

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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **June 30, 2025**

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission File Number: **001-41805**



MAPLEBEAR INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

46-0723335

(IRS Employer
Identification No.)

50 Beale Street, Suite 600

San Francisco, California 94105

(Address of principal executive offices) (Zip code)

(888) 246-7822

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	CART	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant had outstanding 263,438,274 shares of common stock, par value \$0.0001 per share, as of July 31, 2025.

MAPLEBEAR INC. DBA INSTACART
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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our future results of operations or 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,” “toward,” “will,” or “would,” or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our financial performance, including revenue, cost of revenue, gross profit, operating expenses, net income, and key metrics such as gross transaction value (“GTV”) and orders, and our ability to maintain or increase future profitability and generate profitable growth over time;
- our ability to attract new customers and shoppers and maintain and/or increase engagement of existing customers and shoppers;
- our ability to effectively manage our growth and plan for and execute growth strategies and initiatives;
- anticipated trends, growth rates, and challenges in our financial performance, key metrics, and business and in the markets in which we operate;
- our ability to maintain and expand our relationships with retailers and brands and the effects of retailer consolidation;
- our ability to continue to grow across our current markets and expand into new markets;
- the effects of increased competition in our markets and our ability to successfully compete with companies that are currently in, or may in the future enter, the markets in which we operate;
- our estimated market opportunity;
- our ability to timely and effectively scale and adapt our offerings;
- our ability to maintain the safety, security, and availability of our platform;
- our ability to expand or enhance our existing offerings and develop new products, offerings, features, and use cases, bring them to market in a timely manner, and whether retailers, customers, brands, shoppers, or other partners launch or utilize such products, offerings, features, and use cases in the manner and timing that we expect;
- our ability to adapt to or utilize artificial intelligence and machine learning solutions as well the use of such solutions by our competitors;
- our ability to maintain, protect, and enhance our brand and intellectual property;
- our ability to identify, complete, and achieve anticipated business and financial benefits from acquisitions, strategic investments, collaborations, commercial arrangements, alliances or partnerships that complement and expand the functionality of Instacart and our offerings;
- our prices and pricing methodologies and our expectations for the impact of pricing on our competitive position and our financial results;
- macroeconomic and industry trends, including the impact on our business of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, inflation, elevated interest rates, the effects of supply chain challenges, the cessation of or changes to government aid programs, heightened recession risk, and geopolitical conflicts;
- our ability to successfully defend litigation and government proceedings brought against us;
- the implications from any legislative, regulatory, judicial, administrative, or legal proceeding that changes our current relationship with shoppers, and the potential impacts on our business operations, our business model, fulfillment strategies, and financial performance;

- our ability to comply or remain in compliance with laws and regulations that currently apply or become applicable to our business in the United States and internationally;
- our reliance on key personnel, our ability to attract, maintain, and retain management and skilled personnel, and the terms, timing, and implementation of management transitions and board changes;
- our expectations concerning our relationships with third parties; and
- our expectations regarding our share repurchase program.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, and results of operations. 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 Quarterly Report on Form 10-Q. 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 Quarterly Report on Form 10-Q. 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.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe such information provides a reasonable basis for these statements, such information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information, actual results, revised expectations or the occurrence of unanticipated events, except as required by law.

Unless the context otherwise requires, all references in this Quarterly Report on Form 10-Q to “we,” “us,” “our,” “our company,” and “Instacart” refer to Maplebear Inc. and its consolidated subsidiaries.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We intend to announce material information to the public through filings with the Securities and Exchange Commission (“SEC”), the investor relations page on our website, which is located at investors.instacart.com, our blog, which is located at www.instacart.com/company/blog, press releases, public conference calls, and public webcasts. The information disclosed through the foregoing channels could be deemed to be material information. As such, we encourage investors, the media, and others to follow the channels listed above and to review the information disclosed through such channels.

The information we post through these channels is not a part of this Quarterly Report on Form 10-Q. Any updates to the list of disclosure channels through which we will announce information will be posted on the investor relations page on our website.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

MAPLEBEAR INC. DBA INSTACART

CONDENSED CONSOLIDATED BALANCE SHEETS

(in millions, except share amounts, which are reflected in thousands, and per share amounts)
(unaudited)

	As of December 31, 2024	As of June 30, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,278	\$ 1,489
Short-term marketable securities	91	109
Accounts receivable, net of allowance of \$4 and \$4, respectively	1,014	1,043
Restricted cash and cash equivalents, current	152	122
Prepaid expenses and other current assets	162	127
Total current assets	2,697	2,890
Restricted cash and cash equivalents, noncurrent	19	15
Property and equipment, net	200	221
Operating lease right-of-use assets	21	33
Intangible assets, net	52	81
Goodwill	317	392
Deferred tax assets, net	771	775
Other assets	38	25
Total assets	\$ 4,115	\$ 4,433
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 80	\$ 69
Accrued and other current liabilities	505	579
Operating lease liabilities, current	13	3
Deferred revenue	200	220
Total current liabilities	798	871
Operating lease liabilities, noncurrent	13	34
Other long-term liabilities	25	37
Total liabilities	836	942
Commitments and contingencies (Note 10)		
Series A redeemable convertible preferred stock; \$0.0001 par value per share; 5,833 shares authorized, issued, and outstanding as of December 31, 2024 and June 30, 2025	186	191
Stockholders' equity:		
Preferred stock, \$0.0001 par value per share; 24,167 shares authorized as of December 31, 2024 and June 30, 2025; zero shares issued and outstanding as of December 31, 2024 and June 30, 2025	—	—
Common stock, \$0.0001 par value per share; 2,000,000 shares authorized as of December 31, 2024 and June 30, 2025; 260,964 and 263,443 shares issued and outstanding as of December 31, 2024 and June 30, 2025, respectively	—	—
Additional paid-in capital	6,687	6,869
Accumulated other comprehensive loss	(9)	(1)
Accumulated deficit	(3,585)	(3,568)
Total stockholders' equity	3,093	3,299
Total liabilities, redeemable convertible preferred stock, and stockholders' equity	\$ 4,115	\$ 4,433

The accompanying notes are an integral part of these condensed consolidated financial statements.

MAPLEBEAR INC. DBA INSTACART
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except share amounts, which are reflected in thousands, and per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
Revenue	\$ 823	\$ 914	\$ 1,643	\$ 1,811
Cost of revenue	200	236	406	462
Gross profit	623	678	1,237	1,350
Operating expenses:				
Operations and support	69	66	142	140
Research and development	185	166	300	310
Sales and marketing	203	217	387	434
General and administrative	114	106	212	231
Total operating expenses	571	554	1,041	1,115
Income from operations	52	124	196	234
Other income (expense), net	(1)	3	(2)	3
Interest income	17	15	39	29
Income before provision for income taxes	68	142	233	266
Provision for income taxes	7	26	42	43
Net income	\$ 61	\$ 116	\$ 191	\$ 222
Accretion related to Series A redeemable convertible preferred stock	(3)	(2)	(5)	(5)
Net income attributable to common stockholders, basic	\$ 58	\$ 114	\$ 186	\$ 218
Accretion related to Series A redeemable convertible preferred stock	—	2	—	5
Net income attributable to common stockholders, diluted	\$ 58	\$ 116	\$ 186	\$ 222
Net income per share attributable to common stockholders:				
Basic	\$ 0.22	\$ 0.43	\$ 0.69	\$ 0.83
Diluted	\$ 0.20	\$ 0.41	\$ 0.64	\$ 0.79
Weighted-average shares used in computing net income per share attributable to common stockholders:				
Basic	265,542	262,588	270,012	262,511
Diluted	286,256	281,293	290,983	282,117

The accompanying notes are an integral part of these condensed consolidated financial statements.

MAPLEBEAR INC. DBA INSTACART
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
Net income	\$ 61	\$ 116	\$ 191	\$ 222
Other comprehensive income (loss):				
Change in foreign currency translation adjustments	—	7	(5)	8
Total other comprehensive income (loss)	—	7	(5)	8
Comprehensive income	\$ 61	\$ 124	\$ 186	\$ 230

The accompanying notes are an integral part of these condensed consolidated financial statements.

MAPLEBEAR INC. DBA INSTACART

CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY

(in millions, except share amounts, which are reflected in thousands)
(unaudited)

	Series A Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balances at December 31, 2023	5,833	\$ 177	279,046	\$ —	\$ 6,382	\$ 3	\$ (2,635)	\$ 3,750
Accretion of Series A redeemable convertible preferred stock	—	2	—	—	(2)	—	—	(2)
Issuance of common stock upon settlement of restricted stock units	—	—	7,409	—	—	—	—	—
Exercise of common stock options	—	—	7,719	—	49	—	—	49
Common stock withheld or cancelled for tax obligation and net settlement	—	—	(3,040)	—	(83)	—	—	(83)
Stock-based compensation	—	—	—	—	17	—	—	17
Other comprehensive loss	—	—	—	—	—	(5)	—	(5)
Repurchase and retirement of common stock	—	—	(25,405)	—	—	—	(715)	(715)
Net income	—	—	—	—	—	—	130	130
Balances at March 31, 2024	5,833	\$ 179	265,729	\$ —	\$ 6,363	\$ (2)	\$ (3,220)	\$ 3,141
Accretion of Series A redeemable convertible preferred stock	—	3	—	—	(3)	—	—	(3)
Issuance of common stock upon settlement of restricted stock units	—	—	4,147	—	—	—	—	—
Exercise of common stock options	—	—	3,557	—	25	—	—	25
Common stock withheld or cancelled for tax obligation and net settlement	—	—	(174)	—	(6)	—	—	(6)
Stock-based compensation	—	—	—	—	146	—	—	146
Repurchase and retirement of common stock	—	—	(9,686)	—	—	—	(325)	(325)
Net income	—	—	—	—	—	—	61	61
Balances at June 30, 2024	5,833	\$ 182	263,573	\$ —	\$ 6,525	\$ (2)	\$ (3,484)	\$ 3,039

The accompanying notes are an integral part of these condensed consolidated financial statements.

MAPLEBEAR INC. DBA INSTACART
CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS'
EQUITY, CONTINUED
(in millions, except share amounts, which are reflected in thousands)
(unaudited)

	Series A Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balances at December 31, 2024	5,833	\$ 186	260,964	\$ —	\$ 6,687	\$ (9)	\$ (3,585)	\$ 3,093
Accretion of Series A redeemable convertible preferred stock	—	2	—	—	(2)	—	—	(2)
Issuance of common stock upon settlement of restricted stock units	—	—	3,661	—	—	—	—	—
Exercise of common stock options	—	—	451	—	4	—	—	4
Common stock withheld or cancelled for tax obligation and net settlement	—	—	(154)	—	(8)	—	—	(8)
Stock-based compensation	—	—	—	—	77	—	—	77
Repurchase and retirement of common stock	—	—	(2,405)	—	—	—	(94)	(94)
Net income	—	—	—	—	—	—	106	106
Balances at March 31, 2025	5,833	\$ 188	262,517	\$ —	\$ 6,758	\$ (9)	\$ (3,573)	\$ 3,176
Accretion of Series A redeemable convertible preferred stock	—	2	—	—	(2)	—	—	(2)
Issuance of common stock upon settlement of restricted stock units	—	—	3,464	—	—	—	—	—
Exercise of common stock options	—	—	301	—	2	—	—	2
Common stock withheld or cancelled for tax obligation and net settlement	—	—	(135)	—	(6)	—	—	(6)
Stock-based compensation	—	—	—	—	117	—	—	117
Other comprehensive income	—	—	—	—	—	7	—	7
Repurchase and retirement of common stock	—	—	(2,704)	—	—	—	(111)	(111)
Net income	—	—	—	—	—	—	116	116
Balances at June 30, 2025	5,833	\$ 191	263,443	\$ —	\$ 6,869	\$ (1)	\$ (3,568)	\$ 3,299

The accompanying notes are an integral part of these condensed consolidated financial statements.

MAPLEBEAR INC. DBA INSTACART
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(unaudited)

	Six Months Ended June 30,	
	2024	2025
OPERATING ACTIVITIES		
Net income	\$ 191	\$ 222
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	24	40
Stock-based compensation expense	145	172
Provision for bad debts	12	9
Amortization of operating lease right-of-use assets	6	5
Deferred income taxes	27	(1)
Other	2	7
Changes in operating assets and liabilities, net of effects of business acquisitions:		
Accounts receivable	(49)	(31)
Prepaid expenses and other assets	(22)	46
Accounts payable	(16)	(12)
Accrued and other current liabilities	20	32
Deferred revenue	18	18
Operating lease liabilities	(7)	(6)
Other long-term liabilities	(2)	—
Net cash provided by operating activities	349	501
INVESTING ACTIVITIES		
Purchases of marketable securities	(5)	(144)
Maturities of marketable securities	44	127
Purchases of property and equipment, including capitalized internal-use software	(38)	(34)
Acquisitions of businesses, net of cash acquired	—	(105)
Other investing activities	(1)	(1)
Net cash used in investing activities	—	(156)
FINANCING ACTIVITIES		
Taxes paid related to net share settlement of equity awards	(89)	(14)
Proceeds from exercise of stock options	74	6
Changes in advances from payment card issuer	—	43
Repurchases of common stock	(1,040)	(210)
Net cash used in financing activities	(1,055)	(175)
Effect of foreign exchange on cash, cash equivalents, and restricted cash and cash equivalents	(6)	5
Net increase (decrease) in cash, cash equivalents, and restricted cash and cash equivalents	(712)	176
Cash, cash equivalents, and restricted cash and cash equivalents - beginning of period	2,293	1,449
Cash, cash equivalents, and restricted cash and cash equivalents - end of period	\$ 1,581	\$ 1,625

The accompanying notes are an integral part of these condensed consolidated financial statements.

MAPLEBEAR INC. DBA INSTACART
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, CONTINUED
(in millions)
(unaudited)

	Six Months Ended June 30,	
	2024	2025
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for income taxes, net of tax refunds	\$ 12	\$ 42
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Stock-based compensation capitalized as internal-use software	\$ 18	\$ 23
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION RELATED TO LEASES		
Remeasurement of operating lease right of use assets	\$ —	\$ 17
RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AND CASH EQUIVALENTS TO THE CONDENSED CONSOLIDATED BALANCE SHEETS		
Cash and cash equivalents	\$ 1,434	\$ 1,489
Restricted cash and cash equivalents, current	128	122
Restricted cash and cash equivalents, noncurrent	19	15
Total cash, cash equivalents, and restricted cash and cash equivalents	<u>\$ 1,581</u>	<u>\$ 1,625</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

MAPLEBEAR INC. DBA INSTACART
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Business

Description of Business

Maplebear Inc., doing business as (“DBA”) Instacart (the “Company”), was incorporated in Delaware on August 3, 2012 and is headquartered in San Francisco, California. The Company is a diversified technology business that operates a technology platform that enables connections and transactions primarily among retailers, end users, advertisers, and shoppers throughout the United States and Canada. End users are provided the ability to transact with retailers for grocery and non-grocery items and with shoppers to pick and deliver the items on the end user’s behalf. Retailers contract with the Company to have their goods available for search, selection, and purchase, generally for a percentage of the total purchase value from the sale of goods, on a fee per transaction basis, or some combination thereof. Advertisers have the opportunity to purchase Sponsored Product ads, display ads, coupons, and a variety of other online advertising services. Shoppers, who are independent contractors, pick and deliver orders using the Company’s technology platform for fulfillment or delivery service opportunities primarily on a fee per batch basis. The Company also sells software-as-a-service offerings primarily targeted at retailers and charges fees for such offerings.

2. Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and applicable rules and regulations of the Securities and Exchange Commission (“SEC”) regarding interim financial information. Certain information and disclosures normally included in consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, these condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes for the year ended December 31, 2024, which can be found in the Company’s Annual Report on Form 10-K. In management’s opinion, the unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual financial statements and reflect all adjustments, which include only normal recurring adjustments necessary for the fair statement of the condensed consolidated financial statements. The condensed consolidated balance sheet as of December 31, 2024 has been derived from the audited financial statements at that date but does not include all of the disclosures required by GAAP.

The condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries after elimination of all intercompany accounts and transactions. The condensed consolidated financial statements reflect all adjustments and reclassifications that, in the opinion of management, are necessary for the fair presentation of the Company’s results of operations and financial condition as of and for the periods presented. The results for the interim periods are not necessarily indicative of the results to be expected for the full year or any other future interim or annual period.

There have been no significant changes to the Company’s significant accounting policies described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 that have had a material impact on our condensed consolidated financial statements and related notes.

Rounding

For purposes of clarity and ease of presentation, numbers presented in the condensed consolidated financial statements and associated notes may not add up precisely to the totals provided. The underlying data used in the calculations, including percentages, is not rounded.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities

MAPLEBEAR INC. DBA INSTACART
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

at the date of the financial statements and reported amounts of revenue and expenses during the reporting periods covered by the financial statements and accompanying notes. These judgments, estimates, and assumptions are used for, but not limited to, (i) revenue recognition, including revenue-related reserves, (ii) legal and other loss contingencies, and (iii) income taxes. The Company determines its estimates and judgments based on historical experience and on various other assumptions that it believes are reasonable under the circumstances. However, actual results could differ from these estimates, and these differences may be material to the condensed consolidated financial statements.

The Company has considered the impacts of macroeconomic trends affecting the Company's markets and industry and consumer shopping habits, such as inflation or interest rate fluctuations, the effects of supply chain challenges, the impact of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, and uncertainty related thereto, geopolitical conflicts, regulatory changes, uncertainty regarding an economic recession and associated decreases in consumer discretionary income, and the effects of severe weather patterns on the assumptions and inputs supporting certain of the Company's estimates, assumptions, and judgments. The level of uncertainties and volatility in the global financial markets and economies, as well as the uncertainties related to these macroeconomic factors, geopolitical environment, and their effects on the Company's operations and financial performance, means that these estimates may change in future periods as new events occur and additional information is obtained.

Recent Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires disaggregated information about a reporting entity's effective tax rate reconciliation, as well as information on income taxes paid. The standard is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The guidance can be applied on a prospective basis with the option to apply the standard retrospectively. The Company is currently evaluating the impact that this guidance will have on its consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires disaggregated information about certain income statement expense line items on an annual and interim basis. The standard is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, as clarified by ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. Early adoption is permitted and can be applied prospectively or retrospectively. The Company is currently evaluating the impact that this guidance will have on its consolidated financial statements.

3. Revenue

Disaggregation of Revenue

The following table summarizes the disaggregation of revenue according to type of revenue and is consistent with how the Company evaluates financial performance. The Company believes this depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions)			
Transaction	\$ 595	\$ 659	\$ 1,198	\$ 1,309
Advertising and other	228	255	445	502
Total revenue	<u>\$ 823</u>	<u>\$ 914</u>	<u>\$ 1,643</u>	<u>\$ 1,811</u>

MAPLEBEAR INC. DBA INSTACART
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Revenue by geographic areas based on bill-to location was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions)			
United States	\$ 791	\$ 878	\$ 1,578	\$ 1,740
International ⁽¹⁾	32	36	65	71
Total revenue	\$ 823	\$ 914	\$ 1,643	\$ 1,811

⁽¹⁾ No individual international country represented 10% or more of the Company's total revenue for the three or six months ended June 30, 2024 or 2025.

Contract Assets and Liabilities

The Company records deferred revenue, which is a contract liability, when the Company receives customer payments in advance of the performance obligations being satisfied on the Company's contracts. Deferred revenue primarily consists of balances related to Instacart+ memberships. Substantially all of the Company's deferred revenue as of December 31, 2024 and June 30, 2025 is expected to be recognized within a year. During the six months ended June 30, 2024 and 2025, the Company recognized \$147 million and \$151 million of revenue, respectively, from the deferred revenue balance as of December 31, 2023 and 2024.

There were no material contract assets as of December 31, 2024 or June 30, 2025.

Concentrations of Credit Risk

The following customers accounted for 10% or more of the Company's accounts receivable as of December 31, 2024:

	As of December 31, 2024
Customer A	10 %
Customer E	16 %

No customers accounted for 10% or more of the Company's accounts receivable as of June 30, 2025.

4. Fair Value Measurements

The following tables summarize assets and liabilities that are measured at fair value on a recurring basis, by level, within the fair value hierarchy:

	As of December 31, 2024			
	Level 1	Level 2	Level 3	Total
	(in millions)			
Cash equivalents				
Money market funds	\$ 849	\$ —	\$ —	\$ 849
U.S. government and government agency debt securities	—	35	—	35
Total cash equivalents	849	35	—	884
Short-term marketable securities				
U.S. government and government agency debt securities	—	91	—	91
Total short-term marketable securities	—	91	—	91
Total	\$ 849	\$ 126	\$ —	\$ 975

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	As of June 30, 2025			
	Level 1	Level 2	Level 3	Total
	(in millions)			
Cash equivalents				
Money market funds	\$ 1,173	\$ —	\$ —	\$ 1,173
U.S. government and government agency debt securities	—	20	—	20
Total cash equivalents	1,173	20	—	1,193
Short-term marketable securities				
U.S. government and government agency debt securities	—	109	—	109
Total short-term marketable securities	—	109	—	109
Total	\$ 1,173	\$ 129	\$ —	\$ 1,302

The Company's investments in U.S. government and government agency debt securities are classified as Level 2 within the fair value hierarchy because they are valued using inputs other than quoted prices in active markets that are observable directly or indirectly, such as prices obtained from an independent pricing service which may use quoted prices for identical or comparable instruments or model driven valuations using observable market data or inputs corroborated by observable market data. The Series A redeemable convertible preferred stock that was issued during the year ended December 31, 2023 represented a non-recurring Level 3 financial measurement at issuance. Refer to Note 11 — Redeemable Convertible Preferred Stock for further information.

There were no transfers of financial instruments between Level 1, Level 2, and Level 3 during the three or six months ended June 30, 2024 or 2025.

5. Investments

The following tables summarize the amortized cost, gross unrealized gains and losses, and aggregate fair value of the Company's investments in debt securities classified as available-for-sale:

	As of December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Aggregate Fair Value
(in millions)				
Cash equivalents				
Money market funds	\$ 849	\$ —	\$ —	\$ 849
U.S. government and government agency debt securities	35	—	—	35
Total cash equivalents	884	—	—	884
Short-term marketable securities				
U.S. government and government agency debt securities	91	—	—	91
Total short-term marketable securities	91	—	—	91
Total	\$ 975	\$ —	\$ —	\$ 975

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	As of June 30, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Aggregate Fair Value
	(in millions)			
Cash equivalents				
Money market funds	\$ 1,173	\$ —	\$ —	\$ 1,173
U.S. government and government agency debt securities	20	—	—	20
Total cash equivalents	1,193	—	—	1,193
Short-term marketable securities				
U.S. government and government agency debt securities	109	—	—	109
Total short-term marketable securities	109	—	—	109
Total	\$ 1,302	\$ —	\$ —	\$ 1,302

For the purposes of computing realized gains and losses, the cost of investments sold is based on the specific-identification method. The unrealized losses on the Company's available-for-sale debt securities as of December 31, 2024 and June 30, 2025 were immaterial.

The following table summarizes the amortized cost and fair value of the Company's available-for-sale debt securities with a stated maturity date:

	As of December 31,		As of June 30,	
	2024		2025	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(in millions)			
Within one year	\$ 975	\$ 975	\$ 1,302	\$ 1,302
Total	\$ 975	\$ 975	\$ 1,302	\$ 1,302

6. Property and Equipment, Net

Property and equipment, net of accumulated depreciation and amortization, consisted of the following:

	Estimated Useful Life	As of December 31,	As of June 30,
		2024	2025
	(in years)	(in millions)	
Computer equipment	3	\$ 18	\$ 17
Furniture and fixtures	5	8	5
Leasehold improvements	2-8	22	15
Capitalized internal-use software	2-5	226	277
Total property and equipment		274	314
Less: accumulated depreciation and amortization		(74)	(93)
Total property and equipment, net		\$ 200	\$ 221

Depreciation expense related to the Company's property and equipment was \$2 million and \$2 million for the three months ended June 30, 2024 and 2025, respectively, and \$4 million and \$4 million for the six months ended June 30, 2024 and 2025, respectively. Amortization expense related to the Company's internal-use software, which is primarily recorded within cost of revenue in the condensed consolidated statements of operations, was \$3 million and \$13 million for the three months ended June 30, 2024 and 2025, respectively, and \$6 million and \$24 million for the six months ended June 30, 2024 and 2025, respectively.

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During the three months ended June 30, 2024 and 2025, the Company capitalized \$24 million and \$25 million of internal-use software costs, inclusive of \$10 million and \$12 million of stock-based compensation expense, respectively. During the six months ended June 30, 2024 and 2025, the Company capitalized \$46 million and \$51 million of internal-use software costs, inclusive of \$18 million and \$23 million of stock-based compensation expense, respectively.

Geographic Information

The following table summarizes the Company's long-lived assets, consisting of property and equipment and operating lease right-of-use assets, net of accumulated depreciation and amortization, by geographic area:

	As of December 31, 2024	As of June 30, 2025
	(in millions)	
United States	\$ 194	\$ 222
Canada	26	32
Other	1	1
Total long-lived assets, net	<u>\$ 221</u>	<u>\$ 254</u>

Long-lived assets attributed to the United States, Canada, and other international geographies are based on the country in which the asset is located.

7. Business Combinations

Acquisition of Marlin9 Holdings, Inc.

On April 30, 2025, pursuant to a Stock Purchase Agreement, the Company acquired a 100% ownership interest in Marlin9 Holdings, Inc. which operates as Wynshop ("Wynshop"), a provider of e-commerce retail solutions for grocers and retailers. The acquisition builds upon the Company's relationships with retail partners and reinforces the Company's continued commitment to providing retailers with cutting-edge tools and technologies that help drive their business growth.

The purchase consideration was \$105 million in cash. The Company has accounted for this acquisition as a business combination. The following table summarizes the fair value of assets acquired and liabilities assumed as of the date of acquisition:

	Fair value (in millions)
Current assets	\$ 4
Goodwill	74
Intangible assets	40
Other assets	1
Total assets acquired	<u>120</u>
Total liabilities assumed	(14)
Net assets acquired	<u>\$ 105</u>

Acquisition related costs were immaterial and expensed as incurred and included within general and administrative expense in the condensed consolidated statements of operations.

The preliminary fair value of identified intangible assets and their respective useful lives as at the time of acquisition were as follows:

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	<u>Amount</u>	<u>Weighted-Average Useful Life</u>
	<u>(in millions)</u>	<u>(in years)</u>
Customer relationships	\$ 39	10
Developed technology	1	2
Trademark	1	2
Total intangible assets	<u>\$ 40</u>	

The overall weighted-average useful life of the identified amortizable intangible assets at the time of acquisition was ten years.

Intangible assets are amortized over the estimated useful lives in a pattern that most closely matches the timing of their economic benefits. The excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired was recorded as goodwill, which is primarily attributed to the monetization opportunities from the Company's current and future offerings and the value of the assembled workforce. Goodwill recognized from the acquisition is not deductible for tax purposes.

The estimated fair values of the customer relationships, developed technology, and trademark were determined based on the present value of cash flows to be generated by those existing intangible assets. Management applied significant judgment in determining the fair value of intangible assets, which involved the use of estimates and assumptions including revenue and cash flow forecasts, customer attrition, customer base and growth rates, and discount rates.

The purchase accounting for the acquisition is considered preliminary with respect to certain assets acquired and liabilities assumed. Additionally, identifiable intangible assets, deferred tax assets and liabilities, and purchase consideration, may be adjusted as the Company continues to gather and evaluate information about circumstances that existed as of the acquisition date. The Company expects to complete the purchase price allocation as soon as practicable, but no later than one year from the acquisition date.

The results of operations of the business combination have been included in the Company's condensed consolidated financial statements from the date of acquisition. Wynshop's results of operations for periods prior to the acquisition were not material to the Company's condensed consolidated statements of operations and, accordingly, historical and pro forma disclosures have not been presented.

8. Goodwill and Intangible Assets, Net

Goodwill

The following table summarizes the activity in the carrying amount of goodwill for the six months ended June 30, 2025:

	<u>Amount</u>
	<u>(in millions)</u>
Balance as of December 31, 2024	\$ 317
Addition related to business acquisition	74
Effect of foreign currency translation	1
Balance as of June 30, 2025	<u>\$ 392</u>

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Intangible Assets, Net

Intangible assets, net, resulting from business combinations and asset purchases consisted of the following:

	As of December 31, 2024			
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Weighted-Average Remaining Useful Life
	(in millions)			(in years)
Developed technology	\$ 91	\$ (59)	\$ 32	2.6
Customer relationships	27	(19)	8	1.5
Patents	14	(6)	8	4.6
Other	8	(4)	4	6.0
Total intangible assets, net	<u>\$ 140</u>	<u>\$ (88)</u>	<u>\$ 52</u>	

	As of June 30, 2025			
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Weighted-Average Remaining Useful Life
	(in millions)			(in years)
Developed technology	\$ 92	\$ (66)	\$ 26	2.1
Customer relationships	66	(23)	43	8.8
Patents	14	(6)	7	4.2
Other	10	(5)	5	5.6
Total intangible assets, net	<u>\$ 181</u>	<u>\$ (100)</u>	<u>\$ 81</u>	

Amortization expense totaled \$7 million and \$6 million for the three months ended June 30, 2024 and 2025, respectively, and \$14 million and \$12 million for the six months ended June 30, 2024 and 2025, respectively.

As of June 30, 2025, the remaining intangible asset amortization was as follows:

Year ending December 31,	Amount
	(in millions)
Remainder of 2025	\$ 13
2026	21
2027	11
2028	8
2029	5
Thereafter	22
Total	<u>\$ 81</u>

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9. Accrued and Other Current Liabilities

Accrued and other current liabilities were as follows:

	As of December 31, 2024	As of June 30, 2025
	(in millions)	
Accrued legal and regulatory matters	\$ 57	\$ 98
Accrued shopper and merchant liability ⁽¹⁾	110	89
Accrued advertising	77	84
Accrued compensation and benefits	32	32
Accrued professional, legal, and contractor services	46	45
Sales and indirect tax liabilities	36	30
Insurance reserves	49	61
Advances from payment card issuer	10	53
Other	88	87
Total	<u>\$ 505</u>	<u>\$ 579</u>

⁽¹⁾ Accrued merchant liability primarily includes liabilities to certain retailers for payment of goods.

10. Commitments and Contingencies

Leases

The Company's leases primarily include corporate offices and warehouse space. The lease terms of operating leases vary from one year to nine years, with expirations through May 2034. The Company has leases that include one or more options to extend the lease term for up to five years, as well as options to terminate the lease within one year. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. Most of these options to extend or terminate the lease do not create a significant economic incentive to extend the lease term and hence are not recognized as part of the Company's operating lease liabilities and operating lease right-of-use assets.

The Company did not enter into or acquire any material leasing arrangements during the three or six months ended June 30, 2024 or 2025. The Company did not modify any material leasing arrangements during the three or six months ended June 30, 2024. In June 2025, the Company amended the lease agreement for its corporate headquarters to terminate certain suites and extend the terms of other suites to 2034. The impact from terminating certain suites was immaterial.

Sales and Indirect Taxes

The Company pays applicable state, franchise, and other taxes in state and local jurisdictions in which the Company conducts business. In the United States, the Company is under audit by various tax authorities with regard to sales and indirect tax matters. The subject matter of these audits primarily relates to the reporting of sales on behalf of the Company's third-party sellers or tax treatment applied to the sale of the Company's services in these jurisdictions. The Company believes it properly accrues and pays taxes according to its understanding of the tax requirements in each taxing jurisdiction; however it is possible that tax authorities may question the Company's interpretation of taxability. As such, there is a high degree of complexity involved in the interpretation and application of state and local sales and indirect tax rules to the Company's activities. As a result, the Company maintains a reserve related to potential tax, interest, or penalties that may become due. Significant judgments are made by the Company in estimating these reserves which includes assessing the taxability of goods or services transacted using the Company's technology platform. The Company maintains such reserves until the respective statute of limitations has passed or upon conclusion of an audit examination with the relevant tax authorities, at which point the tax exposure and related interest and penalties are released. The reserve balance was \$16 million as of December 31, 2024 and June 30, 2025, and was included within other long-term liabilities on

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the condensed consolidated balance sheets. The releases and losses recognized related to these reserves for the three and six months ended June 30, 2024 and 2025 were immaterial and were recorded within general and administrative expense in the condensed consolidated statements of operations.

Legal Matters

Independent Contractor Classification Matters

The Company operates in several jurisdictions where there have been regulations enacted with respect to methods companies should use to classify workers as either independent contractors or employees, such as California, which enacted California Assembly Bill 5 in 2019. The Company believes that it has properly classified its workers in all jurisdictions in which it operates.

Further, on December 16, 2020, the California state ballot initiative, Proposition 22, which provides a framework that offers legal certainty regarding the status of independent workers offering delivery services in California and protects worker flexibility, the quality of on-demand work, and access to benefits for those who qualify, among other things, became effective. The Company provides appropriate worker benefits and other protections in accordance with Proposition 22, including guaranteed minimum earnings, healthcare subsidies, insurance, and safety trainings. Although the constitutionality of Proposition 22 was subsequently challenged, on July 25, 2024, the California Supreme Court upheld Proposition 22 as constitutional. However, there may continue to be legal challenges, or legislative or other attempts to amend or otherwise invalidate the benefits, protections, or the independent worker status provided by Proposition 22. Further, any future judgments, settlements, or orders issued by a court or governmental body or otherwise in connection with any judicial, administrative, or legal proceeding that results in the Company being prohibited from continuing to engage with independent-contractor shoppers in the manner it currently does would likely result in increases to its costs related to shoppers and decreases in the breadth of its offerings and geographic coverage. Further, if the Company changes its offerings or increases customer fees as a result of the increased costs, such changes may result in lower order volumes, which in turn would have an adverse effect on the Company's business, financial condition, and results of operations.

The Company has other active legal matters in California and several other jurisdictions, including litigation, government audits, administrative claims, and inquiries, related to its classification of individuals who provide delivery and other fulfillment services as non-employee contractors. These matters involve allegations that certain individuals are misclassified and, as a result, may be due unpaid minimum statutory wages, overtime, expense reimbursement, and certain other payments and protections, among other issues. Courts and agencies handling these matters may rule that the Company cannot engage workers to perform certain tasks, including delivery and other fulfillment services, as independent contractors. In some of these cases, the Company has entered into settlement agreements to resolve the claims without any admission of liability and in others, there is active litigation or proceedings.

The Company has also been, is currently, and may in the future be involved in administrative audits with various state and local enforcement agencies, including audits related to shopper classification, state and local ordinance requirements, and unemployment insurance and workers' compensation contributions. The Company is currently involved in such audits in Alaska, Florida, New Jersey, New York, and Pennsylvania. The Company believes that it complies with applicable legal requirements and that shoppers are properly classified as independent contractors; therefore, the Company disputes that it is obligated to provide such additional benefits under state law and plans to vigorously contest any adverse assessment or determination. The Company's chances of success on the merits are still uncertain; however, the Company records a liability within accrued and other current liabilities when it believes that it is both probable that a loss has been incurred and the amount can be estimated. The results of these audits, assessments, or any negotiated agreements with these agencies, may result in additional payments, including settlement payments, penalties, and interest, and such additional amounts could have a material impact on the Company's business, financial conditions, results of operations, and cash flows.

The Company is also currently involved in several putative class and collective actions, thousands of alleged individual claims, including those brought or threatened to be brought in arbitration or compelled to arbitrate pursuant to its independent contractor agreements, and matters brought, in whole or in part, as representative actions under California's Private Attorney General Act, Labor Code Section 2698, et seq., alleging that the Company misclassified shoppers as independent contractors and related claims. None of the putative class or collective actions have progressed to or resulted

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in class certification. Those involving misclassification have either been compelled to individual arbitration or have motions to compel individual arbitration which have been granted and are now pending appeal.

Securities Litigation

On January 25, 2024, a purported stockholder filed suit against the Company and certain of the Company's current and former officers and directors in the Northern District of California, on behalf of a putative class of purchasers of the Company's common stock in its initial public offering ("IPO") or between September 19, 2023 and October 1, 2023. The complaint alleges violations of Sections 11 and 15 of the Securities Act of 1933, as amended and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended in connection with the Company's IPO, and seeks damages and attorneys' fees, among other things. An amended complaint also added the underwriters of the Company's IPO as defendants. On October 29, 2024, the Company filed a motion to dismiss the amended complaint, which the court granted on May 9, 2025 with leave to amend. On May 30, 2025, plaintiffs agreed to dismiss the case with prejudice, without receiving any compensation.

