness representing deferred compensation, severance, pension, and health and welfare retirement benefits or the equivalent to current and former employees of any Loan Party and its Subsidiaries incurred in the ordinary course of business or existing on the Effective Date;

(j) Indebtedness of any Loan Party in respect of performance bonds, bid bonds, appeal bonds, surety bonds and similar obligations, in each case provided in the ordinary course of business;

(k) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(l) Indebtedness arising out of judgments or awards under circumstances not giving rise to an Event of Default;

(m) additional Indebtedness of any Borrower or any of their Subsidiaries in an aggregate principal amount (for the Borrowers and all Subsidiaries) (i) prior to the Conversion Date, not to exceed \$3,500,000 at any one time outstanding, and (ii) from and after the Conversion Date, not to exceed \$7,500,000 at any one time outstanding;

(n) Subordinated Indebtedness;

(o) Indebtedness of any Loan Party constituting charge backs in the ordinary course to a Subsidiary that is not a Loan Party so long as such Loan Party does not repay any such Indebtedness until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full and all Letters of Credit shall have expired or terminated, in each case, without any pending draw, or shall have been cash collateralized in accordance with Section 2.06(j), and all LC Disbursements shall have been reimbursed;

(p) Indebtedness of any Person that becomes a Subsidiary after the Effective Date; *provided* that (i) such Indebtedness exists at the time such Person becomes a Subsidiary and is not created in contemplation of or in connection with such Person becoming a Subsidiary and (ii) the

aggregate principal amount of Indebtedness permitted by this clause (p) shall not exceed \$5,000,000 at any time outstanding;

(q) Indebtedness incurred by the Borrowers or their Subsidiaries arising from agreements providing for indemnification, adjustment of purchase price, working capital or similar obligations (including customary earn-outs, and any other deferred payments of a similar nature incurred in connection with any investment by any Subsidiary), in each case, whether or not evidenced by a note, and incurred or assumed in connection with any Permitted Acquisition or any asset sale permitted under the this Agreement or Investment permitted under the this Agreement;

(r) Indebtedness in respect of treasury, depositary, cash management and netting services, automatic clearing house arrangements, overdraft protections and other financial accommodations of the nature described in the definition of “Banking Services” and otherwise in connection with securities accounts, deposit accounts and employees’ credit or purchase cards, in each case incurred in the ordinary course of business;

(s) Indebtedness consisting of promissory notes issued to current or former officers, directors and employees of any Borrower or any Subsidiary, their respective estates, spouses or former spouses issued in exchange for the purchase or redemption by such Borrower or such Subsidiary of its Equity Interests to the extent permitted by Section 6.07(a);

(t) Indebtedness which represents extensions, renewals, refinancing or replacements (such Indebtedness being so extended, renewed, refinanced or replaced being referred to herein as the “**Refinance Indebtedness**”) of any of the Indebtedness described in clauses (b), (e), (g), (m) and (p) hereof (such Indebtedness being referred to herein as the “**Original Indebtedness**”); provided that (i) such Refinance Indebtedness does not increase the principal amount of the Original Indebtedness, other than in respect of any fees, costs and premiums incurred in connection therewith, (ii) any Liens securing such Refinance Indebtedness are not extended to any additional property of any Loan Party or any Subsidiary (other than any property that is financed by a common creditor), (iii) no Loan Party or any Subsidiary that is not originally obligated with respect to repayment of such Original Indebtedness shall be required to become obligated with respect to such Refinance Indebtedness, (iv) such Refinance Indebtedness does not result in a shortening of the average weighted maturity of such Original Indebtedness, (v) the non-economic terms of such Refinance Indebtedness are not materially less favorable to the obligor thereunder than the original terms of such Original Indebtedness as reasonably determined in good faith by any Loan Party or any Subsidiary, and (vi) if such Original Indebtedness was subordinated in right of payment to the Secured Obligations, then the terms and conditions of such Refinance Indebtedness must include subordination terms and conditions that are at least as favorable to the Administrative Agent and the Lenders as those that were applicable to such Original Indebtedness; and

(u) Letters of Credit in an aggregate principal (or face) amount at any time outstanding not to exceed \$2,000,000.

SECTION 6.02 Liens. No Loan Party will, nor will any Loan Party permit any of its respective Subsidiaries to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it, except Permitted Liens.

SECTION 6.03 Fundamental Changes.

(a) No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or otherwise Dispose of all or substantially all of its assets, or all or substantially all of the stock of any of its respective Subsidiaries (in each case, whether now owned or hereafter acquired), or liquidate, divide or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Event of Default shall have occurred and be continuing:

(i) any Subsidiary may merge into or liquidate or dissolve into, or consolidate with a Loan Party in a transaction in which such Loan Party is the surviving entity,

(ii) any Loan Party may merge into or liquidate or dissolve into, or consolidate with any other Loan Party in a transaction in which the surviving entity is a Loan Party (provided that any such merger involving a Borrower must result in such Borrower as the surviving entities);

(iii) any Subsidiary that is not a Loan Party may liquidate, divide or dissolve if the Borrowers determine in good faith that such liquidation, division or dissolution is in the best interests of the Borrowers and is not materially disadvantageous to the Lenders; *provided* that any such merger involving a Person that is not a wholly owned Subsidiary immediately prior to such merger shall not be permitted unless also permitted by Section 6.04;

(iv) any Loan Party or Subsidiary may Dispose of assets in accordance with Section 6.05; and

(v) the Loan Parties and their Subsidiaries may consummate any IPO Reorganization Transactions.

(b) No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, consummate a Division as the Dividing Person, without the prior written consent of the Administrative Agent. Without limiting the foregoing, if any Loan Party that is a limited liability company consummates a Division (with or without the prior consent of the Administrative Agent as required above), each Division Successor shall be required to comply with the obligations set forth in Section 5.10 and the other further assurances obligations set forth in the Loan Documents and become a Loan Party under this Agreement and the other Loan Documents.

(c) No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, engage to any material extent in any business other than businesses of the type engaged in by the Borrowers and their Subsidiaries on the date hereof and businesses reasonably related thereto or ancillary thereto or similar or complementary thereto or reasonable extensions thereof (and non-core incidental businesses acquired in connection with any Permitted Acquisition or Permitted Investment).

SECTION 6.04 Investments, Loans, Advances, Guarantees and Acquisitions. No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a Loan Party and a wholly

owned Subsidiary prior to such merger) any Equity Interests, evidences of indebtedness or other securities (including any option, warrant or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, Guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other Person, or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit, division, product line or line of business of such Person (whether through purchase of assets, merger or otherwise), except:

(a) Permitted Investments, subject to control agreements in favor of the Administrative Agent or otherwise subject to a perfected security interest in favor of the Administrative Agent to the extent required under this Agreement;

(b) investments in existence on the date hereof and described in Schedule 6.04 and any extensions or amendments thereto not increasing the principal or capital amount thereof;

(c) investments by the Borrowers and the Subsidiaries in Equity Interests in, or capital or asset contributions to, their respective Subsidiaries, *provided* that (i) any such Equity Interests held by a Loan Party (other than Immaterial Subsidiaries) shall be pledged pursuant to the relevant Collateral Documents and (ii) the aggregate amount of investments by Loan Parties in Subsidiaries that are not Loan Parties (together with outstanding intercompany loans permitted under Section 6.04(d)) shall not exceed \$5,000,000 at any time outstanding (in each case determined without regard to any write-downs or write-offs);

(d) (x) investments, loans or advances in the ordinary course of business and consistent with past practice (including, without limitation, capital contributions) for working capital purposes and (y) additional investments, loans or advances made, in the case of each of clauses (x) and (y), by any Loan Party to any Subsidiary and made by any Subsidiary to a Loan Party or any other Subsidiary, *provided* that (i) any such loans and advances made by a Loan Party shall be evidenced by a promissory note pledged pursuant to the relevant Collateral Documents and (ii) the amount of such investments, loans and advances made pursuant to clause (y) above by Loan Parties to Subsidiaries that are not Loan Parties (together with outstanding investments permitted under Section 6.04(c)) shall not exceed \$5,000,000 at any time outstanding (in each case determined without regard to any write-downs or write-offs);

(e) loans or advances made by a Loan Party to its officers, directors or employees on an arms-length basis in the ordinary course of business consistent with past practices for travel and entertainment or education expenses, relocation costs and similar purposes up to a maximum of \$1,000,000 in the aggregate at any one time outstanding;

(f) notes payable, or stock or other securities issued by Account Debtors to a Loan Party pursuant to negotiated agreements with respect to settlement of such Account Debtor's Accounts in the ordinary course of business, consistent with past practices;

(g) Investments by any Person existing on the date such Person is acquired as part of a Permitted Acquisition and not made in contemplation thereof;

(h) extensions of trade credit or the holding of receivables in the ordinary course of business;

- (i) investments constituting deposits described in the definition of “Permitted Liens”;
- (j) investments in the form of Swap Agreements permitted by Section 6.06;
- (k) Guarantees constituting Indebtedness permitted by Section 6.01, *provided* that the aggregate principal amount of Indebtedness of Subsidiaries or joint-ventures that are not Loan Parties that is guaranteed by any Loan Party (together with outstanding Investments permitted under clause (ii) to the proviso to Section 6.04(c), outstanding intercompany loans permitted under clause (ii) to the proviso to Section 6.04(d)(y)) shall not exceed \$5,000,000 at any time outstanding (in each case determined without regard to any write-downs or write-offs);
- (l) Investments constituting Permitted Acquisitions;
- (m) in addition to investments otherwise expressly permitted by this Section 6.04, investments permitted under this Agreement by the Borrowers or any of their Subsidiaries (i) prior to and after the Conversion Date, in an aggregate amount (valued at cost) not to exceed \$3,500,000 and (ii) from and after the Conversion Date, in an unlimited amount; *provided* that, that after giving pro forma effect to such investments, the Consolidated Total Net Leverage Ratio on a Pro Forma Basis is equal to or less than 3.50:1.00;
- (n) investments received in connection with the disposition of assets permitted by Section 6.05;
- (o) advances of payroll payments to employees in the ordinary course of business and Investments made pursuant to employment and severance arrangements of officers and employees in the ordinary course of business and transactions pursuant to stock option plans and employee benefit plans and arrangements in the ordinary course of business;
- (p) to the extent constituting Investments, advances in respect of transfer pricing and cost-sharing arrangements (i.e. “cost-plus” arrangements) and associated “true-up” payments, in each case, that are in the ordinary course of business;
- (q) the Borrowers and their Subsidiaries may acquire and hold receivables and similar items owing to them in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;
- (r) the Loan Parties and their Subsidiaries may undertake or consummate any IPO Restructuring Transaction and transactions relating thereto or contemplated thereby;
- (s) Investments made by any Loan Party or any Subsidiary in (or to acquire Equity Interests in) joint ventures in an aggregate amount not to exceed \$3,000,000 in any fiscal year of SEMrush Holdings; and
- (t) Investments (other than an Investment that would qualify as an Equity Financed Permitted Acquisition) to the extent that the consideration for such Investments solely consists of the Equity Interests of SEMrush Holdings.