FTC Investigation

In July 2025, staff of the Federal Trade Commission ("FTC") asserted they had authority to enter into consent negotiations with the Company relating to certain of its marketing and Instacart+ membership program practices. Although the Company disagrees with the FTC staff's positions, the Company is engaged in discussions to explore a potential resolution. If the Company is unable to reach a resolution, the FTC may proceed with litigation, which the Company is prepared to contest vigorously. The defense and resolution of this matter could give rise to significant costs. This matter could result in remedies or compliance requirements that may adversely affect the Company's operating performance and/or have a material adverse impact on its financial results. At this time, the Company is unable to estimate any range of reasonably possible losses.

Other Litigation Matters

In addition to the matters described above, the Company and its subsidiaries are also routinely subject to actual or threatened legal actions relating to alleged violations of contract, regulatory, environmental, health and safety, employment, intellectual property, data protection and privacy, consumer protection, unfair competition, tax, and other laws and securities and stockholder claims. In some of these proceedings, claims for substantial monetary damages are asserted against the Company and could result in fines, penalties, compensatory damages, or non-monetary relief. The Company does not believe that these matters will have a material adverse effect upon its operations, cash flows, or financial condition.

To the extent the Company has agreed to settle outstanding claims or where the Company has concluded it is probable that a resolution may be reached at an amount of loss that is estimable, the loss has been recognized within general and administrative expense in the condensed consolidated statements of operations. During periods where the settled amount is less than the loss reserved or if the Company estimates that an outstanding claim is less than that previously recorded, the Company will recognize a reserve release related to the claims within general and administrative expense in the condensed consolidated statements of operations. During the three months ended June 30, 2024 and 2025, the loss recognized related to these claims was immaterial. During the six months ended June 30, 2024 and 2025, the Company recognized a loss related to these claims of \$7 million and \$45 million, respectively. The actual losses incurred on claims that have not been resolved may differ from the initial estimates of loss, and such differences could be material.

The Company is also subject from time to time to audits by government agencies in the various jurisdictions in which it operates. To the extent the Company is obligated to make payments in these jurisdictions (other than income taxes), the Company has recorded the related expense within general and administrative expense in the condensed consolidated statements of operations. The results of these audits may result in additional payments, penalties, and interest, and such additional amounts could be material.

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Indemnifications

The Company has entered into indemnification agreements with certain of the Company's officers, directors, and current and former employees, and the Company's certificate of incorporation and bylaws contain certain indemnification obligations. It is not possible to determine the maximum potential loss under these indemnification provisions due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular provision. To date, no significant costs have been incurred, either individually or collectively, in connection with the Company's indemnification provisions.

11. Redeemable Convertible Preferred Stock*Series A Redeemable Convertible Preferred Stock*

Immediately subsequent to the closing of the IPO in September 2023, the Company authorized and issued 5,833,333 shares of Series A redeemable convertible preferred stock at a price of \$30.00 per share for proceeds of \$175 million. The Company determined the fair value of the Series A redeemable convertible preferred stock at issuance was \$175 million, using a Monte Carlo valuation model. The key assumptions used included the closing price of the Company's common stock on the issuance date of \$30.65, an expected term of approximately seven years, an expected volatility of 54%, and a discount for lack of marketability of 35%.

Pursuant to the securities purchase agreement related to the issuance, the Company adopted the Certificate of Designation of Series A redeemable convertible preferred stock, as filed with the Secretary of State of the State of Delaware, setting forth the rights, designations, preferences, limitations, and restrictions applicable to the Series A redeemable convertible preferred stock.

The rights, preferences, and privileges of the Series A redeemable convertible preferred stock are as follows:

Seniority; Liquidation Preference

The Series A redeemable convertible preferred stock, with respect to distribution rights upon the liquidation, winding-up or dissolution of the Company (but excluding a change of control, as described below ranks (i) senior to the Company's common stock, (ii) on parity with any class or series of the Company's capital stock expressly designated as ranking on parity with the Series A redeemable convertible preferred stock, and (iii) junior to any class or series of the Company's capital stock expressly designated as ranking senior to the Series A redeemable convertible preferred stock. The Series A redeemable convertible preferred stock has a liquidation preference equal to the greater of (i) the Stated Value (as defined below), and (ii) the amount that the holder would be entitled to receive on an as-converted to common stock basis based on the then-applicable Conversion Ratio (as defined below), on the date of such liquidation, winding-up or dissolution. Such liquidation, winding-up or dissolution amounts would be paid out of the Company's assets legally available for distribution to its stockholders, after satisfaction of debt and other liabilities owed to its creditors and holders of shares of any senior securities and before any payment or distribution is made to holders of any junior securities, including, without limitation, the Company's common stock.

The Stated Value for the Series A redeemable convertible preferred stock on a given date is defined as the sum of (i) the original issue price of the Series A redeemable convertible preferred stock, automatically increased at an annual rate of 5.0%, compounding on each anniversary of the issue date, through such date, and (ii) on an as-converted to common stock basis, the pro rata portion of any cash dividends or distributions that the Company pays on its common stock.

The Conversion Ratio for the Series A redeemable convertible preferred stock means (i) a number of shares of common stock equal to the quotient of the Stated Value divided by the conversion price, plus (ii) if the product of such number of shares of common stock times the 10-Day VWAP (as defined below) is less than the Stated Value on such date, an additional number of shares of common stock that, when multiplied by the 10-Day VWAP, equals the difference.

The 10-Day VWAP is defined as the average of the volume-weighted average price per share of common stock for each of the 10 consecutive trading days ending on, and including, the trading day immediately before the date of determination.

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Conversion

From and after the seventh anniversary of the issue date of the Series A redeemable convertible preferred stock, at any time when the 10-Day VWAP exceeds the conversion price of the Series A redeemable convertible preferred stock, all outstanding shares of Series A redeemable convertible preferred stock will automatically convert into a number of shares of the Company's common stock equal to the Conversion Ratio on such date.

In addition, on the third anniversary of the issue date of the Series A redeemable convertible preferred stock, if the 10-Day VWAP immediately prior to such date exceeds the conversion price of the Series A redeemable convertible preferred stock, the holder will have the option to convert all outstanding shares of Series A redeemable convertible preferred stock at the conversion price on such date plus, if there is a Conversion Shortfall (as defined below), such additional number of shares of Common Stock that, when multiplied by the 10-Day VWAP immediately prior to such date, equals the Conversion Shortfall.

The conversion price for the Series A redeemable convertible preferred stock is not subject to adjustment, except for customary adjustments for stock splits, stock dividends, recapitalizations, reorganizations and similar corporate actions.

The Conversion Shortfall for the Series A redeemable convertible preferred stock on any conversion date is defined as the absolute dollar value by which the product of the Conversion Ratio and the 10-Day VWAP for an applicable conversion is less than the Stated Value plus the Minimum Return Amount on such date.

Redemption

At any time from and after the seventh anniversary of the issue date of the Series A redeemable convertible preferred stock, if the 10-Day VWAP does not exceed the conversion price, the Company has the right to redeem all, but not less than all, outstanding shares of Series A redeemable convertible preferred stock at the Stated Value on such redemption date.

On each of the third anniversary (only if the 10-Day VWAP immediately prior to such date does not exceed the conversion price), the seventh anniversary, the tenth anniversary and the thirteenth anniversary of the issue date, the holder has the right to require the Company to redeem all, but not less than all, outstanding shares of Series A redeemable convertible preferred stock at the Stated Value on such redemption date.

Upon a change of control of the Company, the Company will redeem all, but not less than all, outstanding shares of Series A redeemable convertible preferred stock for an amount equal to the greater of (i) the Stated Value on the date of the change of control and (ii) the amount that the holder would be entitled to receive on an as-converted to common stock basis based on the then-applicable conversion ratio (for which the 10-Day VWAP equals the purchase price or transaction consideration per share of common stock in the change of control transaction).

Under certain regulatory events or strategic actions by the Company or the holder the Company or the holder, as applicable, has the right to elect to redeem all outstanding shares of Series A redeemable convertible preferred stock at the Stated Value, if the 10-Day VWAP immediately prior to the date of such event does not exceed the conversion price, or convert all outstanding shares of Series A redeemable convertible preferred stock into a number of shares of the Company's common stock equal to the then-applicable conversion ratio, in case the 10-Day VWAP immediately prior to the date of such event exceeds the conversion price.

The Company presents its Series A redeemable convertible preferred stock outside of stockholders' equity as mezzanine equity because the shares contain redemption features that are not solely within the Company's control. The Company is required to accrete the carrying value of the Series A redeemable preferred stock to its redemption value over the period from issuance through redemption date. The accretion was \$3 million and \$2 million during the three months ended June 30, 2024 and 2025, respectively. The accretion was \$5 million during the six months ended June 30, 2024 and 2025.

Voting

The Series A redeemable convertible preferred stock confers no voting rights on the holder, except as required by applicable law and with respect to matters that adversely change the powers, preferences, privileges, rights or restrictions of the Series A redeemable convertible preferred stock, including the authorization or issuance of equity securities that would

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rank senior to or pari passu with the Series A redeemable convertible preferred stock (other than, in certain cases, new shares of Series A redeemable convertible preferred stock or new series of preferred stock with substantially similar terms as the Series A redeemable convertible preferred stock) and the declaration or payment of cash dividends on shares other than the Series A redeemable convertible preferred stock in excess of a 5.0% annual dividend yield.

No dividends were declared or paid during the three or six months ended June 30, 2024 or 2025.

12. Stockholders' Equity

Stock Repurchase Program

In June 2024, the Company's board of directors authorized a \$500 million share repurchase program, which was subsequently increased to \$750 million and later \$1 billion in November 2024 and May 2025, respectively. During the three and six months ended June 30, 2025, the Company repurchased and immediately retired a total of 2,703,773 and 5,108,519 shares of its common stock, respectively, for an aggregate amount including broker commissions, fees, and excise taxes, of \$111 million and \$205 million, respectively, under this share repurchase program. As of June 30, 2025, the Company had \$357 million remaining available to repurchase shares pursuant to this repurchase program.

The Company's share repurchases in excess of issuances are subject to a 1% excise tax enacted by the Inflation Reduction Act. No excise taxes were recognized as part of the cost basis of shares acquired during the three and six months ended June 30, 2025.

Common Stock Reserved for Future Issuance

The following table summarizes the Company's shares of common stock reserved for future issuance on an as-converted basis:

	As of December 31, 2024	As of June 30, 2025
	(in thousands)	
Series A redeemable convertible preferred stock	5,833	5,833
Restricted stock units	21,229	24,004
Stock options outstanding	7,497	6,745
Remaining shares available for future issuance	49,827	53,266
Shares available for issuance under the 2023 Employee Stock Purchase Plan	9,790	12,400
Total	94,176	102,247

The holders of common stock are entitled to receive dividends out of funds that are legally available, when and if declared by the board of directors and subject to the rights of the holders of redeemable convertible preferred stock and approval from the holders of the Series A redeemable convertible preferred stock, as applicable. No dividends were declared or paid during the three or six months ended June 30, 2024 or 2025.

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Stock Options

The following table summarizes the activity related to the Company's equity incentive plans:

	Shares Available for Future Grant	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life	Aggregate Intrinsic Value
	(in thousands)			(in years)	(in millions)
As of January 1, 2025	49,827	7,497	\$ 11.35	3.21	\$ 228
Additional shares reserved	13,048	—			
Options exercised	—	(752)	\$ 8.29		
Shares withheld related to net share settlement	289	—			
Restricted stock units granted	(11,624)	—			
Restricted stock units forfeited	1,725	—			
As of June 30, 2025	53,266	6,745	\$ 11.69	2.78	\$ 227
Options vested and exercisable as of June 30, 2025		6,745	\$ 11.69	2.78	\$ 227

Restricted Stock

The following table summarizes the activity related to the Company's restricted stock for the six months ended June 30, 2025:

	Number of Shares	Weighted-Average Grant-Date Fair Value per Share
	(in thousands)	
Unvested and outstanding as of January 1, 2025	74	\$ 38.37
Vested	—	\$ —
Forfeited	—	\$ —
Unvested and outstanding as of June 30, 2025	74	\$ 38.37

RSUs

The following table summarizes the activity related to the Company's RSUs for the six months ended June 30, 2025:

	Number of Shares	Weighted-Average Grant-Date Fair Value per Share
	(in thousands)	
Unvested and outstanding as of January 1, 2025	21,164	\$ 42.02
Granted	11,624	\$ 42.37
Vested	(7,059)	\$ 45.02
Vested and not settled	(84)	\$ 63.82
Forfeited	(1,725)	\$ 42.40
Unvested and outstanding as of June 30, 2025	23,919	\$ 41.14

Stock-Based Compensation Expense Summary

The following table summarizes stock-based compensation expense by line item in the condensed consolidated statements of operations related to stock options, restricted stock, and RSUs, as applicable:

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions)			
Cost of revenue	\$ 2	\$ 2	\$ 4	\$ 4
Operations and support	5	4	5	7
Research and development	75	58	54	92
Sales and marketing	23	18	32	30
General and administrative	31	23	50	38
Total stock-based compensation expense ⁽¹⁾	\$ 136	\$ 105	\$ 145	\$ 172

⁽¹⁾ Stock-based compensation expense during the six months ended June 30, 2024 includes a benefit of \$4 million, \$79 million, \$8 million, and \$4 million for operations and support, research and development, sales and marketing, and general and administrative, respectively, related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for executive departures and for terminated employees in connection with the Company's restructuring plan during the six months ended June 30, 2024. Refer to Note 16 — Restructuring for further discussion.

As of June 30, 2025, there was \$674 million of unrecognized stock-based compensation expense related to unvested awards which are expected to vest and to be recognized over a weighted-average period of 1.62 years.

The amount of stock-based compensation expense capitalized related to the development of internal-use software was \$10 million and \$12 million during the three months ended June 30, 2024 and 2025, respectively. The amount of stock-based compensation expense capitalized related to the development of internal-use software was \$18 million and \$23 million during the six months ended June 30, 2024 and 2025, respectively.

2023 Employee Stock Purchase Plan

The Company's board of directors adopted, and the Company's stockholders approved, the 2023 Employee Stock Purchase Plan ("the ESPP"), which became effective immediately prior to the effectiveness of the registration statement on Form S-1 filed under the Securities Act in connection with the Company's IPO.

As of June 30, 2025, there had been no offering period or purchase period under the ESPP, and no such period will begin unless and until determined by the Company's board of directors, or its compensation committee under its delegation, as the administrator of the ESPP. Pursuant to the automatic increase feature of the ESPP, an additional 2,609,640 shares were reserved for issuance under the ESPP effective January 1, 2025.

13. Income Taxes

The Company's provision for income taxes for interim periods is determined using an estimated annual effective tax rate, adjusted for discrete items arising in that quarter.

The Company's effective tax rates for each period presented are the result of the mix of income earned in various tax jurisdictions that apply a broad range of income tax rates. The Company's effective tax rate was 10.9% and 18.2% for the three months ended June 30, 2024 and 2025, respectively. The Company's effective tax rate was 18.1% and 16.3% for the six months ended June 30, 2024 and 2025, respectively. The Company's provision for income taxes varied from the tax computed at the U.S. federal statutory income tax rate primarily due to tax effects of stock-based compensation recognized, U.S. research and development credits generated, and the income taxes generated in foreign jurisdictions.

In connection with the Wynshop acquisition, the Company acquired deferred tax assets including certain U.S. net operating loss carryforwards and other tax attributes. Utilization of these tax attributes may be subject to an annual limitation due to a ownership change as defined by Section 382 of the Internal Revenue Code. As of June 30, 2025, no Section 382 study had been completed for these acquired tax attributes and the Company recorded a full valuation allowance against these deferred tax assets.

The Company will reevaluate the realizability of the acquired tax attributes as a result of the Wynshop acquisition, through its continuous effort of Section 382 studies during the measurement period as defined under ASC 805.

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On July 4, 2025, the One Big Beautiful Bill Act (“OBBBA”) was enacted into law. The OBBBA introduces changes to U.S. tax law, with certain provisions applicable to the Company beginning in 2025. These changes include the immediate expensing of domestic research and experimental expenditures, accelerated tax deductions for qualified property, and modifications to certain international tax frameworks. The effects of changes in tax rates and laws on deferred tax balances will be recognized in the period in which the legislation is enacted. The Company is currently assessing the impact of these changes on its condensed consolidated financial statements.

14. Net Income per Share Attributable to Common Stockholders

The computation of basic and diluted net income per share attributable to common stockholders was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
(in millions, except share amounts, which are reflected in thousands, and per share amounts)				
Numerator:				
Net income	\$ 61	\$ 116	\$ 191	\$ 222
Less: Accretion related to Series A redeemable convertible preferred stock	(3)	(2)	(5)	(5)
Net income attributable to common stockholders, basic	\$ 58	\$ 114	\$ 186	\$ 218
Add: Accretion related to Series A redeemable convertible preferred stock	—	2	—	5
Net income attributable to common stockholders, diluted	\$ 58	\$ 116	\$ 186	\$ 222
Denominator:				
Weighted-average shares used in computing basic net income per share attributable to common stockholders	265,542	262,588	270,012	262,511
Weighted-average effect of dilutive securities:				
Series A redeemable convertible preferred stock	—	5,833	—	5,833
Stock options	6,890	5,066	9,266	5,249
Restricted stock units	13,824	7,751	11,705	8,477
Unvested restricted non-voting common stock	—	55	—	47
Weighted-average shares used in computing diluted net income per share attributable to common stockholders	286,256	281,293	290,983	282,117
Net income per share attributable to common stockholders:				
Basic	\$ 0.22	\$ 0.43	\$ 0.69	\$ 0.83
Diluted	\$ 0.20	\$ 0.41	\$ 0.64	\$ 0.79

The following potentially dilutive outstanding securities were excluded from the computation of diluted income per share attributable to common stockholders because their effect was not dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
(in thousands)				
Series A redeemable convertible preferred stock	5,833	—	5,833	—
Stock options	450	384	450	384
Restricted stock units	240	373	799	373
Unvested restricted non-voting common stock	227	—	227	—
Total	6,750	757	7,309	757

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The following potentially dilutive outstanding securities were excluded from the table above because they are subject to performance-based and / or market-based vesting conditions that were not achieved as of those dates:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in thousands)			
Restricted stock units	1,937	1,055	1,937	1,055
Total	1,937	1,055	1,937	1,055

15. Related Party Transactions

The Company is party to agreements with a software vendor, whose former executive officer was a member of the Company's board of directors, whereby the Company primarily pays the vendor usage-based subscription fees for the use of the software. Subsequent to the executive officer's resignation on February 27, 2024, the software vendor is no longer a related party.

No amounts were paid in connection with this software subscription during the three months ended March 31, 2024. During the three months ended March 31, 2024, \$8 million was included within operating expenses in the condensed consolidated statements of operations. As of March 31, 2024, \$4 million was included within prepaid expenses and other current assets on the condensed consolidated balance sheets and no amounts were due to this vendor.

16. Restructuring

On February 9, 2024, the Company initiated restructuring actions with respect to its workforce intended to improve operational efficiencies and better align the Company's organizational structure with current business needs, top strategic priorities, and key growth initiatives. The plan included the reduction of approximately 250 employees, or 7% of the Company's employees.

During the three and six months ended June 30, 2024, the Company recognized an immaterial amount and \$18 million in restructuring charges related to cash expenditures for severance payments and other termination benefits. During the three and six months ended June 30, 2024, the Company also recognized an immaterial amount of stock-based compensation expense related to the accelerated vesting of equity awards, which was offset by a \$46 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for terminated employees in connection with the restructuring. No amounts were recognized during the three and six months ended June 30, 2025.

The following table summarizes the restructuring costs recognized by line item within the condensed consolidated statements of operations for the six months ended June 30, 2024:

	Six Months Ended June 30, 2024
	(in millions)
Operations and support	\$ 2
Research and development	9
Sales and marketing	3
General and administrative	4
Total	\$ 18

As of December 31, 2024, the liabilities relating to the remaining restructuring charges were immaterial and included within accrued and other current liabilities on the condensed consolidated balance sheets. As of June 30, 2025, there were no liabilities relating to the remaining restructuring charges on the condensed consolidated balance sheets.

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17. Segment Information

The Company has one operating and reportable segment. A description of how the Company derives revenues can be found in Note 2 — Significant Accounting Policies of the audited consolidated financial statements and related notes for the year ended December 31, 2024, which can be found in the Company's Annual Report on Form 10-K. The Company's chief executive officer is the Company's CODM, who reviews financial information on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. The CODM uses consolidated net income as the sole measure of segment profit or loss to make key operating decisions such as the allocation of the budget and monitoring budget versus actual results. The CODM does not evaluate operating segments using asset information.

Significant expenses within net income include cost of revenue, operations and support, research and development, sales and marketing, general and administrative, which are each separately presented on the Company's condensed consolidated statements of operations. Stock-based compensation expense is also a significant expense within net income. Refer to Note 12 — Stockholders' Equity for additional information about the Company's share-based compensation expense. Other segment items include interest income, other expense, net, and income before provision for income taxes on the condensed consolidated statements of operations.

Geographic information is included in Note 3 — Revenue and Note 6 — Property and Equipment, Net.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and related notes disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024. The following discussion contains forward-looking statements that are based on current plans, expectations and beliefs 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, but not limited to, those identified below and those discussed in the section titled "Risk Factors" and other sections, including the "Special Note Regarding Forward-Looking Statements" of this Quarterly Report on Form 10-Q. Our historical results are not necessarily indicative of the results that may be expected for any period in the future.

For purposes of clarity and ease of presentation, numbers presented within this section may not add up precisely to the totals provided. The underlying data used in the calculations, including percentages, is not rounded.

Overview

Instacart is powering the future of grocery through technology. We partner with retailers to help them successfully navigate the digital transformation of their businesses.

Retailers reach customers through both Instacart Marketplace, where customers can shop from their favorite retailers through our app or website, and retailers' owned and operated online storefronts that are powered by Instacart Enterprise Platform, our end-to-end technology solution encompassing e-commerce, fulfillment, Connected Stores, ads and marketing, and insights. As consumers and retailers move online, brands can use Instacart Ads as an effective way to reach customers at the point of purchase and within minutes of delivery and consumption.

Instacart started as a way for households to conveniently manage their weekly grocery shopping, a recurring and high order value consumer use case. Today, customers can place orders for delivery or pickup across a variety of use cases including the weekly shop, bulk stock-up, convenience, special occasions, from restaurants, and using our in-store technologies. Customers can select the fulfillment option and speed that best serve their needs. Each order can be shopped for and delivered with care by one of the hundreds of thousands of shoppers who value the flexible earnings opportunities that Instacart provides.

Macroeconomic Impacts

Our business, financial condition, customer acquisition and retention, and key business metrics, including GTV and orders, may be impacted by macroeconomic trends affecting our markets and industry and consumer shopping habits, such as inflation or interest rate fluctuations, the effects of supply chain challenges, the impact of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, and uncertainty related thereto, geopolitical conflicts, regulatory changes, uncertainty regarding an economic recession and associated decreases in consumer discretionary income, and the effects of severe weather patterns.

Shopper Classification Developments

The state of the law regarding independent contractor status of Instacart shoppers varies from jurisdiction to jurisdiction and among governmental agencies and is subject to change based on court decisions, administrative or agency determinations, new or changing regulations, and other legal and regulatory proceedings.

Some jurisdictions have adopted, and may adopt in the future, regulations that impact whether we can or should classify shoppers as independent contractors. For example, in California, the state ballot initiative, Proposition 22, which became effective on December 16, 2020, provides a framework that offers legal certainty regarding the status of independent workers offering delivery services and protects worker flexibility, the quality of on-demand work, and access to benefits for those who qualify. Although the constitutionality of Proposition 22 was subsequently challenged, on July 25, 2024, the California Supreme Court upheld Proposition 22 as constitutional. As a result, we expect Proposition 22 to provide more legal certainty over the status of independent workers offering delivery services in California. However, there may continue to be legal challenges, or legislative or other attempts to amend or otherwise invalidate the benefits, protections or the independent worker status provided by Proposition 22.

In addition to California, we expect continuing challenges to the independent contractor classification of shoppers who use Instacart in other jurisdictions in which we operate, as well as the possibility of additional requirements on the use of contractors. Any successful challenges, changes in law, or other legal uncertainty with respect to independent contractor classification may adversely impact our financial condition, business, and results of operations. For additional information about the risks to our business related to independent contractor classification, see the section titled “Risk Factors—Risks Related to Our Legal and Regulatory Environment—If the contractor status of shoppers who use Instacart is successfully challenged, or if additional requirements are placed on our engagement of independent contractors, we may face adverse business, financial, tax, legal, and other consequences.”

Leadership Transition

As previously announced, Fidji Simo has resigned as our Chief Executive Officer and President, to take effect on August 15, 2025, and we have appointed Chris Rogers to serve as our Chief Executive Officer and President, and a member of our board of directors, effective as of such date. Ms. Simo will continue to serve as Chair of our board of directors following her resignation.

Key Financial and Operational Highlights

We use the following financial and key business metrics to help us evaluate the health of our business, identify trends affecting our performance, formulate business plans, and make strategic decisions:

	Three Months Ended June 30,		% Change
	2024	2025	
	(in millions, except percentages)		
Orders	70.8	82.7	17 %
GTV	\$ 8,194	\$ 9,081	11 %
Revenue	\$ 823	\$ 914	11 %
Gross profit	\$ 623	\$ 678	9 %
Gross margin	76 %	74 %	
Gross profit as a percent of GTV	7.6 %	7.5 %	
Net income	\$ 61	\$ 116	92 %
Net income as a percent of revenue	7 %	13 %	
Net income as a percent of GTV	0.7 %	1.3 %	
Adjusted EBITDA ⁽¹⁾	\$ 208	\$ 262	26 %
Adjusted EBITDA margin ⁽¹⁾	25 %	29 %	
Adjusted EBITDA as a percent of GTV ⁽¹⁾	2.5 %	2.9 %	

⁽¹⁾ Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin are non-GAAP financial measures. For more information regarding our use of these measures and reconciliation to the most directly comparable financial measures calculated in accordance with GAAP, see the section titled “—Non-GAAP Financial Measures.”

Orders

We define an order as a completed customer transaction to purchase goods for delivery or pickup primarily from a single retailer through Instacart during the period indicated, including those completed through Instacart Marketplace or services that are part of the Instacart Enterprise Platform. We believe that orders are an indicator of the scale and growth of our business as well as the value we bring to our constituents.

In the second quarter of 2025, orders increased to 82.7 million, or 17% growth, compared to the same quarter of 2024, driven primarily by new customers and increased engagement of existing customers.

Gross Transaction Value

We define GTV as the value of the products sold through Instacart, including applicable taxes, deposits and other local fees, customer tips, which go directly to shoppers, customer fees, which include flat subscription fees related to Instacart+ that are charged monthly or annually, and other fees. GTV consists of orders including those completed through Instacart

Marketplace or services that are part of the Instacart Enterprise Platform. We believe that GTV indicates the health of our business, including our ability to drive revenue and profits, and the value we provide to our constituents. We have experienced and expect to continue to experience fluctuations in GTV growth, including due to the macroeconomic conditions described above, changes in customer and retailer engagement, and the effects of our strategic initiatives.

In the second quarter of 2025, GTV increased to \$9,081 million, or 11% growth, compared to the same quarter of 2024, primarily driven by the increase in orders partially offset by lower average order value.

Gross Profit, Gross Margin, and Gross Profit as a Percent of GTV

Gross profit is defined as revenue less cost of revenue, and gross margin is defined as gross profit as a percent of revenue. We believe that gross profit, gross margin, and gross profit as a percent of GTV are important indicators of the growth and efficiencies of our business.

In the second quarter of 2025, gross profit increased to \$678 million, or 9% growth, compared to the same quarter of 2024, primarily driven by the increase in total revenue. Gross margin decreased by 2% to 74% in the second quarter of 2025, compared to the same quarter of 2024, primarily due to cost of revenue growing faster than revenue.

Adjusted EBITDA, Adjusted EBITDA as a Percent of GTV, and Adjusted EBITDA Margin

We define Adjusted EBITDA as net income, adjusted to exclude (i) provision for income taxes, (ii) interest income, (iii) other (income) expense, net, (iv) depreciation and amortization expense, (v) stock-based compensation expense, (vi) payroll taxes related to stock-based compensation expense, (vii) certain legal and regulatory accruals and settlements, net, (viii) reserves for sales and other indirect taxes, net, (ix) acquisition-related expenses, and (x) restructuring charges. We define Adjusted EBITDA margin as Adjusted EBITDA as a percent of revenue. For more information about how we use these non-GAAP financial measures in our business, the limitations of these measures, and reconciliations of these measures to the most directly comparable GAAP financial measures, see the section titled “—Non-GAAP Financial Measures.”

In the second quarter of 2025, Adjusted EBITDA increased to \$262 million, or 26% growth, compared to the same quarter of 2024, primarily driven by a combination of strong GTV growth and operating leverage. Our Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin can vary significantly as we continue to make substantial investments to fuel our growth and scale our business.

Components of Results of Operations

Revenue

Our revenue consists of transaction revenue and advertising and other revenue.

Transaction Revenue

We generate transaction revenue primarily from:

- end users, whom we refer to as customers, (i) through service and delivery fees paid for arranging fulfillment services from shoppers and (ii) for monthly or annual Instacart+ memberships, our membership program, which offers unlimited \$0 delivery fees on orders over a certain size, and other exclusive benefits;
- retailers (i) through service fees in exchange for connecting retailers with customers to facilitate transactions on Instacart Marketplace and (ii) for orders placed through retailers’ owned and operated online storefronts powered by Instacart Enterprise Platform; and
- revenue share agreements with third parties that supply payment cards to Instacart shoppers for in-store use.

Transaction revenue is recognized upon transfer of control of services, net of the purchase value of the goods remitted to retailers and payments to shoppers for their services (including any shopper incentives), coupons, consumer incentives, and refunds. We expect transaction revenue from customer and retailer fees to fluctuate from time to time as a result of customer and retailer fee optimizations and changes in the mix of customer use cases and fulfillment options. We also expect the amounts of payments to shoppers, coupons, consumer and shopper incentives, and refunds to fluctuate over time depending on a number of factors. For example, implementation of additional fulfillment options or shifts in our ability to

use full-service shoppers, as well as fulfillment efficiencies, such as changes in our batch rate, average time spent per order, shopper tenure, and shopper pay optimization, could result in fluctuations in our transaction revenue. In addition, periods of elevated customer demand have resulted in and can in the future result in increased shopper incentives and degradation of order quality due to higher rates of out of stock items and other delays, which in turn generally lead to more appeasement credits and refunds. Furthermore, our overall marketing strategy will impact the spend mix between activities that are recorded as reductions of revenue, such as promotions and consumer incentives, and activities that are recorded as sales and marketing expense, such as paid marketing and referrer credits. In certain cases, reductions of revenue can be more than fees received from retailers and customers. As a result of these factors, transaction revenue as a percent of GTV may fluctuate over time.

Advertising and Other Revenue

We primarily generate advertising and other revenue from:

- the sale of advertising services to brands that are interested in reaching customers; and
- certain retailers for use of our software-as-a-service solution through Instacart Enterprise Platform that enhances the omnichannel shopping experience, with revenue recognized ratably over the subscription period.

Advertising revenue is recognized upon delivery of clicks, upon delivery of impressions, over the contract term on a fixed fee basis, or upon redemptions of coupons. For advertising arrangements that involve third parties, we record advertising revenue on a gross or net basis based on whether we act as a principal or agent in the transaction, which is assessed on a contract by contract basis. When we act as the principal and control the services provided to the brand partner, we record revenue on a gross basis, recognizing fees from the brand partner as revenue and related payments to the publisher as cost of revenue. When we act as an agent and do not control the services, we record revenue on a net basis, representing only the net amount received from the brand partner after payments to the publisher.

Advertising and other revenue has historically been, and is expected to continue to be, seasonally high in the fourth quarter and seasonally low in the first quarter in a given year as a result of how advertisers deploy their budgets. In addition, we expect our advertising and other revenue growth rate and advertising and other investment rate (which we define as advertising and other revenue in a given period divided by GTV in such period) to continue to fluctuate, particularly during periods of acceleration or decreases in our GTV growth. We also expect advertising and other investment rate to fluctuate during periods in which we generate more GTV from sources where we do not provide advertising or where we have recently enabled advertising, such as from certain new offerings or use cases and from retailers' owned and operated online storefronts including those utilizing Instacart API that do not partner with Carrot Ads. We also expect our advertising and other revenue growth to fluctuate in the near term due to changes in brand partner spend, including as a result of the macroeconomic factors described above and in response to our GTV growth trends, which may occur on a delayed basis, as well as changes in the mix of revenue contribution from advertising contracts in effect in a particular period and related recognition of advertising revenue on a gross or net basis.

Cost of Revenue

Cost of revenue primarily consists of third-party payment processing fees, expenses related to payment chargebacks, hosting fees, insurance costs attributed to fulfillment, compensation costs of our employees primarily involved in fulfillment, depreciation expense, and amortization expense of technology-related intangible assets and capitalized internal-use software. Compensation costs include salaries, taxes, benefits, bonuses, and stock-based compensation expense.

We expect cost of revenue, exclusive of stock-based compensation expense, will increase on an absolute dollar basis and vary from period to period as a percent of revenue as we continue to grow our operations.

Gross Profit and Gross Margin

Gross profit represents revenue less cost of revenue. Gross margin is gross profit expressed as a percent of total revenue. Our gross margin has varied and will continue to vary from period to period based on a number of factors, including (1) changes in revenue mix, changes in the mix of order type due to changes in mix of use cases and fulfillment options, consumer shopping behaviors, average order values, customer fee optimization, and levels of consumer incentives, (2) operational efficiencies, (3) negotiations with our retail partners, third-party payment processors, and hosting providers, and (4) macroeconomic factors as discussed above. As we continue to expand across fulfillment options and consumer use cases, we also expect to incur additional types of costs, such as certain labor costs, that can impact both our cost of revenue

and profitability trends in the future. Additionally, we expect fluctuations in transaction revenue and advertising and other revenue as described above.

Operations and Support Expense

Operations and support expense primarily consists of compensation costs for employees who support our operations, costs of customer and shopper support, costs to attract and onboard new shoppers, allocations of various overhead and occupancy costs, and depreciation and amortization expense. Compensation costs include salaries, taxes, benefits, bonuses, and stock-based compensation expense.

Operations and support expense, exclusive of stock-based compensation expense, may increase on an absolute dollar basis and vary from period to period as a percent of revenue and as a percent of GTV as we continue to invest in our operations and may hire additional employees, third-party consultants, and contractors to support our operations.

Research and Development Expense

Research and development expense primarily consists of compensation costs for our engineering employees, third-party consulting fees, allocations of various overhead and occupancy costs, and depreciation and amortization expense. Compensation costs include salaries, taxes, benefits, bonuses, and stock-based compensation expense.

Research and development expense, exclusive of stock-based compensation expense, may increase on an absolute dollar basis and vary from period to period as a percent of revenue and as a percent of GTV as we continue to invest in research and development activities relating to ongoing improvements to, and maintenance of, our offerings, including the hiring of engineering, product development, and design employees to support these efforts.

Sales and Marketing Expense

Sales and marketing expense primarily consists of advertising expenses, such as paid marketing, compensation costs for sales and marketing employees, third-party consulting fees, allocations of various overhead and occupancy costs, depreciation expense, and amortization expense of customer relationship intangible assets. Compensation costs include salaries, taxes, benefits, bonuses, and stock-based compensation expense.

Sales and marketing expense, exclusive of stock-based compensation expense, may increase on an absolute dollar basis and vary as a percent of revenue, and as a percent of GTV as we continue to invest in sales and marketing to attract and increase the engagement of constituents on Instacart and increase our brand awareness. While we expect sales and marketing expense to be one of our largest operating expenses for the foreseeable future, the trend and timing of our sales and marketing expense will depend in large part on the timing and magnitude of our marketing campaigns.

General and Administrative Expense

General and administrative expense primarily consists of compensation costs for administrative employees, including finance and accounting, human resources, policy, and legal; third-party consulting fees; allocations of various overhead and occupancy costs; depreciation expense; amortization expense of patents and trademarks; and taxes. Compensation costs include salaries, taxes, benefits, bonuses, and stock-based compensation expense.

General and administrative expense, exclusive of stock-based compensation expense, may increase on an absolute dollar basis and vary from period to period as a percent of revenue and as a percent of GTV as we continue to invest in processes, systems, and controls to enable our internal support functions to scale with the growth of our business.

In April 2023 and 2024, certain employees elected to receive cash in lieu of a portion of certain future equity awards to be granted by our board of directors, and as a result, cash compensation expense and stock-based compensation expense within operations and support, research and development, sales and marketing, and general and administrative expenses have fluctuated and are expected to continue to fluctuate over the near term.

Other Income (Expense), Net

Other income (expense), net primarily consists of gains and losses from transactions denominated in a currency other than the functional currency.

Interest Income

Interest income consists primarily of interest earned on our cash and cash equivalents, restricted cash and cash equivalents, and marketable securities.

Provision for Income Taxes

The provision for income taxes consists primarily of income taxes in certain federal, state, local, and foreign jurisdictions in which we conduct business. Our provision for income taxes differs from the U.S. federal statutory income tax rate primarily due to the tax effects of stock-based compensation recognized, U.S. research and development credits generated, and the income taxes generated in U.S. states and foreign jurisdictions. Our future effective income tax rate depends on various factors, such as changes in tax laws, regulations, accounting principles, or interpretations thereof, and the geographic composition of our pre-tax income.

On July 4, 2025, the One Big Beautiful Bill Act (“OBBBA”) was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, including the restoration of immediate expensing of domestic Research and Experimental expenditures and modification of certain international tax frameworks. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing its impact on our condensed consolidated financial statements.

Results of Operations

The following table summarizes our results of operations for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions)			
Revenue	\$ 823	\$ 914	\$ 1,643	\$ 1,811
Cost of revenue ⁽¹⁾⁽²⁾	200	236	406	462
Gross profit	623	678	1,237	1,350
Operating expenses:				
Operations and support ⁽¹⁾⁽²⁾	69	66	142	140
Research and development ⁽¹⁾⁽²⁾	185	166	300	310
Sales and marketing ⁽¹⁾⁽²⁾	203	217	387	434
General and administrative ⁽¹⁾⁽²⁾	114	106	212	231
Total operating expenses	571	554	1,041	1,115
Income from operations	52	124	196	234
Other income (expense), net	(1)	3	(2)	3
Interest income	17	15	39	29
Income before provision for income taxes	68	142	233	266
Provision for income taxes	7	26	42	43
Net income	\$ 61	\$ 116	\$ 191	\$ 222

⁽¹⁾ Amounts include depreciation and amortization expense as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions)			
Cost of revenue	\$ 8	\$ 15	\$ 15	\$ 29
Operations and support	—	—	1	1
Research and development	1	2	2	4
Sales and marketing	2	2	4	4
General and administrative	1	1	2	2
Total depreciation and amortization expense	\$ 12	\$ 21	\$ 24	\$ 40

⁽²⁾ Amounts include stock-based compensation expense as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions)			
Cost of revenue	\$ 2	\$ 2	\$ 4	\$ 4
Operations and support	5	4	5	7
Research and development	75	58	54	92
Sales and marketing	23	18	32	30
General and administrative	31	23	50	38
Total stock-based compensation expense	\$ 136	\$ 105	\$ 145	\$ 172

The following table summarizes the components of our condensed consolidated statements of operations data, for each of the periods presented, as a percent of revenue.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(as a percent of revenue)			
Revenue	100 %	100 %	100 %	100 %
Cost of revenue	24	26	25	25
Gross profit	76	74	75	75
Operating expenses:				
Operations and support	8	7	9	8
Research and development	22	18	18	17
Sales and marketing	25	24	24	24
General and administrative	14	12	13	13
Total operating expenses	69	61	63	62
Income from operations	6	14	12	13
Other income (expense), net	—	—	—	—
Interest income	2	2	2	2
Income before provision for income taxes	8	16	14	15
Provision for income taxes	1	3	3	2
Net income	7 %	13 %	12 %	12 %

Comparison of the Three and Six Months Ended June 30, 2024 and 2025

Revenue

	Three Months Ended June 30,		\$ Change	% Change	Six Months Ended June 30,		\$ Change	% Change
	2024	2025			2024	2025		
	(in millions)				(in millions)			
Transaction	\$ 595	\$ 659	\$ 63	11 %	\$ 1,198	\$ 1,309	\$ 111	9 %
Advertising and other	228	255	27	12 %	445	502	57	13 %
Total revenue	\$ 823	\$ 914	\$ 91	11 %	\$ 1,643	\$ 1,811	\$ 168	10 %

The increase in transaction revenue during the second quarter of 2025, compared to the same quarter of 2024, was primarily driven by growth in GTV, which grew 11%, lower consumer incentives, and increased fulfillment efficiencies, partially offset by our ongoing investment into affordability initiatives designed to increase customer engagement.

The increase in transaction revenue during the first six months of 2025, compared to the same period of 2024, was primarily driven by growth in GTV, which grew 10%, lower consumer incentives, and increased fulfillment efficiencies, partially offset by our ongoing investment into affordability initiatives designed to increase customer engagement.

The increase in advertising and other revenue during the second quarter of 2025, compared to the same quarter of 2024, was primarily driven by interrelated factors including an increase in advertising volume, activity on our platform, and strength from emerging and mid-size brand partners. Advertising and other investment rate of 2.8% remained flat during the second quarter of 2025, compared to the same quarter of 2024.

The increase in advertising and other revenue during the first six months of 2025, compared to the same period of 2024, was primarily driven by interrelated factors including an increase in advertising volume, activity on our platform, and strength from emerging brand partners. Advertising and other investment rate increased by six basis points to 2.8% during the first six months of 2025, compared to the same period of 2024, as advertising and other revenue grew faster than GTV.

Cost of Revenue, Gross Profit, and Gross Margin

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2025	\$ Change	% Change	2024	2025	\$ Change	% Change
	(in millions, except percentages)				(in millions, except percentages)			
Cost of revenue	\$ 200	\$ 236	\$ 35	17 %	\$ 406	\$ 462	\$ 55	14 %
Gross profit	\$ 623	\$ 678	\$ 56	9 %	\$ 1,237	\$ 1,350	\$ 113	9 %
Gross margin	76 %	74 %			75 %	75 %		

The increase in cost of revenue during the second quarter of 2025, compared to the same quarter of 2024, was primarily due to an increase of \$12 million in credit card processing fees, an increase of \$9 million in payments to publishers, and an increase of \$8 million in depreciation and amortization expense, primarily related to capitalized internal-use software.

The increase in cost of revenue during the first six months of 2025, compared to the same period of 2024, was primarily due to an increase of \$22 million in credit card processing fees, an increase of \$17 million in payments to publishers, and an increase of \$15 million in depreciation and amortization expense, primarily related to capitalized internal-use software.

The increase in gross profit during the second quarter of 2025, compared to the same quarter of 2024, was primarily driven by the increase in total revenue due to the factors described above. The decrease in gross margin during the second quarter of 2025, compared to the same period of 2024, was primarily due to cost of revenue growing faster than revenue.

The increase in gross profit during the first six months of 2025, compared to the same period of 2024, was primarily driven by the increase in total revenue due to the factors described above. Gross margin during the first six months of 2025, compared to the same period of 2024, remained flat.

Operations and Support

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2025	\$ Change	% Change	2024	2025	\$ Change	% Change
	(in millions, except percentages)				(in millions, except percentages)			
Operations and support	\$ 69	\$ 66	\$ (4)	(5)%	\$ 142	\$ 140	\$ (2)	(1)%
Percent of revenue	8 %	7 %			9 %	8 %		

The decreases in operations and support expense during the three and six months ended June 30, 2025, compared to the same periods in 2024, were immaterial.

Research and Development Expense

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2025	\$ Change	% Change	2024	2025	\$ Change	% Change
	(in millions, except percentages)				(in millions, except percentages)			
Research and development	\$ 185	\$ 166	\$ (20)	(11)%	\$ 300	\$ 310	\$ 10	3 %
Percent of revenue	22 %	18 %			18 %	17 %		

The decrease in research and development expense during the second quarter of 2025, compared to the same quarter in 2024, was primarily due to a net decrease of \$18 million in total compensation costs.

The increase in research and development expense during the first six months of 2025, compared to the same period of 2024, was primarily due to a net increase of \$19 million in total compensation costs. The increase in total compensation cost was primarily driven by an increase in stock-based compensation expense due to a \$79 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for executive departures and for terminated employees in connection with the restructuring plan in the first quarter of 2024, partially offset by a decrease in cash compensation expenses related to changes in the mix of our employee cash and equity compensation and bonuses and a decrease of \$9 million from higher capitalized software development costs.

Sales and Marketing Expense

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2025	\$ Change	% Change	2024	2025	\$ Change	% Change
	(in millions, except percentages)				(in millions, except percentages)			
Sales and marketing	\$ 203	\$ 217	\$ 15	7 %	\$ 387	\$ 434	\$ 47	12 %
Percent of revenue	25 %	24 %			24 %	24 %		

The increase in sales and marketing expense during the second quarter of 2025, compared to the same quarter in 2024, was primarily due to an increase of \$14 million in marketing costs, primarily from increased paid marketing.

The increase in sales and marketing expense during the first six months of 2025, compared to the same period of 2024, was primarily due to an increase of \$36 million in marketing costs, primarily from increased paid marketing, and an increase of \$10 million in consulting costs.

General and Administrative Expense

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2025	\$ Change	% Change	2024	2025	\$ Change	% Change
	(in millions, except percentages)				(in millions, except percentages)			
General and administrative	\$ 114	\$ 106	\$ (8)	(7)%	\$ 212	\$ 231	\$ 20	9 %
Percent of revenue	14 %	12 %			13 %	13 %		

The decrease in general and administrative expense during the second quarter of 2025, compared to the same quarter of 2024, was primarily due to a decrease of \$7 million in total compensation costs, a net decrease of \$5 million in accruals for legal matters and sales and indirect taxes, partially offset by an increase of \$4 million in fixed asset impairments.

The increase in general and administrative expense during the first six months of 2025, compared to the same period of 2024, was primarily due to a net increase of \$36 million in accruals for legal matters and sales and indirect taxes, partially offset by a decrease of \$19 million in total compensation costs.

Interest Income

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2025	\$ Change	% Change	2024	2025	\$ Change	% Change
	(in millions)				(in millions)			
Interest income	\$ 17	\$ 15	\$ (3)	(14)%	\$ 39	\$ 29	\$ (11)	(27)%

The decrease in interest income during the second quarter of 2025, compared to the same quarter of 2024, was immaterial.

The decrease in interest income during the first six months of 2025, compared to the same period of 2024, was primarily due to lower interest rates and a reduction in the average balance of our cash, cash equivalents, and marketable securities over the respective periods.

Provision for Income Taxes

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2025	\$ Change	% Change	2024	2025	\$ Change	% Change
	(in millions)				(in millions)			
Provision for income taxes	\$ 7	\$ 26	\$ 18	249 %	\$ 42	\$ 43	\$ 1	3 %

The increase in the provision for income taxes during the second quarter of 2025, compared to the same period of 2024, was primarily driven by the increase in profit before provision for income taxes due to the factors described above and a decrease in the tax benefit from stock-based compensation during the second quarter of 2025.

The increase in the provision for income taxes during the first six months of 2025, compared to the same period of 2024, was immaterial.

Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to facilitate analysis of our financial and business trends and for internal planning and forecasting purposes.

We use Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, Adjusted EBITDA margin, adjusted cost of revenue, adjusted cost of revenue as a percent of GTV, adjusted operations and support expense, adjusted operations and support expense as a percent of GTV, adjusted research and development expense, adjusted research and development expense as a percent of GTV, adjusted sales and marketing expense, adjusted sales and marketing expense as a percent of GTV, adjusted general and administrative expense, adjusted general and administrative expense as a percent of GTV, adjusted total operating expenses, and adjusted total operating expenses as a percent of GTV (collectively “Non-GAAP Measures”) in conjunction with GAAP measures to assess performance, to inform the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies, and to discuss our business and financial performance with our board of directors. We believe that these Non-GAAP Measures provide useful information to investors about our business and financial performance, enhance their overall understanding of our past performance and future prospects, and allow for greater transparency with respect to metrics used by our management in their financial and operational decision making. We are presenting these Non-GAAP Measures to assist investors in seeing our business and financial performance through the eyes of management, and because we believe that these Non-GAAP Measures provide an additional tool for investors to use in comparing results of operations of our business over multiple periods with other companies in our industry.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures and should be read only in conjunction with our condensed consolidated statements of operations prepared in accordance with GAAP. Our presentation of non-GAAP financial measures may not be comparable to similar measures used by other companies, which reduce their usefulness as comparative measures. In addition, other companies

may not publish these or similar measures. Further, these measures have certain limitations in that they do not include the impact of certain expenses that are reflected in our condensed consolidated statements of operations.

We encourage investors and others to review our business, results of operations, and financial information in their entirety, not to rely on any single financial measure, and carefully consider our results under GAAP, as well as our supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand our business.

Adjusted EBITDA, Adjusted EBITDA as a Percent of GTV, and Adjusted EBITDA Margin

We define Adjusted EBITDA as net income, adjusted to exclude (i) provision for income taxes, (ii) interest income, (iii) other (income) expense, net, (iv) depreciation and amortization expense, (v) stock-based compensation expense, (vi) payroll taxes related to stock-based compensation expense, (vii) certain legal and regulatory accruals and settlements, net, (viii) reserves for sales and other indirect taxes, net, (ix) acquisition-related expenses, and (x) restructuring charges. We define Adjusted EBITDA margin as Adjusted EBITDA as a percent of revenue.

We include Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin in this Quarterly Report on Form 10-Q because they are important measures upon which our management assesses our operating performance and the operating leverage in our business. Because Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin facilitate internal comparisons of our historical operating performance, including as an indication of our revenue growth and operating efficiencies when compared to GTV and revenue over time, we use them to evaluate the effectiveness of our strategic initiatives and for business planning purposes. We also believe that Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin, when taken collectively, may be useful to investors because they provide consistency and comparability with past financial performance, so that investors can evaluate our operating efficiencies by excluding certain items that may not be indicative of our business, results of operations, or outlook. In addition, we believe Adjusted EBITDA is widely used by investors, securities analysts, rating agencies, and other parties in evaluating companies in our industry as a measure of operational performance.

Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin should not be considered as alternatives to net income, net income as a percent of GTV, net income as a percent of revenue, or any other measure of financial performance calculated and presented in accordance with GAAP. There are a number of limitations related to the use of Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin rather than net income, net income as a percent of GTV, and net income as a percent of revenue, which are the most directly comparable GAAP measures. Some of these limitations are that each of Adjusted EBITDA, Adjusted EBITDA as a percent of GTV, and Adjusted EBITDA margin:

- excludes stock-based compensation expense;
- excludes payroll taxes related to stock-based compensation expense;
- excludes depreciation and amortization expense, and although these are non-cash expenses, the assets being depreciated may have to be replaced in the future, increasing our cash requirements;
- excludes acquisition-related expenses;
- excludes restructuring charges;
- does not reflect the positive or adverse adjustments related to the reserve for sales and other indirect taxes or certain legal regulatory accruals and settlements;
- does not reflect interest income which increases cash available to us;
- does not reflect other income or expense that includes unrealized and realized gains and losses on foreign currency exchange; and
- does not reflect provision for or benefit from income taxes that reduces or increases cash available to us.

Other companies, including companies in our industry, may calculate Adjusted EBITDA differently, which reduces its usefulness as a comparative measure. Because of these limitations, we consider, and you should consider, Adjusted EBITDA together with other operating and financial performance measures presented in accordance with GAAP.

The following table presents a reconciliation of Adjusted EBITDA to net income, the most directly comparable financial measure calculated in accordance with GAAP:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions, except percentages)			
Net income	\$ 61	\$ 116	\$ 191	\$ 222
Add (deduct):				
Provision for income taxes	7	26	42	43
Interest income	(17)	(15)	(39)	(29)
Other (income) expense, net	1	(3)	2	(3)
Depreciation and amortization expense	12	21	24	40
Stock-based compensation expense ⁽¹⁾	136	105	145	172
Payroll taxes related to stock-based compensation ⁽²⁾	6	5	19	15
Certain legal and regulatory accruals and settlements, net ⁽³⁾	4	6	7	45
Reserves for sales and other indirect taxes, net ⁽⁴⁾	(2)	—	(3)	(1)
Acquisition-related expenses	—	—	—	1
Restructuring charges ⁽⁵⁾	—	—	18	—
Adjusted EBITDA	\$ 208	\$ 262	\$ 406	\$ 506
GTV	\$ 8,194	\$ 9,081	\$ 16,513	\$ 18,202
Net income as a percent of GTV	0.7 %	1.3 %	1.2 %	1.2 %
Adjusted EBITDA as a percent of GTV	2.5 %	2.9 %	2.5 %	2.8 %
Revenue	\$ 823	\$ 914	\$ 1,643	\$ 1,811
Net income as a percent of revenue	7 %	13 %	12 %	12 %
Adjusted EBITDA margin	25 %	29 %	25 %	28 %

⁽¹⁾ The six months ended June 30, 2024 includes an aggregate \$95 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for executive departures and for terminated employees in connection with our restructuring plan during the first quarter of 2024.

⁽²⁾ Represents employer payroll taxes related to the vesting and settlement of certain equity awards.

⁽³⁾ Represents certain legal, regulatory, and policy expenses including those related to worker classification matters.

⁽⁴⁾ Represents sales and other indirect tax reserves, net of abatements, for periods in which we were unable to collect such taxes from customers. We believe this adjustment is useful for investors in understanding our underlying operating performance because in these cases, the taxes were not intended to be a cost to us but rather are to be borne by the customers.

⁽⁵⁾ Represents severance payments and other related benefits for terminated employees in connection with our restructuring plan during the first quarter of 2024. Refer to Note 16 — Restructuring to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information.

Adjusted Cost of Revenue and Adjusted Cost of Revenue as a Percent of GTV

We define adjusted cost of revenue as cost of revenue excluding depreciation and amortization expense and stock-based compensation expense. We exclude depreciation and amortization expense and stock-based compensation expense as they are non-cash in nature.

The following table provides a reconciliation of cost of revenue to adjusted cost of revenue:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions, except percentages)			
Cost of revenue	\$ 200	\$ 236	\$ 406	\$ 462
Adjusted to exclude the following:				
Depreciation and amortization expense	(8)	(15)	(15)	(29)
Stock-based compensation expense	(2)	(2)	(4)	(4)
Adjusted cost of revenue	\$ 190	\$ 218	\$ 387	\$ 428
Cost of revenue as a percent of GTV	2.4 %	2.6 %	2.5 %	2.5 %
Adjusted cost of revenue as a percent of GTV	2.3 %	2.4 %	2.3 %	2.4 %

Adjusted Operations and Support Expense and Adjusted Operations and Support Expense as a Percent of GTV

We define adjusted operations and support expense as operations and support expense excluding depreciation and amortization expense, stock-based compensation expense, payroll taxes related to stock-based compensation, and restructuring charges. We exclude depreciation and amortization expense and stock-based compensation expense as they are non-cash in nature. We exclude payroll taxes related to the vesting and settlement of certain equity awards and restructuring charges as they are not indicative of our operating performance.

The following table provides a reconciliation of operations and support expense to adjusted operations and support expense:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
(in millions, except percentages)				
Operations and support expense	\$ 69	\$ 66	\$ 142	\$ 140
Adjusted to exclude the following:				
Depreciation and amortization expense	—	—	(1)	(1)
Stock-based compensation expense ⁽¹⁾	(5)	(4)	(5)	(7)
Payroll taxes related to stock-based compensation ⁽²⁾	(1)	—	(2)	(1)
Restructuring charges ⁽³⁾	—	—	(2)	—
Adjusted operations and support expense	\$ 63	\$ 61	\$ 132	\$ 132
Operations and support expense as a percent of GTV	0.8 %	0.7 %	0.9 %	0.8 %
Adjusted operations and support expense as a percent of GTV	0.8 %	0.7 %	0.8 %	0.7 %

⁽¹⁾ The six months ended June 30, 2024 includes a \$4 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for terminated employees in connection with our restructuring plan during the first quarter of 2024.

⁽²⁾ Represents employer payroll taxes related to the vesting and settlement of certain equity awards.

⁽³⁾ Represents severance payments and other related benefits for terminated employees in connection with our restructuring plan during the first quarter of 2024. Refer to Note 16 — Restructuring to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information.

Adjusted Research and Development Expense and Adjusted Research and Development Expense as a Percent of GTV

We define adjusted research and development expense as research and development expense excluding depreciation and amortization expense, stock-based compensation expense, payroll taxes related to stock-based compensation, and restructuring charges. We exclude depreciation and amortization expense and stock-based compensation expense as they are non-cash in nature and we exclude payroll taxes related to the vesting and settlement of certain equity awards and restructuring charges as they are not indicative of our operating performance.

The following table provides a reconciliation of research and development expense to adjusted research and development expense:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
(in millions, except percentages)				
Research and development expense	\$ 185	\$ 166	\$ 300	\$ 310
Adjusted to exclude the following:				
Depreciation and amortization expense	(1)	(2)	(2)	(4)
Stock-based compensation expense ⁽¹⁾	(75)	(58)	(54)	(92)
Payroll taxes related to stock-based compensation ⁽²⁾	(3)	(2)	(11)	(9)
Restructuring charges ⁽³⁾	—	—	(9)	—
Adjusted research and development expense	\$ 106	\$ 103	\$ 224	\$ 205
Research and development expense as a percent of GTV	2.3 %	1.8 %	1.8 %	1.7 %
Adjusted research and development expense as a percent of GTV	1.3 %	1.1 %	1.4 %	1.1 %

⁽¹⁾ The six months ended June 30, 2024 includes a \$79 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for executive departures and for terminated employees in connection with our restructuring plan during the first quarter of 2024.

⁽²⁾ Represents employer payroll taxes related to the vesting and settlement of certain equity awards.

⁽³⁾ Represents severance payments and other related benefits for terminated employees in connection with our restructuring plan during the first quarter of 2024. Refer to Note 16 — Restructuring to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information.

Adjusted Sales and Marketing Expense and Adjusted Sales and Marketing Expense as a Percent of GTV

We define adjusted sales and marketing expense as sales and marketing expense excluding depreciation and amortization expense, stock-based compensation expense, payroll taxes related to stock-based compensation, and restructuring charges. We exclude depreciation and amortization expense and stock-based compensation expense as they are non-cash in nature and we exclude payroll taxes related to the vesting and settlement of certain equity awards, and restructuring charges as they are not indicative of our operating performance.

The following table provides a reconciliation of sales and marketing expense to adjusted sales and marketing expense:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions, except percentages)			
Sales and marketing expense	\$ 203	\$ 217	\$ 387	\$ 434
Adjusted to exclude the following:				
Depreciation and amortization expense	(2)	(2)	(4)	(4)
Stock-based compensation expense ⁽¹⁾	(23)	(18)	(32)	(30)
Payroll taxes related to stock-based compensation ⁽²⁾	(1)	(1)	(3)	(2)
Restructuring charges ⁽³⁾	—	—	(3)	—
Adjusted sales and marketing expense	\$ 177	\$ 197	\$ 345	\$ 397
Sales and marketing expense as a percent of GTV	2.5 %	2.4 %	2.3 %	2.4 %
Adjusted sales and marketing expense as a percent of GTV	2.2 %	2.2 %	2.1 %	2.2 %

⁽¹⁾ The six months ended June 30, 2024 includes an \$8 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for terminated employees in connection with our restructuring plan during the first quarter of 2024.

⁽²⁾ Represents employer payroll taxes related to the vesting and settlement of certain equity awards.

⁽³⁾ Represents severance payments and other related benefits for terminated employees in connection with our restructuring plan during the first quarter of 2024. Refer to Note 16 — Restructuring to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information.

Adjusted General and Administrative Expense and Adjusted General and Administrative Expense as a Percent of GTV

We define adjusted general and administrative expense as general and administrative expense excluding depreciation and amortization expense; stock-based compensation expense; payroll taxes related to stock-based compensation; certain legal and regulatory accruals and settlements, net; reserves for sales and other indirect taxes, net; acquisition-related expenses; and restructuring charges. We exclude depreciation and amortization expense and stock-based compensation expense as these are non-cash in nature. We exclude payroll taxes related to the vesting and settlement of certain equity awards; certain legal and regulatory accruals and settlements, net; reserves for sales and other indirect taxes, net; acquisition-related expenses; and restructuring charges as they are not indicative of our operating performance.

The following table provides a reconciliation of general and administrative expense to adjusted general and administrative expense:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions, except percentages)			
General and administrative expense	\$ 114	\$ 106	\$ 212	\$ 231
Adjusted to exclude the following:				
Depreciation and amortization expense	(1)	(1)	(2)	(2)
Stock-based compensation expense ⁽¹⁾	(31)	(23)	(50)	(38)
Payroll taxes related to stock-based compensation ⁽²⁾	(1)	(1)	(3)	(3)
Certain legal and regulatory accruals and settlements, net ⁽³⁾	(4)	(6)	(7)	(45)
Reserves for sales and other indirect taxes, net ⁽⁴⁾	2	—	3	1
Acquisition-related expenses	—	—	—	(1)
Restructuring charges ⁽⁵⁾	—	—	(4)	—
Adjusted general and administrative expense	\$ 79	\$ 74	\$ 149	\$ 144
General and administrative expense as a percent of GTV	1.4 %	1.2 %	1.3 %	1.3 %
Adjusted general and administrative expense as a percent of GTV	1.0 %	0.8 %	0.9 %	0.8 %

⁽¹⁾ The six months ended June 30, 2024 includes a \$4 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for terminated employees in connection with our restructuring plan during the first quarter of 2024.

⁽²⁾ Represents employer payroll taxes related to the vesting and settlement of certain equity awards.

⁽³⁾ Represents certain legal, regulatory, and policy expenses including those related to worker classification matters.

⁽⁴⁾ Represents sales and other indirect tax reserves, net of abatements, for periods in which we were unable to collect such taxes from customers. We believe this adjustment is useful for investors in understanding our underlying operating performance because in these cases, the taxes were not intended to be a cost to us but rather are to be borne by the customers.

⁽⁵⁾ Represents severance payments and other related benefits for terminated employees in connection with our restructuring plan during the first quarter of 2024. Refer to Note 16 — Restructuring to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information.

Adjusted Total Operating Expenses and Adjusted Total Operating Expenses as a Percent of GTV

We define adjusted total operating expenses as the sum of adjusted operations and support expense, adjusted research and development expense, adjusted sales and marketing expense, and adjusted general and administrative expense. We exclude depreciation and amortization expense and stock-based compensation expense as these are non-cash in nature. We exclude payroll taxes related to the vesting and settlement of certain equity awards; certain legal and regulatory accruals and settlements, net; reserves for sales and other indirect taxes, net; acquisition-related expenses, and restructuring charges as these are not indicative of our operating performance.

The following table provides a reconciliation of operating expenses to adjusted total operating expenses:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2025	2024	2025
	(in millions, except percentages)			
Total operating expenses	\$ 571	\$ 554	\$ 1,041	\$ 1,115
Adjusted to exclude to the following:				
Depreciation and amortization expense	(4)	(6)	(9)	(11)
Stock-based compensation expense ⁽¹⁾	(134)	(103)	(141)	(168)
Payroll taxes related to stock-based compensation ⁽²⁾	(6)	(5)	(19)	(14)
Certain legal and regulatory accruals and settlements, net ⁽³⁾	(4)	(6)	(7)	(45)
Reserves for sales and other indirect taxes, net ⁽⁴⁾	2	—	3	1
Acquisition-related expenses	—	—	—	(1)
Restructuring charges ⁽⁵⁾	—	—	(18)	—
Adjusted total operating expenses	\$ 425	\$ 434	\$ 850	\$ 877
Total operating expenses as a percent of GTV	7.0 %	6.1 %	6.3 %	6.1 %
Adjusted total operating expenses as a percent of GTV	5.2 %	4.8 %	5.1 %	4.8 %

⁽¹⁾ The six months ended June 30, 2024 includes an aggregate \$95 million benefit related to the reversal of previously recognized stock-based compensation expense for unvested equity awards for executive departures in the first quarter of 2024 and for terminated employees in connection with our restructuring plan during the first quarter of 2024.

⁽²⁾ Represents employer payroll taxes related to the vesting and settlement of certain equity awards.

⁽³⁾ Represents certain legal, regulatory, and policy expenses including those related to worker classification matters.

⁽⁴⁾ Represents sales and other indirect tax reserves, net of abatements, for periods in which we were unable to collect such taxes from customers. We believe this adjustment is useful for investors in understanding our underlying operating performance because in these cases, the taxes were not intended to be a cost to us but rather are to be borne by the customers.

⁽⁵⁾ Represents severance payments and other related benefits for terminated employees in connection with our restructuring plan during the first quarter of 2024. Refer to Note 16 — Restructuring to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information.

Liquidity and Capital Resources

We have financed our operations primarily through the net proceeds we have received from the issuance of equity securities and through fees received from retailers, customers, and brands. As of June 30, 2025, we had cash and cash equivalents of \$1.5 billion and marketable securities of \$109 million which were primarily held for working capital purposes.

Although we have generated profit in recent periods, including net income of \$222 million for the six months ended June 30, 2025, we have historically experienced significant net losses as reflected in our accumulated deficit of \$3.6 billion as of June 30, 2025. While we generated positive cash flows from operating activities during the years ended December 31, 2023 and 2024 and during the six months ended June 30, 2025, our future cash flows from operating activities may fluctuate as a result of investments we continue to make across our organization. As a result, we may require additional capital resources to execute strategic initiatives to grow our business.

Our working capital and operating cash flows fluctuated and continue to fluctuate significantly from period to period as a result of new initiatives, the timing of payments made to and/or received from retailers, shoppers, and vendors, and certain transaction types, such as those involving EBT SNAP and alcohol sales, which have a more significant impact on our working capital and operating cash flow due to the variability, magnitude, and timing of retailer reimbursements. Additionally, we make substantial weekly payments to shoppers on Tuesdays and Sundays for services delivered on Instacart and, therefore, we expect our reported cash and cash flows from operating activities to be impacted based on the day of the week of each reporting period. Furthermore, due to the timing of funding to a certain payment card issuer, we may experience an increase in short-term liabilities based on the day of the week of the last day of each reporting period.

In June 2024, our board of directors authorized a share repurchase program to purchase up to an aggregate of \$500 million of our common stock, which was subsequently increased to \$750 million and later \$1 billion in November 2024 and May 2025, respectively. During the six months ended June 30, 2025, we repurchased and immediately retired 5 million shares of our common stock for an aggregate purchase price of \$205 million, including broker commissions, fees, and excise taxes, under this share repurchase program.

We believe that our existing cash, cash equivalents, and marketable securities will be sufficient to satisfy our anticipated cash needs for working capital and capital expenditures for at least the next 12 months and beyond. However,

our future cash requirements will depend on many factors, including our growth rate, the timing and the amount of cash received from retailers, customers, and brands, the timing and extent of spending to support our research and development efforts as well as sales and marketing activities, the introduction of enhancements, the continuing market adoption of Instacart, and the volume and timing of our share repurchases. In addition, we may enter into additional or expanded retailer, customer, brand, or other relationships, as well as agreements to acquire or invest in complementary businesses, products, teams, and technologies, including intellectual property rights, which could increase our cash requirements. As a result of these and other factors, we may be required to seek additional financing sooner than we currently anticipate. If additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us, or at all. In particular, recent volatility in the global financial markets, including due to the impact of tariffs or other trade restrictions, elevated interest rates and other macroeconomic conditions, geopolitical conflicts, and potential disruptions in access to bank deposits or lending commitments due to bank failures could reduce our ability to access capital and negatively affect our liquidity in the future. If we are unable to raise additional capital when required, or if we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, results of operations, financial condition, and cash flows would be adversely affected.

Cash Flows

The following table summarizes our cash flows for the periods presented:

	Six Months Ended June 30,	
	2024	2025
	(in millions)	
Net cash provided by operating activities	\$ 349	\$ 501
Net cash used in investing activities	—	(156)
Net cash used in financing activities	(1,055)	(175)

Cash Flows from Operating Activities

For the six months ended June 30, 2025, net cash provided by operating activities was \$501 million, which consisted of net income of \$222 million, adjusted for certain non-cash items of \$232 million, primarily driven by stock-based compensation expense of \$172 million and by net cash inflows from changes in operating assets and liabilities of \$47 million. The year over year increase in net changes in operating assets and liabilities, which impacted cash provided by operating activities, from a net cash inflow of \$349 million to \$501 million, was primarily driven by fluctuations in working capital from general business impacts such as (i) the timing of customer collections due to the collection of a large accounts receivable balance from a retailer and the mix of transaction types, such as those involving EBT SNAP and alcohol sales, which result in longer and uneven collection cycles; (ii) the timing of customer, vendor, and other third party payments and accruals; (iii) the timing of spend and usage of software subscriptions for hosting arrangements, and (iv) the overall growth of our business.

For the six months ended June 30, 2024, net cash provided by operating activities was \$349 million, which consisted of net income of \$191 million, adjusted for certain non-cash items of \$216 million, primarily driven by stock-based compensation expense of \$145 million and by net cash outflows from changes in operating assets and liabilities of \$58 million. The year over year increase in cash provided by operating activities, which impacted cash provided by operating activities, from a net cash inflow of \$242 million to \$349 million, was primarily driven by net fluctuations in working capital from general business impacts such as (i) the timing of customer collections impacted by the mix of transaction types, such as those involving EBT SNAP, which result in longer and uneven collection cycles, (ii) the overall growth of our business, and (iii) the timing of customer, vendor, and other third party payments.

Cash Flows from Investing Activities

For the six months ended June 30, 2025, net cash used in investing activities was \$156 million, comprised primarily of purchases of marketable securities of \$144 million; acquisition of business, net of cash acquired, of \$105 million; and purchases of property and equipment, including capitalized internal-use software, of \$34 million, partially offset by maturities of marketable securities of \$127 million.

For the six months ended June 30, 2024, net cash used in investing activities was flat, comprised primarily of maturities of marketable securities of \$44 million, partially offset by purchases of property and equipment, including capitalized internal-use software, of \$38 million and purchases of marketable securities of \$5 million.

Cash Flows from Financing Activities

For the six months ended June 30, 2025, net cash used in financing activities was \$175 million, comprised primarily of repurchases of common stock of \$210 million and taxes paid related to net share settlement of equity awards of \$14 million, partially offset by changes in advances from a payment card issuer of \$43 million and proceeds from the exercise of stock options of \$6 million.

For the six months ended June 30, 2024, net cash used in financing activities was \$1,055 million, comprised primarily of repurchases of common stock of \$1,040 million and taxes paid related to net share settlement of equity awards of \$89 million, partially offset by proceeds from the exercise of stock options of \$74 million.

Contractual Obligations and Commitments

As of June 30, 2025, there have been no material changes from the non-cancellable purchase commitments as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

During the six months ended June 30, 2025, we amended a lease agreement for our corporate headquarters to terminate certain suites and extend the terms of other suites to 2034. As a result, our operating lease obligations increased by \$21 million. Refer to Note 10 — Commitments and Contingencies in the notes to the condensed consolidated financial statements included in Part 1, Item 1 of this Quarterly Report on Form 10-Q for more information.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q are prepared in accordance with GAAP. The preparation of condensed consolidated financial statements in accordance with GAAP requires us to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and the related disclosures at the date of the financial statements, as well as the reported amounts of revenue and expenses during the period presented. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from our estimates. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows could be affected.

There have been no material changes to our critical accounting policies and estimates as described in our Annual Report on Form 10-K for the year ended December 31, 2024.