SECTION 6.05 Asset Sales. No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, Dispose of any asset, including any Equity Interest owned by it, nor will any Borrower permit any Subsidiary to issue any additional Equity Interest in such Subsidiary (other than to another Borrower or another Subsidiary in compliance with Section 6.04), except:

- (a) Dispositions of (i) Inventory in the ordinary course of business and (ii) used, obsolete, worn out or surplus Equipment or property in the ordinary course of business;
- (b) Dispositions of assets from one Loan Party to another Loan Party;
- (c) Dispositions of Accounts (excluding sales or dispositions in a factoring arrangement) in connection with the compromise, settlement or collection thereof;
- (d) Dispositions of cash and Permitted Investments in the ordinary course of business;
- (e) Dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of any Borrower or any Subsidiary;
- (f) Dispositions of assets by any Subsidiary that is not a Loan Party to a Loan Party or to a Subsidiary that is not a Loan Party;
- (g) Dispositions constituting Liens permitted under Section 6.02, Dispositions permitted under Section 6.03 or Investments permitted under Section 6.04;
- (h) Dispositions of intellectual property that is, in the reasonable judgment of the Borrowers, no longer economically practicable to maintain or useful in the conduct of the business of the Borrowers and the Subsidiaries, taken as a whole;
- (i) Dispositions of non-core assets acquired in a Permitted Acquisition;
- (j) non-exclusive licenses of patents, trademarks, copyrights, trade secrets and other intellectual property rights granted by Borrowers or their Subsidiaries in the ordinary course of business and not interfering in any respect with the ordinary conduct of the business of such Borrower or such Subsidiary and leases, subleases, licenses or sublicenses of any real or personal property;
- (k) dispositions of Investments in joint ventures to the extent required by, or made pursuant to customary buy/sell arrangements between, the joint venture parties set forth in joint venture arrangements and similar binding arrangements;
- (l) Dispositions of assets (other than Equity Interests in a Subsidiary unless all Equity Interests in such Subsidiary are sold) that are not permitted by any other clause of this Section 6.05, *provided* that the aggregate fair market value of all assets Disposed of in reliance upon this paragraph (l) shall (i) prior to the Conversion Date, not exceed \$2,500,000 during any fiscal year of any Borrower and (ii) from and after the Conversion Date, not exceed \$5,000,000 during any fiscal year of any Borrower; *provided* that all Dispositions pursuant to Section 6.05(l) shall be made for fair value and for at least 75% cash consideration;

(m) the Loan Parties and their Subsidiaries may undertake or consummate any IPO Restructuring Transaction; and

(n) sales, transfers or other Dispositions of Investments in joint ventures permitted under Section 6.04(t) to the extent required by, or made pursuant to customary buy/sell arrangements between, the parties set forth in joint venture arrangements and similar binding agreements (and not included in such joint venture arrangements and similar binding agreements in contemplation of such sale, transfer or other Disposition).

SECTION 6.06 Swap Agreements. No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, enter into any Swap Agreement, except (a) Swap Agreements entered into to hedge or mitigate risks to which any Borrower or any Subsidiary has actual exposure (other than those in respect of Equity Interests of any Borrower or any Subsidiary), and (b) Swap Agreements entered into in order to effectively cap, collar or exchange interest rates (from floating to fixed rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investment of any Borrower or any Subsidiary. Neither the Borrowers nor any other Guarantor will enter into any Swap Agreement for speculative purposes.

SECTION 6.07 Restricted Payments; Certain Payments of Indebtedness. No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, declare or make, or agree to declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except (i) each Loan Party may declare and pay dividends or make other Restricted Payments with respect to its common stock payable solely in additional shares of its common stock, and, with respect to its preferred stock, payable solely in additional shares of such preferred stock or in shares of its common stock, (ii) Subsidiaries may declare and pay dividends ratably with respect to their Equity Interests, (iii) so long as no Default or Event of Default has occurred and is continuing or would arise after giving effect (including giving effect on a pro forma basis) thereto, any Loan Party may purchase Equity Interests from present or former officers, directors or employees of any Borrower or any Subsidiary upon the death, disability, retirement or termination of employment or service of such officer, director or employee, in an aggregate amount not exceeding (x) \$2,000,000 in any fiscal year of the Borrowers or (y) solely to the extent that Liquidity immediately prior to the making of such Restricted Payment and after giving pro forma effect to such Restricted Payment is equal to or greater than \$50,000,000 (or solely in the case of the purchase of Equity Interests from present or former officers, directors or employees of any Borrower or any Subsidiary upon termination of employment or service of such officer, director or employee, \$35,000,000), \$5,000,000 in any fiscal year of the Borrowers, (iv) the Loan Parties may make Restricted Payments, not exceeding (x) \$1,000,000 during any fiscal year or (y) solely to the extent that Liquidity immediately prior to the making of such Restricted Payment and after giving pro forma effect to such Restricted Payment is equal to or greater than \$50,000,000, \$5,000,000 during any fiscal year, in each case pursuant to and in accordance with stock option plans or other benefit plans for management or employees of any Borrower and their Subsidiaries, (v) the Borrowers may make Restricted Payments of up to an aggregate of (i)(x) \$2,500,000 or (y) solely to the extent that Liquidity immediately prior to the making of such Restricted Payments and after giving pro forma effect to such Restricted Payments is equal to or greater than \$50,000,000, \$5,000,000 plus (ii) an unlimited amount so long as, solely in the case of this clause (ii), as of the last day of the most recently ended Reference Period for which Financial Statements are available after giving effect to any such Restricted Payment the Consolidated Total

Net Leverage Ratio is not greater than 3.00:1.00 on a Pro Forma Basis; provided, that, in each case under this clause (v), no Event of Default shall exist and be continuing at the time of the making of such Restricted Payment or would result therefrom, (vi) Tax Distributions may be paid annually or in multiple installments, based on any Borrower's good-faith and reasonable estimate of income to be generated by any Borrower's or their Subsidiaries' business in any such year or period and (vii) Restricted Payments made to consummate IPO Reorganization Transactions; and

(b) No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, make or agree to pay or make, directly or indirectly, any optional payment or other distribution (whether in cash, securities or other property) of or in respect of principal of or interest on any Subordinated Indebtedness, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Indebtedness to the extent prohibited by the subordination provisions thereof.

SECTION 6.08 Transactions with Affiliates. No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) transactions between Loan Parties on fair and reasonable terms in the ordinary course of business, (b) the payment of reasonable fees and reasonable expense reimbursements to directors of any Loan Party or any of its Subsidiaries, and compensation and indemnification of, and other employment agreements and arrangements, employee benefit plans and stock incentive plans paid to directors, officers and employees of any Loan Party or any of its Subsidiaries in the ordinary course of business, (c) transactions undertaken in good faith for the purpose of improving the consolidated tax efficiency of a Loan Party and its Subsidiaries, (d) loans, advances and other transactions to the extent expressly permitted by the terms of this Agreement, (e) transactions that are at prices and on other terms and conditions, taken as a whole, not materially less favorable to such Loan Party or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties (as determined in good faith by such Loan Party or Subsidiary) and (f) the Loan Parties and their Subsidiaries may consummate the IPO Reorganization Transactions.

SECTION 6.09 Restrictive Agreements. No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, directly or indirectly enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of such Loan Party or any Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets, or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any Equity Interests or to make or repay loans or advances to any Borrower or any other Subsidiary or to Guarantee Indebtedness of any Borrower or any other Subsidiary; *provided* that (i) the foregoing shall not apply to (A) restrictions and conditions imposed by law or by any Loan Document, (B) restrictions and conditions existing on the date hereof identified on Schedule 6.08 and any amendments or modifications thereof that do not materially expand the scope of any such restriction or condition (as determined in good faith by the Borrowers) taken as a whole, (C) restrictions and conditions imposed by agreements relating to Indebtedness of any Subsidiary in existence at the time such Subsidiary became a Subsidiary and any amendments or modifications thereof that do not materially expand the scope of any such restriction or condition taken as

a whole, *provided* that such restrictions and conditions apply only to such Subsidiary, (D) customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, *provided* such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (E) customary restrictions and conditions contained in any agreement relating to the disposition of any property permitted by Section 6.03 or Section 6.05 pending the consummation of such disposition, (F) restrictions in the transfers of assets encumbered by a Lien permitted by Section 6.02, (G) restrictions or conditions set forth in any agreement governing Indebtedness permitted by Section 6.01; *provided* that such restrictions and conditions are no more restrictive, taken as a whole, than the comparable restrictions and conditions set forth in this Agreement as determined in the good faith judgment of the board of directors of the Borrowers, (H) customary provisions restricting assignment of any agreement entered into in the ordinary course of business, (I) customary provisions in shareholders agreements, joint venture agreements, organizational or constitutive documents or similar binding agreements relating to any joint venture and other similar agreements applicable to joint ventures and in each case applicable solely to such joint venture and the Equity Interests issued thereby and (J) restrictions on cash or other deposits (including escrowed funds) or net worth imposed under contracts entered into in the ordinary course of business; *provided* that such restrictions and conditions apply only to such Subsidiary and to any Equity Interests in such Subsidiary and (ii) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, nor to customary provisions in leases and other contracts restricting the assignment thereof.

SECTION 6.10 Financial Condition Covenants. (a) Until the Borrowers elect (which election shall be by delivery of written notice to the Administrative Agent as set forth in Section 9.01 and which notice shall be irrevocable) to have the covenant in Section 6.10(b) apply (the “**Conversion Date**”), the following covenant shall apply:

(i) the Borrowers shall not permit Liquidity, at any time, to be less than the greater of (x) \$5,000,000 and (y) Cash Burn (the “**Liquidity Covenant**”).

(b) Commencing on the Conversion Date, the Liquidity Covenant shall cease to apply and shall be replaced by:

(i) a maximum Consolidated Total Net Leverage Ratio covenant (the “**Total Net Leverage Covenant**”) pursuant to which the Borrowers will not permit the Consolidated Total Net Leverage Ratio as of the last day of any Test Period ending after the Conversion Date to exceed 4.00:1.00,

provided that for any Test Period in which the Borrowers or a Subsidiary consummate a Material Acquisition, if elected by the Borrowers by written notice to the Administrative Agent given on or prior to the date of consummation of such Material Acquisition, the Borrowers will not permit the Total Net Leverage Covenant, as of the last day of such Test Period and as of the last day of the immediately succeeding three (3) Test Periods (the “**Increase Period**”), to be greater than the Consolidated Total Net Leverage Ratio of 4.50:1.00 (the “**Step-Up**”); provided (x) that Increase Periods may not be successive unless the Total Net Leverage Covenant would have been complied

with for at least two (2) fiscal quarters without giving effect to the Step-Up and (y) there shall be a maximum of two (2) Increase Periods in the aggregate under this Agreement.

SECTION 6.11 Amendment of Material Documents. No Loan Party will, nor will any Loan Party permit its respective Subsidiaries to, amend, modify or waive any of its rights under (a) any agreement relating to any Subordinated Indebtedness except as permitted under any related subordination agreement, (b) its charter, articles or certificate of organization or incorporation and bylaws or operating, management or partnership agreement, or other organizational or governing documents in a manner materially adverse to the Lenders or (c) any Material Agreement in a manner materially adverse to the Lenders.