Recent Accounting Pronouncements

See Note 2 — Significant Accounting Policies in the notes to the condensed consolidated financial statements included in Part I, Item I of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include foreign currency and exchange risk, interest rate risk, and inflation risk as follows:

Foreign Currency and Exchange Risk

We transact business globally in multiple currencies, with the vast majority of our cash generated from revenue denominated in U.S. dollars and a small amount denominated in other foreign currencies. Our international revenue, as well as costs and expenses denominated in foreign currencies, expose us to the risk of fluctuations in foreign currency exchange rates against the U.S. dollar.

We have experienced and will continue to experience fluctuations in our net income as a result of transaction gains or losses related to remeasurement of certain asset and liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded. The effect of a hypothetical 10% change in foreign currency exchange rates applicable to our business would not have a material impact on our condensed consolidated financial statements. As the impact of foreign currency exchange rates has not been material to our historical results of operations,

we have not entered into derivative or hedging transactions, but we may do so in the future if our exposure to foreign currency becomes more significant.

Interest Rate Risk

As of June 30, 2025, we had cash and cash equivalents of \$1.5 billion and marketable securities of \$109 million invested in a variety of securities, including money market funds and U.S. government and government agency debt securities. In addition, we had \$137 million of restricted cash and cash equivalents primarily due to legally restricted funds maintained in a bank account pursuant to an agreement with a payment card issuer and outstanding letters of credit established in connection with lease agreements for our facilities. Our cash, cash equivalents, and marketable securities are held for working capital purposes. We do not enter into investments for trading or speculative purposes. Due to the short-term durations and nature of our investments, we have not been exposed to, nor do we anticipate being exposed to, material risks due to changes in interest rates. We may be exposed to further interest rate risk if we revise our strategy to invest in longer term securities in the future. A hypothetical 10% increase or decrease in interest rates would not have had a material impact on our condensed consolidated financial statements as of June 30, 2025.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition, or results of operations, other than as a result of its impact on the general economy. However, we are operating in a more volatile inflationary environment due to macroeconomic conditions and have limited data and experience doing so in our history, particularly at our scale. The principal inflationary factors affecting our business are higher prices of products offered by retail partners through Instacart, including due to higher raw material costs, tariffs and trade restrictions, shipping and freight costs, elevated fuel prices that are borne by our partners, and customers purchasing fewer items on average per order. Higher retailer prices, resulting in increased grocery costs and reduced consumer discretionary spending have negatively impacted consumer demand for online grocery as consumers return to in-store shopping to save on service and delivery fees and also have reduced order frequency, driven lower order volumes, and impacted average order values. Customers have and may continue to reduce spending on more premium products, and our brand partners have and may continue to reduce their overall advertising budgets, either of which could harm our revenue and margin. We may also not be able to fully offset higher costs through operational efficiencies or price increases. Increased fuel prices as a result of supply chain and other macroeconomic factors may also result in fewer shoppers or reduced shopper activity. While we have previously implemented certain shopper incentives in response to these factors, persistent or increased shopper shortages may require us to reintroduce or further increase shopper incentives to ensure sufficient shoppers are available to meet demand or provide additional consumer incentives or refunds due to shopper delays or incorrect orders, which have historically occurred and reduced our revenue and profitability. As a result of these factors, we may experience fluctuations in GTV and orders, which could negatively impact our revenue and margin.

Certain of our offerings focused on affordability, such as the addition of discount grocers to Instacart, continued customer promotions, no rush delivery, Instacart+ members-only discounts, and acceptance of other payment options may improve customer accessibility to online grocery and help offset pricing challenges faced by customers due to inflationary pressures and customer fees. However, we cannot predict whether such offerings will offset or mitigate the negative impacts of inflationary pressures to our business, such as general reductions in discretionary spending by customers. Our inability or failure to address challenges relating to inflation could harm our business, financial condition, and results of operations.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our principal executive officer and principal financial officer have concluded that, as of such date, our disclosure controls and procedures were effective and provided reasonable assurance that the information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the second quarter of 2025 that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

A control system, no matter how well designed and operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a 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 management override of the controls.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Independent Contractor Classification Matters

We are regularly subject to claims, lawsuits, arbitration proceedings, administrative actions, government investigations and audits, and other legal and regulatory proceedings at the federal, state, and municipal levels in the United States and other jurisdictions in which we operate, challenging the classification of full-service shoppers as independent contractors, and claims that, by the alleged misclassification, we have violated various employment and other laws that would apply to employees. Laws and regulations that govern the status and classification of independent contractors are subject to change and divergent interpretations by various authorities, which can create uncertainty and unpredictability for us.

For example, on September 13, 2019, the San Diego City Attorney filed a complaint in San Diego County Superior Court on behalf of the people of the State of California alleging unfair competition claims related to contractor misclassification. In October 2022, we signed and filed a stipulated judgment with the city attorney for San Diego, California, which was entered by the court in January 2023 and settled the case for \$46.5 million and the city, acting on behalf of the People of the State of California, released its claims from September 13, 2015 to the settlement's effective date. We are also currently involved in several putative class and collective actions, thousands of alleged individual claims, including those brought or threatened to be brought in arbitration or compelled to arbitration pursuant to our independent contractor agreements, and matters brought, in whole or in part, as representative actions under California's Private Attorney General Act, Labor Code Section 2698, et seq., alleging that we misclassified shoppers as independent contractors and related claims. None of the putative class or collective actions have progressed to or resulted in class certification. Those involving misclassification have either been compelled to individual arbitration or have motions to compel individual arbitration which have been granted and are now pending appeal.

We dispute any allegations of wrongdoing and intend to continue to defend ourselves vigorously in these matters. However, the results of litigation and arbitration are inherently unpredictable, including due to the timing and final amounts of settlements with adverse parties, and our chances of success on the merits for any proceeding remain uncertain. In particular, an adverse ruling in connection with any misclassification class action may negatively impact our chances of success on the merits or settlement negotiation posture for our other outstanding misclassification claims and proceedings. As a result, such legal proceedings, individually or in the aggregate, could have a material impact on our business, financial condition, and results of operations. While we have accrued a legal reserve balance of \$98 million as of June 30, 2025 relating to these misclassification claims and proceedings, as further described in Note 10 — Commitments and Contingencies to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q, any actual losses incurred in connection with these claims against us may differ from the initial estimates of loss, including as a result of settlement negotiations, and such differences could be material. Regardless of the outcome, litigation and arbitration of these matters could have an adverse impact on us because of defense and settlement costs, individually and in the aggregate, diversion of management resources, and other factors.

We also anticipate future claims, lawsuits, arbitration proceedings, administrative actions, and government investigations and audits in various jurisdictions challenging our classification of shoppers as independent contractors and

not employees. In California, Proposition 22 provides more legal certainty regarding the status of independent workers offering delivery services in California from the time it became effective on December 16, 2020. Although the constitutionality of Proposition 22 was subsequently challenged, on July 25, 2024, the California Supreme Court upheld Proposition 22 as constitutional. However, there may continue to be legal challenges, or legislative or other attempts to amend or otherwise invalidate the benefits, protections or the independent worker status provided by Proposition 22. Any future judgments, settlements, or orders issued by a court or governmental body or otherwise in connection with any judicial, administrative, or legal proceeding that results in us being prohibited from continuing to engage with independent-contractor shoppers in the manner we currently do would materially impair our business, growth, and results of operations due to a variety of factors including but not limited to, our adoption of one or more alternative fulfillment strategies and the associated costs that would be required, defense and settlement costs, individually and in the aggregate, diversion of management resources, and such proceedings may result in additional contingency reserves for purposes of our financial statements. In addition, even though Proposition 22 was upheld, we may still face allegations that certain of our business practices do not satisfy all of the elements of Proposition 22. While we believe we properly provide all requisite pay standards and benefits under Proposition 22, we may nonetheless face various claims involving disputes over such pay standards and benefits. For more information, see the section titled “Risk Factors—Risks Related to Our Legal and Regulatory Environment—If the contractor status of shoppers who use Instacart is successfully challenged, or if additional requirements are placed on our engagement of independent contractors, we may face adverse business, financial, tax, legal, and other consequences” and the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Shopper Classification Developments.”

We have also been, are currently, and may in the future be involved in administrative audits with various state and local enforcement agencies, including audits related to shopper classification, state and local ordinance requirements, and unemployment insurance and workers’ compensation contributions. We are currently involved in such audits in Alaska, Florida, New Jersey, New York, and Pennsylvania. We believe that we comply with applicable legal requirements and that shoppers are properly classified as independent contractors; therefore, we dispute that we are obligated to provide such additional benefits under state law and plan to vigorously contest any adverse assessment or determination. Our chances of success on the merits are still uncertain; however, we record a liability within accrued and other current liabilities when we believe that it is both probable that a loss has been incurred and the amount can be estimated. The results of these audits may result in additional payments, including settlement payments, penalties, and interest, and such additional amounts could have a material impact on our business, financial conditions, results of operations, and cash flows.

Securities Litigation

On January 25, 2024, a purported stockholder filed suit against us and certain of our current and former officers and directors in the Northern District of California, on behalf of a putative class of purchasers of our common stock in our IPO or between September 19, 2023 and October 1, 2023. The complaint alleges violations of Sections 11 and 15 of the Securities Act of 1933, as amended (“Securities Act”) and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (“Exchange Act”) in connection with the IPO, and seeks damages and attorneys’ fees, among other things. An amended complaint also added the underwriters of our IPO as defendants. On October 29, 2024, we filed a motion to dismiss the amended complaint, which the court granted on May 9, 2025 with leave to amend. On May 30, 2025, plaintiffs agreed to dismiss the case with prejudice, without receiving any compensation.

FTC Investigation

In July 2025, staff of the Federal Trade Commission (“FTC”) asserted they had authority to enter into consent negotiations with us relating to certain of our marketing and Instacart+ membership program practices. Although we disagree with the FTC staff’s positions, we are engaged in discussions to explore a potential resolution. If we are unable to reach a resolution, the FTC may proceed with litigation, which we are prepared to contest vigorously. The defense and resolution of this matter could give rise to significant costs. This matter could result in remedies or compliance requirements that may adversely affect our operating performance and/or have a material adverse impact on our financial results.

Other Litigation Matters

In the ordinary course of our business, various parties have from time to time claimed, and may claim in the future, that we are liable for damages related to unpaid wages, missed breaks, premium or overtime pay, hazard pay, inadequate notice under the Worker Adjustment and Retraining Notification Act or its state equivalent, retaliation, denial of or interference with leave of absence, improper application of our paid time off or other policies, discrimination or harassment

based on a protected characteristic, wrongful termination, or failure to accommodate a disability. Various parties may also file a charge with the National Labor Relations Board alleging unfair labor practices. Additionally, given the high degree of complexity involved in the interpretation and application of states' sales and indirect tax rules to our activities, it is possible that tax authorities may question our interpretation of taxability of such activities, and various parties have from time to time filed, and may in the future file, complaints related to our current and historical approach to treatment of our sales tax obligations. As a result, we maintain a reserve related to potential tax, interest, or penalties that may be due, as further described in Note 10 — Commitments and Contingencies to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. Although the results of these claims cannot be predicted with certainty, we believe that these claims, individually or in the aggregate, could have a material adverse impact on our business, financial condition, results of operations, and cash flows.

Besides the matters described above, we are regularly subject to claims, lawsuits, arbitration proceedings, administrative actions, government investigations, and other legal and regulatory proceedings involving personal injury, intellectual property, including patent infringement, property damage, securities and stockholder claims, commercial and contract disputes, unfair competition, and consumer protection claims, including auto-renewal practices, pricing and fees, data protection and privacy, environmental, health and safety, appropriate disclosures of worker and customer rights and entitlements, weights and measures, compliance with regulatory requirements, and other matters. Although the results of these claims, lawsuits, government investigations, and other legal proceedings in which we are involved cannot be predicted with certainty, we believe that none of these matters is likely to have a material impact on our business, financial condition, results of operations, or cash flows. However, management's views and estimates related to these matters may change in the future, as new events and circumstances arise and the matters continue to develop. Further, regardless of final outcomes, any such legal proceedings, claims, and government investigations may nonetheless impose a significant burden on management and employees and may come with costly defense costs or unfavorable preliminary and interim rulings.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk because our business is subject to numerous risks and uncertainties, as further described below. You should consider and read carefully all of the risks and uncertainties described below, as well as other information included in this Quarterly Report on Form 10-Q, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q, before making an investment decision. The risks described below are not the only ones we face. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition, results of operations, or prospects. In such case, the trading price of our common stock could decline, and you may lose some or all of your original investment. You should not interpret our disclosure of any of the following risks to imply that such risks have not already materialized.

Risk Factors Summary

Our business is subject to numerous risks and uncertainties, including those outside of our control, that could cause our actual results to be harmed. These risks include the following:

- Historical trends relating to our growth and financial performance may not be indicative of future performance.
- If we fail to cost-effectively acquire new customers or increase the engagement of our existing customers, including through effective marketing strategies, our business would be harmed.
- We have a limited history operating our business at its current scale, scope, and complexity in an evolving market and economic environment, which makes it difficult to plan for future operations and strategic initiatives, predict future results, and evaluate our future prospects and the risks and challenges we may encounter.
- We have a history of losses, and we may be unable to sustain or increase profitability or generate profitable growth in the future.
- The success of our business is dependent on our relationships with retailers. The loss of one or more of our retail partners or reduction in their engagement with Instacart could harm our business.
- We are continuing to build our Instacart Ads offerings. If we fail to grow our advertising revenue, our business, financial condition, and results of operations would be negatively impacted.

- The markets in which we participate are highly and increasingly competitive, with well-capitalized and better-known competitors, some of which are also partners. If we are unable to compete effectively, our business and financial prospects would be adversely impacted.
- If we fail to cost-effectively engage shoppers on Instacart, or attract and retain shoppers, our business could be harmed.
- The failure to achieve increased market acceptance of online grocery shopping and our offerings could seriously harm our business.
- Mergers or other strategic transactions by competitors or retailers could weaken our competitive position and adversely affect our business.
- We expect a number of factors to cause our results of operations and operating cash flows to fluctuate on a quarterly and annual basis, which may make it difficult to predict our future performance.
- If the contractor status of shoppers who use Instacart is successfully challenged, or if additional requirements are placed on our engagement of independent contractors, we may face adverse business, financial, tax, legal, and other consequences.
- The trading price of our common stock may be volatile and could decline significantly and rapidly. You may be unable to sell your shares of common stock at or above the price at which you purchased them.

Risks Related to Our Business and Industry

Historical trends relating to our growth and financial performance may not be indicative of future performance.

We have experienced rapid growth in prior periods, which was driven substantially by the COVID-19 pandemic, which led to significant demand for our offerings, and the rapid evolution of the online grocery shopping industry, as well as the other retail categories in which we operate. However, our growth rates have decreased from what we historically experienced and may continue to decrease or fluctuate as a result of macroeconomic and geopolitical uncertainty, including as a result of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, inflation risk, actual or perceived risk of an economic recession, cessation of or changes to government aid programs, the effects of severe weather patterns, increasing competition, strategic initiatives, and the maturation of our business, among others. We also cannot be certain whether we will drive greater engagement from new or existing retailers, customers, or brands or maintain or increase the level of demand for our offerings over the long term. As a result of the foregoing, our prior growth rates and financial performance should not necessarily be considered indicative of our future performance and results of operations.

Overall growth of our GTV, revenue, margin, and profitability depends on a number of factors, including our ability to:

- attract new retailers, customers, brands, and shoppers, including through effective pricing of our offerings, and sustain and expand our relationships with existing retailers, customers, brands, and shoppers;
- accurately forecast our revenue and plan our operating expenses and investments for future growth;
- successfully compete with other companies that are currently in, or may in the future enter, the markets in which we compete, and respond to developments from these competitors such as pricing changes and the introduction of new services;
- hire, integrate, and retain talented sales, customer service, engineering, and other personnel;
- comply with existing and new laws, regulations and judgments or settlements applicable to our business;
- successfully expand in existing markets and enter new markets, including new geographies, adjacent retail categories, and new fulfillment methods;
- increase the adoption of our Instacart+ membership program to drive increased customer engagement;
- successfully launch new offerings and enhance Instacart and its features and use cases, including in response to new trends or competitive dynamics or the needs of retailers, customers, brands, and shoppers;
- increase the revenue generated by our Instacart Ads offerings;

- successfully identify, acquire and integrate, or invest in businesses, products, or technologies that we believe could complement or expand our offerings;
- enter into and maintain strategic partnerships, including our partnership with Uber to offer their restaurant delivery services on our platform;
- avoid interruptions or disruptions in our services;
- provide retailers, customers, brands, and shoppers with high-quality support that meets their needs;
- effectively manage growth of our infrastructure, personnel, and operations, particularly due to our Flex First workforce model that permits employees to elect to work remotely;
- effectively manage our costs related to our fulfillment methods; and
- maintain and enhance our reputation and the value of our brand.

As a result, you should not rely on our GTV, revenue growth rate, or other key business metrics for any prior quarterly or annual period as an indication of our future performance.

In addition, our ability to forecast, and to provide guidance to investors regarding future operating results and key financial metrics is inherently uncertain. Our business is complex, relatively young and subject to significant impacts from events or evolving regulations beyond our control. All forecasts should be viewed as our good faith expectation at the time originally made, but not accorded undue weight.

We also expect to continue to expend substantial financial and other resources to grow our business, which may not result in sufficient growth or increased profitability to offset the cost of such investments. We may also fail to allocate our resources in a manner that results in increased GTV or revenue growth or improved margin. If our GTV or revenue growth rates decline or our margin is negatively impacted, investors' perceptions of our business and the trading price of our common stock could be adversely affected.

If we fail to cost-effectively acquire new customers or increase the engagement of our existing customers, including through effective marketing strategies, our business would be harmed.

The growth of our business is dependent upon our ability to continue to grow our offerings by cost-effectively increasing our engagement with existing customers and acquiring new customers. If we fail to do so, the value of our offerings will be diminished, and we may have difficulty attracting and engaging retailers and brands. The number of customers and their level of engagement on Instacart may decline materially or fluctuate as a result of many factors, including, among other things:

- dissatisfaction with the operation of, or pricing on, Instacart, including our customer support services, or the quality and performance of the offerings, services, and technology of our partners;
- the actual or perceived quality of service provided by shoppers, such as picking the wrong item, making a poor substitution for out of stock items, failing to deliver items on a timely basis or at all, failing to complete requested tasks or otherwise follow customer instructions, or customers having negative experiences in their interactions with shoppers, particularly during demand surges;
- cost of using Instacart, including customer fees, compared to in-store shopping or other alternatives, particularly for lower income consumers;
- the actual or perceived value or quality of our membership offering and membership benefits;
- the actual or perceived value or quality of service, or the quality, pricing, and availability of products provided by retailers;
- the breadth and variety of retailers that are available to customers on Instacart, including retailers with whom we have a limited or informal arrangement for availability on Instacart;
- macroeconomic uncertainty, including as a result of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, as well as related price increases, inflation risk, and actual or perceived risk of an economic recession;
- future public health outbreaks, or a future outbreak of disease or similar public health concern;

- market acceptance of online grocery shopping and smart carts;
- negative publicity related to our brand, including as a result of safety incidents and other events;
- actual or perceived public policy positions;
- failure to maintain good relationships with shoppers resulting in fewer shoppers available for customers, particularly during peak demand; or
- dissatisfaction with the user experience on our platform, new and current offerings, or changes we make to our offerings.

Although we believe that many customers originate from word-of-mouth customer acquisition and other non-paid referrals, we expect to continue to expend resources for customer acquisition and engagement, including through offering discounts and running promotions, all of which could impact our overall profitability. We have, in the past, experienced and may continue to experience decreases in new customer acquisition rates and customer retention which have negatively impacted and may continue to negatively impact GTV and orders. As a result, we have increased and may continue to increase our customer acquisition spend, including incentives, paid marketing, and brand marketing campaigns to acquire new customers and increase the engagement of our existing customers, which may harm our margin and profitability and our efforts to drive efficiencies in our operating expenses. If we are not successful in, or reduce our marketing investments, we may not be able to retain our existing customers or convert first-time customers, including those using consumer incentives such as discount promotions, into customers who regularly use and engage with our offerings. Further, we may not be able to accurately assess the effectiveness of our marketing campaigns and strategies in acquiring new customers or increasing existing customer engagement for several periods. The effectiveness of our marketing campaigns and strategies may also be obfuscated due to temporary or periodic external factors, such as future public health outbreaks, macroeconomic factors, and changes in the regulatory landscape. Failure to effectively design and conduct such campaigns and strategies may negatively impact our ability to acquire new customers and increase engagement with existing customers, which would harm our revenue growth and business. Consumers also have different grocery needs and preferences depending on demographics, and these priorities may shift as they age. We face heavy competition for consumers in certain demographics, including those in younger age groups who prioritize use cases, features, and fulfillment options that are different from customers in older age groups, such as convenience and specific product categories, as well as those in different income groups who may prioritize affordability over convenience or selection. If we do not successfully address the current and future needs of consumers in different demographics, primarily certain age and income groups, including through brand marketing campaigns and introduction and promotion of relevant use cases, features, fulfillment options, and other functionalities, we may be unable to attract new customers or increase engagement with existing customers. In addition, we may also experience increased customer churn, including to competitors, which would harm our business.

Many customers initially access Instacart to take advantage of certain promotions, such as discounts and other reduced fees. We strive to demonstrate the value of our offerings to such customers, thereby encouraging them to access Instacart regularly or subscribe to Instacart+, through prompts, notifications, and reduced fees or time-limited trials of Instacart+ and other offerings. However, these customers or other customers we acquire inorganically may be lower intent users of Instacart with reduced engagement compared to customers that we acquire organically, may never convert to paying Instacart+ members, or may discontinue using Instacart after they take advantage of our promotions. Further, our initiatives to retain customers, such as encouraging them to subscribe to Instacart+ or providing additional use cases and fulfillment options, may result in negative impacts to other metrics. For example, an increase in Instacart+ orders, changes in product categories shopped, reduced spend on more premium or discretionary products, a shift toward convenience or priority, may result in a decrease in average order value. Such shifts may also negatively impact certain retailers' and brands' actual or perceived benefit from engaging with Instacart. We may also fail to retain customers or experience reduced demand for our services due to negative impacts to our reputation and brand, including due to complaints and negative publicity about us, our offerings, or our competitors, even if factually incorrect or based on isolated incidents. For example, if we are unable to increase shopper availability during demand surges, including due to inclement weather or future public health outbreaks, customers may experience delays in receiving orders or incorrect order fulfillment, which may harm our brand and reputation. In addition, inventory shortages at our retail partners' stores, which are not within our control, may also negatively impact consumers' perception of our offerings. In particular, disruptions in the global supply chain, including those resulting from labor shortages or disputes, closures of manufacturing facilities, transportation restrictions and limitations, war and international conflicts, and increased demand for certain consumer products, have limited, and may continue to limit, the ability of our retail partners to obtain products, maintain stock of such products in a timely and cost-efficient manner, and otherwise respond to consumer demands. Although we do not carry grocery or other retail products as inventory, and as a result, we are not directly impacted by supply chain disruptions to those products, shortages of such

products have in the past resulted in, and may in the future result in, higher rates of out of stock items and delivery delays by shoppers, which have in the past resulted in, and may in the future result in, more customer cancellations and redeliveries, fewer customer orders or smaller orders, and overall customer dissatisfaction.

We regularly provide customers with appeasement credits and refunds as well as incentives for future orders, which measures are intended to counteract any reputational harm and maintain customer satisfaction but are accounted for as direct reductions to our transaction revenue. These negative impacts to our revenue have harmed, and may continue to harm, our margin and results of operations, and the related customer dissatisfaction negatively impacts customer retention and engagement as well as our ability to continue growing our orders, GTV, and Instacart+ adoption. These negative impacts particularly harm our ability to engage with and retain customers in demographic groups that are historically less prevalent on Instacart, such as lower income customers, who may attribute less value to Instacart compared to alternatives due to these negative impacts. Efforts to reduce the overall costs associated with these appeasement credits and refunds, including by reducing appeasement credits and refunds generally, may also create reputational harm and impact our ability to attract or retain customers. Failure to retain existing customers or acquire new customers may also harm our relationships and commercial arrangements with retailers and brands as well as our ability to attract new retailer and brand partners. Past and future changes to the fees that we charge our customers may also reduce overall engagement by our customers or negatively impact new customer acquisition. If we are not able to continue to expand our customer base or fail to retain or drive greater engagement of customers or increase demand for our full-price or paid services, such as Instacart+, while balancing the interests of other constituents on Instacart, our revenue may grow slower than expected or decline, and our margin may be negatively impacted.

We have a limited history operating our business at its current scale, scope, and complexity in an evolving market and economic environment, which makes it difficult to plan for future operations and strategic initiatives, predict future results, and evaluate our future prospects and the risks and challenges we may encounter.

We have significantly scaled and expanded our business and operations, which has led to increased usage of our offerings from new and existing customers. Accordingly, we have limited experience in, and data and results from, operating our business at its current scale, scope, and complexity and in a rapidly evolving market and economic environment. As a result, our ability to plan for future operations and strategic initiatives, predict future results of operations, and plan for and model future growth in orders, GTV, revenue, expenses and prospects is subject to significant risk and uncertainty as compared to companies with longer and more consistent operating histories and in more stable macroeconomic or regulatory environments and industries. In particular, we face risks and challenges relating to our ability to, among other things:

- accurately forecast our orders, GTV, and revenue and budget for and manage our expenses;
- attract new retailers, customers, brands, and shoppers and retain or increase the engagement of existing retailers, customers, brands, and shoppers in a cost-effective manner;
- enter into and maintain strategic partnerships, including our partnership with Uber to offer their restaurant delivery services on our platform;
- comply with existing and new laws, regulations and judgments or settlements applicable to our business;
- plan for and manage capital expenditures;
- anticipate and respond to macroeconomic changes and changes in the markets in which we operate, including as a result of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, as well as related price increases, inflation risk, and actual or perceived risk of an economic recession;
- maintain and enhance the value of our reputation and brand;
- effectively manage our growth as the market for online grocery shopping continues to evolve;
- effectively deploy our capital toward strategic initiatives;
- successfully expand our geographic reach;
- hire, integrate, and retain talented people at all levels of our organization; and
- successfully maintain and enhance our offerings and our technology infrastructure for retailers, customers, brands, and shoppers.

Our future growth will depend heavily on our ability to successfully execute on our strategic initiatives. For example, as we continue to expand our business, we have introduced and scaled new features, use cases (such as convenience and restaurants), fulfillment options (such as pickup and priority), and functionalities in our offerings (such as flyers and loyalty programs), and made strategic investments in new technologies and initiatives (such as our enterprise offerings, including Connected Stores). We have also invested heavily in our Instacart Ads product capabilities and in growing the number of brands that use our services. In addition, we continue to invest in strategic initiatives such as Instacart Business and Instacart Health to expand the scope of our business. Our future growth depends on the perceived value of our expanded offerings as a whole to retailers, customers, brands, shoppers, and strategic partners, as well as our ability to balance the effects of various strategic initiatives, including our focus on further scaling our operations to improve our margin and profitability. For example, we may experience fluctuations in our growth due to changes in average order value as a result of promoting Instacart+ to customers to increase customer loyalty and order volume, new or updates to our pricing strategy or other strategic initiatives. We have limited experience operating this expanded business model and may not be able to accurately predict and plan for the impacts it may have on our growth rates, revenue mix, margin and profitability, as well as outside factors that may impact our business model, such as changes in consumer shopping behavior, retailer preferences, competition, and macroeconomic factors.

Our limited history and experience operating our current business may also negatively impact our ability to plan strategic investments and initiatives to further expand our business and offerings, including to support our retail partners, customers, brand partners, and shoppers, certain of which may require significant capital expenditures and future operating expenses that may be difficult to forecast. In addition, existing and future operational and strategic initiatives may have lengthy return on investment time horizons, such as brand marketing campaigns, new marketing, merchandising and consumer awareness strategies, and Connected Stores. As a result, we will not be able to adequately assess the benefits of such initiatives until we have made substantial investments of time and capital, resulting in high opportunity costs. The online grocery industry and competitive landscape also continue to evolve, which will require us to address shifting competitive pressures and further stresses our ability to plan for operational and strategic initiatives and forecast our future results of operations. We are also devoting significant resources to bolster our capacity and information technology infrastructure, financial and accounting systems and controls, sales and marketing and engineering capabilities, and operations and support infrastructure, as well as to retain, manage, and train employees in geographically dispersed locations to service new and existing customers. We may not successfully accomplish any of these objectives in a timely manner or at all.

You should consider and evaluate our prospects in light of the risks and uncertainties frequently encountered by growing companies in rapidly evolving markets, in particular, markets such as the online grocery industry that are or could be materially impacted by significant regulatory changes, tariffs or other trade restrictions, global pandemics, and economic recessions. If our assumptions regarding the risks and uncertainties that we consider in planning and operating our business are incorrect or change, or if we do not address these risks and uncertainties successfully, including due to the lack of historical data from and experience in operating our business at its current scale, scope, and complexity, the continued evolution of our business and the online grocery industry, or other factors, our results of operations could differ materially from our expectations, and our business, financial condition, and results of operations could be adversely affected.

We have a history of losses, and we may be unable to sustain or increase profitability or generate profitable growth in the future.

Although we have generated profit in recent periods, including net income of \$457 million for the year ended December 31, 2024, we have historically experienced significant net losses, including a net loss of \$1.6 billion for the year ended December 31, 2023, primarily as a result of stock-based compensation expense we recognized in connection with the vesting of certain restricted stock units (“RSUs”) and vesting of restricted stock in connection with our IPO. As of December 31, 2024, we had an accumulated deficit of \$3.6 billion. We will need to sustain or increase revenue while managing our costs to sustain or increase profitability.

Our ability to generate and expand profitability is highly impacted by growth in our diversified revenue streams and our ability to drive operational efficiencies in our business. Our efforts to maintain and increase our profitability may not succeed due to factors such as evolving consumer behavior trends in grocery shopping, including the impacts of future public health outbreaks, impacts on prices of goods due to trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, inflationary pressures or other factors, actual or perceived risk of an economic recession, unfavorable macroeconomic conditions, customer engagement and retention, changes in our revenue mix and retailer, customer, and brand partner fees, the costs associated with complying with evolving regulatory regimes, including costs associated with order fulfillment,

collection and credit risks, our ability to hire and retain highly skilled personnel, our ability to effectively scale our operations, and the continuing evolution of the online grocery industry, many of which are beyond our control.

Our ability to generate and expand profitability also depends on our ability to manage our costs. We have expended and expect to continue to expend substantial financial and other resources to:

- increase the engagement of retailers, customers, brands, and shoppers;
- drive adoption of our offerings through marketing and incentives and increase awareness through brand campaigns;
- enhance Instacart with new offerings, including through partnerships, use cases, features, including flyers and loyalty programs, fulfillment options, member benefits, such as unlimited \$0 delivery fees on orders over a certain size, and other exclusive benefits for Instacart+ members, and functionality, including through strategic investments and expanded technologies, such as Connected Stores; and
- invest in our operations to continue scaling our business to achieve and sustain long-term efficiencies.

These investments may contribute to net losses in the near term. We may discover that these initiatives are more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these expenses or realize the benefits we anticipate. Certain initiatives may also require incremental investments or recurring expenses and may not be accretive to revenue growth, margin, or profitability for a longer time period, if at all. Many of our efforts to increase revenue and manage operating costs are new and unproven given the unique and evolving complexities of our business and the evolving nature of the grocery industry. Any failure to adequately increase revenue or manage operating costs could prevent us from sustaining or increasing profitability. Expansion of our offerings, such as to include new use cases, additional technologies, fulfillment options, additional geographic markets, or retail categories adjacent to grocery, may initially harm our profitability. We have also made and may continue to make concessions to retailers that are designed to maximize profitability in the long term but may decrease profitability in the short term. These retailer concessions negatively impact our revenue and financial results and the process for determining and quantifying the impact of these concessions requires judgment and estimates. As a result, the impact of retailer concessions on our financial results may continue into future periods or have higher impacts than we anticipate. We may also incur higher operating expenses as we implement strategic initiatives, including in response to external pressures such as competition, retailer consolidation, and evolving consumer behavior trends in grocery shopping. For example, our sales and marketing expenses as well as consumer incentive costs have increased and may continue to increase in the near term. Additionally, we may not realize, or there may be limits to, the efficiencies we expect to achieve through our efforts to scale the business, reduce friction in the shopping experience, and optimize costs such as shopper earnings, payment processing, customer and shopper support, and shopper acquisition and onboarding costs. We have expanded gross margin and optimized operating costs through these efficiencies in the past but the pace of such expansion has normalized and may decelerate further in the future. We also face greater compliance costs associated with the increased scope of our business and being a public company.

In addition, we have granted RSUs and restricted stock to our employees and directors, which primarily vest upon the satisfaction of a service-based vesting condition. Stock-based compensation expense related to these RSUs and other outstanding equity awards will result in fluctuations in our expenses in future periods.

We may encounter unforeseen operating expenses, difficulties, complications, delays, and other factors, including as we expand our business, execute on strategic initiatives, and navigate macroeconomic uncertainty and any future public health concerns or outbreaks, which may result in losses or a failure to generate or expand profitable growth in future periods.

As such, due to these factors and others described in this “Risk Factors” section, we may not be able to sustain or increase profitability or generate profitable growth in the future. If we are unable to sustain or increase profitability, the value of our business and the trading price of our common stock may be negatively impacted.

The success of our business is dependent on our relationships with retailers. The loss of one or more of our retail partners or reduction in their engagement with Instacart could harm our business.

In order to attract and expand our relationships with consumers, brands, and shoppers, we must attract new retailers and maintain our relationships with existing retailers. Consumers have strong preferences for their favorite retailers due to

the trust these brands have created over generations, and our ability to increase consumer and brand adoption of Instacart depends on our ability to attract and maintain our retail partners and maintain or increase their adoption of our offerings.

Our ability to attract and retain retailers depends on our ability to generate revenue for them. Retailers will not continue to do business with us if they do not believe that partnering with Instacart will generate a competitive return relative to other alternatives, including from our competitors. Retailers have in the past chosen, and could continue to choose, to partner with other online grocery platforms (exclusively or otherwise) or develop or acquire their own online grocery platforms, in either case in a specific geographic market or overall. Retailers may also choose to develop, acquire, or partner with other companies (exclusively or otherwise) for access to products and offerings for specific use cases, fulfillment options, features, or technologies, such as brand advertising and retail media platforms, prepared meals, shopping cart or checkout technologies, and others. Our future growth depends in part on our ability to not only engage new retailers but also to retain and expand existing retailer engagement with Instacart. However, retailers may decrease their engagement with Instacart based on factors that may not be within our control or whose impacts are difficult to predict. For example, macroeconomic effects from supply shortages and inflation have previously resulted in fluctuations in consumer shopping behaviors and preferences. An increase in retailer operating costs, or other deterioration in the financial condition of retailers, whether due to macroeconomic conditions or otherwise, could cause retailers to raise prices, renegotiate contract terms, or cease operations, which we expect may influence our retailer fee terms. Further, as we expand our own offerings, changes in the mix of customer engagement with our existing and new use cases, fulfillment options, features, and technologies, as well as any changes in online shopping behaviors, may also result in a decrease in engagement for certain retailers, due to less favorable economics or changes in retailers' strategic focus. We may not be able to accurately predict the extent of the impact of the factors above on our business and growth initiatives and resulting new trends in retailer strategies and preferences, including due to our limited experience in operating our business at its current scale, scope, and complexity and limited historical data regarding impacts of these factors, which may harm our revenue growth, margin, and results of operations.

We enter into services agreements with our retail partners that provide for service fees in exchange for providing access to our technology platform. We recognize revenue as a percentage of the total purchase value from the sale of goods, a per transaction fee, the difference in price between amounts charged to customers for goods and the actual settlement price to the retailer for the goods, a license fee for the use of our technology platform, or a combination thereof. Payment by retailers is generally due immediately to 45 days upon receipt of invoice. Retailers have in the past decided and may in the future decide to not renew their agreements while others have in the past modified and may in the future modify their agreement terms in a cost-prohibitive or strategically detrimental manner when their agreements are up for renewal due to factors such as macroeconomic uncertainty, dissatisfaction with existing or proposed terms in their service agreements, changes in consumer shopping behavior and preferences on Instacart and among our use cases, fulfillment options, and competitive offerings. For example, we have modified, and may need to modify in the future, retailer fee arrangements to attract and retain retailers, modify payment processing arrangements, or make other changes that reduce our transaction revenue, in each case due to competition, retailer business downturns, and other factors. Some retailers have in the past shifted and may in the future shift away from exclusive arrangements with us for various reasons, including to partner with other or additional online grocery platforms, and additional retailers may decide to shift away from such arrangements in the future. Our inability to maintain our relationships with retailers on terms consistent with or better than those already in place and that are otherwise favorable to us could increase competitive pressure, impact grocery product and/or offering pricing, and otherwise adversely affect our business, financial condition, and results of operations. Retailer consolidation may also result in a decrease in or cessation of engagement with Instacart, or result in Instacart receiving less favorable contract terms with the consolidated entity.

Retailers could also experience downturns or fail, including due to macroeconomic pressures, experience labor shortages or disputes, fail to adopt additional offerings or fulfillment methods or fail to launch or utilize our offerings in the manner and timing that we expect, or cease using Instacart altogether for many reasons. The grocery industry has traditionally been slow to adopt new technologies, fulfillment options, and online enablement in general, including due to lack of confidence in the online grocery industry, preference for in-store shopping due to resulting organic shopping behaviors, or general resistance to adopting Instacart, and is typically characterized by comparatively lower margin and high cash needs. As a result, we have at times experienced, and may continue to experience, slower adoption and implementation of our offerings by our retail partners as well as retailer turnover. If we lack a sufficient variety and supply of retailers, or lack access to the most popular retailers, such that Instacart becomes less appealing to consumers and brands, our business may be harmed.

We currently generate significant GTV and revenue from a small number of retailers. Our top three retailers accounted for approximately 43% of our GTV for the years ended December 31, 2022 and 2023, and 42% for the year ended

December 31, 2024. While GTV and revenue from our largest retail partners may decrease as a percent of our total GTV and revenue over time as we generate more GTV and revenue from other retailers, we believe that GTV and revenue from our largest retailers will continue to account for a significant portion of our GTV and revenue for the foreseeable future. If any of these retailers were to suspend, limit, or cease their operations or otherwise terminate their relationships with us, the attractiveness of Instacart to consumers and brands could be materially and adversely affected.

We are continuing to build our Instacart Ads offerings. If we fail to grow our advertising revenue, our business, financial condition, and results of operations would be negatively impacted.

We are continuing to build, grow, and scale our Instacart Ads offerings and our advertising revenue model. Our agreements with brand partners provide that service fees are paid for continually promoting a brand during the duration of the term applicable to a given advertising campaign. Contracts applicable to a given advertising campaign are typically less than one year in duration. We primarily recognize revenue in the amount that we have the right to invoice as advertising services are rendered, which occurs upon delivery of clicks, upon delivery of impressions, over the contract term on a fixed fee basis, or upon redemption of coupons. Payment for our advertising offerings is generally due 30 to 90 days after receipt of invoice. Although we have significantly grown our advertising and other revenue and launched a number of new advertising capabilities in recent years, we are still optimizing and refining the execution of our growth strategy for our Instacart Ads offerings and face certain challenges associated with scaling such newer offerings. As such, there is no assurance that this advertising revenue model will continue to be successful or that we will generate increasing advertising revenue, and the pace of expansion of our Ads offerings may fluctuate. To sustain or increase our advertising revenue, we must attract new brands and encourage existing brands to maintain or increase their advertising spend on Instacart given we do not typically have long-term commitments from brands. To do this, we must expand the number of markets where we offer advertising, attract new retailers and expand our relationships with existing retailers, acquire new customers and increase the engagement of existing customers, and increase the breadth and functionality of our advertising products to create more value for our brand partners, including new advertising formats, new measurement tools, increased brand awareness, and other capabilities to deliver attractive return on investment to brand partners. If we are unable or choose not to expand our advertising markets, develop or pursue innovative advertising models and offerings, expand our relationships with more retailers, acquire new customers or increase the engagement of existing customers, or acquire new brand partners or increase the engagement of existing brand partners, we may not be able to successfully grow our advertising and other revenue. In addition, our advertising and other revenue growth rate and our advertising and other investment rate have fluctuated and may continue to fluctuate, particularly during periods of acceleration or deceleration in our GTV growth. Our advertising and other investment rate may also fluctuate if we generate more GTV from sources where we do not provide advertising or where we have recently enabled advertising, such as from certain new offerings or use cases and from retailers' owned and operated online storefronts including those utilizing Instacart API that do not partner with Carrot Ads.

Changes to our advertising policies and privacy, data security, and data protection practices, laws, legislation, or regulations, or the regulatory enforcement thereof, may affect the products that we are able to provide to brands, which could harm our business. Actions by operating system platform providers or application stores such as Apple or Google may also affect our offerings or services or how we collect, use, and share data from end-user devices in connection with Instacart Ads. For example, Apple implemented a requirement for applications using its mobile operating system, iOS, to affirmatively (on an opt-in basis) obtain an end user's permission to track user activity across apps or websites or access users' device advertising identifiers for advertising and advertising measurement purposes, as well as other restrictions. Additionally, many state legislatures have enacted laws and regulations granting consumers the right to opt-out of a company's sharing of personal data for advertising purposes in exchange for money or other valuable consideration and imposing certain obligations on covered businesses with respect to consumers' personal data. Partially as a result of these developments, individuals are becoming increasingly resistant to the collection, use, and sharing of personal data to deliver targeted advertising. Individuals are now more aware of options related to consent, "do not track" mechanisms (such as browser signals from the Global Privacy Control), and "ad-blocking" software to prevent the collection of their personal data for targeted advertising purposes. The long-term impact of these and other privacy and regulatory changes remains uncertain and may harm our growth, business, and profitability.

In addition, expenditures by brands tend to be cyclical, reflecting overall economic conditions and budgeting and buying patterns. Adverse macroeconomic conditions have also adversely affected the demand for advertising and caused brands to reduce the amounts they spend on advertising. For example, we have seen and may continue to see reduced demand for advertising from brands that are exercising caution with their spending budgets and either slowing or reducing their campaigns due to, among other things, macroeconomic uncertainty, including as a result of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by

foreign governments to such policies, global supply chain disruptions, labor shortages or disputes, changing consumer preferences, geopolitical conflicts including the war in Ukraine and conflicts in the Middle East, and reduced consumer confidence. These factors have had a negative impact on our advertising revenue, and such impact is expected to continue in future periods. These factors may also negatively impact our ability to forecast our advertising revenue as the extent of the ongoing impact of these macroeconomic factors on our business and on global economic activity generally is uncertain and may continue to adversely affect our business, operations, and financial results. In addition, brand partners have in the past reduced, and may in the future reduce, their spend on Instacart as a result of decreases in our GTV growth, the timing of adoption of new advertising formats and offerings, or for any other reason, which has in the past resulted and may continue to result in reductions in the growth of brand partner digital marketing spend on Instacart and related decreases in advertising and other revenue growth in future periods. Our ability to sustain or increase profitability depends in part on our advertising revenue, and failure to maintain or grow our advertising revenue could harm our prospects, business, financial condition, and results of operations, as well as impact our ability to strategically lower fees and invest in larger marketing campaigns, new offerings, and select geographic expansions.

The markets in which we participate are highly and increasingly competitive, with well-capitalized and better-known competitors, some of which are also partners. If we are unable to compete effectively, our business and financial prospects would be adversely impacted.

The markets in which we compete are evolving rapidly and are highly competitive with increasing competitive pressure. Our business is complex and encompasses a range of technologies, offering types, and fulfillment methods that serve the diverse needs of our constituents.

With respect to Instacart Marketplace, our current and potential competitors include, but are not limited to: (i) existing and well-established online grocery or shopping alternatives, including digital-first platforms, such as Amazon and Thrive Market, (ii) brick-and-mortar retailers that have their own digital and fulfillment offerings, such as Target and Walmart, some of which decide to partner with Instacart to complement their own offerings, (iii) companies that provide e-commerce and fulfillment services for third parties, including retailers, whether online or offline, such as DoorDash, Shipt (acquired by Target), and Uber Eats, (iv) digital-first platforms entering the grocery market by owning inventory, including DashMart (owned by DoorDash), Fresh Direct (owned by Getir), and Gopuff, which may include existing retailers on Instacart, which could eventually eliminate their need to partner with us or limit their use of Instacart Marketplace, (v) companies that provide e-commerce and fulfillment services that focus on discrete categories of products, such as alcohol or prescription delivery, including Alto Pharmacy, and (vi) companies that offer direct to consumer ingredient or meal offerings, such as Blue Apron (owned by Wonder Group) or Misfits Market, some of which may partner with Instacart to complement their own offerings. Most consumers currently choose to shop for themselves at brick-and-mortar grocery stores, regardless of whether we partner with the retailers that operate these stores. Also, the cost to switch between providers of online grocery shopping is low for consumers, and consumers within various demographics have a propensity to shift to the lowest-cost or highest-quality provider and may use more than one platform.

With respect to Instacart Enterprise Platform, our current and potential competitors include, but are not limited to: (i) companies that are focused on the online grocery enterprise services industry, as well as larger enterprise software companies that have products and services that provide retailers with some of the benefits we offer through Instacart Enterprise Platform, (ii) micro-fulfillment or automated warehouse providers that support grocery retailers' owned and operated offerings, such as Ocado, and (iii) existing and potential retailers on Instacart who develop or may in the future develop their own enterprise e-commerce system. In addition, our competitors include companies that provide point solutions for individual components of Instacart's e-commerce offering such as picking technology and retail media network solutions. Our competitors may also make acquisitions or establish cooperative or other strategic relationships among themselves or with others, including retailers. While there may be costs to switch between enterprise products, retailers may shift to the platform that offers the lowest service fee for their products and provides the highest volume of orders, or build their own. Our Instacart Enterprise Platform also includes in-store technology offerings, including Caper Carts, Lists, Carrot Tags, and other in-store applications, which face competition from other retailer technology solution providers, such as Veeva and Amazon.

With respect to Instacart Ads, our current and potential competitors include, but are not limited to: (i) third-party platforms that assist retailers with monetization of their digital offerings for consumers, such as CitrusAd (acquired by Publicis Groupe), Criteo, Moloco, and Quotient, (ii) first-party retailer-owned solutions that provide online advertising opportunities to brands on their owned and operated domains, such as Amazon, Kroger, Target, Walmart, and others, some of which are also retailers on Instacart, (iii) companies that provide e-commerce and fulfillment services for third parties, including retailers, which currently offer or may in the future offer advertising products, such as DoorDash and Uber Eats,

and (iv) companies that offer established online advertising products that are not specifically limited to the grocery industry, such as those offered by Amazon, Google, Meta, and Snap.

With respect to restaurants offered on Instacart's Marketplace via our partnership with Uber, there are a number of competitors to such offering available through Instacart including, but not limited to: (i) local on-demand delivery companies such as DoorDash, Uber Eats via Uber's native applications, and Grubhub (acquired by Wonder), (ii) restaurants that have their own online ordering platform or online ordering systems, and (iii) other businesses that offer online ordering of prepared meals. Many consumers also rely on offline ordering channels, such as take-out offerings, telephone, and paper menus advertised by restaurants to consumers. The cost to switch between providers of online restaurant delivery is low for consumers, and consumers within various demographics have a propensity to shift to the lowest-cost or highest-quality provider and may use more than one delivery platform. In addition, competitors may offer different restaurant selection or restaurant delivery focused memberships that discourage consumers from switching to our offering.

We also compete for shoppers with many of the same companies with which we compete for customers, as well as companies in industries unrelated to ours that offer personal task-based services. The majority of shoppers do not shop on Instacart as their primary occupation or source of income. As such, a shopper, or someone considering to be a shopper, weighs that opportunity against others, such as traditional employment, personal task-based services, school, personal time, or other options in the labor market. Because switching costs are low, shoppers may shift to another platform that has higher, or is perceived to have higher, earnings potential.

Further, while we work to expand further in the United States and Canada and scale international markets, and introduce new offerings across a range of industries, many of our competitors remain focused on a limited number of products or on a narrow geographic scope, allowing them to develop specialized expertise and employ resources in a more targeted manner than we do. As we and our competitors introduce new offerings, and as existing offerings evolve, we expect to become subject to additional competition. If we are unable to offer comparable or superior offerings, our business may be adversely affected. In addition, our competitors may adopt certain of our features, or may adopt innovations that consumers value more highly than ours, which would render our offerings less attractive or reduce our ability to differentiate our offerings.

Many of our competitors are well-capitalized and are able to offer discounted or free services, shopper incentives, consumer discounts and promotions, innovative products and offerings, and alternative pricing models, which may be more attractive to retailers, consumers, brands, or shoppers than those that we offer. In addition, we may not be able to effectively compete with service offerings from vertically integrated competitors, such as Amazon or Gopuff, which control both the brick-and-mortar retailer and online fulfillment technology. Certain brick-and-mortar retailers that have their own digital offering, such as Walmart, also have significant size, scale, geographic, and customer base advantages, which may allow them to grow online sales or capture increasing share of the online grocery market or advertising budgets more effectively and at a faster rate than us. Competitors may also offer fulfillment options from our retail partners, despite having no formal engagement with such retailers. Further, some of our current or potential competitors have, and may in the future continue to have, greater resources and access to larger consumer and shopper bases in a particular geographic area. In addition, our competitors in certain geographies enjoy substantial competitive advantages, such as greater brand recognition, longer operating histories, larger marketing budgets, better localized knowledge, and/or fewer regulatory challenges. Smaller competitors may be more nimble at anticipating and meeting changing market dynamics and new entrants to online grocery are able to initially grow grocery sales at a faster rate due to their smaller scale, which has attracted advertising budget to certain of these competitors. As a result, such competitors may be able to respond more quickly and effectively than us in such markets to new or changing opportunities, technologies, consumer preferences, regulations, or standards, which may render our offerings less attractive. In addition, future competitors may share in the effective benefit of any regulatory or governmental approvals and litigation victories we may achieve, without having to incur the costs we have incurred to obtain such benefits.

For all of these reasons, we may not be able to compete successfully against our current and future competitors. Our inability to compete effectively would have an adverse effect on our ability to acquire new retailers, customers, and brand partners or increase the engagement of our existing retailers, customers, and brand partners, or would otherwise harm our business, financial condition, and results of operations. Third parties may also gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveal competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position.

If we fail to cost-effectively engage shoppers on Instacart, or attract and retain shoppers, our business could be harmed.

Shoppers perform certain tasks for customers, including picking and delivering goods, on Instacart. We enter into agreements with shoppers for them to provide fulfillment and other services to customers through Instacart and our technology. Our agreements with shoppers generally remain in effect until terminated by the shopper or by us. Shoppers may generally terminate their agreements with us at any time by providing us written notice and such agreements do not provide for any exclusivity.

If there are not enough shoppers on Instacart, customer orders may be late, may go unfulfilled, or may be incorrectly fulfilled, which would have a negative effect on those impacted customers and retailers and consequently on our business. If there are too many shoppers on Instacart, there may be an insufficient number of customers placing orders to keep shoppers occupied, engaged, and satisfied with their earnings potential on Instacart. If we are unable to attract shoppers on favorable terms or increase utilization of Instacart by existing shoppers, if we lose shoppers on Instacart, or if shoppers determine it is no longer economically worthwhile to provide services on Instacart due to factors that may be beyond our control, including the costs of gasoline, vehicles, or insurance, changes in consumer behaviors in grocery shopping, actual or perceived economic advantages of providing services with other companies that engage independent contractors, including our competitors, our growth objectives and our business and prospects could be seriously harmed.

The number of shoppers on Instacart could decline or fluctuate as a result of a number of factors, including shoppers choosing not to provide their services through Instacart as a result of being dissatisfied with their earnings potential, our pay model or changes to our pay model, changes to the terms of our independent contractor agreement, shopper incentives, our retail partners, having a poor experience on Instacart, or deciding to pursue other work opportunities. For example, shoppers may prefer to provide services through other companies that engage independent contractors if these companies provide benefits such as insurance or portable benefit accounts, or if shoppers simply prefer other app-based work opportunities, such as passenger transportation or restaurant delivery, for non-economic reasons. Many shoppers provide services part-time and have other independent contracting work or employment. Factors outside of our control, including macroeconomic factors, and improvements in labor markets, may cause shoppers to cease providing services on Instacart and become employees elsewhere. Shopper dissatisfaction has in the past resulted in shopper protests, coordinated shopper work stoppages, shoppers choosing not to provide their services through Instacart, and negative press. Any protests, work stoppages or refusals to provide services may result in interruptions to our business or negative publicity and may otherwise harm our business and reputation. While we have implemented strategic initiatives and commitments to bolster our reputation with shoppers in the past, and intend to continue implementing such initiatives and commitments in the future, there can be no assurance that these will be effective to retain shoppers and maintain or improve our reputation with shoppers.

From time to time, we have experienced, and expect to continue to experience, shopper shortages, often due to factors that are not within our control and which may be difficult to predict. Shoppers have significant flexibility regarding the in-store tasks they want to perform, including when, where, and how they wish to shop. Shoppers may also provide services on other app-based platforms. To the extent that we experience shopper shortages, we may need to provide or increase incentives to shoppers in order to attract them to Instacart, which would negatively impact our financial results. Our expectations and predictions for shopper needs and preferences may also be inaccurate or incomplete, including due to a lack of historical data for our current scale and scope of operations or due to consumer demand surges that can arise due to factors outside of our control, such as inclement weather. Under these circumstances, we may not be able to attract enough shoppers to fulfill orders in a timely manner even with shopper incentives. Consequently, if shopper shortages lead to the inability of customers to place orders through Instacart or to delayed or incorrect orders, we may lose customers to other online grocery platforms or to other modes of shopping, particularly customers in certain demographic groups who have historically been less prevalent users of Instacart and are more difficult to engage or retain, which would harm our growth, profitability, and results of operations. Finally, the loss of customer orders due to a lack of shoppers to fulfill them or due to incorrect order fulfillment may reduce the perceived value of our offerings to retailers, who may in turn leave Instacart.

In addition, authorities have passed laws or adopted regulations, and may continue to do so in the future, requiring shoppers in the applicable jurisdiction to undergo a materially different type of qualification, training, licensure, screening, or background check process, which could be costly and time-consuming. These laws have also in the past imposed and may in the future impose requirements forcing us to fix minimum levels of compensation and provide certain benefits for shoppers, disclose additional details about orders, prices, and shopper earnings, and handle shopper account deactivation in a prescribed manner, which could force us to create new administrative processes and negatively affect our ability to attract and retain retailers, customers, or shoppers, as well as require us to share competitively sensitive information that may cause harm to our business. Court decisions interpreting or otherwise affecting such laws regarding shopper classification or shopper pay and benefits, or interpretations by agencies of the applicability of a retailer or brand collective bargaining agreement to certain tasks shoppers perform, may also negatively affect our ability to attract and retain retailers, customers,

or shoppers. Even if some or all of such changes are ultimately not costly or time-consuming, they could reduce the number of shoppers in those markets or extend the time required to recruit new shoppers to Instacart, which could adversely impact our growth, business, and results of operations.

Often, we are forced to balance tradeoffs between the satisfaction of various constituents on Instacart, as a change that one category views as positive may be viewed as negative to another category. For example, we take certain measures that are designed to protect against fraud, help increase safety, and prevent privacy and security breaches, such as imposing certain qualifications for shoppers and terminating access to Instacart for shoppers with reported incidents, that may be popular with consumers but may also damage our relationships with shoppers or discourage or diminish their use of Instacart. Certain measures we take to incentivize shoppers, such as smaller windows for reducing tips after an order is complete, may be popular with shoppers but may also be viewed negatively by consumers who wish to have more flexibility over tipping. Further, increased shopper flexibility in when, where, and how to shop may result in shopper shortages during periods of peak demand, which may cause frustration with retailers and customers. If we do not adequately balance the tradeoffs among the various constituents on Instacart and continuously assess such tradeoffs in the context of prevailing market and competitive factors, our business may be harmed.

The failure to achieve increased market acceptance of online grocery shopping and our offerings could seriously harm our business.

The market acceptance of our offerings is critical to our continued success. Historically, consumers and retailers have been slower to adopt online grocery shopping than e-commerce offerings in other industries such as consumer electronics and apparel. Grocery is a complex market, and improving upon the traditional consumer in-store experience through an online platform or with connected shopping experiences is difficult due to broad consumer demands on selection, quality, affordability, and convenience. Grocery shopping habits and related consumer preferences are complex and diverse across and within markets and across demographics and age groups. Changing traditional grocery shopping habits is difficult, and if consumers and retailers do not embrace the transition to online grocery shopping and connected shopping experiences as we expect, our business and operations could be harmed. The amount of influence we may have over these shopping habits and preferences, and the methods at our disposal to exercise such influence (including marketing and incentives), may be limited, and we are dependent on external influences over shopping habits, such as public health incidents and inclement weather, and macroeconomic factors. In particular, shopping habits and preferences vary between younger and older consumers, consumers across different income groups, and among other demographic characteristics, and to be successful, we need to effectively increase market acceptance across all age, income, and other demographically different groups by increasing brand awareness and focusing marketing efforts on relevant habits and preferences. Moreover, even if more consumers begin to shop for groceries online, if we are unable to address their changing needs, or the evolving needs of retailers or brands, and anticipate or respond to market trends and new technologies in a timely and cost-efficient manner, we could experience decreased adoption, increased customer churn and lose the support of retailers and brands, any of which would adversely affect our business and results of operations. Demand for our offerings is also affected by a number of factors beyond our control, including macroeconomic conditions, initiatives by retailers to influence shopping behavior, continued market acceptance of our offerings, the timing of development and release of new offerings and features by us, the timing or manner of the adoption of our offerings by retailers and our competitors, changing consumer dietary preferences, technological change, brand recognition, and growth or contraction in our markets. If we fail to achieve increased market acceptance of our offerings, our business could be seriously harmed.

Mergers or other strategic transactions by competitors or retailers could weaken our competitive position and adversely affect our business.

If one or more competitors or retailers were to merge, acquire, or partner with another competitor or retailer, the change in the competitive landscape could adversely affect our ability to compete effectively. Consolidation amongst major retail partners could impact contractual negotiations with such retail partners, result in lower utilization of our products, or lead ultimately to termination of existing retailer engagements. In addition, our competitors may also establish or strengthen cooperative relationships with current or future retailers, brands, and other parties with whom we have relationships, which could limit our ability to promote our offerings to those retailers and reduce our number of customers. As a result of these and future potential acquisitions, current and future retailers may begin working more closely, or on an exclusive basis, with other competitors with whom they have combined or otherwise established new relationships. Disruptions in our business caused by these events could adversely affect our business and results of operations.

We expect a number of factors to cause our results of operations and operating cash flows to fluctuate on a quarterly and annual basis, which may make it difficult to predict our future performance.

Our results of operations could vary significantly from quarter to quarter and year to year because of a variety of factors, many of which are outside of our control. As a result, comparing our results of operations on a period-to-period basis may not be meaningful. In addition to other risk factors discussed in this section, factors that may contribute to the variability of our quarterly and annual results include:

- our ability to accurately forecast revenue and appropriately plan our expenses;
- macroeconomic uncertainty, including as a result of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies;
- the impact of prior or future public health threats on our business;
- revenue and fulfillment option mix shifts as we enhance Instacart with new offerings, use cases, and functionality, as well as changes in mix of revenue contribution from advertising contracts;
- timing of the recognition of our deferred revenue;
- timing of strategic investments and expenditures;
- fluctuations in operating expenses, including cost of revenue, as we seek to improve efficiencies, comply with changing regulatory requirements, and expand our business, offerings, and technologies;
- changes to financial accounting standards and the interpretation of those standards, which may affect the way we recognize and report our financial results;
- the effectiveness of our internal controls;
- the seasonality of our business, including as a result of inclement weather; and
- our ability to collect payments from retailers and brands on a timely basis.

The impact of one or more of the foregoing and other factors may cause our results of operations to vary significantly. In particular, we experienced substantial growth in recent periods and have also made significant changes to our business, including through scaling our operations to meet the increased demand and implementing new business and product initiatives, which have impacted our expenses and margin. These historical shifts and trends are not necessarily indicative of our future performance and may obscure longer term trends in our business and results of operations. Relatedly, even as the circumstances that accelerated the growth and evolution of our business subside, we may experience sudden periods of high demand and related increased costs due to future public health outbreaks. As such, for these and other factors stated above, quarter-to-quarter and year-over-year comparisons of our results of operations may not be meaningful and should not be unduly relied upon as an indication of future performance.

Our working capital and operating cash flows have fluctuated and may continue to fluctuate significantly from period to period as a result of new initiatives, the timing of payments made to and/or received from retailers, shoppers, and vendors, and certain transaction types, such as those involving EBT SNAP benefits and alcohol sales, which have a more significant impact on our working capital and operating cash flow due to the variability, magnitude, and timing of retailer reimbursements. Additionally, we make substantial weekly payments to shoppers on Tuesdays and Sundays for services delivered on Instacart, and therefore, we expect our reported cash and cash flows from operating activities to be impacted based on the day of the week of each reporting period. Additionally, due to the timing of funding to a certain payment card issuer, we may experience an increase in short-term liabilities based on the day of the week of the last day of each reporting period. Due to this timing, our cash flows from operating activities may not be directly comparable from period to period.

Seasonality may cause fluctuations in our sales and results of operations.

We experience seasonality in both the number of orders and GTV on Instacart, as well as in our advertising and other revenue. We typically see lower levels of order volume in the second and third quarter, resulting from lower usage of our offerings during the spring and summer months, followed by higher levels of order volume during the holiday season. In addition, during periods of inclement weather, the number of available shoppers generally decreases, while the number of orders from customers has typically increased, which may disrupt or obscure typical seasonal trends and make seasonal fluctuations difficult to detect. In addition, our advertising and other revenue has historically been seasonally high in the fourth quarter and seasonally low in the first quarter in a given year as a result of how advertisers deploy their budgets. Seasonality will likely cause fluctuations in our financial results on a quarterly basis. We expect these seasonal trends to become more pronounced over time if our growth slows, although growth in new offerings, such as restaurants, and

disruptive events such as future public health outbreaks may obscure future seasonality trends. Moreover, other seasonal trends may develop, including from new offerings, or these existing seasonal trends may become more extreme, and the existing seasonality and customer and shopper behavior that we experience may change or become more significant, which would contribute to fluctuations in our results of operations.

If we or the third parties we rely on experience a compromise to the confidentiality, integrity, or availability of our or their systems, or to data of our customers, shoppers, partners, employees, or Instacart, we may experience adverse consequences, including but not limited to regulatory investigations or actions, litigation, fines and penalties, disruptions of our business operations, reputational harm, loss of revenue or profits, loss of customers or sales, and other adverse consequences.

Operating our business and platform involves the collection, use, storage, transmission, and other processing of sensitive, proprietary, and confidential information, including personal information of customers, shoppers, and personnel, our proprietary and confidential information, and the confidential information of partners including retailers and brands. Security incidents compromising the confidentiality, integrity, or availability of this information or our IT systems or data (or those of third parties upon which we rely or otherwise engage with), or disrupting our ability (or that of third parties with whom we work) to provide our offerings, products, and/or services, could materially impact our business and results of operations. We face evolving cybersecurity threats and threat actors including but not limited to state-sponsored and advanced persistent threat actors, malicious code and malware (such as viruses, worms and ransomware), social engineering (including deep fakes, which may be increasingly difficult to identify as fake, phishing, and vishing), denial-of-service attacks, credential harvesting, credential stuffing, supply-chain attacks, server malfunctions, software or hardware failures, security bugs, vulnerabilities or misconfigurations in the software or systems on which we rely, loss of data or other information technology assets, adware, telecommunications failures, earthquakes, fires, floods, and other similar threats. In addition, malfeasance, error, theft, or misuse by our own personnel or the personnel of our strategic partners, our collaborators, or the third-party service providers with which we engage, of our intellectual property, financial data, or employee, retailer, customer, brand, or shopper data, could adversely affect our business and results of operations, particularly if such information is provided to or accessed by a competitor.

We rely on a number of third parties to operate our critical business systems and to process confidential and personal information, such as the payment processors that process customer credit card payments, cloud service providers, and employee and customer service centers, including those located in other countries. Our ability to require, monitor and enforce these third parties' information security practices is limited. Because third parties provide operational support to our business and process confidential and personal information on our behalf, we could experience materially adverse consequences as a result of cyberattacks or incidents experienced by those third parties. Third party and supply chain attacks have increased in frequency and severity and we cannot guarantee that the security of our service providers or any of their partners has not been materially compromised. We also cannot be certain that our contracts with these third parties will allow us to obtain indemnification or recovery from them for data security-related liability that they cause us to incur.

Threat actors, nation-states, and nation-state-supported actors now engage, and are expected to continue to engage, in cyber-attacks, including for geopolitical reasons and in connection with military conflicts and operations. Due to the current geopolitical environment, we and the third parties upon which we rely are at heightened risk of these attacks, including cyber-attacks that could materially disrupt our systems and operations, supply chain, and ability to produce, sell, and distribute our goods and services. In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in our operations, loss of sensitive data and income, reputational harm, and diversion of funds.

In addition, remote work has increased risks to our information technology systems and data, as our employees utilize network connections, computers, and devices outside our premises or network, including working at home, while in transit, and in public locations. For example, technologies in our employees' and service providers' homes are often not as robust as in our offices and could cause the networks, information systems, applications, and other tools available to employees and service providers to be more limited or less reliable than in our offices. Further, the security systems in place at our employees' and service providers' homes, or other remote work locations, may be less secure than those used in our offices. There is no guarantee that the privacy, data security, and data protection safeguards we or our service providers have put in place will be comprehensive, or completely implemented, complied with, or effective. Additionally, future and past business transactions with other parties (such as acquisitions, strategic partnerships, collaborations, or integrations) have exposed us to additional cybersecurity risks and vulnerabilities associated with those parties, such as security issues that were not identified during due diligence, and difficulty or incomplete integration of their systems into our information technology environment and security program.

We and certain of our third-party providers regularly experience cyberattacks and other security incidents, and we expect such attacks and incidents to continue. For example, we regularly experience credential stuffing attacks in which malicious third parties use credentials compromised in data breaches suffered by other companies or otherwise improperly obtain credentials to access shopper or customer accounts on Instacart, as well as sophisticated social engineering attacks that involve the installation of malware on our network and unauthorized access to and acquisition of information. It is increasingly difficult and costly to detect, investigate, mitigate, contain, and remediate a security incident. Actions taken by us or the third parties with whom we work to detect, investigate, mitigate, contain, and remediate a security incident could result in outages, data losses, and disruptions of our business, which presents additional opportunities for threat actors to gain access to other networks and systems.

We take steps designed to detect, mitigate, and remediate vulnerabilities in our information systems (such as our hardware and/or software, including that of third parties with whom we work). We are unable to comprehensively apply patches or confirm that measures are in place to mitigate all such vulnerabilities, or that patches will be applied before vulnerabilities are exploited, resulting in a security incident.

While we have implemented security measures designed to protect against security incidents, we or the third parties we work with cannot anticipate, or implement adequate preventative measures to address all cybercrime and hacking techniques (including the use of artificial intelligence) used by threat actors, including those that are designed to circumvent controls, avoid detection, and remove or obfuscate forensic artifacts. Cyberattacks and incidents may result in any or all of the following that could independently or in the aggregate cause a material adverse impact to our business, financial condition, and results of operations: loss of customer confidence in the security of Instacart and damage to our brand, reduced demand for our offerings, serious disruption of normal business operations, material diversion of resources to investigate and remediate incidents, exposure to legal liability, including through litigation (such as class actions), regulatory enforcement, and indemnity obligations. Further, applicable privacy, data security, and data protection obligations may require us to notify relevant stakeholders of certain security incidents, including affected individuals, customers, regulators, and investors, or to take other actions, such as providing credit monitoring and identity theft protection services. Such disclosures are costly, and the disclosure or the failure to comply with such requirements could lead to adverse consequences, including potential statutory damages under laws such as the California Consumer Privacy Act (“CCPA”). We have expended and may in the future expend significant resources or modify our business activities to try to protect against security incidents. Certain data privacy and security obligations have required us to implement and maintain specific security measures or industry-standard or reasonable security measures to protect our information technology systems and sensitive information. These risks are expected to increase as we continue to grow and process, store, and transmit increasingly large amounts of data. Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our privacy, data security, and data protection obligations. We cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy, data security, and data protection practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

Interruptions or performance problems, including failure to ensure accessibility, associated with our offerings and technology capabilities may adversely affect our business, financial condition, and results of operations.

Our business and future growth prospects depend in part on the ability of our existing and potential customers and shoppers to access our offerings and technology capabilities at any time and within an acceptable amount of time. Instacart is built upon a complex system composed of many interoperating components and incorporates software that is highly extensive. Our software, including open-source software that is incorporated into our code, may now or in the future contain undetected errors, bugs, or vulnerabilities. Some errors in our software code may only be discovered after the code has been released, and we have in the past released, and may in the future release, new software that inadvertently causes interruptions in the availability or functionality of Instacart. Bugs or errors in our software, including open-source software that is incorporated into our code, misconfigurations of our systems, and unintended interactions between systems have in the past and could in the future result in our failure to comply with certain federal, state, or foreign reporting obligations, cause downtime that would impact the availability of our service to retailers, customers, brands, or shoppers, cause incorrect calculations relating to the prices or discounts available to consumers, cause incorrect calculations relating to the payments we make to or fees we receive from or charge to retailers, customers, brands, or shoppers, or create vulnerabilities in our systems which bad actors may exploit to perpetrate fraud or otherwise harm our business. We have from time to time found defects or errors in our system and may discover additional defects or errors in the future that could result in platform unavailability or system disruption. In addition, we have experienced, and may in the future experience, disruptions, outages, operational errors, and other performance problems due to a variety of other factors,

including infrastructure changes, introductions of new functionality, defects in third-party software, human errors, capacity constraints due to an overwhelming number of customers accessing our offerings and technology capabilities simultaneously, website hosting disruptions, interruptions to business and operations due to malicious actors utilizing bots or other automated means to access Instacart, denial of service attacks, or other security-related incidents. In addition, retailers have experienced these issues, which have impacted the ability of customers and shoppers to place and fulfill orders with those retailers. These events have resulted and may continue to result in losses in revenue including through increased fraud activity and issuing appeasement credits and refunds as well as incentives for future orders to impacted customers and losses of customers or retailers due to perceived weaknesses in our systems and protective measures. In addition, the affected party could seek monetary recourse from us for their losses, and such claims, even if unsuccessful, would likely be time-consuming and costly for us to address. Further, in some instances, we may not be able to identify the cause or causes of these performance problems or adequate remedies within an acceptable period of time. Moreover, some of our offerings rely on the software and technology capabilities of third parties, our strategic partners, or our collaborators, all of which are subject to the interruption and performance problem risks described above and which have required and will require third-party collaboration to detect and remediate.

It may become increasingly difficult to maintain and improve our performance, especially during peak usage times and as our offerings and technology capabilities become more complex and customer traffic increases. When our offerings and technology capabilities are unavailable or customers or shoppers are unable to access our offerings and technology capabilities within a reasonable amount of time or at all, we have experienced and may in the future experience a loss of retailers, customers, brands, or shoppers, lost or delayed market acceptance of Instacart and our offerings, delays in payment to us by retailers, injury to our reputation and brand, regulatory inquiries, legal claims against us, and the diversion of our resources. In addition, to the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, financial condition, and results of operations may be adversely affected. We also rely on systems, including third-party systems, to deliver incentives and communications to customers and shoppers. Failure to properly configure these systems has previously had a negative impact on our business and may adversely impact our business in the future.

If we are not able to continue to introduce new features or offerings successfully and to make enhancements to existing offerings, our ability to grow and operate our business could be adversely affected.

Our ability to attract new retailers, customers, brands, and shoppers and increase revenue from existing retailers, customers, and brands depends in large part on our ability to enhance and improve our existing offerings and to introduce new features or offerings. To grow our business and be competitive, we must develop offerings, features, and functionality that reflect the constantly evolving nature of technology and the needs of retailers, consumers, brands, and shoppers. The success of these and any other enhancements or developments depend on several factors, including their timely introduction and completion, sufficient demand, and cost effectiveness. It is difficult to accurately predict retailer, consumer, brand, or shopper adoption of new features or offerings, and related shifts in consumer shopping behavior, as well as our recent rapid growth and limited experience in operating our business at its current scale, scope, and complexity. Such uncertainty limits our ability to predict our future results of operations and subjects us to a number of challenges, including our ability to plan for and model future growth. If we cannot navigate such uncertainties or are unable to successfully develop new features or offerings or to enhance our existing offerings or otherwise overcome technological challenges and competing technologies to gain market acceptance, then our business and results of operations will be adversely affected.