ARTICLE VII. EVENTS OF DEFAULT

If any of the following events (“*Events of Default*”) shall occur:

(a) the Borrowers shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrowers or any other Loan Party shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three (3) Business Days;

(c) any representation or warranty made or deemed made by any Loan Party in this Agreement or any other Loan Document shall prove to have been incorrect in any material respect (or in any respect if such representation or warranty is already qualified by concepts of materiality) when made or deemed made;

(d) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), 5.03 (solely with respect to legal existence of the Loan Parties), 5.08, 5.15 or in Article VI of this Agreement or Article IV of the Security Agreement;

(e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement or in any other Loan Document (other than those which constitute a default under another Section of this Article), and such failure shall continue unremedied or unwaived for a period of (i) in the case of any such failure in respect of Section 5.01(a) through (d), 5.02 (other than 5.02(a)), 5.04 or 5.09, five (5) Business Days and (ii) in the case of any such failure in respect of any other provision, thirty (30) days after the earlier of any Loan Party’s knowledge of such breach or written notice thereof from the Administrative Agent (which notice will be given at the request of any Lender);

(f) any Loan Party or any Subsidiary shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable after giving effect to any applicable grace periods provided in the applicable instrument or agreement under which such Material Indebtedness was created; provided that this clause (f) shall not apply to any such failure that is (x) remedied by the Loan Parties

or any Subsidiary or (y) waived (including in the form of amendment) by the requisite holders of the applicable item of Material Indebtedness;

(g) any event or condition occurs (after all applicable grace periods have expired and all required notices have been given) that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to (A) secured Indebtedness that becomes due as a result of the voluntary sale, transfer or other disposition (including as a result of a casualty or condemnation event) of the property or assets securing such Indebtedness, (B) Indebtedness which is convertible into Equity Interests and converts to Equity Interests in accordance with its terms or (C) any breach or default that (x) is remedied by the Borrowers or any applicable Subsidiary or (y) is waived (including in the form of an amendment) by the requisite holders of the applicable item of Material Indebtedness;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Borrower or any Subsidiary or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the involuntary appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Loan Party or any Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) any Loan Party or any Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for such Loan Party or any Subsidiary of any Loan Party or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) any Loan Party or any Subsidiary shall become unable, admit in writing its inability to, or publicly declare its intention not to, or fail generally to pay its debts as they become due;

(k) one or more final, non-appealable judgments for the payment of money in an aggregate amount in excess of the Threshold Amount, to the extent not covered by insurance or which is not otherwise covered by an indemnification in favor of any Loan Party or any Subsidiary of any Loan Party, as applicable, shall be rendered against any Loan Party, any Subsidiary or any combination thereof and the same shall remain undischarged for a period of sixty (60) consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Loan Party or any Subsidiary to enforce any such judgment;

(l) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect;

(m) a Change in Control shall have occurred;

(n) except as permitted by the terms of this Agreement, the Loan Guaranty shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of the Loan Guaranty, or any Guarantor shall fail to comply with any of the terms or provisions of the Loan Guaranty to which it is a party, or any Guarantor shall deny that it has any further liability under the Loan Guaranty to which it is a party, or shall give notice to such effect, including any notice of termination delivered pursuant to Section 10.08;

(o) except as permitted by the terms of any Collateral Document, (i) any Collateral Document shall for any reason fail to create a valid security interest in any material portion of the Collateral, taken as a whole, as required by this Agreement or any Collateral Document, or (ii) any Lien on any material portion of the Collateral, taken as a whole, securing any Secured Obligation shall cease to be a perfected (if and to the extent required to be perfected under the Collateral Documents), first priority Lien, except (A) as a result of the release of a Loan Party or the sale, transfer or other disposition to a Person that is not a Loan Party or a Subsidiary of the applicable Collateral in each case, in a transaction permitted under the Loan Documents, (B) as a result of the Administrative Agent's or any other Secured Party's failure to maintain possession of any stock certificates, promissory notes or other instruments delivered to it under the Collateral Documents or (C) as a result of the Administrative Agent's or any other Secured Party's failure to take any action required to maintain or perfect a security interest in any other Collateral; or

(p) any material provision of any Loan Document, at any time after its execution and delivery, for any reason other than as expressly permitted hereunder or thereunder or as a result of the termination of the Commitments and the Payment in Full the Obligations of the Loan Parties thereunder, shall cease to be in full force and effect; or any Loan Party or any other Person shall contest in any manner the validity or enforceability of any Loan Document or shall purport to revoke, terminate or rescind any Loan Document;

then, and in every such event (other than an event with respect to the Borrowers described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower Representative, take any or all of the following actions, at the same or different times: (i) terminate the Commitments (including the Issuing Bank Sublimit), and thereupon the Commitments shall terminate immediately, (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued but unpaid interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall become due and payable immediately, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers, and (iii) require that the Borrowers provide cash collateral for the LC Exposure in accordance with Section 2.06(j) hereof; and in case of any event with respect to the

Borrowers described in clause (h) or (i) of this Article, the Commitments shall automatically terminate and the principal of the Loans then outstanding and cash collateral for the LC Exposure, together with accrued but unpaid interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall automatically become due and payable, and the obligation of the Borrowers to cash collateralize the LC Exposure as provided in clause (iii) above shall automatically become effective, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, and at the request of the Required Lenders shall, exercise any rights and remedies provided to the Administrative Agent under the Loan Documents or at law or equity, including all remedies provided under the UCC.

In addition to any other rights and remedies granted to the Administrative Agent and the Lenders in the Loan Documents, if any Event of Default has occurred and is continuing, the Administrative Agent on behalf of the Lenders may exercise all rights and remedies of a secured party under the New York Uniform Commercial Code or any other applicable law. Without limiting the generality of the foregoing, if any Event of Default has occurred and is continuing, the Administrative Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except for any notice of default to the extent expressly required under the Loan Documents and/or any notice required by law referred to below) to or upon any Loan Party or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, or consent to the use by the Loan Party of any cash collateral arising in respect of the Collateral on such terms as the Administrative Agent deems reasonable, and/or may forthwith sell, lease, assign give an option or options to purchase or otherwise dispose of and deliver, or acquire by credit bid on behalf of the Lenders, the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any Lender or elsewhere, upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery, all without assumption of any credit risk. With respect to any public or private sales referred to in the preceding sentence, the Administrative Agent or any Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Loan Party, which right or equity is hereby waived and released. Each Loan Party further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at such Loan Party's premises or elsewhere. The Administrative Agent shall apply the net proceeds of any action taken by it pursuant to this Article VII, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any other way relating to the Collateral or the rights of the Administrative Agent and the Lenders hereunder, including reasonable attorneys' fees and disbursements to the extent payable hereunder, to the payment in whole or in part of the obligations of the Loan Parties under the Loan Documents, in such order as the Administrative Agent may elect, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, including Section 9-615(a)(3) of the New York UCC, need the Administrative Agent account for the surplus, if any, to any Loan Party. To the extent permitted by applicable law, each Loan Party waives all claims, damages and demands it may acquire against the Administrative

Agent or any Lender arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least ten (10) days before such sale or other disposition.

ARTICLE VIII.
THE ADMINISTRATIVE AGENT

SECTION 8.01 Authorization and Action.

(a) Each Lender and each Issuing Bank hereby irrevocably appoints the entity named as Administrative Agent in the heading of this Agreement and its successors and assigns to serve as the administrative agent and collateral agent under the Loan Documents and each Lender and each Issuing Bank authorizes the Administrative Agent to take such actions as agent on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Administrative Agent under such agreements and to exercise such powers as are reasonably incidental thereto. In addition, to the extent required under the laws of any jurisdiction other than within the U.S., each Lender and each Issuing Bank hereby grants to the Administrative Agent any required powers of attorney to execute and enforce any Collateral Document governed by the laws of such jurisdiction on such Lender's or such Issuing Bank's behalf. Without limiting the foregoing, each Lender and each Issuing Bank hereby authorizes the Administrative Agent to execute and deliver, and to perform its obligations under, each of the Loan Documents to which the Administrative Agent is a party, and to exercise all rights, powers and remedies that the Administrative Agent may have under such Loan Documents.

(b) As to any matters not expressly provided for herein and in the other Loan Documents (including enforcement or collection), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting upon the written instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, pursuant to the terms in the Loan Documents) (and, if such written instruction is given, shall be fully protected in so acting or refraining from acting in the absence of gross negligence or willful misconduct on the part of the Administrative Agent), and, unless and until revoked in writing, such instructions shall be binding upon each Lender and each Issuing Bank; *provided, however*, that the Administrative Agent shall not be required to take any action that (i) the Administrative Agent in good faith believes exposes it to liability unless the Administrative Agent receives an indemnification and is exculpated in a manner satisfactory to it from the Lenders and the Issuing Banks with respect to such action or (ii) is contrary to this Agreement or any other Loan Document or applicable law, including any action that may be in violation of the automatic stay under any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors; *provided, further*, that the Administrative Agent may seek clarification or direction from the Required Lenders prior to the exercise of any such instructed action and may refrain from acting until such clarification or direction has been provided. Except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Borrower, any other Loan Party, any Subsidiary or any Affiliate of any of the foregoing that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity. Nothing in this Agreement shall

require the Administrative Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(c) In performing its functions and duties hereunder and under the other Loan Documents, the Administrative Agent is acting solely on behalf of the Lenders and the Issuing Banks (except in limited circumstances expressly provided for herein relating to the maintenance of the Register), and its duties are entirely mechanical and administrative in nature. Without limiting the generality of the foregoing:

(i) the Administrative Agent does not assume and shall not be deemed to have assumed any obligation or duty or any other relationship as the agent, fiduciary or trustee of or for any Lender, Issuing Bank, any other Secured Party or holder of any other obligation other than as expressly set forth herein and in the other Loan Documents, regardless of whether a Default or an Event of Default has occurred and is continuing (and it is understood and agreed that the use of the term “agent” (or any similar term) herein or in any other Loan Document with reference to the Administrative Agent is not intended to connote any fiduciary duty or other implied (or express) obligations arising under agency doctrine of any applicable law, and that such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties); additionally, each Lender agrees that it will not assert any claim against the Administrative Agent based on an alleged breach of fiduciary duty by the Administrative Agent in connection with this Agreement and/or the transactions contemplated hereby; and

(ii) nothing in this Agreement or any Loan Document shall require the Administrative Agent to account to any Lender for any sum or the profit element of any sum received by the Administrative Agent for its own account;

(d) The Administrative Agent may perform any of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any of their respective duties and exercise their respective rights and powers through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities pursuant to this Agreement. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

(e) The Lead Arranger shall have no obligations or duties whatsoever in such capacity under this Agreement or any other Loan Document and shall incur no liability hereunder to the Lenders or thereunder in such capacity, but all such persons shall have the benefit of the indemnities provided for hereunder.

(f) In case of the pendency of any proceeding with respect to any Loan Party under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in

effect, the Administrative Agent (irrespective of whether the principal of any Loan or any reimbursement obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrowers) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, LC Disbursements and all other Secured Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Banks and the Administrative Agent (including any claim under Sections 2.12, 2.13, 2.15, 2.17 and 9.03) allowed in such judicial proceeding; and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such proceeding is hereby authorized by each Lender, each Issuing Bank and each other Secured Party to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, the Issuing Banks or the other Secured Parties, to pay to the Administrative Agent any amount due to it, in its capacity as the Administrative Agent, under the Loan Documents (including under Section 9.03). Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or Issuing Bank or to authorize the Administrative Agent to vote in respect of the claim of any Lender or Issuing Bank in any such proceeding.

(g) The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Banks, and, except solely to the extent of the Borrowers' rights to consent pursuant to and subject to the conditions set forth in this Article, none of the Borrowers or any Subsidiary, or any of their respective Affiliates, shall have any rights as a third party beneficiary under any such provisions. Each Secured Party, whether or not a party hereto, will be deemed, by its acceptance of the benefits of the Collateral and of the Guarantees of the Obligations provided under the Loan Documents, to have agreed to the provisions of this Article.

SECTION 8.02 Administrative Agent's Reliance, Indemnification, Etc.

(a) Neither the Administrative Agent nor any of its Related Parties shall be (i) liable for any action taken or omitted to be taken by it under or in connection with this Agreement or the other Loan Documents (x) with the consent of or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith to be necessary, under the circumstances as provided in the Loan Documents) or (y) in the absence of its own gross negligence or willful misconduct (such absence to be presumed unless otherwise determined by a court of competent jurisdiction by a final and nonappealable judgment) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in

this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page) or for any failure of any Loan Party to perform its obligations hereunder or thereunder.

(b) The Administrative Agent shall be deemed not to have knowledge of any (i) notice of any of the events or circumstances set forth or described in Section 5.02 unless and until written notice thereof stating that it is a “notice under Section 5.02” in respect of this Agreement and identifying the specific clause under said Section is given to the Administrative Agent by the Borrower Representative, or (ii) notice of any Default or Event of Default unless and until written notice thereof (stating that it is a “notice of Default” or a “notice of an Event of Default”) is given to the Administrative Agent by the Borrowers, a Lender or an Issuing Bank. Further, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default or Event of Default, (iv) the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items (which on their face purport to be such items) expressly required to be delivered to the Administrative Agent or satisfaction of any condition that expressly refers to the matters described therein being acceptable or satisfactory to the Administrative Agent or (vi) the creation, perfection or priority of Liens on the Collateral.

(c) Without limiting the foregoing, the Administrative Agent (i) may treat the payee of any promissory note as its holder until such promissory note has been assigned in accordance with Section 9.04, (ii) may rely on the Register to the extent set forth in Section 9.04(b), (iii) may consult with legal counsel (including counsel to the Borrowers), independent public accountants and other experts selected by it, and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (iv) makes no warranty or representation to any Lender or Issuing Bank and shall not be responsible to any Lender or Issuing Bank for any statements, warranties or representations made by or on behalf of any Loan Party in connection with this Agreement or any other Loan Document, (v) in determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Bank, may presume that such condition is satisfactory to such Lender or Issuing Bank unless the Administrative Agent shall have received notice to the contrary from such Lender or Issuing Bank sufficiently in advance of the making of such Loan or the issuance of such Letter of Credit and (vi) shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any notice, consent, certificate or other instrument or writing (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or

otherwise authenticated by the proper party or parties (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

SECTION 8.03 Posting of Communications.

(a) The Borrowers agree that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders and the Issuing Banks by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the “**Approved Electronic Platform**”).

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders, each of the Issuing Banks and each Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Approved Electronic Platform, and that there are confidentiality and other risks associated with such distribution. Each of the Lenders, each of the Issuing Banks and each Borrower hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(c) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED “AS IS” AND “AS AVAILABLE”. THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, THE LEAD ARRANGER OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, “**APPLICABLE PARTIES**”) HAVE ANY LIABILITY TO ANY LOAN PARTY, ANY LENDER, ANY ISSUING BANK OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF ANY LOAN PARTY’S OR THE ADMINISTRATIVE AGENT’S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

“**Communications**” means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan

Document or the transactions contemplated therein which is distributed by the Administrative Agent, any Lender or any Issuing Bank by means of electronic communications pursuant to this Section, including through an Approved Electronic Platform.

(d) Each Lender and each Issuing Bank agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender and Issuing Bank agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's or Issuing Bank's (as applicable) email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(e) Each of the Lenders, each of the Issuing Banks and each Borrower agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(f) Nothing herein shall prejudice the right of the Administrative Agent, any Lender or any Issuing Bank to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

SECTION 8.04 The Administrative Agent Individually. With respect to its Commitment, Loans, Issuing Bank Sublimit and Letters of Credit, the Person serving as the Administrative Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender or Issuing Bank, as the case may be. The terms "Issuing Banks", "Lenders", "Required Lenders" and any similar terms shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity as a Lender, Issuing Bank or as one of the Required Lenders, as applicable. The Person serving as the Administrative Agent and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust or other business with, any Loan Party, any Subsidiary or any Affiliate of any of the foregoing as if such Person was not acting as the Administrative Agent and without any duty to account therefor to the Lenders or the Issuing Banks.

SECTION 8.05 Successor Administrative Agent.

(a) The Administrative Agent may resign at any time by giving thirty (30) days' prior written notice thereof to the Lenders, the Issuing Banks and the Borrower Representative, whether or not a successor Administrative Agent has been appointed. Upon any such resignation, (i) the Administrative Agent may appoint one of its Affiliates acting through an office in the United States as a successor Administrative Agent and (ii) if the Administrative Agent has not appointed one of its Affiliates acting through an office in the United States, as a successor Administrative Agent pursuant to clause (i) above, the Required Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within thirty (30) days after the retiring Administrative Agent's giving of notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent, which

shall be a bank with an office in New York, New York or an Affiliate of any such bank. In either case (other than if the Administrative Agent appoints one of its Affiliates acting through an office in the European Union as a successor Administrative Agent pursuant to clause (i) above), such appointment shall be subject to the prior written approval of the Borrower Representative (which approval may not be unreasonably withheld and shall not be required while an Event of Default has occurred and is continuing). Upon the acceptance of any appointment as Administrative Agent by a successor Administrative Agent, such successor Administrative Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Administrative Agent. Upon the acceptance of appointment as Administrative Agent by a successor Administrative Agent, the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and the other Loan Documents. Prior to any retiring Administrative Agent's resignation hereunder as Administrative Agent, the retiring Administrative Agent shall take such action as may be reasonably necessary to assign to the successor Administrative Agent its rights as Administrative Agent under the Loan Documents.

(b) Notwithstanding paragraph (a) of this Section, in the event that no such successor Administrative Agent shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders, the Issuing Banks and the Borrower Representative, whereupon, on the date of effectiveness of such resignation stated in such notice, the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Bank, appoint a successor Administrative agent, meeting the qualifications set forth above (including the consent of the Borrowers); *provided* that if such Administrative Agent shall notify the Borrowers and the Lenders that no qualifying Person has accepted such appointment, then, in each case, such resignation or removal shall nonetheless become effective in accordance with such notice and (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents; *provided* that, solely for purposes of maintaining any security interest granted to the Administrative Agent under any Collateral Document for the benefit of the Secured Parties, the retiring Administrative Agent shall continue to be vested with such security interest as collateral agent for the benefit of the Secured Parties, and continue to be entitled to the rights set forth in such Collateral Document and Loan Document, and, in the case of any Collateral in the possession of the Administrative Agent, shall continue to hold such Collateral, in each case until such time as a successor Administrative Agent is appointed by the terms hereunder and accepts such appointment in accordance with this Section (it being understood and agreed that the retiring Administrative Agent shall have no duty or obligation to take any further action under any Collateral Document, including any action required to maintain the perfection of any such security interest), and (ii) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; *provided* that (A) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person (it being understood that the fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor) and (B) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall directly be given or made to each Lender and each Issuing Bank. Following the effectiveness of the Administrative Agent's resignation from its capacity as such, the provisions of this

Article, Section 2.17(d) and Section 9.03, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent and in respect of the matters referred to in the proviso under clause (i) above.

SECTION 8.06 Acknowledgements of Lenders and Issuing Banks.

(a) Each Lender and each Issuing Bank represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility, (ii) it is engaged in making, acquiring or holding commercial loans and in providing other facilities set forth herein as may be applicable to such Lender or Issuing Bank, in each case in the ordinary course of business, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument (and each Lender and each Issuing Bank agrees not to assert a claim in contravention of the foregoing), (iii) it has, independently and without reliance upon the Administrative Agent or any other Lender or Issuing Bank, or any of the Related Parties of any of the foregoing, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder and (iv) it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender or such Issuing Bank, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities. Each Lender and each Issuing Bank also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or Issuing Bank, or any of the Related Parties of any of the foregoing, and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrowers and their Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

(b) Each Lender, by delivering its signature page to this Agreement on the Effective Date, or delivering its signature page to an Assignment and Assumption or any other Loan Document pursuant to which it shall become a Lender hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be delivered to, or be approved by or satisfactory to, the Administrative Agent or the Lenders on the Effective Date or the effective date of any such Assignment and Assumption or any other Loan document pursuant to which it shall have become a Lender hereunder.

(c) Each Lender hereby agrees that (i) it has requested a copy of each Report prepared by or on behalf of the Administrative Agent; (ii) the Administrative Agent (A) makes no representation or warranty, express or implied, as to the completeness or accuracy of any Report or any of the information contained therein or any inaccuracy or omission contained in or relating to a Report and (B) shall not be liable for any information contained in any Report; (iii) the Reports are not comprehensive audits or examinations, and that any Person performing any field examination will inspect only specific information regarding the Loan Parties and will rely significantly upon the

Loan Parties' books and records, as well as on representations of the Loan Parties' personnel and that the Administrative Agent undertakes no obligation to update, correct or supplement the Reports; (iv) it will keep all Reports confidential and strictly for its internal use, not share the Report with any Loan Party or any other Person except as otherwise permitted pursuant to this Agreement; and (v) without limiting the generality of any other indemnification provision contained in this Agreement, (A) it will hold the Administrative Agent and any such other Person preparing a Report harmless from any action the indemnifying Lender may take or conclusion the indemnifying Lender may reach or draw from any Report in connection with any extension of credit that the indemnifying Lender has made or may make to the Borrower, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a Loan or Loans; and (B) it will pay and protect, and indemnify, defend, and hold the Administrative Agent and any such other Person preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including reasonable attorneys' fees) incurred by the Administrative Agent or any such other Person as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

SECTION 8.07 Collateral Matters.

(a) Except with respect to the exercise of setoff rights in accordance with Section 9.08 or with respect to a Secured Party's right to file a proof of claim in an insolvency proceeding, no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Secured Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Parties in accordance with the terms thereof. In its capacity, the Administrative Agent is a "representative" of the Secured Parties within the meaning of the term "secured party" as defined in the UCC. In the event that any Collateral is hereafter pledged by any Person as collateral security for the Secured Obligations, the Administrative Agent is hereby authorized, and hereby granted a power of attorney, to execute and deliver on behalf of the Secured Parties any Loan Documents necessary or appropriate to grant and perfect a Lien on such Collateral in favor of the Administrative Agent on behalf of the Secured Parties.

(b) In furtherance of the foregoing and not in limitation thereof, no arrangements in respect of Banking Services the obligations under which constitute Banking Services Obligations and no Swap Agreement the obligations under which constitute Swap Agreement Obligations, will create (or be deemed to create) in favor of any Secured Party that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Loan Party under any Loan Document. By accepting the benefits of the Collateral, each Secured Party that is a party to any such arrangement in respect of Banking Services or Swap Agreement, as applicable, shall be deemed to have appointed the Administrative Agent to serve as administrative agent and collateral agent under the Loan Documents and agreed to be bound by the Loan Documents as a Secured Party thereunder, subject to the limitations set forth in this paragraph.

(c) The Secured Parties irrevocably authorize the Administrative Agent, at its option and in its discretion, to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 6.02(a). The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the

Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders or any other Secured Party for any failure to monitor or maintain any portion of the Collateral.

SECTION 8.08 Credit Bidding. The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which a Loan Party is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Required Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (*provided* that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Required Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 9.02 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Parties pro rata with their original interest in such Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to

take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

SECTION 8.09 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Lead Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, and the conditions for exemptive relief thereunder are and will continue to be satisfied in connection therewith,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Lead Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Loan Party, that none of the Administrative Agent, or the Lead Arranger or any of their respective Affiliates is a fiduciary with respect to the Collateral or the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

(c) The Administrative Agent and the Lead Arranger hereby informs the Lenders that each such Person is not undertaking to provide investment advice or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments, this Agreement and any other Loan Documents (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

SECTION 8.10 Flood Laws. JPMorgan has adopted internal policies and procedures that address requirements placed on federally regulated lenders under Flood Laws. JPMorgan, as administrative agent or collateral agent on a syndicated facility, will post on the applicable electronic platform (or otherwise distribute to each Lender in the syndicate) documents that it receives in connection with the Flood Laws. However, JPMorgan reminds each Lender and Participant in the facility that, pursuant to the Flood Laws, each federally regulated Lender (whether acting as a Lender or Participant in the facility) is responsible for assuring its own compliance with the flood insurance requirements.