Our ability to develop new offerings, features, and functionality to meet industry demands is important to our value proposition to retailers, consumers, brands, and shoppers, and if we fail to continue to successfully innovate, we could lose existing retailers, customers, brands, and shoppers, which could impact our growth and results of operations. We are building and improving machine learning models and other technological capabilities to drive improved customer and shopper experience, as well as efficiencies in our operations, such as optimized payment processing, customer service, shopper acquisition and onboarding, automated key support workflows, and batching, picking, and routing algorithms to help shoppers work more efficiently and with greater accuracy in fulfilling orders. While we expect these technologies to lead to improvements in the performance of our offerings and operations, including inventory prediction and customer traffic prediction and management, any flaws or failures of such technologies could cause interruptions or delays in our service, which may harm our business. For example, failure to accurately collect retailer catalog information, which drives item pricing and availability, or reflect changes to those files in our systems could result in significant losses of revenue. We are increasing our investment in product development and hiring and retaining highly skilled engineering personnel to support these efforts, but such investments may not be effective in maintaining or improving the experience for retailers,

customers, or shoppers or provide a positive return on investment. Moreover, we may make these investments and other business decisions that reduce our short-term financial results if we believe that the decisions are consistent with our goals to improve our offerings, which we believe will improve our financial results over the long term. These decisions may not be consistent with the short-term expectations of our stockholders and research analysts covering us and may also not produce the long-term benefits that we expect, in which case our growth, business, financial condition, and results of operations could be adversely affected. In addition, technological innovation in the online grocery industry from our competitors or other third parties, such as automation or next-generation fulfillment, could render our offerings less desirable or obsolete.

Artificial intelligence and machine learning solutions, including our use of such solutions and use of such solutions by our competitors, could result in reputational harm, competitive harm, or legal liability, and could adversely affect our results of operations.

We have incorporated and may continue to incorporate additional artificial intelligence and machine learning (“AIML”) solutions into our platform, offerings, services, and features, including those based on large language models, and these applications have become more important to our operations and to our future growth over time. We expect to rely on AIML solutions to help drive future growth in our business and reduce costs, but there can be no assurance that we will realize the desired or anticipated benefits from AIML. We may also fail to properly implement or market our AIML solutions. Our competitors or other third parties may incorporate AIML into their products more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. Additionally, our offerings based on AIML may expose us to additional lawsuits and regulatory investigations and subject us to legal liability as well as brand and reputational harm. For example, if the content, analyses, or recommendations that AIML applications assist in producing are or are alleged to be deficient, inaccurate, or biased, or infringe on third-party intellectual property rights, our business, financial condition, and results of operations may be adversely affected. Third-party AIML technologies, including agent-based applications capable of performing online tasks on behalf of users, may change how consumers interact with our offerings, including our advertising offerings. Failure to adapt our offerings to such technologies may in the future impact our financial performance and results of operations. A number of national, state, and local regulators have adopted comprehensive legal compliance frameworks specifically for AIML, and others may adopt similar frameworks in the future. For example, both the European Union and several U.S. states have adopted or proposed such AIML legislation and/or regulations. These and any future regulations may impact our ability to utilize our AIML solutions or develop new solutions and any failure or perceived failure by us to comply with such requirements could have an adverse impact on our business. Our use of AIML applications may also create additional confidentiality, security, and related risks. For instance, any sensitive information (including confidential, competitive, proprietary, or personal data) that we input into a third-party AIML solution could be leaked or disclosed to others, including if sensitive information is used to train a third party’s AIML model. Additionally, the use of AIML applications has resulted in, and may in the future result in, cybersecurity incidents that implicate the personal data of end users of such applications. Any such cybersecurity incidents related to our use of AIML applications could adversely affect our reputation and results of operations. AIML also presents emerging ethical issues and if our use of AIML becomes controversial, we may experience brand or reputational harm.

We are making substantial investments to expand our offerings and technologies to capitalize on new and unproven business opportunities and expect to increase such investments in the future. These new ventures are inherently risky, and we may never realize any expected benefits from them.

We have made substantial investments to expand our offerings and technologies to capitalize on new and unproven business opportunities, including new fulfillment options and use cases, expansion into retail categories outside of grocery, the development of hardware products, and automated, AIML technologies. We intend to continue investing significant resources in developing these technologies, tools, initiatives, features, and offerings that we believe will enable our success in new markets or areas of business and/or strengthen our core business. For example, we have expanded our offerings to retailers in categories adjacent to the grocery industry, including alcohol, pharmacy, electronics, beauty, and home improvement. We also launched Connected Stores, a suite of in-store technologies, including artificial intelligence-powered shopping carts and customer checkout solutions, offered to our retail partners. If we do not spend our development budget efficiently or effectively on commercially successful and innovative technologies or ventures, or if we are unable to timely introduce and commercialize such offerings, we may not realize the expected benefits of our strategy. These initiatives also have a high degree of risk, as they involve nascent industries and unproven business strategies and technologies with which we have limited or no prior development or operating experience. Because these initiatives are new, they may involve claims and liabilities, expenses, regulatory challenges, and other risks, some of which we cannot currently anticipate. Certain initiatives may also involve committed incremental investments or payments over long periods

of time before they become accretive to our revenue or margin, and if they never become accretive, we may be contractually obligated to make payments or incur expenses in connection with initiatives for an extended period without sufficient, or any, economic or financial benefit. Further, our development efforts with respect to new offerings and technologies could distract management from current operations and divert capital and other resources from our more established offerings and technologies. For example, the design, development, manufacture, and global distribution of hardware products produced by Caper will require continued investment in operating expenses, headcount, and executive time and attention.

Producing and offering hardware products will also involve new or heightened risks to our business, such as manufacturing and inventory risks resulting from supply chain disruptions, user safety risks and additional expenses resulting from product defects, import and export expenses, in particular, if such expenses increase as a result of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, and other hardware-related costs. For example, any interruption to the manufacturing, inventory, or import and export of hardware products produced by Caper may negatively impact the development, deployment, and adoption of such products. Although we believe these investments will improve our financial results over the long term, they may negatively impact our short-term financial results, which may be inconsistent with the short-term expectations of our stockholders. Moreover, there can be no assurance that retailer, consumer, or brand demand for such initiatives will exist or be sustained at the levels that we anticipate, or that any of these initiatives will gain sufficient traction or market acceptance to generate sufficient revenue to offset any new expenses or liabilities associated with these new investments. It is also possible that offerings developed by others will render any new offerings noncompetitive or obsolete. Even if we are successful in expanding our offerings or technologies to enter new markets or areas of business, regulatory authorities may subject us to new rules or restrictions, including in their interpretations of existing retailer or brand collective bargaining agreements, in response to our innovations that could increase our expenses or prevent us from successfully deriving value from these offerings or technologies. For example, our Instacart Health offering may subject us to rules governing the use and processing of health information, such as the Health Insurance Portability and Accountability Act, as amended by the Health Information Technology for Economic and Clinical Health Act (“HIPAA”), and regulatory requirements for interacting with health plans, government benefit programs, nonprofits, and other players in the healthcare space. If we do not realize the expected benefits of these investments, our business, financial condition, and results of operations may be harmed.

Our marketing efforts to help grow our business may not be effective, and failure to effectively develop and expand our sales and marketing capabilities could harm our ability to increase and engage our customer base and achieve broader market acceptance of our offerings.

Promoting awareness and driving adoption of our offerings is important to our ability to grow our business, and attracting and engaging new retailers, customers, brands, and shoppers can be costly. Our consumer marketing efforts currently include, without limitation, digital performance marketing that includes search, programmatic, and social; customer relationship management (“CRM”) based marketing that includes push notifications, text messaging, email marketing, linear television, audio, and shopping ads; and co-marketing efforts with retailers, payment providers, brands, and other partners. Some of these marketing efforts rely on our ability to utilize third-party systems or platforms, which are subject to their own operational and regulatory risks. To drive existing customer reengagement, we also utilize targeted promotions including time-limited \$0 delivery offers and coupons. We also provide incentives to brands to advertise on our platform, increase their engagement, and promote the launch of new advertising solutions. For shoppers, we reach them primarily through digital performance marketing and through in-app prompts. Our marketing initiatives may become increasingly expensive, and we may fail to generate a meaningful return on these initiatives, if at all. For example, we have incurred increased expenditures on our marketing and consumer incentive initiatives to accelerate the growth of our business, which have and may continue to have an effect on revenue and may harm our profitability in the near term. We also have limited experience conducting broad brand marketing campaigns and other marketing initiatives given the current scale, scope, and complexity of our business. Even if we successfully increase revenue as a result of consumer marketing efforts, it may not offset the additional marketing expenses we incur. Our marketing campaigns may also be long-term endeavors, and we may not be able to accurately assess the success of these campaigns for several periods. If our marketing efforts to help grow our business are not effective or if we reduce our marketing expenditures, we expect that our business, financial condition, and results of operations would be adversely affected.

If we fail to maintain and enhance our brand, our ability to engage or expand our base of retailers, customers, brands, and shoppers will be impaired and our business, financial condition, and results of operations may suffer.

Maintaining and enhancing our reputation as a differentiated and category-defining company is critical to attracting and expanding our relationships with retailers, customers, brands, and shoppers. The successful promotion of our brand and the market's awareness of our offerings will depend on a number of factors, including our marketing efforts, ability to continue to develop our offerings, and ability to successfully differentiate our offerings from competitive offerings. We expect to invest substantial resources to promote and maintain our brand, but there is no guarantee that our brand development strategies will enhance the recognition of our brand or lead to increased sales. The strength of our brand will depend largely on our ability to provide quality services at competitive prices. Brand promotion activities may not yield increased GTV, orders, or revenue, and even if they do, the increases in GTV or orders may not persist and any increases in revenue may not offset the expenses we incur in promoting and maintaining our brand and reputation. In order to protect our brand, we also expend substantial resources to register and defend our trademarks and to prevent others from using the same or substantially similar marks. Despite these efforts, we may not always be successful in protecting our trademarks, and we may suffer dilution, loss of reputation, or other harm to our brand. If our efforts to cost-effectively promote and maintain our brand are not successful, our results of operations and our ability to attract and engage customers, partners, and employees may be adversely affected. Further, even if our brand recognition and customer loyalty increase, this may not yield increased revenue for us.

Unfavorable publicity regarding Instacart, shoppers, customer service, or privacy, data security, and data protection practices could also harm our reputation and diminish confidence in, and the use of, our services. Fear of loss of customers or lack of customer adoption due to poor service quality or negative customer or shopper reviews or press may make retailers reluctant to join or remain on Instacart. The same negative effects could occur as a result of trust and safety or fraud incidents. The loss of customers or retailers due to poor shopper performance or a trust and safety incident caused by a shopper, customer, or third party could harm our business. In addition, negative publicity related to strategic partners, marketing partners or key brands that we have partnered with may damage our reputation, even if the publicity is not directly related to us. If we fail to maintain, protect, and enhance our brand successfully or to maintain loyalty among retailers, customers, brands, and shoppers, or if we incur substantial expenses in unsuccessful attempts to maintain, protect, and enhance our brand, we may fail to attract or increase the engagement of retailers, customers, brands, and shoppers, and our business, financial condition, and results of operations may suffer.

If we fail to offer high-quality support, our ability to attract and engage customers and shoppers could suffer.

Customers and shoppers rely on our and our partners' support personnel and technologies to resolve issues and realize the full benefits that Instacart provides. High-quality support to both customers and shoppers is also important for the expansion of Instacart's use by our existing customers. The importance of our support function will increase as we expand our business and pursue new customers. We rely in part on support personnel and contractors in countries outside of the United States, and government actions in those countries such as curfews have in the past and could in the future slow down our systems and ability to timely respond to customer and shopper issues. We also rely in part on support technologies, including self-service and AIML solutions. Those technologies have in the past and may in the future fail to perform as expected or fail to adequately address support issues resulting in customer and shopper dissatisfaction. If we do not help customers and shoppers quickly resolve issues and provide effective ongoing support, our ability to maintain and expand our revenue from existing and new customers could suffer, as well as our reputation with existing or potential customers.

Our pricing methodologies are impacted by a number of factors and ultimately may not be successful in attracting and engaging retailers, customers, brands, and shoppers. Future changes to our pricing model could adversely affect our business.

Demand for our offerings is highly sensitive to a range of factors, including our strategies relating to the amount of potential earnings required to attract shoppers, incentives paid to shoppers, and the fees we charge retailers, customers, and brands. Many factors, including operating costs, legal and regulatory requirements, constraints or changes, supply chain issues, the price sensitivity of consumers in different income groups or other demographics, inflation, and our current and future competitors' pricing and marketing strategies, have in the past significantly affected and may in the future significantly affect our pricing strategies. Competition, regulation, or other factors may cause us to change the pricing or implementation of our delivery or service fees for customers, increase the incentives we pay to shoppers that utilize Instacart, adjust the fees we charge retailers or brands, or increase our marketing and other expenses to attract and increase the engagement of retailers, customers, brands, and shoppers in response to competitive, regulatory, and other external pressures. For example, certain of our competitors offer, or may in the future offer, lower-priced or a broader range of offerings, including subscription offerings for bundled services. We may need to spend significant amounts on marketing and both customer and shopper incentives to deploy innovative and novel pricing and incentive strategies to retain or attract new customers and shoppers. We have launched, and may in the future launch, new or updated pricing strategies and

initiatives, such as subscription offerings like Instacart+, and customer or shopper loyalty programs, or modify existing pricing methodologies or pricing models and fulfillment options, due to a variety of reasons, including to address changes in the market for our offerings as competitors introduce new offerings and features or in response to actions taken by our retail partners, to regulatory or other legal challenges, or as we launch and scale new strategic initiatives or use cases. These new or updated pricing strategies and initiatives may not ultimately be successful in attracting and engaging retailers, customers, brands, or shoppers or may negatively impact growth rates, customer retention, and engagement as well as our financial results. We also offer brands and retailers tools and products, including through our Eversight business, to enable them to optimize online pricing and promotions strategies. If these solutions fail to generate improved results for brands and retailer sales, brands and retailers may choose to not use such solutions. In addition, government authorities and regulators have recently been increasingly focused on grocery prices and related pricing methodologies and practices, which may impact our ability to offer such tools and products. Our brand reputation and our ability to attract and retain customers could also be harmed if these solutions negatively impact consumer price perception. The increasing complexity of our pricing models and related expansion of our business may also require us to update our internal systems for invoicing retailers or brands or incur costs to remediate errors or disputes in existing invoices.

Further, consumers' price sensitivity may vary by geographic location, and as we expand, our pricing methodologies may not enable us to compete effectively in these locations. In particular, if we were to continue expanding internationally, we may be required to change our pricing strategies and to adjust to different cultural norms, including with respect to consumer pricing and gratuities. While we do and will attempt to set prices for our services based on our prior operating experience and customer, retailer, brand, and shopper feedback and engagement levels, our assessments may not be accurate or there may be errors in the technology used in our pricing, and we could be underpricing or overpricing our services. In particular, we have limited experience pricing our offerings in volatile macroeconomic environments and at the current scale, scope, and complexity of our business. As a result, our historical data and operating experience may be insufficient to adequately inform our future pricing strategies for changing market environments. In addition, if the services on Instacart change, then we may need to revise our pricing methodologies. Changes to any components of our pricing model may, among other things, result in customer dissatisfaction, lead to a loss of customers on Instacart, and seriously harm our business.

If retailers, customers, brands, shoppers, or other third parties using Instacart engage in, or are subject to, criminal, violent, inappropriate, or dangerous activity, it could have an adverse impact on our reputation, business, financial condition, and results of operations.

We are not able to control or predict the actions of retailers, customers, brands, shoppers, and other third parties, either during their use of Instacart or otherwise, and we may be unable to protect or provide a safe environment for constituents on Instacart as a result of criminal, violent, inappropriate, or dangerous actions by any such parties. Such actions have historically resulted, and may in the future result, in injuries, property damage, or loss of life for retailers, customers, brands, shoppers, and other third parties, as applicable, or business interruption, brand and reputational damage, or significant liabilities for us. Certain events, including incidents of criminal behavior, episodes of civil unrest, or the imposition of curfews, may impact retailers, which in turn may impact the ability of shoppers to provide services to customers through Instacart. With respect to shoppers, although we administer certain qualification processes for shoppers on Instacart, including one or more general identification, criminal background, department of motor vehicle, and/or motor vehicle record checks on shoppers through third-party service providers prior to engagement, these qualification processes and background checks may not expose all potentially relevant information and are limited in certain jurisdictions according to national and local laws and availability of records. Moreover, our third-party service providers may fail to conduct such background checks adequately or disclose information that could be relevant to a determination of eligibility. We have in the past received, and we expect to continue to receive, complaints from retailers, customers, shoppers, and other third parties, as well as actual or threatened legal action against us related to shopper, customer, retailer, and other third party conduct.

If shoppers or individuals impersonating shoppers or customers engage in criminal activity, fraud, including identity theft, use of stolen or fraudulent credit card data, misconduct, breach our terms of service, or inappropriate conduct or use Instacart as a conduit for criminal activity, or we fail to identify or detect, or experience delays in identifying or detecting such activity or events, or if we are prevented from deactivating such individuals or otherwise taking action to stop such activity, including as a result of regulations, our financial results may be negatively impacted, our offerings may not be viewed as safe, reliable, or appealing, and we may receive negative press coverage as a result. Such negative public perception of our offerings or brand would adversely impact our brand, reputation, and business. We have in the past experienced, and may experience in the future, inappropriate conduct and criminal activity by certain shoppers or other bad actors, including fraudulent uses of credit cards, manipulation or falsification of data related to shopper activity, social engineering attacks to gain access to customer and shopper accounts, as well as fraudulent use of our payment card

programs. This conduct has in the past involved, and may in the future involve, coordinated and complex fraud schemes that are difficult to detect and prevent. Given their complexity, such schemes have in the past persisted, and future schemes may also persist, for lengthy periods prior to detection. As a result of these fraudulent schemes, we have in the past been, and may in the future be, liable for orders facilitated on Instacart with fraudulent credit card transactions, even if the associated financial institution approved the credit card transaction. In addition, even if we are not contractually required to do so, we have historically provided retailers with business concessions for related losses in certain cases and may provide additional concessions as a result of future schemes. These retailer concessions and any liability we otherwise face from such inappropriate or fraudulent conduct negatively impact our revenue and financial results. In addition, the process for quantifying the amount of financial losses from these fraudulent schemes may be lengthy, in part due to their complexity and, in cases where the fraudulent activity occurs through systems controlled by our partners, we may be unable to remediate or prevent this activity in a timely manner or at all due to limitations in, or our ability to, interact with such systems. As a result, the impact of such schemes on our financial results may continue into future periods or have higher impacts to our financial results than we anticipate, even following their termination. Our failure to adequately detect, address, or prevent fraudulent transactions could harm our reputation or brand, result in litigation or regulatory action, result in errors in our financial statements that could result in corrections to or restatements of our historical financial statements, cause delays in the preparation and filing of our periodic reports as well as failures to meet our reporting and other obligations as a public company, and lead to expenses that could adversely affect our business, financial condition, and results of operations. If other criminal, inappropriate, or other negative incidents occur due to the conduct of retailers, customers, brands, shoppers, or other third parties, our ability to attract retailers, customers, brands, and shoppers may be harmed, and our reputation, business, and financial results could be adversely affected.

Public reporting or disclosure of reported safety information, including information about safety incidents reportedly occurring on or related to Instacart, whether generated by us or third parties, such as media or regulators, may adversely impact our business and financial results.

Further, we are regularly subject to claims of significant liability based on traffic accidents, deaths, injuries, or other incidents that are caused by shoppers, customers, or third parties while using Instacart, or even when shoppers, customers, or third parties are not actively using Instacart. On a smaller scale, we regularly face litigation related to claims by shoppers for the actions of customers or third parties. We carry insurance for such incidents, including automobile liability and general liability insurance, although such policies do not cover all claims to which we are exposed and are not always adequate to indemnify us for all liability. Although shoppers are required to carry their own insurance policies, including automobile insurance, they may fail to acquire adequate coverage or any coverage at all. As a result, we may be subject to liability for incidents involving shoppers that our insurance policies may not cover or the cost of our policies may increase. These incidents may subject us to liability and negative publicity, which would increase our operating costs and adversely affect our business, financial condition, results of operations, and future prospects. Even if these claims do not result in liability, we will incur significant costs in investigating and defending against them and may suffer reputational harm regardless of legal outcomes. As we expand our products and offerings, this insurance risk will grow.

The impact of macroeconomic and geopolitical conditions, public health incidents, weather events, and natural catastrophes, including the resulting effect on consumer spending, may harm our business and results of operations.

Our results of operations may vary based on the impact of disruptive events or changes in our industry or the economy on us and retailers, consumers, brands, and shoppers.

For example, our business is impacted by the amount of disposable income that consumers have to spend on online grocery shopping. Actual or perceived risks of an economic recession, elevated interest rates, cessation of or changes to government aid programs, and recent inflationary pressures have adversely impacted consumer disposable income and resulted in decreased customer retention and engagement as well as reduced advertising spending by brands. We may continue to experience these impacts, including as a result of trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies. In addition, in response to adverse economic conditions or a decrease in discretionary income, consumers may opt to purchase groceries or other consumer goods themselves, instead of through Instacart, or choose to purchase groceries from bargain or other lower-cost retailers that are not on Instacart. We may not be able to fully offset higher costs through operational efficiencies and/or price optimizations, and while certain of our new offerings are focused on value and affordability, these initiatives may not fully offset pricing challenges faced by customers. In addition, increases in food, labor, fuel, rent, energy, supply, and other costs, many of which are beyond the control of our retail partners, have increased retailers' operating costs and caused our retail partners to raise prices and may cause further price increases in the future. In many cases, these retailers may not be able to pass along these increased costs to consumers and, as a result, may reduce product

offerings or cease operations. If spending at many of the retailers in our network declines, or if a significant number of these retailers goes out of business, consumers may be less likely to use our service, which could harm our business and results of operations. Reduced customer spending on Instacart could also cause our retail partners to reduce or cease engagement with Instacart. Further, increases in gas prices or other factors that increase the costs to operate motor vehicles could make it prohibitively expensive for shoppers to deliver to customers.

In addition, negative conditions in the general economy both in the United States and abroad resulting from disruptive events, including future public health threats, the military conflict involving Russia and Ukraine, conflicts in the Middle East, and economic sanctions imposed on Russia and Belarus, bank failures, changes in international trade relations, political turmoil, weather events, and natural catastrophes, including warfare and terrorist attacks on the United States or elsewhere, could adversely affect our liquidity and financial condition as well as demand for our offerings and the growth of our business. In particular, we generate a significant proportion of our GTV from a limited number of geographical markets. If such negative conditions disproportionately affect these markets, the demand for our offerings and the growth of our business may be more severely impacted. In addition, future public health outbreaks could cause operational disruptions and incur additional expenses including expenses associated with health and safety protocols and processes, which could adversely affect our business and results of operations. Further, due to the size, scope, and nature of our operations, the expenses we may need to incur to protect the health and safety of shoppers and certain of our employees in the event of future public health outbreaks may be higher than similar expenses that companies in other industries may need to incur. In addition, these events and any impact of these events on critical infrastructure in the United States and elsewhere, have the potential to disrupt our business and the business of our partners, including supply chain disruptions, as well as the ability of shoppers using Instacart to complete deliveries. Such disruptions may create additional costs for us to maintain or resume operations and may also negatively affect the growth of our business.

Our workforce and operations have grown substantially in recent years, and we expect to continue expanding the scale of our operations. If we are unable to effectively manage that growth, our financial performance and future prospects will be adversely affected.

In recent years, we have experienced rapid growth in the United States and Canada. This expansion increased the complexity of our business and has placed, and will continue to place, significant strain on our management, personnel, operations, systems, technical performance, financial resources, and internal financial control and reporting functions. We may not be able to manage our growth effectively, which could damage our reputation and negatively affect our results of operations.

While the pace of our headcount expansion has slowed, we may grow our number of employees in order to meet our business plans or comply with regulatory changes. Our organizational structure will continue to evolve as we add additional retailers, customers, brands, shoppers, employees, offerings, and technologies, improve upon our product infrastructure, and as we continue to expand further domestically and internationally. Properly managing our growth will require us to continue to retain or hire, train, and manage qualified employees and staff, including engineers, operations personnel, financial and accounting staff, and sales and marketing staff, and to improve and maintain our technology. If our new hires perform poorly, if we are unsuccessful in retaining, hiring, training, managing, and integrating these new employees and staff, or if we are not successful in retaining or increasing the productivity of our existing employees and staff, our business may be harmed. Additionally, certain units of employees may decide to unionize, in which case, we would be legally compelled to enter into good faith negotiations with the union representative over a collective bargaining agreement. Such negotiations or collective bargaining agreements may negatively impact our financial performance or results of operations. Furthermore, any workforce restructuring, may result in increased attrition beyond our intended reduction, reduce employee morale, and may negatively impact employee recruiting and retention as well as our operations, our ability to grow our business, and our financial results. Properly managing our growth will require us to establish consistent policies across regions and functions, and a failure to do so could likewise harm our business. If we are unable to expand our operations, appropriately manage our headcount and retain and increase the productivity of our existing employees, or attract sufficient shoppers in an efficient manner, or if our operational technology is insufficient to reliably service customers, customer satisfaction will be adversely affected, and this may cause customers to switch to our competitors' platforms, which would adversely affect our business, financial condition, and results of operations.

Our failure to upgrade our technology or network infrastructure effectively to support our growth could result in unanticipated system disruptions, slow response times, or poor experiences for customers. To manage the growth of our operations and personnel and improve the technology that supports our business operations, as well as our financial and management systems, disclosure controls and procedures, and internal control over financial reporting, we will be required to commit substantial financial, operational, and technical resources. In particular, we will need to improve our transaction

processing and reporting, operational and financial systems, procedures, and controls. Our current and planned personnel, systems, procedures, and controls may not be adequate to support our future operations. We may require additional capital and management resources to grow and mature in these areas. Such investments may also require diversion of financial resources from other projects, such as the development of Instacart and related offerings. If we are unable to manage our growth effectively, it could have a material adverse effect on our business, results of operations, and financial condition.

We depend on highly skilled personnel to grow and operate our business, and if we are unable to hire, retain, and motivate our personnel, we may not be able to grow effectively.

Our success and future growth depend largely upon the continued services of our management team. From time to time, there have been and may continue to be changes in our executive management team resulting from the hiring or departure of these personnel, due to voluntary termination of employment, illness, death, disability, or otherwise. Our executive officers are employed on an at-will basis, which means they may terminate their employment with us at any time. For example, Fidji Simo, our Chief Executive Officer, has resigned, to be effective August 15, 2025, and we have appointed Chris Rogers as our new Chief Executive Officer, to be effective as of such date. Additionally, Daniel Danker, our Chief Product Officer, has resigned, to be effective August 15, 2025. The loss of one or more of our executive officers, including due to a leave of absence for medical reasons or otherwise, or the failure by our executive team to effectively work together or with our employees and lead our company, could harm our business. We also are dependent on the continued service of our existing software engineers because of the complexity of our offering capabilities. We do not maintain key man life insurance with respect to any member of management or other employee.

In addition, our future success will depend, in part, upon our continued ability to identify and hire skilled personnel with the skills and technical knowledge that we require, including engineering, software design and programming, marketing, sales, and other key personnel, and our business plans and growth may depend on hiring a significant number of additional employees. Such efforts will require significant time, expense, and attention as there is intense competition for such individuals, and new hires require significant training and time before they achieve full productivity, particularly in new sales segments and territories. In addition to hiring new employees, we must continue to focus on developing, motivating, and retaining our best employees, most of whom are at-will employees. If we fail to identify, recruit, and integrate strategic personnel hires, our business, financial condition, and results of operations could be adversely affected. Additionally, the failure to continue hiring new, or the loss of any significant number of our existing engineering personnel could harm our business, financial condition, and results of operations. These risks pertaining to the recruitment, retention, development, motivation, and productivity of our employees may persist or be heightened as a result of any workforce restructuring, and as our workforce becomes increasingly distributed as a result of our Flex First workforce model. We may need to invest significant amounts of cash and equity to attract and retain new employees, and we may never realize returns on these investments. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have breached various legal obligations, resulting in a diversion of our time and resources. In addition, prospective and existing employees often consider the value of the equity awards they receive in connection with their employment. If the perceived value of our equity awards declines or experiences significant volatility (including as valuations of companies comparable to us decline due to overall market trends, inflation, and related market effects or otherwise), or increases such that prospective employees believe there is limited upside to the value of our equity awards, it may adversely affect our ability to recruit and retain key employees or result in us granting additional equity awards, which would result in additional stock-based compensation expense and further dilution to our stockholders. If we are not able to effectively add and retain employees, our ability to achieve our strategic objectives will be adversely impacted, and our business and future growth prospects will be harmed.

If we cannot maintain our company culture as we grow, our business and competitive position may be harmed.

We believe our culture has been a key contributor to our success to date and that the critical nature of the offerings that we provide promotes a sense of greater purpose and fulfillment in our employees. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel, which is critical to our growth, 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 important aspects of our culture. In addition, we may find it difficult to maintain our company culture if our employees elect to work remotely as permitted by our Flex First workforce model. Remote work, as well as any workforce restructuring may negatively impact employee morale and productivity and may also harm collaboration and innovation. If we fail to maintain our company culture, our business and competitive position may be harmed.

We are exposed to collection and credit risks, which could impact our results of operations.

Our accounts receivable are subject to collection and credit risks, which could negatively impact our results of operations and affect our liquidity and our ability to fully fund our ongoing operations. Retailers are generally obligated to pay our fees within 45 days of invoicing, and brands are generally obligated to do so within 30 to 90 days. In times of economic recession or uncertainty or as a result of any disruptive event such as uncertainty in the political and regulatory environment and financial markets, trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, or future public health outbreaks, the number of retailers or brands that default on payments owed to us may increase. In addition, our results of operations may be impacted by significant bankruptcies among retailers or brands, which could negatively impact our revenue and cash flows. We cannot assure you that our processes to monitor and mitigate these risks will be effective. If we fail to adequately assess and monitor our collection and credit risks, we could experience longer payment cycles, increased collection costs, and higher bad debt expense, and our business, financial condition, and results of operations could be harmed.

The estimates of market opportunity and forecasts of market growth in our public disclosures may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, our business could fail to grow at a similar rate, if at all.

The estimates of market opportunity and forecasts of market growth included in our public disclosures may prove to be inaccurate. Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, including as a result of any of the risks described herein in this Quarterly Report on Form 10-Q. Even if the market in which we compete achieves the forecasted growth, our business could fail to grow at a similar rate, if at all.

The variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of addressable retailers, consumers, or brands covered by our market opportunity estimates will purchase our offerings at all or generate any particular level of revenue for us. Any expansion in our market depends on a number of factors, including the cost, performance, and perceived value associated with our offerings and those of our competitors. Accordingly, the forecasts of market growth included in our public disclosures should not be taken as indicative of our future growth.

Acquisitions, strategic investments, partnerships, collaborations, commercial arrangements, or alliances could be difficult to identify, pose integration challenges, divert the attention of management, disrupt our business, dilute stockholder value, and adversely affect our business, financial condition, and results of operations.

Our success will depend, in part, on our ability to expand our services and grow our business in response to changing technologies, consumer demands, and competitive pressures. In some circumstances, we may choose to expand our services and grow our business through the acquisition of complementary businesses and technologies rather than through internal development. For example, in April 2025, we acquired Marlin9 Holdings, Inc., which operates as Wynshop, a provider of e-commerce retail solutions for grocers and retailers. We have also entered in the past, and will continue to seek in the future, strategic partnerships, collaborations, or commercial arrangements, or alliances with third parties, which we refer to collectively as collaborations. The identification of suitable acquisition candidates or collaborators can be difficult, time-consuming, and costly, and we may not be able to successfully complete identified acquisitions or collaborations, including as a result of regulatory inquiries or actions by antitrust authorities. In particular, our proposed or completed acquisitions or collaborations may be subject to investigations or enforcement actions by antitrust regulatory bodies in the countries in which we operate, such as the Department of Justice and the FTC, which have recently increased their scrutiny of merger or collaboration activity, particularly in the technology sector. In addition, once we have completed an acquisition, we may not be able to successfully integrate the acquired business.

Certain of our collaborations also are, and may in the future be, with third parties that are well-capitalized and have significant size, scale, geographic, and other advantages. As a result, certain of the terms in such arrangements may be less favorable to us. We will also have limited control over the amount and timing of resources that our collaborators dedicate to our arrangements. These arrangements may not lead to the business, growth, and financial outcomes that we expect, may raise new compliance-related obligations and challenges, and may also result in significantly higher costs for us or other negative impacts or impediments to our business, operations, regulatory posture, or strategy, which we may not anticipate or currently project, that result in a material adverse effect to our business, financial condition, and results of operations. In particular, these collaborations may span multiple years, include significant fees, and often require significant upfront costs. As a result, we may not be able to accurately assess the success of these collaborations for several periods and only after we have made substantial investments and expenditures. If any collaboration results in future material adverse effects to our business, financial condition, and results of operations, we may not be able to terminate such collaboration on a

timely or cost-effective basis. In addition, we offer features or use cases to our customers, such as restaurants, through certain collaborations. If any such collaborations are terminated or any of our collaborators refuse to renew their agreements with us on commercially reasonable terms, we may need to find other partners to continue offering such features or use cases, and may not be able to secure similar terms or replace such partners in an acceptable time frame. Similarly, our ability to continue providing certain features or use cases could be negatively impacted if any such collaborators experience a disruption in their operations, the quality of their services decline or are otherwise unable to offer their services as customers expect. Certain of these third parties, such as retailers and brands, also engage with our business in other aspects, and any disagreements or disputes in connection with collaborations may result in the loss of these third parties as customers or partners in other areas of our business. We have issued in the past, and may in the future issue, new equity or equity-linked securities to partners, which dilute our existing stockholders and may include affirmative or restrictive covenants as well as redemption or repurchase provisions.

The risks we face in connection with acquisitions, strategic partnerships, or collaborations include:

- negative impacts to our financial results as a result of incurring charges or fees or assuming substantial debt or other liabilities, adverse tax consequences or unfavorable accounting treatment, exposure to claims and disputes by stockholders and third parties, including intellectual property claims and disputes, failing to generate sufficient financial return to offset additional costs and expenses related to the acquisition, partnership, or collaboration, or even significant negative impacts to our business, financial condition, and results of operations;
- regulatory inquiries or actions, including changes to applicable regulatory frameworks and/or remedies imposed by antitrust authorities such as divestitures, ownership or operational restrictions, or other structural or behavioral remedies, either as a condition to or following the completion of a transaction;
- difficulties or unforeseen expenditures in integrating the business, offerings, technologies, personnel, or operations of any company that we acquire or with which we collaborate, particularly if key personnel of an acquired company decide not to work for us, which may result in delays in integration or realization of anticipated synergies or other benefits and/or impede our ability to incorporate their results or contributions in our reported metrics;
- disruptions to our ongoing business, diversion of resources, increases to our expenses, and distraction of our management;
- potential delays or reductions of customer purchases for both us and the company we acquire or with which we collaborate due to customer uncertainty about continuity and effectiveness of service from either company or negative reputational impacts;
- potential for strategic partners or collaborators to establish or strengthen relationships with current or future retailers and customers, or other parties with whom we have relationships, which could limit our ability to promote our offerings to those parties and reduce our number of customers;
- difficulties in, or inability to, successfully sell any acquired products;
- our use of cash to pay for an acquisition limiting other potential uses of our cash;
- if we incur debt to fund an acquisition, such debt may subject us to material restrictions on our ability to conduct our business, as well as financial maintenance covenants; and
- if we issue a significant amount of equity or equity-linked securities in connection with future acquisitions, strategic partnerships, or collaborations, existing stockholders will be diluted and earnings per share may decrease, and we may face unfavorable tax treatment with respect to such securities.