ARTICLE IX. MISCELLANEOUS

SECTION 9.01 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, fax or other electronic communication, as follows:

- (i) if to any Loan Party, to it in care of the Borrowers at:

SEMrush Inc.
800 Boylston Street, Suite 2475
Boston, MA 02199

- (ii) with a copy to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02110

- (iii) if to the Administrative Agent, or JPMorgan in its capacity as an Issuing Bank, to JPMorgan Chase Bank, N.A. at:

JPMorgan Chase Bank, N.A.
Middle Market Servicing
10 South Dearborn, Floor L2
Suite IL1-1145
Chicago, IL 60603-2300

with a copy to:

JPMorgan Chase Bank, N.A.
237 Park Avenue, 6th Floor
New York, NY 10017

- (iv) if to any other Lender or Issuing Bank, to it at its address (or telecopy number or e-mail address) set forth in its Administrative Questionnaire.

All such notices and other communications (i) sent by hand or overnight courier service, or mailed by certified or registered mail shall be deemed to have been given when received, (ii) sent by fax shall be deemed to have been given when sent, provided that if not given during normal business hours for the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day of the recipient, or (iii) delivered through Electronic Systems or Approved Electronic Platforms, as applicable, to the extent provided in paragraph (b) below shall be effective as provided in such paragraph.

(b) Notices and other communications to the Borrower Representative, any Loan Party, the Lenders and the Issuing Banks hereunder may be delivered or furnished by using Electronic Systems or Approved Electronic Platforms, as applicable, or pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II or to compliance and no Default certificates delivered pursuant to Section 5.01(d) unless otherwise agreed by the Administrative Agent and the applicable Lender. Each of the Administrative Agent and the Borrower Representative (on behalf of the Loan Parties) may, in its discretion, agree

to accept notices and other communications to it hereunder by using Electronic Systems or Approved Electronic Platforms, as applicable, pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise proscribes, all such notices and other communications (i) sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient, and (ii) posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided further that, for both clauses (i) and (ii) above, if such notice, e-mail or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day of the recipient.

(c) Any party hereto may change its address or telecopy number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

SECTION 9.02 Waivers; Amendments.

(a) No failure or delay by the Administrative Agent, the Issuing Bank or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Bank and the Lenders hereunder and under any other Loan Document are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 9.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or the Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Subject to Section 2.14(c) and (d) and Section 9.02(e) below, neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrowers and the Required Lenders or by the Borrowers and the Administrative Agent with the consent of the Required Lenders (*provided* that as long as there are two or more unaffiliated Lenders, Required Lenders shall require at least two unaffiliated Lenders); *provided* that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender (including any such Lender that is a Defaulting Lender) (it being understood that a waiver of any condition precedent or the waiver of any Default, Event of Default or mandatory prepayment shall not constitute an increase of any Commitment), (ii) reduce or forgive the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce or forgive any interest or fees payable

hereunder, without the written consent of each Lender directly and adversely affected thereby (including any such Lender that is a Defaulting Lender); *provided, however*, that only the consent of the Required Lenders shall be necessary to amend the provisions with respect to the application or amount of the default rate described in Section 2.13(c) or waive any obligation of the Borrowers to pay interest or fees at such default rate and with respect to amendments to any financial covenant ratios or related definitions, the impact of which may reduce interest, (iii) postpone any scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any date for payment of any interest thereon, or any fees or other Obligations payable hereunder (including extending the expiration of a Letter of Credit to a date after the Maturity Date), or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly and adversely affected thereby (including any such Lender that is a Defaulting Lender), (iv) change Section 2.09(b) or 2.18(b) or (d) in a manner that would alter the ratable reduction of Commitments or the *pro rata* sharing of payments required thereby, without the written consent of each Lender, (v) increase the advance rates set forth in the definition of Borrowing Base or add new categories of eligible assets, without the written consent of each Lender (other than any Defaulting Lender), (vi) release the Borrowers from their Obligations without the written consent of each Lender, (vii) change any of the provisions of this Section 9.02 or the definition of “Required Lenders” or, except as provided in the following clause (viii), any other provision of any Loan Document specifying the number or percentage of Lenders required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender, (viii) change Section 2.20, without the consent of each Lender (other than any Defaulting Lender), (ix) [intentionally omitted], (x) [intentionally omitted], (xi) release all or substantially all of the Guarantors from their obligations under the Loan Guaranty, without the written consent of each Lender (other than any Defaulting Lender) (except as otherwise expressly provided for herein), or (xii) except as provided in paragraph (d) of this Section 9.02, release all or substantially all of the Collateral (except as otherwise expressly provided for herein), without the written consent of each Lender (other than any Defaulting Lender); *provided further*, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or the Issuing Bank hereunder without the prior written consent of the Administrative Agent or the Issuing Bank, as the case may be (it being understood that any change to Section 2.20 shall require the consent of the Administrative Agent and the Issuing Bank); *provided further*, that no such agreement shall amend or modify the provisions of Section 2.06 or any letter of credit application and any bilateral agreement between the Borrowers and the Issuing Bank regarding the Issuing Bank’s Issuing Bank Sublimit or the respective rights and obligations between the Borrowers and the Issuing Bank in connection with the issuance of Letters of Credit without the prior written consent of the Borrowers, the Administrative Agent and the Issuing Bank, respectively. The Administrative Agent may also amend Schedule 2.01 to reflect assignments entered into pursuant to Section 9.04.

(c) [Intentionally Omitted].

(d) If, in connection with any proposed amendment, waiver or consent requiring the consent of “each Lender” or “each Lender affected thereby,” the consent of the Required Lenders is obtained, but the consent of other necessary Lenders is not obtained (any such Lender whose consent is necessary but has not been obtained being referred to herein as a “**Non-Consenting Lender**”), then the Borrowers may elect to replace a Non-Consenting Lender as a Lender party to this Agreement, provided that, concurrently with such replacement, (i) another bank or other entity

which is reasonably satisfactory to the Borrowers, the Administrative Agent and the Issuing Bank shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Non-Consenting Lender pursuant to an Assignment and Assumption and to become a Lender for all purposes under this Agreement and to assume all obligations of the Non-Consenting Lender to be terminated as of such date and to comply with the requirements of clause (b) of Section 9.04, and (ii) the Borrowers shall pay to such Non-Consenting Lender in same day funds on the day of such replacement (1) all interest, fees and other amounts then accrued but unpaid to such Non-Consenting Lender by the Borrowers hereunder to and including the date of termination, including without limitation payments due to such Non-Consenting Lender under Sections 2.15 and 2.17, and (2) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 2.16 had the Loans of such Non-Consenting Lender been prepaid on such date rather than sold to the replacement Lender. Each party hereto agrees that an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower Representative, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

(e) If the Administrative Agent and the Borrower Representative acting together identify any ambiguity, omission, mistake, typographical error or other defect in any provision of this Agreement or any other Loan Document, then the Administrative Agent and the Borrower Representative shall be permitted to amend, modify or supplement such provision to cure such ambiguity, omission, mistake, typographical error or other defect, and such amendment shall become effective without any further action or consent of any other party to this Agreement.

(f) The Lenders and the Issuing Bank hereby irrevocably authorize the Administrative Agent, at its option and in its sole discretion, to release any Liens granted to or held by the Administrative Agent upon any Collateral (i) upon the termination of all the Commitments, payment and satisfaction in full in cash of all Secured Obligations (other than (A) contingent obligations and (B) Swap Agreement Obligations and Banking Services Obligations as to which arrangements satisfactory to the applicable counterparty have been made), and the expiration with no pending drawings or termination of all Letters of Credit (other than Letters of Credit as to which other arrangements satisfactory to the Administrative Agent and the Issuing Bank have been made), (ii) constituting property being sold or disposed of if the sale or disposition is made in compliance with the terms of this Agreement, (iii) constituting property leased to any Borrower or any Subsidiary under a lease which has expired or been terminated in a transaction permitted under this Agreement, (iv) as required to effect any sale or other disposition of such Collateral in connection with any exercise of remedies of the Administrative Agent and the Lenders pursuant to Article VII, (v) as otherwise permitted by, but only in accordance with, the terms of any Loan Document, or (vi) if approved, authorized or ratified in writing by the Required Lenders, unless such release is required to be approved by all of the Lenders hereunder. At any time that a Loan Party desires that the Administrative Agent take any action to acknowledge or confirm any release of Collateral pursuant to clauses

(ii), (iii) or (v) of the preceding sentence, such Loan Party shall, upon the Administrative Agent's request, deliver to the Administrative Agent a certificate signed by a Responsible Officer of such Loan Party (or the Borrowers on behalf of such Loan Party) certifying as to such matter relating to such release as the Administrative Agent may reasonably request. Upon request by the Administrative Agent at any time, the Lenders will confirm in writing the Administrative Agent's authority to release particular types or items of Collateral pursuant hereto. Any such release shall not in any manner discharge, affect, or impair the Secured Obligations or any Liens (other than those expressly being released) upon (or obligations of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral.

SECTION 9.03 Expenses; Limitation of Liability; Indemnity; Damage Waiver.

(a) The Loan Parties, shall pay or promptly reimburse (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, Lead Arranger and their respective Affiliates (limited, in the case of legal costs, to the reasonable and documented fees, disbursements and other charges of one primary counsel for the Administrative Agent and Lead Arranger collectively (including one reasonably necessary local counsel in each material jurisdiction for the Administrative Agent and Lead Arranger collectively)), in connection with the syndication, distribution (including, without limitation, via the internet or through an Electronic System or Approved Electronic Platform), preparation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) of the credit facilities provided for herein, (ii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, the Issuing Bank or any Lender (limited in the case of legal costs, to the reasonable and documented fees, disbursements and other charges of one primary counsel to all such persons, collectively, one reasonably necessary local counsel in each material jurisdiction, to all such persons, collectively, and additional counsel in each relevant jurisdiction (to be shared by similarly situated persons) in light of conflicts of interest for the Administrative Agent, the Issuing Bank or any Lender) during the existence of an Event of Default, in connection with the enforcement, collection or protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section 9.03, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during the existence of an Event of Default and during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Limitation of Liability. To the extent permitted by applicable law (i) neither any Borrower nor any other Loan Party shall assert, and each Borrower and each Loan Party hereby waives, any claim against the Administrative Agent, Lead Arranger, the Issuing Bank and any Lender, and any Related Party of any of the foregoing Persons (each such Person being called a "Lender-Related Person") for any Liabilities arising from the use by others of information or other materials (including, without limitation, any personal data) obtained through telecommunications, electronic or other information transmission systems (including the Internet) except to the extent any such Liabilities are found by a final, non-appealable judgment of a court of competent jurisdiction to arise from the bad faith, willful misconduct or gross negligence of such Lender-Related

Person or any of its Related Parties, and (ii) no party hereto shall assert, and each such party hereby waives, any Liabilities against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof; provided that, nothing in this Section 9.03(b) shall relieve any Borrower or any other Loan Party of any obligation it may have to indemnify an Indemnitee, as provided in Section 9.03(c), against any special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(c) Each of the Loan Parties, jointly and severally, shall indemnify the Administrative Agent, Lead Arranger, the Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all Liabilities and related reasonable and documented out-of-pocket expenses (limited in the case of legal costs, to the reasonable and documented out-of-pocket fees, charges and disbursements of one primary counsel to all such persons, collectively, one reasonably necessary local counsel in each material jurisdiction to all such persons, collectively, and additional counsel in each relevant jurisdiction (to be shared by similarly situated persons) in light of conflicts of interest for any Indemnitee), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any act or omission of the Administrative Agent in connection with the administration of the Loan Documents; (iii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iv) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by any Borrower or one of its Subsidiaries, or any Environmental Liability related in any way to any Borrower or any of its Subsidiaries or (v) any actual or prospective claim, litigation, investigation, arbitration or proceeding relating to any of the foregoing, whether or not such claim, litigation, investigation, arbitration or proceeding is brought by the Borrowers or any other Loan Party or their respective equity holders, Affiliates, creditors or any other third Person and whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; *provided that* such indemnity shall not, as to any Indemnitee, be available to the extent (a) that such Liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the bad faith, gross negligence, or willful misconduct of such Indemnitee or material breach of such Indemnitee’s obligations hereunder or under any other Loan Document or (b) any dispute solely among the Indemnitee that does not involve an act or omission of the Borrowers or any of their Subsidiaries (other than any claims against an Indemnitee in its capacity as an administrative agent or arranger or any similar role under the Loan Documents). This Section 9.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, penalties, liabilities or expenses arising from any non-Tax claim.

(d) Each Lender severally agrees to pay any amount required to be paid by any Loan Party under paragraph (a) or (b) of this Section 9.03 to the Administrative Agent and each Issuing Bank, and each Related Party of any of the foregoing Persons (each, an “**Agent-Related Person**”)

(to the extent not reimbursed by the Loan Parties and without limiting the obligation of any Loan Party to do so), ratably according to their respective Applicable Percentage in effect on the date on which indemnification is sought under this Section 9.03 (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been Paid in Full, ratably in accordance with such Applicable Percentage immediately prior to such date), from and against any and all Liabilities and related expenses, including the fees, charges and disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent-Related Person in any way relating to or arising out of the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent-Related Person under or in connection with any of the foregoing; *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against such Agent-Related Person in its capacity as such; *provided further* that no Lender shall be liable for the payment of any portion of such Liabilities, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent-Related Person's gross negligence or willful misconduct. The agreements in this Section 9.03 shall survive the termination of this Agreement and the Payment in Full.

(e) To the extent permitted by applicable law, (i) no Loan Party shall assert, and each Loan Party hereby waives, any claim against any Indemnitee for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) no party hereto shall assert, and each such party hereby waives, any claim against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof; *provided* that, nothing in this clause (e)(ii) shall relieve any Loan Party of any obligation it may have to indemnify an Indemnitee against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(f) All amounts due under this Section 9.03 shall be payable promptly after written demand therefor.

SECTION 9.04 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any Letter of Credit), except that (i) the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrowers without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 9.04 (and any attempted assignment or transfer by such Lender otherwise be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any

Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section 9.04) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Bank and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution) all or a portion of its rights and obligations under the Loan Documents (including all or a portion of its Commitment, participations in Letters of Credit and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of:

(1) the Borrower Representative; *provided* that, the Borrower Representative shall be deemed to have consented to an assignment unless it shall have objected thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof; *provided* that no consent of the Borrower Representative shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee (other than any Ineligible Institution);

(2) the Administrative Agent; and

(3) the Issuing Bank.

(ii) Assignments shall be subject to the following additional conditions:

(1) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000, in the case of a Commitment, unless each of the Borrowers and the Administrative Agent otherwise consent; *provided* that no such consent of the Borrowers shall be required if an Event of Default has occurred and is continuing;

(2) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(3) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of \$3,500; and

(iii) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit

contacts to whom all syndicate-level information (which may contain material non-public information about the Loan Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws.

For the purposes of this Section 9.04(b), the term “**Approved Fund**” and “**Ineligible Institution**” have the following meanings:

“**Approved Fund**” means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“**Ineligible Institution**” means a (a) natural person, (b) a Defaulting Lender or its Lender Parent, (c) company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof; provided that, with respect to clause (c), such company, investment vehicle or trust shall not constitute an Ineligible Institution if it (x) has not been established for the primary purpose of acquiring any Loans or Commitments, (y) is managed by a professional advisor, who is not such natural person or a relative thereof, having significant experience in the business of making or purchasing commercial loans, and (z) has assets greater than \$25,000,000 and a significant part of its activities consist of making or purchasing commercial loans and similar extensions of credit in the ordinary course of its business, (d) a Loan Party or a Subsidiary or other Affiliate of a Loan Party or (e) any Competitors or Competitor Controllers of the Borrowers identified by the Borrower Representative in writing to the Administrative Agent. The Borrower Representative hereby consents to the Administrative Agent disclosing the Ineligible Institutions to the Lenders (upon their written request to the Administrative Agent).

(iv) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 9.04, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section 9.04.

(v) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrowers, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of

the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the “**Register**”). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent, the Issuing Bank and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers, the Issuing Bank and any Lender, in each case at any reasonable time and from time to time upon reasonable prior notice.

(vi) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee’s completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section 9.04 and any written consent to such assignment required by paragraph (b) of this Section 9.04, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; *provided* that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.06(d) or (e), 2.07(b), 2.18(d) or 2.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) Any Lender may, without the consent of, or notice to, the Borrowers, the Administrative Agent, the Issuing Bank, sell participations to one or more banks or other entities (a “**Participant**”), other than an Ineligible Institution, in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); *provided* that (A) such Lender’s obligations under this Agreement shall remain unchanged; (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (C) the Borrowers, the Administrative Agent, the Issuing Bank and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Loan Document; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that directly or adversely affects such Participant. The Borrowers agree that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the requirements and limitations therein, including the requirements under Section 2.17(f) (it being understood that the documentation required under Section 2.17(f) shall be delivered to the participating Lender and the information and documentation required under Section 2.17(g) will be delivered to the Borrower Representative and the Administrative Agent)) to the same extent as if it were a Lender and had acquired its interest by

assignment pursuant to paragraph (b) of this Section 9.04; *provided* that such Participant (A) agrees to be subject to the provisions of Section 2.19 as if it were an assignee under paragraph (b) of this Section 9.04; and (B) shall not be entitled to receive any greater payment under Section 2.15 or 2.17, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such greater entitlement results from a Change in Law after the Participant acquired the applicable participation.

(d) Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.19(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender; *provided* that such Participant agrees to be subject to Section 2.18(c) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "**Participant Register**"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 9.04 shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) If any assignment or participation is made to an Ineligible Institution in violation of this Section 9.04, the Borrowers may, at their sole expense and effort, upon notice to the Ineligible Institution, as the case may be, and the Administrative Agent, (A) terminate the Commitment of the applicable Ineligible Institution and repay all Obligations (other than Unliquidated Obligations that have not yet arisen) of the Borrowers owing to such Ineligible Institution in connection with such Commitment and/or (B) require such Ineligible Institution to assign, without recourse (in accordance with and subject to the restrictions contained in this Section 9.04), all of its interest, rights and obligations under this Agreement and any applicable participation agreement to one or more Persons (other than an Ineligible Institution) at the lesser of (x) the principal amount thereof and (y) the amount that such Ineligible Institution paid to acquire such interests, rights and obligations.

SECTION 9.05 Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect until Payment in Full. The provisions of Sections 2.15, 2.16, 2.17 and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration with no pending drawings or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any other Loan Document or any provision hereof or thereof.

SECTION 9.06 Counterparts; Integration; Effectiveness; Electronic Execution.

(a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to (i) fees payable to the Administrative Agent and (ii) increases or reductions of the Issuing Bank Sublimit of the Issuing Bank constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 9.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an “**Ancillary Document**”) that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic

Signature purportedly given by or on behalf of any Borrower or any other Loan Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, each Borrower and each Loan Party hereby (A) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders, the Borrowers and the Loan Parties, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (B) the Administrative Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (C) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (D) waives any claim against any Lender-Related Person for any Liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of any Borrower and/or any Loan Party to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

SECTION 9.07 vSeverability. Any provision of any Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each Issuing Bank, and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held, and other obligations at any time owing, by such Lender, such Issuing Bank or any such Affiliate, to or for the credit or the account of any Loan Party against any and all of the Secured Obligations owing to such Lender or such Issuing Bank or their respective Affiliates, irrespective of whether or not such Lender, Issuing Bank or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Loan Parties may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender or such Issuing Bank different from the branch office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.20 and, pending such

payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Banks, and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each Issuing Bank and their respective Affiliates under this Section 9.08 are in addition to other rights and remedies (including other rights of setoff) that such Lender, such Issuing Bank or their respective Affiliates may have. Each Lender and Issuing Bank agrees to notify the Borrower Representative and the Administrative Agent promptly after any such setoff and application; *provided* that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 9.09 Governing Law; Jurisdiction; Consent to Service of Process.

(a) The Loan Documents (other than those containing a contrary express choice of law provision) shall be governed by and construed in accordance with the internal laws of the State of New York, but giving effect to federal laws applicable to national banks.

(b) Each of the Lenders and the Administrative Agent hereby irrevocably and unconditionally agrees that, notwithstanding the governing law provisions of any applicable Loan Document, any claims brought against the Administrative Agent by any Secured Party relating to this Agreement, any other Loan Document, the Collateral or the consummation or administration of the transactions contemplated hereby or thereby shall be construed in accordance with and governed by the law of the State of New York.

(c) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any U.S. federal or New York state court sitting in New York, New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Documents, the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) be heard and determined in such state court or, to the extent permitted by law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, the Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

(d) Each of the parties hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (c) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.10 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.10.

SECTION 9.11 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.12 Confidentiality. Each of the Administrative Agent, the Issuing Bank and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors on a "need to know" basis in connection with the Transactions (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any Governmental Authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners) (provided, that, unless prohibited by applicable law or court order, the Administrative Agent, applicable Lender or Issuing Bank, as the case may be, shall notify the Borrowers of any request by any Governmental Authority for disclosure of any such nonpublic Information prior to the disclosure of such Information (other than in connection with routine exams or audits)), (c) to the extent required by any Requirement of Law or by any subpoena or similar legal process (*provided*, that the Lender shall notify the Borrowers of any such requirement unless prohibited by applicable law, regulation or court order), (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder (provided that the Borrowers shall be given notice thereof and a reasonable opportunity to seek a protective court order with respect to such Information prior to such disclosure and any foreclosure, sale or other disposition of any Collateral in connection with the exercise of remedies under the Collateral Documents, subject to each potential transferee of such Collateral having entered into customary confidentiality undertakings with respect to such Collateral prior to the disclosure thereof to such Person), (f) subject to an agreement containing provisions substantially the same as those of this Section, to (x) any assignee of or Participant in, or any prospective

assignee of or Participant in, any of its rights or obligations under this Agreement or (y) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Loan Parties and their obligations, (g) with the consent of the Borrower Representative, (h) to holders of Equity Interests in any Borrower, (i) to any Person providing a Guarantee of all or any portion of the Secured Obligations, (j) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, the Issuing Bank or any Lender on a non-confidential basis from a source other than the Borrowers that, to the knowledge of the Administrative Agent or the applicable Lender, Issuing Bank or Affiliate, is not subject to contractual or fiduciary confidentiality obligations or (k) on a confidential basis to (x) any rating agency in connection with rating the Borrowers or their Subsidiaries or the credit facilities provided for herein or (y) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of identification numbers with respect to the credit facilities provided for herein. Notwithstanding anything to the contrary, no such prior notifications required under this Section 9.12 by the Administrative Agent, the Issuing Bank and the Lenders to the Loan Parties shall be required in respect of any disclosure to bank regulatory authorities having jurisdiction over each of the Administrative Agent, the Issuing Bank and the Lenders. For the purposes of this Section, “Information” means all information received from the Loan Parties or from other Persons on their behalf relating to the Loan Parties, their Subsidiaries or their business, other than any such information that is available to the Administrative Agent, the Issuing Bank or any Lender on a non-confidential basis prior to disclosure by the Borrowers and other than information pertaining to this Agreement provided by arrangers to data service providers, including league table providers, that serve the lending industry. Any Person required to maintain the confidentiality of Information as provided in this Section 9.12 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 9.13 Several Obligations; Nonreliance; Violation of Law. The respective obligations of the Lenders hereunder are several and not joint and the failure of any Lender to make any Loan or perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. Each Lender hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U of the Board) for the repayment of the Borrowings provided for herein. Anything contained in this Agreement to the contrary notwithstanding, neither the Issuing Bank nor any Lender shall be obligated to extend credit to the Borrowers in violation of any Requirement of Law.