The occurrence of any of these foregoing risks could adversely affect our business, financial condition, and results of operations and expose us to unknown risks or liabilities.

We track certain operational metrics with internal systems and tools and do not independently verify such metrics. Certain of our operational metrics are subject to inherent challenges in measurement, and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation.

We track certain operational metrics, including customer, retailer, brand, and shopper counts and key business metrics such as orders and GTV, with internal systems and tools that are not independently verified by any third party and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for

tracking these metrics or how we define such metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics as of or for the applicable period of measurement, there are inherent challenges in these measurements. We have also refined and may further refine in the future our methodology for tracking certain operational metrics from time to time, to the extent practicable, including to improve overall accuracy, as a result of business updates, and to align with management's view of business and operating performance. Any of these updates may result in changes in certain business and operating trends and may impact comparability of these metrics across periods. Further, the accuracy of our operating metrics could be impacted by fraudulent users of Instacart. As a result, our expectations of future trends may not be accurate or may be overstated. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our business, reputation, financial condition, and results of operations could be adversely affected.

We may require additional capital to support the growth of our business, and this capital might not be available on acceptable terms, if at all.

We have funded our operations since our founding primarily through equity financings and cash generated from our operations. We cannot be certain if our operations will continue generating sufficient cash to fully fund our ongoing operations or the growth of our business. We intend to continue to make investments to support the development of our offerings and will require additional funds for such development. We may need additional funding for marketing expenses and to develop and expand sales resources, develop new features, or enhance our offerings, improve our operating infrastructure, or acquire complementary businesses and technologies. We have also expended and may continue to expend substantial funds in connection with the tax withholding and remittance obligations that arise upon the vesting and/or settlement of certain of our RSUs. Accordingly, we might need or may want to engage in future equity or debt financings to secure additional funds. Additional financing may not be available on terms favorable to us, if at all. If adequate funds are not available on acceptable terms, we may be unable to invest in future growth opportunities, which could harm our business, financial condition, and results of operations. In particular, macroeconomic factors, including trade policies enacted or proposed by the United States, such as tariffs or other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, inflationary pressures, elevated interest rates, actual or perceived risks of an economic recession, and bank failures have caused disruption in the credit and financial markets in the United States and worldwide, which may reduce our ability to access capital and negatively affect our liquidity in the future. If we are unable to obtain adequate financing or financing on terms satisfactory to us, our ability to develop our offerings, support our business growth, and respond to business challenges could be significantly impaired, and our business may be adversely affected.

If we incur debt, the debt holders would have rights senior to holders of common stock to make claims on our assets, and any debt financing we secure may have higher interest rates and could restrict our operations, including our ability to pay dividends on our common stock. Furthermore, if we issue additional equity securities, stockholders will experience dilution, and the new equity securities could have rights senior to those of our common stock. Because our decision to issue securities in the future will depend on numerous considerations, including factors beyond our control, we cannot predict or estimate the amount, timing, or nature of any future issuances of debt or equity securities. As a result, our stockholders bear the risk of future issuances of debt or equity securities reducing the value of our common stock and diluting their interests.

Risks Related to Our Legal and Regulatory Environment

If the contractor status of shoppers who use Instacart is successfully challenged, or if additional requirements are placed on our engagement of independent contractors, we may face adverse business, financial, tax, legal, and other consequences.

We are involved in multiple individual and class-action lawsuits and government actions that claim that shoppers should be classified as employees rather than as independent contractors. See the section titled "Legal Proceedings-Independent Contractor Classification Matters" for more information. We have incurred, and we expect to continue to incur, significant costs and legal fees in defending the status of shoppers as independent contractors. In particular, we have been and may continue to be subject to administrative audits with various state and local enforcement agencies, including audits related to shopper classification, state statute and local ordinance requirements, and unemployment insurance and

workers' compensation contributions. Although we believe that we comply with applicable legal requirements and that shoppers are properly classified as independent contractors, we may be required to make significant payments, including through settlements, penalties, and interest as a result of these audits. A judgment, settlement, or order issued by a court or governmental body or otherwise in connection with any judicial, administrative, or legal proceeding that results in us being prohibited from continuing to use independent-contractor shoppers in the manner we currently do, may, among other things:

- require us to adopt novel or different delivery fulfillment strategies or introduce new shopper tasks that result in increased risk of litigation against our existing business model, or may increase risk of adverse determinations in our ongoing actions and proceedings;
- significantly increase our costs to serve customers due to potential changes in our business model and fulfillment strategies that would be required;
- impair or prevent the fulfillment of customer orders, cause disruption of service to customers, or cause a reduction in fulfillment options for customers;
- impair our ability to innovate upon and expand our offerings, pursue new business verticals, or innovate on our operational strategies;
- create challenges in recruiting and retaining adequate shopper supply due to potential necessary changes including restricting the flexibility of shoppers by instituting minimum, maximum, or set hours of work, or designated locations for work, or controlling costs in other ways (such as limiting shopper access to Instacart or shopper incentives or eliminating tips), which could result in disruption to service and harm our business;
- incur significant expenses, which may be due to costs associated with existing employment-related laws, such as wage and hour laws, including minimum wage and overtime, liability for and withholding of employment taxes, and employee benefits, including medical insurance, workers compensation coverage, among others, as well as other related liabilities;
- lead us to increase customer fees or charges as a result of the increased costs resulting from shoppers being classified as employees or alternative fulfillment strategies we may implement, which may lead to customer dissatisfaction with such increased fees, which could result in significant decreases in orders, GTV, and revenue;
- expose us to significant retroactive liability, such as liability for meal breaks, overtime premiums, and statutory penalties;
- lead us to take additional actions that we determine are in the best interests of our business, customers, partners, and growth strategy, including potential cessation of operations in certain service areas;
- lead to significant operational disruptions and challenges that we do not have experience managing; and
- result in losses in excess of the accrued amounts in our reserve balances.

The impact of one or more of the foregoing would cause our results of operations to vary significantly and would materially impair our growth prospects, business, financial condition, and results of our operations and specifically impact our current financial statement presentation including revenue and cost of revenue.

Further, the state of the law regarding independent contractor status varies from jurisdiction to jurisdiction and among governmental agencies and is subject to change based on court decisions and regulation. For example, on April 30, 2018, in its decision in *Dynamex Operations West, Inc. v. L.A. Superior Court* ("Dynamex"), the California Supreme Court adopted a new standard, referred to as the "ABC" test, for determining whether a company "employs" or is the "employer" for purposes of the California Wage Orders. The Dynamex decision altered the analysis of whether an individual has been properly classified as an independent contractor in California, making it more difficult to properly classify a worker as such. The California legislature subsequently codified the "ABC" test in the Dynamex decision as the default standard for independent contractor misclassification. On December 16, 2020, the California state ballot initiative, Proposition 22, which provides a framework that offers legal certainty regarding the status of independent workers offering delivery services and protects worker flexibility, the quality of on-demand work, and access to benefits for those who qualify, among other things, became effective. Although the constitutionality of Proposition 22 was subsequently challenged, on July 25, 2024, the California Supreme Court upheld Proposition 22 as constitutional. As a result, we expect Proposition 22 to provide more legal certainty over the status of independent workers offering delivery services in California. However, there may continue to be legal challenges, or legislative or other attempts to amend or otherwise invalidate the benefits, protections or the independent worker status provided by Proposition 22. Additionally, even though Proposition 22 was

determined to be enforceable, we may still face allegations that certain of our business practices do not satisfy all the elements of Proposition 22. Further, Proposition 22 entitles shoppers in California to certain new pay standards and benefits, and imposes certain requirements, which increases costs for us in California, where a large number of shoppers who use Instacart are located. While we believe we properly provide all requisite pay standards and benefits under Proposition 22, we may nonetheless face various claims involving disputes over such pay standards and benefits.

We expect continuing challenges to the independent contractor classification of shoppers who use Instacart, or the imposition of additional requirements on the use of contractors. If legislation, regulations, or judicial decisions regarding contractors change adversely, including any changes similar to the Dynamex decision or California legislation, it would increase the already existing risk that shoppers who use Instacart could be construed as employees or increase costs through additional requirements imposed on the use of contractors, and would therefore significantly negatively impact our ability to contract with independent contractors for order fulfillment in those jurisdictions and result in one or more of the impacts described in the first paragraph of this risk factor, which would adversely affect our business, financial condition, and results of operations.

Adverse litigation judgments or settlements resulting from legal proceedings in which we are or may be involved could expose us to monetary damages or limit our ability to operate our business.

We have in the past been, are currently, and may in the future become, involved in claims, lawsuits, arbitration proceedings, administrative actions, government investigations, and other legal and regulatory proceedings. We have in the past been, are currently, and/or may in the future become subject to investigations and legal proceedings relating to various matters including whether we fulfilled our contractual obligations to or improperly withheld pay or tips from shoppers, whether we adequately protected the public's or shoppers' health and safety, whether we properly provide protected leave, whether we properly paid taxes, whether we properly implemented and disclosed our fees, whether we improperly conduct background checks of shoppers, and whether we are responsible for injury resulting from alleged shopper actions or negligence. We also have in the past been, are currently, and/or may in the future become subject to investigations and legal proceedings involving bodily injury and property damage, labor and employment, anti-discrimination claims, commercial and contract disputes, unfair competition, consumer protection regulations, including fees and pricing related disclosures, marketing practices, and automatic renewal laws, intellectual property, transactions involving our securities, privacy, data security, and data protection, environmental laws and regulations, health and safety, weights and measures, compliance with regulatory requirements, and other matters. For example, in July 2025, staff of the FTC asserted they had authority to enter into consent negotiations with us relating to certain of our marketing and Instacart+ membership program practices. See the section titled "Legal Proceedings" for more information.

The results of any such litigation, investigations, and legal proceedings are inherently unpredictable and expensive. The frequency of such claims could increase in proportion to the number of retailers, customers, brands, and shoppers that use Instacart. Any claims against us, whether meritorious or not, could be costly and harmful to our reputation, and could require significant amounts of management time and corporate resources. If any of these legal proceedings were to be determined adversely to us, or we enter into a settlement arrangement, which we have done in the past, we could be exposed to monetary damages or be forced to change the way in which we operate our business or remove valuable features or content from our platform, which could have an adverse effect on our business, financial condition, and results of operations.

Moreover, we cannot be certain that our insurance coverage will be adequate for any claims or liabilities against us, that insurance will continue to be available to us on commercially reasonable terms or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed 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 an adverse effect on our reputation, brand, business, financial condition, and results of operations.

We also face potential liability and expense for claims relating to the information that we publish on our mobile apps or website, including claims for trademark and copyright infringement, false advertising, consumer protection, defamation, libel, and negligence, among others.

In addition, we regularly include arbitration provisions in our terms of service with customers and shoppers. These provisions are intended to streamline the litigation process for all parties involved, as arbitration can in some cases be faster and less costly than litigating disputes in state or federal court. However, arbitration may become more costly for us, or the volume of arbitrations may increase and become burdensome. Further, the use of arbitration provisions may subject us to

certain risks to our reputation and brand, as these provisions have been the subject of increasing public scrutiny. To minimize these risks, we may voluntarily limit our use of arbitration provisions, or we may be required to do so, in any legal or regulatory proceeding, either of which could increase our litigation costs and exposure in respect of such proceedings.

Further, with the potential for conflicting rules and new or upcoming rules or changes in the interpretation of such rules regarding the scope and enforceability of arbitration, some or all of our arbitration provisions could be subject to challenge or may need to be to exempt certain categories of protection. For example, some plaintiffs' attorneys have argued that certain shoppers are workers "in interstate commerce" and are thus exempt from the Federal Arbitration Act, and it remains possible that a court could find our agreements unenforceable against those shoppers. If our arbitration agreements were found to be unenforceable, in whole or in part, or specific claims were required to be exempted from arbitration, we could experience an increase in our litigation costs and the time involved in resolving such disputes, and we could face increased exposure to potentially costly lawsuits, each of which could adversely affect our business, financial condition, and results of operations.

Our business is subject to various laws and regulations, which may change or increase over time and subject us to increased compliance costs and liabilities.

Our business is subject to changing laws, rules, and regulations, including, without limitation, federal, state, and local laws, and in the future, country specific laws, governing the internet, e-commerce, and hardware devices, including electronic payments, privacy, data security, data protection, the use of AIML technologies, pay and fee transparency, health information privacy and security, consumer protection, marketing and advertising (including terms and conditions and disclosure), gift cards, health and safety, food and product safety, product labeling and traceability, import and export, zoning and permitting, hardware device certification, sustainability, environmental, tax, insurance, employment, weights and measures, alcohol and other age-restricted products, and worker classification compensation (including minimum earnings). Some of these laws were adopted prior to the advent of the internet and mobile and related technologies and, as a result, do not contemplate or address the unique issues of the internet and related technologies. New laws and regulations have been and may continue to be adopted, implemented, or interpreted to apply to us, and existing laws and regulations that we currently comply with and operate under may be interpreted differently in the future, including as a result of changes to our business. Some of these laws and regulations will, or may in the future, require us to change our business and operations, pricing, or fee disclosures, which may be costly and harm our customer retention and engagement as well as our results of operations. Recent financial, political, and other events may increase the level of regulatory scrutiny on larger companies, technology companies in general, and in particular, companies in the "gig economy" that rely on the services of independent contractors.

Regulatory agencies may enact new laws or promulgate new regulations that are adverse to our business, or they may view matters or interpret laws and regulations differently than they have in the past or in a manner adverse to our business. Additionally, in response to public health threats, governments and regulatory agencies passed and may in the future pass new laws, ordinances, and regulations, often with little notice or opportunity for public comment, that impact our business. Such changes and other legal and regulatory uncertainties may adversely affect our business, financial condition, and results of operations, in particular if such changes and uncertainties occur in markets where we generate relatively larger portions of our GTV.

The cost of compliance with the evolving and ever-changing legal and regulatory environment may be significant and have required us to modify our business and operations or pricing. Our failure or perceived failure to comply with existing or future laws, rules, and regulations could subject us to litigation, audits, investigations, disputes, or other legal proceedings that could result in fines, civil liability, mandatory injunctions, or consent orders that change or restrict how we operate or require cessation of operations. As our business matures and we expand geographically and into different retail categories or use cases, we may become subject to new laws and regulations in new jurisdictions. It is difficult to predict how existing and future laws will be applied to our business as it exists today and may exist in the future.

We face potential liability, expenses for legal claims, and harm to our business based on the nature of our business and the content on Instacart.

We face potential liability, expenses for legal claims or appeasement credits or refunds, and harm to our reputation and business relating to the nature of on-demand delivery of food and other consumer goods, including potential claims related to food offerings, delivery, and quality. For example, third parties have asserted, and in the future could assert, legal claims against us in connection with personal injuries related to food poisoning, tampering, or accidents caused by our retail

partners or shoppers while making a delivery to customers, defective products, or the sale, advertising, marketing, or consumption of alcoholic beverages, tobacco, or other regulated products by our retail partners to underage customers. Our new or planned future offering enhancements may also subject us to new or unforeseen risks relating to on-demand food and consumer goods delivery. For example, we have added health attribute information, such as identifying products on Instacart as gluten- or dairy-free, and need to rely on third parties for the accuracy of such information. Erroneous reporting or omission, whether or not in our control, may result in claims against us alleging personal injuries, false advertising, and related legal claims, as well as harm to our brand and reputation.

Reports, whether true or not, of food-borne illnesses (such as caused by E. Coli, Norovirus, Hepatitis A, Campylobacter, Listeria, or Salmonella) and injuries caused by food tampering have severely injured the reputations of participants in the food business and could do so in the future as well. Further, if any such report were to affect one or more of the retailers or shoppers on Instacart, it could reduce customer confidence in and use of our offerings. The potential for acts of terrorism on food supply also exists, and if such an event occurs, it could harm our business and results of operations.

In addition, we have in the past and may in the future also be subject to direct or indirect claims as a result of our relationships with, and services provided to, retailers, such as claims involving retailers' pricing on Instacart, infringement of intellectual property, California Proposition 65, product liability, and the Americans with Disabilities Act, among others.

We are subject to rapidly changing and increasingly stringent laws, regulations, industry standards, contractual obligations, policies and other obligations relating to privacy, data security, and data protection. The obligations, restrictions, and costs imposed by these laws, or our actual or perceived failure to comply with them, could subject us to adverse business consequences and other liabilities that adversely affect our business, operations, and financial performance.

As part of our normal business activities, we collect, use, store, share, transmit, and otherwise process sensitive, proprietary, and confidential information, including personal information of retailers, customers, brands, shoppers, employees, and others. These activities are regulated by a variety of federal, state, local, and foreign privacy, data security, and data protection laws, regulations, and industry standards, which have become increasingly stringent in recent years. In addition, existing laws and regulations are complex and constantly evolving, and new laws and regulations that apply to our business are being introduced at every level of government in the United States, as well as internationally which could further restrict certain uses of the personal information of retailers, customers, brands, shoppers, employees, and others. We are, and may increasingly become, subject to various laws, regulations, and standards, and are subject to certain contractual obligations, industry standards, codes of conduct, and regulatory guidance relating to privacy, data security, and data protection in the jurisdictions in which we operate. Our efforts to comply with such obligations may not be successful.

In the United States, there are numerous federal and state privacy and data security laws, rules, and regulations governing the collection, use, storage, sharing, transmission, and other processing of personal information, including federal and state privacy laws, data security laws, data breach notification laws, consumer protection laws, and other similar laws (e.g., wiretapping laws). For example, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 ("CAN-SPAM") and the Telephone Consumer Protection Act of 1991 ("TCPA") impose specific requirements on communications with customers.

In addition, many state legislatures have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making. The exercise of these rights has and may continue to impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the CCPA applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for fines and allows private litigants affected by certain data breaches to recover significant statutory damages. The CCPA and other comprehensive U.S. state privacy laws have and may continue to further complicate compliance efforts, and increase legal risk and compliance costs for us and the third parties with whom we work. For example, our marketing initiatives and Instacart Ads offerings could be further adversely affected, and additional investment in compliance may be required. Similar laws are being considered in other states and at the federal level, reflecting a trend toward more stringent privacy legislation in the United States, and we

expect additional investment in compliance to be required. The enactment of such laws could have potentially conflicting requirements that would make compliance challenging and expose us to additional liability.

We are also subject to certain health information privacy and security laws. A number of state legislatures have adopted legislation that regulates how businesses may use consumers' health data. For example, the Washington My Health My Data Act creates restrictions on the use of consumer health data for purposes such as marketing and advertising. As a result, our marketing initiatives and Instacart Ads and Instacart Health offerings could be further limited and we have incurred and expect to continue incurring additional compliance expenses. We are also subject to additional health information privacy and security laws as a result of the limited amount of health information that we receive in connection with the prescription delivery services that we provide on behalf of pharmacy retailers. These laws and regulations include HIPAA, which establishes privacy, security, and breach notification standards for protected health information processed by health plans, healthcare clearinghouses, and certain healthcare providers, collectively referred to as covered entities, and the business associates with whom such covered entities contract for services, as well as their covered subcontractors. We are regulated as a "business associate" of certain covered entity pharmacy retailers and must comply with HIPAA as applicable to business associates. We maintain a HIPAA compliance program, but it is not always possible to identify and deter misuse by our employees and other third parties, and the precautions we take to detect and prevent noncompliance may not be effective in preventing all misuse, breaches, or violations. Violations of HIPAA may result in significant administrative, civil, and criminal penalties. State attorneys general also have the right to prosecute HIPAA violations committed against residents of their states. While HIPAA does not create a private right of action that would allow individuals to sue in civil court for a HIPAA violation, its standards have been used as the basis for the duty of care in state civil suits, such as those for negligence or recklessness in misusing personal information. Many states in which we operate and in which our customers reside also have laws that protect the privacy and security of health information, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts. Failure to comply with such state laws may also subject us to significant penalties. As we expand our Instacart Health offering, we anticipate that the risk associated with HIPAA compliance will increase and that we may be required to make significant investments in order to build compliant product offerings in the health space. Some U.S. states and the FTC have also adopted privacy laws or issued guidance limiting the collection and use of certain health information that may extend to our customers' interactions with certain over-the-counter health products.

Federal, state, and local privacy and consumer protection laws also govern specific technologies that we employ. For example, the Telephone Consumer Protection Act ("TCPA"), imposes significant restrictions on sending text messages or making telephone calls to mobile telephone numbers without the prior consent of the person being contacted. We also use identity verification technologies that may subject us to state and local biometric privacy laws. For example, the Illinois Biometric Information Privacy Act ("BIPA"), regulates the collection, use, safeguarding, and storage of biometric information. The TCPA and BIPA provide for substantial penalties and statutory damages and have generated significant class action activity. The cost of litigating and settling claims that we have violated the TCPA, BIPA, or similar laws could be significant.

Foreign privacy laws are also undergoing a period of rapid change, have become more stringent in recent years, and may increase the costs and complexity of offering our offerings in new geographies. In Canada, where we operate, the Personal Information Protection and Electronic Documents Act ("PIPEDA"), and various provincial laws require that companies give detailed privacy notices to consumers, obtain consent to use personal information, with limited exceptions, allow individuals to access and correct their personal information, and report certain data breaches. In addition, Canada's Anti-Spam Legislation ("CASL"), prohibits email marketing without the recipient's consent, with limited exceptions. Failure to comply with PIPEDA, CASL, or provincial privacy or data protection laws could result in significant fines and penalties or possible damage awards. The Canadian province of Quebec also passed a comprehensive privacy law that grants individuals extensive rights with respect to their personal information, including the right to consent to certain marketing and advertising practices. In addition, certain of our subsidiaries have immaterial operations in China, Australia, and Mexico and are subject to, respectively, China's Personal Information Protection Law, Australia's Privacy Act 1988 and Spam Act 2003, and Mexico's Federal Law for the Protection of Personal Data Held by Private Parties. These laws impose a number of requirements on our processing of personal information and direct marketing activities that may increase our compliance costs and risk of facing regulatory enforcement action.

Certain of our subsidiaries are subject to the United Kingdom General Data Protection Regulation ("UK GDPR") and to the European Union's General Data Protection Regulation ("GDPR"). Future expansion of our business, operations, or service offerings to the European Economic Area ("EEA"), will increase our exposure to data protection laws in the region, including the GDPR. The GDPR and UK GDPR impose strict requirements for processing personal data of individuals, give individuals extensive rights with respect to their personal data, and carry penalties for violations of up to the greater of

EUR 20 million or 4% of total global annual turnover in the European Union, and up to the greater of GBP 17.5 million or 4% total global annual turnover in the United Kingdom. Companies that violate the GDPR or UK GDPR may also face prohibitions on data processing and other corrective action, as well as private litigation brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests.

Europe, the United Kingdom, and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of personal data to other countries. In particular, the EEA and the United Kingdom have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws they believe are inadequate. Other jurisdictions have in the past and may continue to adopt similarly stringent data localization and cross-border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and United Kingdom to the United States in compliance with law, such as the EEA's and UK's standard contractual clauses, certain of these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. If there is no lawful manner for us to transfer personal data from the EEA, the United Kingdom, or other jurisdictions to the United States, or if the requirements for a legally-compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions at significant expense, increased exposure to regulatory actions, substantial fines and penalties, injunctions against our processing or transferring personal data necessary to operate our business, the inability to transfer data and work with partners, vendors and other third parties, and our ability to expand our business to the EEA, United Kingdom, or other countries with similar cross-border data transfer restrictions may be limited. Additionally, companies that transfer personal data out of the EEA and United Kingdom to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. Some European regulators have ordered certain companies to suspend or permanently cease certain transfers out of Europe for allegedly violating the GDPR's cross-border data transfer limitations.

We also publish privacy policies and other statements regarding data privacy, artificial intelligence, and security. Regulators in the United States have scrutinized and are increasingly scrutinizing these statements, and if these policies or statements are found to be deficient, lacking in transparency, deceptive, unfair, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators, or other adverse consequences.

Other data protection laws in the EEA and the United Kingdom, such as those implementing the ePrivacy Directive, restrict the use of cookies and similar technologies on which our website, mobile app, and Instacart Ads offerings rely, including to facilitate online behavioral advertising. Regulators are increasingly focused on compliance with requirements in the online behavioral advertising ecosystem, and current national laws implementing the ePrivacy Directive are likely to be replaced in the European Union by a regulation known as the ePrivacy Regulation, which will significantly increase fines for non-compliance to GDPR-level fines. Other countries outside of Europe increasingly emulate European data protection laws. As a result, operating our business or offering our services in Europe or other countries with similar data protection laws would subject us to substantial compliance costs and potential liability and may require changes to the ways we collect and use personal information. Governments and regulators in certain jurisdictions, including Europe, are increasingly seeking to regulate the use, transfer, and other processing of non-personal information (for example, under the European Union's Data Act). This means that, if and to the extent such regulations are relevant to our operations or those of our customers, certain of the risks and considerations outlined above may apply equally to our processing of both personal and non-personal data.

In addition, major technology platforms on which we rely, privacy advocates, and industry groups have regularly proposed, and may propose in the future, platform requirements or self-regulatory standards by which we are legally or contractually bound. If we fail to comply with these contractual obligations or standards, we may lose access to technology platforms on which we rely and face substantial regulatory enforcement, liability, and fines. For example, Apple requires mobile applications using its operating system, iOS, to affirmatively obtain an end user's permission for cross-contextual advertising. Other technology platforms are considering similar restrictions. Such restrictions could limit the efficacy of our marketing activities and our Instacart Ads offerings. In addition to existing privacy-related laws, platform requirements, and binding self-regulatory standards, certain legislative proposals and draft regulations seek to further regulate targeted advertising activities, and regulators are increasingly scrutinizing the use of online tracking tools and compliance with requirements related to the online behavioral advertising ecosystem. As a result, we may be required to develop alternative solutions to support our marketing initiatives and/or change the way we deliver our Instacart Ads offerings. In addition, consumer resistance to the collection and sharing of the data used to deliver targeted advertising, increased visibility of consent or requirements to respond to "do not track" mechanisms (such as browser signals from the Global Privacy Control) as a result of regulatory or legal developments, the adoption by consumers of browser settings or "ad-blocking"

software, and the development and deployment of new technologies could materially impact our ability to collect and use data or reduce our ability to deliver relevant promotions or media, which could materially impair the results of our operations.

Further, our business relies significantly on our ability to accept credit or debit card payments, including payments made using our co-branded credit card. Such payments are subject to the Payment Card Industry (“PCI”), Data Security Standard. We rely on vendors to handle PCI matters and to ensure PCI compliance. Despite our compliance efforts, we may become subject to claims that we have violated the PCI Data Security Standard, based on past, present, and future business practices. In addition, payment card networks may adopt changes to the PCI Data Security Standard, or change their interpretations of such rules in a way that we or our processors might find it difficult or even impossible to follow, or costly to implement. If we violate the PCI Data Security Standard or other applicable rules, we may incur fines or restrictions on our ability to accept payment cards or suffer reputational harm, all of which could have an adverse impact on our business.

Despite our efforts, we may not be successful in achieving compliance with the rapidly evolving privacy, data security, and data protection requirements discussed above. Any actual or perceived non-compliance, by us or the third parties upon whom we rely, could result in litigation and proceedings against us by governmental entities, customers, or others (including class action claims or mass arbitration demands), expenditure of time and resources to defend any claim or inquiry, fines and civil or criminal penalties, limited ability or inability to operate our business, offer services, or market our offerings in certain jurisdictions, negative publicity and harm to our brand and reputation, reduced overall demand for our offerings, or substantial changes to our business model or operations. Such occurrences could adversely affect our business, financial condition, and results of operations.

Our business could be adversely impacted by changes in the internet and mobile device accessibility of users. Companies and governmental agencies may restrict access to Instacart, our mobile apps, website, app stores, or the internet generally, which could negatively impact our operations.

Our business depends on customers and shoppers accessing Instacart via a mobile device or, with respect to customers, a personal computer or a Connected Stores device, and the internet. We may operate in jurisdictions that provide limited internet connectivity, particularly if we expand internationally. Internet access and access to a mobile device or personal computer are frequently provided by companies with significant market power that could take actions that degrade, disrupt, or increase the cost of consumers’ ability to access Instacart. In addition, the internet infrastructure that we and users of our offerings rely on in any particular geographic area may be unable to support the demands placed upon it and could interfere with the speed, quality, and availability of Instacart. Any such failure in internet or mobile device or computer accessibility, even for a short period of time, could adversely affect our results of operations.

Governmental agencies in any of the countries in which we or our customers are located could block access to or require a license for Instacart, our mobile apps, website, or the internet generally for a number of reasons, including security, confidentiality, regulatory concerns, or geopolitical reasons. In addition, companies may adopt policies that prohibit their employees from using Instacart. If companies or governmental entities block, limit, or otherwise restrict customers or shoppers from accessing Instacart, our business could be negatively impacted, the number of customers and shoppers using Instacart could decline or grow more slowly, and our results of operations could be adversely affected.

We could be required to collect additional taxes or be subject to other tax liabilities in various jurisdictions which could adversely affect our results of operations.

The application of indirect taxes, such as sales and use tax, value-added tax, goods and services tax, business and occupation tax, commercial activity tax, business license tax, digital advertising tax, and gross receipts tax, to our business is a complex and evolving issue. Significant judgment is required to evaluate applicable tax obligations, and, as a result, amounts recorded are estimates and are subject to adjustments. In many cases, the ultimate tax determination is uncertain because it is not clear how new and existing statutes might apply to our business. States, localities, the U.S. federal government, and taxing authorities in other countries may seek to impose additional reporting, recordkeeping, and/or indirect tax collection obligations on our business that facilitate online commerce. For example, taxing authorities in the United States and other countries have required e-commerce platforms to calculate, collect, and remit indirect taxes for transactions taking place over the internet. A majority of U.S. state jurisdictions have enacted laws requiring marketplaces to collect and remit sales taxes on sales of their third-party sellers. Tax authorities have questioned our interpretation of taxability of our business operations, and various parties have from time to time filed, and may in the future file, complaints related to our current and historical approach to treatment of our sales tax obligations and service fee

disclosures. If other agencies or parties challenge our approach to treatment of our sales tax obligations and service fee disclosures, or if such agencies and parties bring novel claims under existing laws relating to these categories of indirect taxes and service fee disclosures, we could face higher sales taxes or be subject to fines or penalties, any of which could adversely affect our business and results of operations. New legislation could also require us to incur substantial costs, including costs associated with tax calculation, collection, and remittance, and audit requirements, and could adversely affect our business and results of operations. Furthermore, if our employees elect to work remotely as a result of our Flex First workforce model, we may become subject to additional taxes and our compliance burdens with respect to the tax laws of additional jurisdictions may be increased.

We have been and may in the future also be subject to additional tax liabilities and related interest and penalties due to changes in U.S. federal, state, or international tax laws, administrative interpretations, decisions, policies, and positions, results of tax examinations, settlements, or judicial decisions, changes in accounting principles and changes to the business operations, as well as evaluation of new information that results in a change to a tax position taken in prior periods. For example, if we are treated as an agent for our retail partners under U.S. state tax law, we may be primarily responsible for collecting and remitting sales taxes directly to certain states. A successful assertion by one or more tax authorities requiring us to collect taxes in jurisdictions in which we do not currently do so, or to collect additional taxes in a jurisdiction in which we currently collect taxes, could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest, and additional administrative expenses, which could materially harm our business. We are under audit by various state tax authorities with regard to sales tax and other indirect tax matters, primarily relating to the reporting of sales on behalf of our third-party sellers, or the tax treatment applied to the sale of our services in these jurisdictions. Although we have reserved for potential payments of possible past tax liabilities in our condensed consolidated financial statements, if these liabilities exceed such reserves, our financial condition will be harmed. In addition, governments are increasingly looking for ways to increase revenue, which has resulted in discussions about tax reform and other legislative action to increase tax revenue, including through indirect taxes. Such taxes could adversely affect our financial condition and results of operations.

In addition, federal tax rules generally require payors to report payments to unrelated parties to the Internal Revenue Service. Under certain circumstances, a failure to comply with such reporting obligations may cause us to become liable to withhold a percentage of the amounts paid to shoppers and remit such amounts to the taxing authorities. Due to the large number of shoppers, and the amounts paid to each, process failures with respect to these reporting obligations could result in financial liability and other consequences to us if we were unable to remedy such failures in a timely manner.

Our ability to utilize our net operating loss carryforwards and certain other tax attributes to offset taxable income or taxes may be limited.

As of December 31, 2024, we had federal net operating loss carryforwards of \$19 million. We generated \$5 million of net operating loss carryforwards prior to 2018, which will begin to expire in 2038. The remaining \$14 million will carryforward indefinitely. Furthermore, as of December 31, 2024, we had state net operating loss carryforwards of \$536 million, which, if unused, will begin to expire in 2025. Portions of these net operating loss carryforwards could expire unused and be unavailable to offset future income tax liabilities. Under current law, U.S. federal net operating losses incurred in taxable years beginning after December 31, 2017, may be carried forward indefinitely, but the deductibility of such federal net operating losses is limited. It is uncertain whether various states will conform to federal tax laws. For state income tax purposes, there may be periods during which the use of net operating loss carryforwards is limited, which could accelerate or permanently increase state taxes owed. For example, California imposed limits on the usability of California state net operating losses to offset taxable income in tax years beginning after 2023 and before 2027.

In addition, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, and corresponding provisions of state law, if a corporation undergoes an “ownership change,” which is generally defined as a greater than 50% change, by value, in its equity ownership over a three-year period, the corporation’s ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes to offset its post-change income or taxes may be limited. We assessed whether we had an ownership change, as defined by Section 382 of the Code, from our formation through December 31, 2024. Based upon this assessment, there were no reductions in our ability to utilize our net operating loss and tax credit carryforwards resulted under these rules. We may experience ownership changes in the future, ownership changes as a result of shifts in our stock ownership, some of which may be outside of our control. If an ownership change occurs, including as a result of or with respect to any acquisitions we make, and our ability to use our net operating loss carryforwards (or net operating loss carryforwards that we acquire) is materially limited, it would harm our future results of operations by effectively increasing our future tax obligations.

Uncertainties in the interpretation and application of existing, new, and proposed tax laws and regulations could materially affect our tax obligations and effective tax rate.

The tax laws to which we are subject or under which we operate are unsettled and may be subject to significant change. The issuance of additional guidance related to existing or future tax laws, or changes to tax laws or regulations proposed or implemented by the current or a future U.S. presidential administration, Congress, or taxing authorities in other jurisdictions, including jurisdictions outside of the United States, could materially affect our tax obligations and effective tax rate. Such changes have had and, along with any related uncertainty generated by these changes, may in the future have adverse impacts on our business, financial condition, results of operations, and cash flows.

The amount of taxes we pay in different jurisdictions depends on the application of the tax laws of various jurisdictions, including the United States, to our international business activities, tax rates, new or revised tax laws, or interpretations of 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. Our financial statements could fail to reflect adequate reserves to cover such a contingency. Similarly, a taxing authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a “permanent establishment” under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions.

In addition, the Organization for Economic Cooperation and Development (“OECD”) has published proposals covering a number of issues, including country-by-country reporting, permanent establishment rules, transfer pricing rules, tax treaties and taxation of the digital economy. While substantial work remains to be completed by the OECD and national governments on the implementation of these proposals, future tax reform resulting from these developments may result in changes to long-standing tax principles, which could adversely affect our effective tax rate or result in higher cash tax liabilities.

We are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to criminal or civil liability and harm our business, financial condition, and results of operations.

We are subject to the U.S. Foreign Corrupt Practices Act, U.S. domestic bribery laws, and other anti-corruption and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees, and their third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. As we increase our international sales and business, we may engage with business partners and third-party intermediaries to market our offerings and to obtain necessary permits, licenses, and other regulatory approvals. In addition, we or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. We cannot assure you that all of our employees and agents will not take actions in violation of anti-corruption laws, for which we may be ultimately held responsible, or that we will be able to timely detect such actions. As we increase our international sales and business, our risks under these laws may increase.