SECTION 9.14 USA PATRIOT Act. Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “**USA Patriot Act**”) hereby notifies each Loan Party that pursuant to the requirements of the USA Patriot Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the USA Patriot Act.

SECTION 9.15 Disclosure. Each Loan Party, each Lender and each Issuing Bank hereby acknowledges and agrees that the Administrative Agent and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with, any of the Loan Parties and their respective Affiliates.

SECTION 9.16 Appointment for Perfection. Each Lender hereby appoints each other Lender as its agent for the purpose of perfecting Liens, for the benefit of the Administrative Agent and the Secured Parties, in assets which, in accordance with Article 9 of the UCC or any other applicable law can be perfected only by possession or control. Should any Lender (other than the Administrative Agent) obtain possession or control of any such Collateral, such Lender shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent's request therefor shall deliver such Collateral to the Administrative Agent (if applicable) or otherwise deal with such Collateral in accordance with the Administrative Agent's instructions.

SECTION 9.17 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "**Charges**"), shall exceed the maximum lawful rate (the "**Maximum Rate**") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 9.17 shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the NYFRB Rate to the date of repayment, shall have been received by such Lender.

SECTION 9.18 No Fiduciary Duty, etc.

(a) Each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that no Credit Party will have any obligations except those obligations expressly set forth herein and in the other Loan Documents and each Credit Party is acting solely in the capacity of an arm's length contractual counterparty to the Borrowers with respect to the Loan Documents and the transactions contemplated herein and therein and not as a financial advisor or a fiduciary to, or an agent of, any Borrower or any other person. Each Borrower agrees that it will not assert any claim against any Credit Party based on an alleged breach of fiduciary duty by such Credit Party in connection with this Agreement and the transactions contemplated hereby. Additionally, each Borrower acknowledges and agrees that no Credit Party is advising the Borrowers as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. The Borrowers shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated herein or in the other Loan Documents, and the Credit Parties shall have no responsibility or liability to any Borrower with respect thereto.

(b) Each Borrower further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party, together with its Affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, any Credit Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, the Borrowers and other companies with which the

Borrowers may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any Credit Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

(c) In addition, each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which the Borrowers may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party will use confidential information obtained from any Borrower by virtue of the transactions contemplated by the Loan Documents or its other relationships with any Borrower in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. Each Borrower also acknowledges that no Credit Party has any obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to any Borrower, confidential information obtained from other companies.

SECTION 9.19 [Intentionally Omitted].

SECTION 9.20 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 9.21 Acknowledgement Regarding Any Supported QFCs.

(a) To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "***QFC Credit Support***" and each such QFC a "***Supported QFC***"), the parties acknowledge and

agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “***U.S. Special Resolution Regimes***”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States).

(b) In the event a Covered Entity that is party to a Supported QFC (each, a “***Covered Party***”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

SECTION 9.22 Joint and Several. Each Borrower hereby unconditionally and irrevocably agrees it is jointly and severally liable to the Administrative Agent, the Issuing Banks and the Lenders for the Secured Obligations. In furtherance thereof, each Borrower agrees that wherever in this Agreement it is provided that a Borrower is liable for a payment, such obligation is the joint and several obligation of each Borrower. Each Borrower acknowledges and agrees that its joint and several liability under this Agreement and the Loan Documents is absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever by the Administrative Agent, any Issuing Bank, any Lender or any other Person. Each Borrower’s liability for the Secured Obligations shall not in any manner be impaired or affected by who receives or uses the proceeds of the credit extended hereunder or for what purposes such proceeds are used, and each Borrower waives notice of borrowing requests issued by, and loans or other extensions of credit made to, other Borrowers. Each Borrower hereby agrees not to exercise or enforce any right of exoneration, contribution, reimbursement, recourse or subrogation available to such Borrower against any party liable for payment under this Agreement and the Loan Documents unless and until the Administrative Agent, each Issuing Bank and each Lender has been paid in full and all of the Secured Obligations are satisfied and discharged following termination or expiration of all commitments of the Lenders to extend credit to the Borrowers. Each Borrower’s joint and several liability hereunder with respect to the Secured Obligations shall, to the fullest extent permitted by applicable law, be the unconditional liability of such Borrower irrespective of (i) the validity, enforceability, avoidance or subordination of any of the Secured Obligations or of any other document evidencing all or any part of the Secured Obligations, (ii) the

absence of any attempt to collect any of the Secured Obligations from any other Loan Party or any Collateral or other security therefor, or the absence of any other action to enforce the same, (iii) the amendment, modification, waiver, consent, extension, forbearance or granting of any indulgence by the Administrative Agent or any Lender with respect to any provision of any instrument executed by any other Loan Party evidencing or securing the payment of any of the Secured Obligations, or any other agreement now or hereafter executed by any other Loan Party and delivered to the Administrative Agent, (iv) the failure by the Administrative Agent or any Lender to take any steps to perfect or maintain the perfected status of its Lien upon, or to preserve its rights to, any of the Collateral or other security for the payment or performance of any of the Secured Obligations or the Administrative Agent's release of any Collateral or of its Liens upon any Collateral, (v) the release or compromise, in whole or in part, of the liability of any other Loan Party for the payment of any of the Secured Obligations, (vi) any increase in the amount of the Secured Obligations beyond any limits imposed herein or in the amount of any interest, fees or other charges payable in connection therewith, in each case, if consented to by any other Borrower, or any decrease in the same, or (vii) any other circumstance that might constitute a legal or equitable discharge or defense of any Loan Party. After the occurrence and during the continuance of any Event of Default, the Administrative Agent may proceed directly and at once, without notice to any Borrower, against any or all of Loan Parties to collect and recover all or any part of the Secured Obligations, without first proceeding against any other Loan Party or against any Collateral or other security for the payment or performance of any of the Secured Obligations, and each Borrower waives any provision that might otherwise require the Administrative Agent or the Lenders under applicable law to pursue or exhaust its remedies against any Collateral or other Loan Party before pursuing such Borrower or its property. Each Borrower consents and agrees that neither the Administrative Agent nor any Lender shall be under no obligation to marshal any assets in favor of any Loan Party or against or in payment of any or all of the Secured Obligations.

ARTICLE X. LOAN GUARANTY

SECTION 10.01 Guaranty. Each Guarantor (other than those that have delivered a separate Loan Guaranty) hereby agrees that it is jointly and severally liable for, and, as a primary obligor and not merely as surety, absolutely, unconditionally and irrevocably guarantees to the Secured Parties, the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the Secured Obligations and all costs and expenses to which the Secured Parties are entitled to reimbursement under Section 9.03, including, without limitation, all court costs and reasonable attorneys' and paralegals' fees and expenses paid or incurred by the Administrative Agent, the Issuing Bank and the Lenders in endeavoring to collect all or any part of the Secured Obligations from, or in prosecuting any action against, the Borrowers, any Guarantor or any other guarantor of all or any part of the Secured Obligations to the extent reimbursable under Section 9.03 (such costs and expenses, together with the Secured Obligations, collectively the "***Guaranteed Obligations***"); *provided, however*, that the definition of "Guaranteed Obligations" shall not create any guarantee by any Guarantor of (or grant of security interest by any Guarantor to support, as applicable) any Excluded Swap Obligations of such Guarantor for purposes of determining any obligations of any Guarantor. Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. All terms of this Loan Guaranty apply to and may be enforced by or on behalf of

any domestic or foreign branch or Affiliate of any Lender that extended any portion of the Guaranteed Obligations.

SECTION 10.02 Guaranty of Payment. This Loan Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require the Administrative Agent, the Issuing Bank or any Lender to sue any Borrower, any Guarantor, any other guarantor, or any other Person obligated for all or any part of the Guaranteed Obligations (each, an “**Obligated Party**”), or otherwise to enforce its payment against any collateral securing all or any part of the Guaranteed Obligations.

SECTION 10.03 No Discharge or Diminishment of Loan Guaranty.

(a) Except as otherwise provided for herein, the obligations of each Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the Payment in Full of the Guaranteed Obligations), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Borrower or any other Obligated Party liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any obligation of any Obligated Party; or (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Obligated Party, the Administrative Agent, the Issuing Bank, any Lender, or any other Person, whether in connection herewith or in any unrelated transactions.

(b) The obligations of each Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(c) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the Administrative Agent, the Issuing Bank or any Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of any Borrower for all or any part of the Guaranteed Obligations or any obligations of any other Obligated Party liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the Administrative Agent, the Issuing Bank or any Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the Payment in Full of the Guaranteed Obligations).

SECTION 10.04 Defenses Waived. To the fullest extent permitted by applicable law, each Guarantor hereby waives any defense based on or arising out of any defense of any Borrower

or any Guarantor or the unenforceability of all or any part of the Guaranteed Obligations from any cause, or the cessation from any cause of the liability of any Borrower, any Guarantor or any other Obligated Party, other than, in each case, the Payment in Full of the Guaranteed Obligations. Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against any Obligated Party, or any other Person. Each Guarantor confirms that it is not a surety under any state law and shall not raise any such law as a defense to its obligations hereunder. The Administrative Agent may, at its election, foreclose on any Collateral held by it by one or more judicial or nonjudicial sales, accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, without affecting or impairing in any way the liability of such Guarantor under this Loan Guaranty, except to the extent the Guaranteed Obligations have been Paid in Full. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Obligated Party or any security.

SECTION 10.05 Rights of Subrogation. No Guarantor will assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any Obligated Party, or any collateral, until the Payment in Full of the Secured Obligations.

SECTION 10.06 Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations (including a payment effected through exercise of a right of setoff) is rescinded, or must otherwise be restored or returned upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise (including pursuant to any settlement entered into by a Secured Party in its discretion), each Guarantor's obligations under this Loan Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made and whether or not the Administrative Agent, the Issuing Bank and the Lenders are in possession of this Loan Guaranty. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the Guarantors forthwith on demand by the Administrative Agent.

SECTION 10.07 Information. Each Guarantor assumes all responsibility for being and keeping itself informed of the Borrowers' financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks that each Guarantor assumes and incurs under this Loan Guaranty, and agrees that none of the Administrative Agent, the Issuing Bank or any Lender shall have any duty to advise any Guarantor of information known to it regarding those circumstances or risks.

SECTION 10.08 Termination. Each of the Lenders and the Issuing Bank may continue to make loans or extend credit to the Borrowers based on this Loan Guaranty until five (5)

days after it receives written notice of termination from any Guarantor. Notwithstanding receipt of any such notice, each Guarantor will continue to be liable to the Lenders for any Guaranteed Obligations created, assumed or committed to prior to the fifth (5th) day after receipt of the notice, and all subsequent renewals, extensions, modifications and amendments with respect to, or substitutions for, all or any part of such Guaranteed Obligations. Nothing in this Section 10.08 shall be deemed to constitute a waiver of, or eliminate, limit, reduce or otherwise impair any rights or remedies the Administrative Agent or any Lender may have in respect of, any Default or Event of Default that shall exist under Article VII hereof as a result of any such notice of termination.

SECTION 10.09 Taxes. Each payment of the Guaranteed Obligations will be made by each Guarantor without withholding for any Taxes, unless such withholding is required by law. If any Guarantor determines, in its sole discretion exercised in good faith, that it is so required to withhold Taxes, then such Guarantor may so withhold and shall timely pay the full amount of withheld Taxes to the relevant Governmental Authority in accordance with applicable law. If such Taxes are Indemnified Taxes, then the amount payable by such Guarantor shall be increased as necessary so that, net of such withholding (including such withholding applicable to additional amounts payable under this Section), the Administrative Agent, Lender or Issuing Bank (as the case may be) receives the amount it would have received had no such withholding been made.

SECTION 10.10 Maximum Liability. The provisions of this Loan Guaranty are severable, and in any action or proceeding involving any state corporate law, or any state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under this Loan Guaranty would otherwise be held or determined to be avoidable, invalid or unenforceable on account of the amount of such Guarantor's liability under this Loan Guaranty, then, notwithstanding any other provision of this Loan Guaranty to the contrary, the amount of such liability shall, without any further action by the Guarantors or the Administrative Agent, the Issuing Bank or any Lender, be automatically limited and reduced to the highest amount that is valid and enforceable as determined in such action or proceeding (such highest amount determined hereunder being the relevant Guarantor's "**Maximum Liability**"). This Section 10.10 with respect to the Maximum Liability of each Guarantor is intended solely to preserve the rights of the Administrative Agent, the Issuing Bank and the Lenders to the maximum extent not subject to avoidance under applicable law, and no Guarantor nor any other Person shall have any right or claim under this Section 10.10 with respect to such Maximum Liability, except to the extent necessary so that the obligations of any Guarantor hereunder shall not be rendered voidable under applicable law. Each Guarantor agrees that the Guaranteed Obligations may at any time and from time to time exceed the Maximum Liability of each Guarantor without impairing this Loan Guaranty or affecting the rights and remedies of the Administrative Agent, the Issuing Bank or the Lenders hereunder; *provided* that nothing in this sentence shall be construed to increase any Guarantor's obligations hereunder beyond its Maximum Liability. Notwithstanding any other provision of this Loan Guaranty, the amount guaranteed by each Guarantor hereunder shall be limited to the extent, if any, required so that its obligations hereunder shall not be subject to avoidance under Section 548 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, Uniform Voidable Transactions Act or similar statute or common law. In determining the limitations, if any, on the amount of any Guarantor's obligations hereunder pursuant to the preceding sentence, it is the intention of

the parties hereto that any rights of subrogation, indemnification or contribution which such Guarantor may have under this Loan Guaranty, any other agreement or applicable law shall be taken into account.

SECTION 10.11 Contribution.

(a) To the extent that any Guarantor shall make a payment under this Loan Guaranty (a “**Guarantor Payment**”) which, taking into account all other Guarantor Payments then previously or concurrently made by any other Guarantor, exceeds the amount which otherwise would have been paid by or attributable to such Guarantor if each Guarantor had paid the aggregate Guaranteed Obligations satisfied by such Guarantor Payment in the same proportion as such Guarantor’s “Allocable Amount” (as defined below) (as determined immediately prior to such Guarantor Payment) bore to the aggregate Allocable Amounts of each of the Guarantors as determined immediately prior to the making of such Guarantor Payment, then, following payment in full in cash of the Guarantor Payment, the Payment in Full of the Guaranteed Obligations and the termination of this Agreement, such Guarantor shall be entitled to receive contribution and indemnification payments from, and be reimbursed by, each other Guarantor for the amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Guarantor Payment.

(b) As of any date of determination, the “Allocable Amount” of any Guarantor shall be equal to the excess of the fair saleable value of the property of such Guarantor over the total liabilities of such Guarantor (including the maximum amount reasonably expected to become due in respect of contingent liabilities, calculated, without duplication, assuming each other Guarantor that is also liable for such contingent liability pays its ratable share thereof), giving effect to all payments made by other Guarantors as of such date in a manner to maximize the amount of such contributions.

(c) This Section 10.11 is intended only to define the relative rights of the Guarantors, and nothing set forth in this Section 10.11 is intended to or shall impair the obligations of the Guarantors, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Loan Guaranty.

(d) The parties hereto acknowledge that the rights of contribution and indemnification hereunder shall constitute assets of the Guarantor or Guarantors to which such contribution and indemnification is owing.

(e) The rights of the indemnifying Guarantors against other Guarantors under this Section 10.11 shall be exercisable upon the Payment in Full of the Guaranteed Obligations and the termination of this Agreement.

SECTION 10.12 Liability Cumulative. The liability of each Loan Party as a Guarantor under this Article X is in addition to and shall be cumulative with all liabilities of each Loan Party to the Administrative Agent, the Issuing Bank and the Lenders under this Agreement and the other Loan Documents to which such Loan Party is a party or in respect of any obligations or liabilities of the other Loan Parties, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

SECTION 10.13 Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this Guarantee in respect of a Swap Obligation (*provided, however*, that each Qualified ECP Guarantor shall only be liable under this Section 10.13 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 10.13 or otherwise under this Loan Guaranty voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). Except as otherwise provided herein, the obligations of each Qualified ECP Guarantor under this Section 10.13 shall remain in full force and effect until the termination of all Swap Obligations. Each Qualified ECP Guarantor intends that this Section 10.13 constitute, and this Section 10.13 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

SECTION 10.14 Release of Guarantors.

(a) A Guarantor shall automatically be released from its obligations under the Loan Guaranty upon the consummation of any transaction permitted by this Agreement as a result of which such Guarantor ceases to be a Subsidiary. In connection with any release pursuant to this Section, the Administrative Agent shall (and is hereby irrevocably authorized by each Lender to) execute and deliver to any Loan Party, at such Loan Party’s sole expense, all documents that such Loan Party shall reasonably request to evidence such release. Any execution and delivery of documents pursuant to this Section shall be without recourse to or warranty by the Administrative Agent.

(b) Further, the Administrative Agent may (and is hereby irrevocably authorized by each Lender to), upon the request of the Borrowers, release any Guarantor from its obligations under the Loan Guaranty if such Guarantor becomes an Excluded Subsidiary.

(c) At such time as the principal and interest on the Loans, all LC Disbursements, the fees, expenses and other amounts payable under the Loan Documents and the other Secured Obligations shall have been Paid in Full, all obligations (other than those expressly stated to survive such termination) of each Guarantor thereunder shall automatically terminate, all without delivery of any instrument or performance of any act by any Person.

(d) Upon the effectiveness of any written consent to the release of the security interest created under any Collateral Document in any Collateral pursuant to Section 9.02, the security interests in such Collateral created by the Collateral Documents shall be automatically released.

ARTICLE XI.
THE BORROWER REPRESENTATIVE

SECTION 11.01 APPOINTMENT; NATURE OF RELATIONSHIP. SEMRUSH INC. IS HEREBY APPOINTED by each of the Borrowers as its contractual representative (herein referred to as the “***Borrower Representative***”) hereunder and under each other Loan Document, and each of the Borrowers irrevocably authorizes the Borrower Representative to act as the contractual representative of such Borrower with the rights and duties expressly set forth herein and

in the other Loan Documents. The Borrower Representative agrees to act as such contractual representative upon the express conditions contained in this Article XI. Additionally, the Borrowers hereby appoint the Borrower Representative as their agent to receive all of the proceeds of the Loans in the Funding Account(s), at which time the Borrower Representative shall promptly disburse such Loans to the appropriate Borrower(s), provided that, in the case of a Loan, such amount shall not exceed Availability. The Administrative Agent and the Lenders, and their respective officers, directors, agents or employees, shall not be liable to the Borrower Representative or any Borrower for any action taken or omitted to be taken by the Borrower Representative or the Borrowers pursuant to this Section 11.01.

SECTION 11.02 Powers. The Borrower Representative shall have and may exercise such powers under the Loan Documents as are specifically delegated to the Borrower Representative by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Borrower Representative shall have no implied duties to the Borrowers, or any obligation to the Lenders to take any action thereunder except any action specifically provided by the Loan Documents to be taken by the Borrower Representative.

SECTION 11.03 Employment of Agents. The Borrower Representative may execute any of its duties as the Borrower Representative hereunder and under any other Loan Document by or through authorized officers.

SECTION 11.04 Successor Borrower Representative. Upon the prior written consent of the Administrative Agent, the Borrower Representative may resign at any time, such resignation to be effective upon the appointment of a successor Borrower Representative. The Administrative Agent shall give prompt written notice of such resignation to the Lenders.

SECTION 11.05 Execution of Loan Documents; Borrowing Base Certificate. The Borrowers hereby empower and authorize the Borrower Representative, on behalf of the Borrowers, to execute and deliver to the Administrative Agent and the Lenders the Loan Documents and all related agreements, certificates, documents, or instruments as shall be necessary or appropriate to effect the purposes of the Loan Documents, including, without limitation, the Borrowing Base Certificate and the Compliance Certificates. Each Borrower agrees that any action taken by the Borrower Representative or the Borrowers in accordance with the terms of this Agreement or the other Loan Documents, and the exercise by the Borrower Representative of its powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Borrowers.

SECTION 11.06 Reporting. Each Borrower hereby agrees that such Borrower shall furnish promptly after each fiscal month to the Borrower Representative a copy of its Borrowing Base Certificate and any other certificate or report required hereunder or requested by the Borrower Representative on which the Borrower Representative shall rely to prepare the Borrowing Base Certificate and Compliance Certificate required pursuant to the provisions of this Agreement.

[remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

SEMRUSH HOLDINGS, INC., as a Borrower

By: _____
Name: _____
Title: _____

SEMRUSH INC., as a Borrower and the Borrower Representative

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK, N.A., individually,
and as Administrative Agent, a Lender and
Issuing bank

By: _____
Name: _____
Title: _____

[Signature Page – Credit Agreement]

[____], as a Lender

By: _____
Name: _____
Title: _____

[Signature Page – Credit Agreement]

March 1, 2021

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Ladies and Gentlemen:

We have read the section titled “Change in Accountants” of the Registration Statement on Form S-1 dated March 1, 2021, of SEMrush Holdings, Inc. and are in agreement with the statements contained in the first, third, fourth and fifth paragraphs therein. We have no basis to agree or disagree with other statements of the registrant contained therein.

/s/ Ernst & Young LLC
Moscow, Russian Federation

List of Subsidiaries of SEMrush Holdings, Inc.

Subsidiary	Jurisdiction of Organization
Semrush Inc.	Delaware
SEMrush CY LTD	Republic of Cyprus
SEMrush RU	Russian Federation
SEMrush SM Limited	Russian Federation
SEMrush CZ s.r.o.	Prague, Czech Republic
Prowly.com s. p. z o. o.	Poland

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement on Form S-1 filed pursuant to Rule 462(b) of the Securities Act of 1933 of the reference to our firm under the caption "Experts" and to the incorporation by reference of our report dated March 1, 2021, with respect to the consolidated financial statements of SEMrush Holdings, Inc. included in the Registration Statement (Form S-1) and related Prospectus of SEMrush Holdings, Inc. for the registration of its common stock.

/s/ Ernst & Young LLP

Boston, Massachusetts
March 1, 2021