Detecting, investigating, and resolving actual or alleged violations of anti-corruption laws can require a significant diversion of time, resources, and attention from senior management. In addition, noncompliance with anti-corruption, anti-bribery, or anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, enforcement actions, fines, damages, other civil or criminal penalties or injunctions, suspension or debarment from contracting with certain persons, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal proceeding, our business, financial condition, and results of operations could be harmed. In addition, responding to any action will likely result in a materially significant diversion of management’s attention and resources and significant defense costs and other professional fees.

We are subject to governmental export and import controls and sanctions laws and regulations that could impair our ability to compete in international markets or subject us to liability if we violate such laws.

Instacart and our offerings are subject to U.S. import and export controls, including the Export Administration Regulations, and we incorporate encryption technology into certain of our offerings. These encryption products and the underlying technology may be exported outside of the United States only with the required export authorizations, including by license, a license exception, or other appropriate government authorizations, including the filing of an encryption classification request or self-classification report. In addition, we have immaterial operations in Asia relating to the design, engineering, and supply of Caper Carts to certain of our retail partners' stores, whose operations are subject to import and export controls. Any adverse changes in trade relations with countries where we have such operations, including trade policies enacted or proposed by the United States, such as tariff increases and other trade restrictions, uncertainty related thereto, and responses by foreign governments to such policies, and import and export licensing and control requirements, could interfere with the shipment of Caper Carts to our retail partners, which could have a negative impact on future development and adoption of Caper Carts and related prospects.

Furthermore, our activities are subject to U.S. economic sanctions laws and regulations administered by the Office of Foreign Assets Control of the U.S. Treasury Department which generally prohibit any transactions or dealings, including the provision of products and services, involving embargoed jurisdictions or sanctioned parties. Obtaining the necessary export license or other authorization for a particular transaction may be time-consuming and may result in the delay or loss of sales opportunities. Violations of U.S. sanctions or export control regulations can result in significant fines or penalties and possible incarceration for responsible employees and managers.

Our presence outside the United States and any future international expansion strategy will subject us to additional costs and risks, and our plans may not be successful.

We have expanded our presence internationally. We have operations in Canada and have acquired companies that have immaterial operations in certain other countries. We expect to continue to expand our international operations and are evaluating opportunities across the world. Operating outside of the United States may require significant management attention to oversee operations over a broad geographic area with varying cultural norms and customs, in addition to placing strain on our finance, analytics, compliance, legal, engineering, and operations teams. We may incur significant operating expenses and may not be successful in our international expansion for a variety of reasons, including:

- challenges inherent in efficiently managing, and the increased costs associated with, an increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits, and compliance programs that are specific to each jurisdiction;
- an inability to attract retailers, customers, brands, and shoppers;
- competition from local incumbents that better understand the local market, may market and operate more effectively, and may enjoy greater local affinity or awareness;
- differing demand dynamics, which may make our offerings less successful;
- differing and potentially more onerous employment and labor regulations including with respect to worker classification and collective bargaining, where employment and labor laws are generally more advantageous to workers or employees as compared to the United States, including deemed hourly wage and overtime regulations in these locations;
- complying with varying laws and regulatory standards, including with respect to privacy, data security, data protection and transfer restrictions, AI, safety, tax, and local regulatory restrictions;
- obtaining any required government approvals, licenses, or other authorizations;
- varying levels of internet and mobile technology adoption and infrastructure;
- currency exchange restrictions or costs and exchange rate fluctuations;
- operating in jurisdictions that do not protect intellectual property rights in the same manner or to the same extent as the United States;
- changing perceptions or reputation of U.S. products and services in non-U.S. markets;

- public health concerns or emergencies may occur in various parts of the world in which we operate or may operate in the future; and
- limitations on the repatriation and investment of funds, as well as foreign currency exchange restrictions.

Our limited experience in operating our business internationally increases the risk that any potential future expansion efforts that we may undertake may not be successful. For example, the possibility of adverse changes in trade or political relations with countries where we have operations relating to the design, engineering, and supply of Caper Carts, political instability, or increases in labor costs could interfere with the manufacturing and/or shipment of Caper Carts. We also rely on contract and third-party manufacturers in Asia for Caper Carts and their components, which exposes us to risks such as historically lower protection of intellectual property rights, unexpected or unfavorable changes in regulatory requirements, including the imposition or proposed imposition by the United States of tariffs, economic sanctions, export controls, and other trade restrictions, laws, regulations, and executive orders affecting international trade, uncertainty related thereto, and responses by foreign governments to such policies, volatility in currency exchange rates, and difficulties associated with local legal systems. If we invest substantial time and resources to expand our operations internationally and are unable to manage these risks effectively, our business, financial condition, and results of operations could be adversely affected.

Risks Related to Our Dependence on Third Parties

We rely on third parties for elements of the payment processing infrastructure underlying Instacart. If these third-party elements become unavailable or unavailable on favorable terms, our business could be adversely affected.

The convenient payment mechanisms provided by Instacart are key factors contributing to the development of our business. We rely on third parties for elements of our payment processing infrastructure to accept payments from customers and remit payments to retailers and shoppers, including certain Instacart-branded programs. These third parties may refuse to renew our agreements with them on commercially reasonable terms or at all. If these companies become unwilling or unable to provide these services to us on acceptable terms or at all, our business may be disrupted. For certain payment methods, including credit and debit cards, Android Pay™, and Apple Pay®, we generally pay interchange fees and other processing and gateway fees, and such fees result in significant costs. In addition, online payment providers are under continued pressure to pay increased fees to banks to process funds, and there is no assurance that such online payment providers will not pass any increased costs on to us. If these fees increase over time, our operating costs will increase, which could adversely affect our business, financial condition, and results of operations.

In addition, system failures have at times prevented us from making payments to shoppers in accordance with our typical timelines and processes, which caused substantial shopper dissatisfaction and generated a significant number of shopper complaints. Future failures of the payment processing infrastructure underlying Instacart could cause shoppers to lose trust in our payment operations and could cause them to instead use our competitors' platforms. If the quality or convenience of our payment processing infrastructure declines as a result of these limitations or for any other reason, the attractiveness of our business to retailers, consumers, and shoppers could be adversely affected. If we are forced to migrate to other third-party payment service providers for any reason, the transition would require significant time and management resources, and may not be as effective, efficient, or well-received by retailers, consumers, or shoppers.

We rely on software and services from other parties. Defects in, or the loss of or disruption of access to, software or services from third parties could harm our business and adversely affect the quality of Instacart.

Our offerings incorporate certain third-party software obtained pursuant to licenses or service agreements from other companies, including but not limited to, software and services related to our background checks, data visualization, mapping, and database tools. Such third parties may discontinue their products or services, cease to provide their products or service to us, go out of business, or otherwise cease to provide support for such products or services in the future. Although we believe that there are commercially reasonable alternatives to the third-party software or services we currently license or receive, this may not always be the case, or it may be difficult or costly to replace existing third-party software or find a replacement third-party service. Our use of additional or alternative third-party software or services would require us to engage with third parties, and we may not be able to enter into agreements with such third parties on advantageous terms. In addition, integration of the software used in our offerings with new third-party software may require significant work and substantial investment of our time and resources. To the extent that our offerings depend upon the successful operation of third-party software, any undetected errors or defects in, or disruptions to the functionality of, such third-party software have in the past and could in the future prevent the deployment or impair the functionality of our offerings, delay new offering introductions, result in a failure of our offerings, and injure our reputation, which in each case could harm our financial condition and results of operations.

We currently rely on a small number of third-party service providers to host or support a significant portion of Instacart technology infrastructure and data, and any interruptions or delays in services from these third parties could impair the delivery of our offerings and harm our business.

We currently host Instacart technology infrastructure and data and support our operations using a combination of a small number of third-party service providers. We do not have control over the operations of the facilities of the hosting providers that we use, and these third-party operations and co-located data centers may experience break-ins, computer viruses, denial-of-service or other cyber-attacks or security incidents, sabotage, acts of vandalism, outages, disruptions, and other misconduct or incidents that impact the services provided to us. These facilities may also be vulnerable to damage or interruption from power loss, telecommunications failures, fires, floods, earthquakes, hurricanes, tornadoes, and similar events. We have experienced, and expect that in the future we will experience, interruptions, delays, and outages in service and availability from time to time due to a variety of factors, including infrastructure changes, website hosting disruptions, and capacity constraints. Any such limitation on the capacity of our third-party service providers could impede our ability to provide services to our customers and retail and brand partners, onboard new customers, expand the usage of our existing customers, or effectively detect or respond to other issues with our services, which could adversely affect our business, financial condition, and results of operations. In some instances, we may not be able to identify the cause or causes of these performance problems within a period of time acceptable to our customers. A prolonged service disruption affecting our service for any of the foregoing reasons would negatively impact our ability to serve our customers and could damage our reputation with current and potential customers, expose us to liability, cause us to lose customers, or otherwise harm our business. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the third-party service providers we use.

In addition, any changes in our hosting provider's service levels may adversely affect our ability to meet the expectations of retailers, customers, brands, and shoppers. Our systems do not provide complete redundancy of data storage or processing, and as a result, the occurrence of any such event, a decision by our third-party service providers to close our co-located data centers without adequate notice, or other unanticipated problems may result in our inability to serve data reliably or require us to migrate our data to either a new on-premise data center or public cloud computing service. This could be time-consuming and costly and may result in the loss of data, any of which could significantly interrupt the provision of our offerings and harm our reputation and brand. We may not be able to easily switch to another public cloud or data center provider in the event of any disruptions or interference to the services we use, and even if we do, other public cloud and data center providers are subject to the same risks. Additionally, our co-located data center facility agreements are of limited durations, and providers of our co-located data center facilities have no obligation to renew their agreements with us on commercially reasonable terms or at all. If we are unable to renew our agreements with these facilities on commercially reasonable terms, we may experience delays in the provision of our offerings until an agreement with another co-located data center is arranged, and any business interruptions that impact the delivery of our offerings as a result of these delays may reduce our revenue, cause retailers and shoppers to stop offering their services through Instacart, and reduce use of our offerings by customers. In addition, if we are unable to scale our data storage and computational capacity sufficiently or on commercially reasonable terms, our ability to innovate and introduce new offerings on Instacart may be delayed or compromised, which would have an adverse effect on our growth and business.

We rely on mobile operating systems and app marketplaces to make portions of Instacart available to retailers, customers, brands, and shoppers, and if we do not effectively operate with such app marketplaces, our usage or brand recognition could decline and our business, financial condition, and results of operations could be adversely affected.

We depend in part on mobile operating systems, such as Android and iOS, and their respective app marketplaces to make Instacart available to retailers, customers, brands, and shoppers. Any changes in such systems and app marketplaces that degrade the functionality of our apps or give preferential treatment to our competitors' apps could adversely affect Instacart's usage on mobile devices. If such mobile operating systems or app marketplaces limit or prohibit us from making our apps available to retailers, customers, brands, or shoppers, make changes that degrade the functionality of our apps, change the way we collect or use data, increase the cost of using our apps, impose terms of use unsatisfactory to us, alter how we collect fees, increase our compliance costs, impair or inhibit our ability to enter into partnerships or effectively market partnerships, or modify their search or ratings algorithms in ways that are detrimental to us, or if our competitors' placement in such mobile operating systems' app marketplace is more prominent than the placement of our apps, our growth could slow. Our apps have experienced fluctuations in placement in the past, and we anticipate similar fluctuations in the future. Additionally, we are subject to requirements imposed by app marketplaces such as those operated by Apple and Google, who have and may further change their technical requirements or policies in a manner that adversely impacts the way in which we collect, use and share data from users. For example, Apple requires mobile applications using its iOS mobile operating system to obtain a user's permission to track them or access their device's advertising identifier for

certain purposes. The long-term impact of these and any other changes remains uncertain. If we do not comply with applicable requirements imposed by app marketplaces, we could lose access to the app marketplaces and users, and our business would be harmed. Any of the foregoing risks could adversely affect our business, financial condition, and results of operations.

As new mobile devices and mobile platforms are released, there is no guarantee that certain mobile devices will continue to support our apps or that we can effectively roll out updates to our app. Additionally, in order to deliver high-quality apps, we need to ensure that Instacart is designed to work effectively with a range of mobile technologies, systems, networks, and standards. If retailers, customers, brands, or shoppers that utilize Instacart encounter any difficulty accessing or using our apps on their mobile devices or if we are unable to adapt to changes in popular mobile operating systems, we expect that our growth and engagement would be adversely affected.

We rely primarily on third-party insurance policies from a limited number of insurance providers to insure our operations-related risks. If our insurance coverage is insufficient for the needs of our business or our insurance providers are unable to meet their obligations, we may not be able to mitigate the risks facing our business, which could adversely affect our business, financial condition, and results of operations.

We procure third-party insurance policies from a limited number of insurance providers to cover various operations-related risks including automobile liability, employment practices liability, workers' compensation, business interruptions, errors and omissions, cybersecurity and data breaches, crime, directors' and officers' liability, occupational accident insurance for shoppers, and general business liabilities. For certain types of operations-related risks or risks related to our new and evolving offerings, we may not be able to, or may choose not to, acquire insurance. Even if we do acquire insurance for our operations-related risks or risks related to our new and evolving services and offerings, we may not obtain enough insurance to adequately mitigate such risks, and we may have to pay high premiums, co-insurance, self-insured retentions, or deductibles for the coverage we do obtain. If any of our insurance providers discontinue or increase the cost of coverage, we cannot guarantee that we would be able to secure similar coverage on commercially reasonable terms or at all. If any of our insurance providers change the terms of our policies in a manner not favorable to us or to shoppers, our insurance costs could increase. If the insurance coverage we maintain is not adequate to cover losses that occur, or if we are required to purchase additional insurance for other aspects of our business, we could be liable for significant additional costs. Further, if any of our insurance providers becomes insolvent, it would be unable to pay any operations-related claims that we make.

If the amount of one or more operations-related claims were to exceed our applicable aggregate coverage limits, we would bear the excess, in addition to amounts already incurred in connection with deductibles, self-insured retentions, co-insurance, or otherwise paid by us. Insurance providers have raised premiums, deductibles, and self-insured retentions for many businesses and may do so in the future. As a result, our insurance costs and claims expense have increased and could further increase, or we may decide to raise our deductibles or self-insured retentions when our policies are renewed or replaced. Our business, financial condition, and results of operations could be adversely affected if the cost per claim, premiums, the severity of claims, or the number of claims exceeds our historical experience and coverage limits; we experience a claim in excess of our coverage limits; our insurance providers fail to pay on our insurance claims; we experience a claim for which coverage is not provided; or the severity or number of claims under our deductibles or self-insured retentions differs from historical averages.

We establish insurance reserves for claims incurred but not yet paid and claims incurred but not yet reported and any related estimable expenses, and we periodically evaluate and, as necessary, adjust our actuarial assumptions and insurance reserves as our experience develops or if we receive new information. We employ various predictive modeling and actuarial techniques and make numerous assumptions based on historical claim and loss experience and industry statistics to estimate our insurance reserves. Estimating the number and severity of claims, as well as related judgment or settlement amounts, is inherently difficult, subjective, and speculative. Additionally, actuarial projections make no provision for the extraordinary future emergence of losses or types of losses not sufficiently represented in the historical data or which are not yet quantifiable. While an independent actuarial firm periodically reviews our reserves for appropriateness and provides claims reserve valuations, a number of external factors can affect the actual losses incurred for any given claim, including but not limited to the length of time the claim remains open, increases in healthcare costs, increases in automotive costs, legislative and regulatory developments, judicial developments and unexpected events such as natural or human-made catastrophic disasters. Such factors can also impact our insurance reserves and any related estimable expenses for current and historical periods. For any of the foregoing reasons, our actual losses for claims and related expenses may deviate, individually or in the aggregate, from the insurance reserves reflected in our condensed consolidated financial statements.

If we determine that our estimated insurance reserves are inadequate, we may be required to increase such reserves at the time of the determination, which could negatively impact our financial condition, and results of operations.

We are also subject to certain contractual requirements to obtain insurance. For example, some of our agreements with retailers require that we procure certain types of insurance, and if we are unable to obtain and maintain such insurance, we would be in violation of the terms of these retailer agreements. In addition, we are subject to local laws, rules, and regulations relating to insurance coverage which could result in proceedings or actions against us by governmental entities or others. Any failure, or perceived failure, by us to comply with existing or future local laws, rules, and regulations or contractual obligations relating to insurance coverage could result in proceedings or actions against us by governmental entities or others. Additionally, anticipated or future local laws, rules, and regulations relating to insurance coverage, could require additional fees and costs. Compliance with these rules and any related lawsuits, proceedings, or actions may subject us to significant penalties and negative publicity, require us to increase our insurance coverage, require us to amend our insurance policy disclosure, increase our costs, and disrupt our business.

Risks Related to Our Intellectual Property

Failure to adequately maintain and protect our intellectual property and proprietary rights could harm our brand, devalue our proprietary content, and adversely affect our ability to compete effectively.

Our success depends to a significant degree on our ability to obtain, maintain, protect, and enforce our intellectual property rights, including our proprietary technology, know-how, and our brand. To protect our rights to our intellectual property, we rely on a combination of patent, trademark, copyright, and trade secret laws, domain name registrations, confidentiality agreements, and other contractual arrangements with our employees, affiliates, clients, strategic partners, and others. However, the protective steps we have taken and plan to take may be inadequate to deter infringement, misappropriation, dilution or other violations of our intellectual property rights. We make business decisions about when and where to seek patent protection for a particular technology and when to rely upon copyright or trade secret protection, and the approach we select may ultimately prove to be inadequate. Even in cases where we seek patent protection, there is no assurance that our applications for patents will be granted, and even if they are, that the resulting patents will be of sufficient scope to provide meaningful protection. Further, even if we obtain adequate protection, we may be unable to detect the unauthorized use of, or take appropriate steps to enforce, our patents and other intellectual property rights. Effective patent, trademark, copyright, and trade secret protection may not be available to us or in every jurisdiction in which we offer or intend to offer our services and, in addition, the output of AIML tools we utilize may not be eligible for copyright protection. Failure to adequately protect our intellectual property could harm our brand, devalue our proprietary content, and adversely affect our ability to compete effectively. Further, third parties may challenge the validity, enforceability, registration, ownership or scope of our intellectual property rights, and defending against any such claims could result in the expenditure of significant financial and managerial resources, which could adversely affect our business, results of operations, and financial condition.

If we fail to protect our intellectual property rights adequately, our competitors may gain access to our intellectual property and proprietary technology and develop and commercialize substantially identical offerings or technologies. In addition, defending our intellectual property rights might entail significant expense. Any patents, trademarks, copyrights, or other intellectual property rights that we have or may obtain may be challenged or circumvented by others or invalidated or held unenforceable through administrative process, including re-examination, inter partes review, interference and derivation proceedings and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings), or litigation. Despite our pending U.S. patent applications, there can be no assurance that our patent applications will result in issued patents, or even if issued, that such patents would be of sufficient scope to provide meaningful protection. Even if we continue to seek patent protection in the future, we may be unable to obtain or maintain patent protection for our technology. In addition, any patents we have or may obtain, or that are licensed to us now or in the future, may not provide us with competitive advantages or may be successfully challenged by third parties. Further, the laws of some foreign countries may not be as protective of intellectual property rights as those in the United States, and mechanisms for enforcement of intellectual property rights may be inadequate. Moreover, policing unauthorized use of our technologies, trade secrets, and intellectual property may be difficult, expensive, and time-consuming. Despite our precautions, it may be possible for unauthorized third parties to copy our offerings and technology capabilities and use information that we regard as proprietary to create offerings that compete with ours. The value of our trademarks could be diminished if others assert rights in or ownership of our trademarks, or if they use and assert rights in trademarks that are similar to our trademarks. In some cases, litigation or other actions may be necessary to protect or enforce our trademarks and other intellectual property rights. We may be unable to successfully resolve these types of conflicts to our satisfaction.

We enter into confidentiality and invention assignment agreements with our employees and consultants and enter into confidentiality agreements with other third parties, including suppliers and other partners. However, we cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information, know-how, and trade secrets. Moreover, no assurance can be given that these agreements will be effective in controlling access to our proprietary information or the distribution, use, misuse, misappropriation, reverse engineering, or disclosure of our proprietary information, know-how, and trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our offerings and technology capabilities. These agreements may be breached, and we may not have adequate remedies for any such breach.

In order to protect our intellectual property rights, we may be required to spend significant resources to monitor for infringement and to enforce our intellectual property rights. Litigation may be necessary in the future to enforce our intellectual property rights. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, 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, and if such defenses, counterclaims, or countersuits are successful, we could lose valuable 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 offerings and technology capabilities, impair the functionality of our offerings and technology capabilities, delay introductions of new offerings, result in our substituting inferior or more costly technologies into our offerings, or injure our reputation.

We may not be able to successfully halt the operations of copycat websites or the infringement or misappropriation of intellectual property rights in Instacart, or elements or functionality embodied therein, including, but not limited to, our digital catalog. From time to time, third parties, including with the use of AI, have in the past accessed, and may in the future access, Instacart's servers without authorization and misappropriated our digital catalog through website scraping, "bots," web crawlers, or other tools or means. In addition, copycat websites have imitated or attempted to imitate elements or functionality of Instacart. As a result, we have employed technological and legal measures, including initiating lawsuits, in an attempt to halt such infringement or misappropriation. We expect such activities to continue to occur. However, we may not be able to detect all such activities in a timely manner and, even if we do, we cannot guarantee that our efforts to protect and enforce our intellectual property rights will be successful. Regardless of whether we can successfully enforce our rights against these websites or third parties, any measures that we may take could require us to expend significant financial or other resources.

We are currently, and may in the future become, party to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

We have in the past been, are currently in, and may in the future become subject to intellectual property disputes. Our success depends, in part, on our ability to develop and commercialize our offerings without infringing, misappropriating, or otherwise violating the intellectual property rights of third parties. However, we may not be aware that our offerings are infringing, misappropriating, or otherwise violating third-party intellectual property rights, and such third parties may bring claims alleging such infringement, misappropriation, or violation. For example, we rely on a combination of third-party intellectual property licenses and the fair use doctrine when we refer to third-party intellectual property, such as brand names and product images, on Instacart. Third parties may dispute the scope of those rights or the applicability of the fair-use doctrine or otherwise challenge our ability to reference their intellectual property in the course of our business. From time to time, we are contacted by companies controlling brands of products that are sold by retailers, demanding that we cease referencing those brands or take down product images on Instacart. Additionally, companies in the internet and technology industries, and other patent holders, including "non-practicing entities," seeking to profit from royalties in connection with grants of licenses or seeking to obtain injunctions, own large numbers of patents and other intellectual property and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. To reduce the risk of adverse outcomes in intellectual property disputes, we may need to establish new intellectual property agreements or renew existing licenses. However, this strategy of cross-licensing our patent portfolio with third parties in order to settle infringement claims brought against us may not be appropriate in the future and is not effective against certain patent owners, such as non-practicing entities.

Other parties have asserted, and in the future may assert, that we have infringed their intellectual property rights. Any claims of intellectual property infringement, even those without merit, could be time consuming and costly to defend, cause us to cease using or incorporating the asserted intellectual property rights, divert management's attention and resources, and expose us to other legal liabilities, such as indemnification obligations. We could be required to pay substantial

damages or cease using intellectual property or technology that is deemed infringing or be required to enter into royalty or licensing agreements to obtain the right to use a third party's intellectual property. Any such royalty or licensing agreements may not be available to us on acceptable terms or at all. Additionally, a successful claim of infringement against us could result in us being required to pay significant damages or enter into costly license or royalty agreements, either of which could have an adverse impact on our business. The technology industry is characterized by the existence of a large number of patents, copyrights, trademarks, trade secrets, and other intellectual and proprietary rights. Companies in the technology industry are often required to defend against litigation claims based on allegations of infringement, misappropriation, or other violations of intellectual property rights. Our technologies may not be able to withstand any third-party claims against their use. In addition, some companies have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. Relative to certain of our competitors, we do not currently have a large patent portfolio, and our relative patent portfolio size may reduce the deterrence value of our portfolio against patent infringement claims brought by competitors or other entities with larger portfolios. Our competitors and others may now and in the future have significantly larger and more mature patent portfolios than we have. If a third party is able to obtain an injunction preventing us from accessing such third-party intellectual property rights, or if we cannot license or develop alternative technology for any potentially infringing aspect of our business, we could be forced to rebrand our offerings, limit, or stop sales of our offerings and technology capabilities, or cease business activities related to such intellectual property. Although we carry general liability insurance, our insurance may not cover potential claims of this type or may not be adequate to indemnify us for all liability that may be imposed. We cannot predict the outcome of lawsuits and cannot ensure that the results of any such actions will not have an adverse effect on our business, financial condition, or results of operations. Any intellectual property litigation to which we might become a party, or for which we are required to provide indemnification, may require us to do one or more of the following:

- cease selling or using offerings that incorporate the intellectual property rights that we allegedly infringe, misappropriate, or violate;
- make substantial payments for legal fees, settlement payments, or other costs or damages;
- obtain a license, which may not be available on reasonable terms or at all, to sell or use the relevant technology; or
- redesign the allegedly infringing offerings to avoid infringement, misappropriation, or violation, which could be costly, time-consuming, or impossible.

Even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and harm our business and results of operations. Moreover, there could be public announcements of the results of hearings, motions, or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. We expect that the occurrence of infringement claims is likely to grow as the market for Instacart and our offerings grows. Accordingly, our exposure to damages resulting from infringement claims could increase, and this could further exhaust our financial and management resources.

Our use of third-party open-source software could adversely affect our ability to offer Instacart and our offerings and subjects us to possible litigation.

We use third-party open-source software in connection with the operation, development, and deployment of Instacart and our offerings. From time to time, companies that use third-party open-source software have faced claims challenging the use of such open-source software and their compliance with the terms of the applicable open-source license. We may be subject to suits by parties claiming ownership of what we believe to be open-source software or claiming non-compliance with the applicable open-source licensing terms. Some open-source licenses require end-users who distribute or make available across a network software and services that include open-source software to make available the source code of all or part of such software, which in some circumstances could include valuable proprietary code, and also prohibit the charging of fees to licensees for use of such code. While we employ practices designed to monitor our compliance with the licenses of third-party open-source software and to shield our valuable proprietary source code from these open-source license requirements, we have not run a complete open-source license review and may inadvertently use third-party open-source software in a manner that exposes us to claims of non-compliance with the applicable terms of such license, that could require us to disclose source code of our proprietary software, prohibit us from charging fees for use of our proprietary software, or render our software temporarily unavailable. Furthermore, there is an increasing number of open-source software license types, many of which have been tested in a court of law, resulting in a dearth of guidance regarding the proper legal interpretation of such licenses. If we were to receive a claim of non-compliance with the terms of any of our open-source licenses, we may be required to publicly release certain portions of our proprietary source code, expend

substantial time and resources to re-engineer some or all of our software, or temporarily disable one or more features of our platform. Further, our use of any AI-assisted coding tools that use or are based on any open source software may heighten the foregoing risks.

In addition, the use of third-party open-source software typically exposes us to greater risks than the use of third-party commercial software because open-source licensors generally do not provide warranties or controls on the functionality or origin of the software. Use of open-source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to determine how to compromise Instacart. Additionally, because any software source code that we contribute to open-source projects becomes publicly available, our ability to protect our intellectual property rights in such software source code may be limited or lost entirely, and we would be unable to prevent our competitors or others from using such contributed software source code. Any of the foregoing could be harmful to our business, financial condition, or results of operations and could help our competitors develop offerings that are similar to or better than ours.

Risks Related to Ownership of Our Common Stock

The trading price of our common stock may be volatile and could decline significantly and rapidly.

The trading price of our common stock could be subject to wide fluctuations in response to numerous factors in addition to the ones described in this “Risk Factors” section many of which are beyond our control, including:

- actual or anticipated fluctuations in our results of operations and growth rates;
- the number of shares of our common stock made available for trading;
- overall performance of the equity markets and the economy as a whole;
- changes in the financial projections we may provide to the public and/or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- changes in the pricing of our offerings;
- actual or anticipated changes in our growth rate relative to that of our competitors;
- changes in the anticipated future size or growth rate of our addressable markets;
- announcements of new products, or of acquisitions, strategic partnerships, joint ventures, or capital-raising activities or commitments, by us or by our competitors;
- repurchases or expectations with respect to repurchases of our common stock by us;
- additions or departures of board members, management, or key personnel;
- rumors and market speculation involving us or other companies in our industry;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business, including those related to consumer protection, privacy, data security, data protection, and cyber security in the United States or globally;
- administrative actions, government investigations, lawsuits, and other legal and regulatory proceedings threatened or initiated against us;
- other events or geopolitical factors, including those resulting from war, incidents of terrorism, tariffs or other trade restrictions enacted or proposed to be enacted, or responses to these events;
- health epidemics, such as influenza, and other highly infectious diseases;
- the inclusion, exclusion, or deletion of our stock from any trading indices, including the S&P 400 Index, to which we were recently added; and
- sales or expectations with respect to sales of shares of our capital stock by us or our security holders.

In addition, stock prices of many companies, including technology companies, have fluctuated in a manner often unrelated or disproportionate to the operating performance of those companies. In the past, companies that have experienced volatility in the trading price for their stock have been subject to securities class action litigation. For example,

we were subject to a class action lawsuit in federal court alleging federal securities law violations in connection with our IPO, which was dismissed with prejudice on May 30, 2025 without plaintiffs receiving any compensation. Any securities litigation that may be instituted against us in the future could result in substantial costs and a diversion of our management's attention and resources and adversely affect our business, results of operations, and financial condition.

Future sales of our common stock in the public market could cause the market price of our common stock to decline.

Sales, directly or indirectly of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. Many of our existing equity holders have substantial unrecognized gains on the value of the equity they hold, and therefore, may take steps to sell their shares or otherwise secure the unrecognized gains on those shares. We are unable to predict the timing of or the effect that such sales may have on the prevailing market price of our common stock.

Further, certain holders of our capital stock have rights, subject to certain conditions, to require us to file registration statements covering the sale of their shares or to include their shares in registration statements that we may file for ourselves or other stockholders.

We may not realize the anticipated long-term stockholder value of our share repurchase program, and any failure to repurchase our common stock after we have announced our intention to do so may negatively impact our stock price.

In November 2023, we announced that our board of directors approved a share repurchase program with authorization to purchase up to \$500 million of our common stock, at management's discretion, which was subsequently increased to \$1 billion in February 2024 and used in its entirety during 2024. In June 2024, we announced that our board of directors authorized a new \$500 million share repurchase program, which was subsequently increased to \$750 million and later \$1 billion in November 2024 and May 2025, respectively. Repurchases under this new program may be made from time to time through open market purchases or through privately negotiated transactions subject to market conditions, applicable legal requirements, and other relevant factors. Open market repurchases may be structured to occur in accordance with the requirements of Rule 10b-18 of the Exchange Act. We may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases of our common stock under this authorization.

The timing and actual number of shares repurchased may depend on a variety of factors, including price, general business and market conditions, and alternative investment opportunities. The program does not obligate us to acquire any particular amount of common stock and may be suspended or discontinued at any time at our discretion. Any failure to repurchase stock after we have announced our intention to do so may negatively impact our reputation, investor confidence in us, or our stock price.

The existence of our share repurchase program could cause our stock price to be higher than it otherwise would be and could potentially reduce the market liquidity for our stock, and any announcement of a termination of this program may result in a decrease in our stock price. Although our share repurchase program is intended to enhance long-term stockholder value, there is no assurance that it will do so because the market price of our common stock may decline below the levels at which we repurchase shares, and short-term stock price fluctuations could reduce the effectiveness of the program. Repurchasing our common stock reduces the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions or investments, other business opportunities, and other general corporate projects, as well as to invest in securities to generate returns on our cash balance. We also may fail to realize the anticipated long-term stockholder value of any share repurchase program.

In addition, as part of the Inflation Reduction Act of 2022, the United States implemented a 1% excise tax on the value of certain stock repurchases by publicly traded companies. This tax has in the past increased and may in the future increase the costs to us of any share repurchases.

Our executive officers, directors, and principal stockholders, if they choose to act together, continue to have the ability to control or significantly influence all matters submitted to stockholders for approval. Furthermore, certain of our current directors were initially appointed by our principal stockholders.

Our executive officers, directors, and greater than 5% stockholders, in the aggregate, beneficially own a significant portion of our outstanding common stock. Furthermore, certain of our current directors were initially appointed by our principal stockholders. As a result, such persons or their appointees to our board of directors, acting together, will have the

ability to control or significantly influence all matters submitted to our board of directors or stockholders for approval, including the appointment of our management, the election and removal of directors, and approval of any significant transaction, as well as our management and business affairs. This concentration of ownership may have the effect of delaying, deferring, or preventing a change in control, impeding a merger, consolidation, takeover, or other business combination involving us, or discouraging a potential acquiror from making a tender offer or otherwise attempting to obtain control of our business, even if such a transaction would benefit other stockholders.

Our business and financial performance may differ from any projections that we disclose or any information that may be attributed to us by third parties.

From time to time, we may provide guidance via public disclosures regarding our projected business or financial performance. However, any such projections involve risks, assumptions, and uncertainties, and our actual results could differ materially from such projections. Factors that could cause or contribute to such differences include, but are not limited to, those identified in this “Risk Factors” section, some or all of which are not predictable or within our control. Other unknown or unpredictable factors also could adversely impact our performance, and we undertake no obligation to update or revise any projections, whether as a result of new information, future events, or otherwise, except as may be required by law. In addition, various news sources, bloggers, market research firms, and other publishers often make statements regarding our historical or projected business or financial performance, and we cannot assure you of the reliability of any such information even if it is attributed directly or indirectly to us.

We could experience volatility in our trading price and trading volume if securities or industry analysts cease to publish research about our business, or if they publish inaccurate or unfavorable research.

We do not have any control over the content and opinions included in reports published by equity research analysts, and we cannot assure you that any equity research analysts will continue to adequately provide research coverage of our common stock. A lack of adequate research coverage at any time may harm the liquidity and trading price of our common stock. The trading price of our common stock could decline if one or more equity research analysts downgrade our stock or publish inaccurate or unfavorable commentary or research. If one or more equity research analysts cease coverage of our company, or fail to regularly publish reports on us, the demand for our common stock could decrease, which in turn could cause our trading price to decline and/or trading volumes to fluctuate.

We do not intend to pay dividends for the foreseeable future.

We have never declared or paid any cash dividends on our capital stock, and we do not intend to pay any cash dividends in the foreseeable future. We expect to retain future earnings, if any, to fund the development and growth of our business. Any future determination to pay dividends on our capital stock will be at the discretion of our board of directors. In addition, our ability to pay dividends on our capital stock is limited by the terms of our Series A redeemable convertible preferred stock (“Series A Preferred Stock”) and may be further restricted under future contractual arrangements. Accordingly, you must rely on the sale of your common stock after price appreciation, which may never occur, as the only way to realize any future gain on your investment.

Additional stock issuances could result in significant dilution to our stockholders.

We may issue our capital stock or securities convertible into our capital stock from time to time in connection with a financing, acquisition, investments, or otherwise. Additional issuances of our capital stock will result in dilution to existing stockholder. Also, to the extent outstanding stock options to purchase our stock are exercised, RSUs settle, or our Series A Preferred Stock is converted, there will be further dilution. The amount of dilution could be substantial depending upon the size of the issuance. Any such issuances could result in substantial dilution to our existing stockholders and cause the trading price of our common stock to decline.

Our Series A Preferred Stock ranks senior to our common stock, impacts our ability to pay dividends, and may result in significant dilution.

Our Series A Preferred Stock ranks senior to our common stock. Accordingly, in the event of our liquidation or dissolution in bankruptcy or otherwise, the holders of our Series A Preferred Stock would receive their liquidation preference prior to any distribution being available to holders of our common stock. The terms of our Series A Preferred Stock also require us to obtain approval from the holders of the outstanding shares of our Series A Preferred Stock for any cash dividends on our common stock in excess of a 5.0% annual dividend yield. Any dividend payment on our common

stock will also result in adjustments to the conversion price of our Series A Preferred Stock. In addition, upon a conversion of our Series A Preferred Stock, your percentage ownership in us will be diluted.

Certain provisions in our corporate charter documents and under Delaware law may prevent or hinder attempts by our stockholders to change our management or to acquire a controlling interest in us, or bring a lawsuit against us or our directors and officers, and the trading price of our common stock may be lower as a result.

There are provisions in our amended and restated certificate of incorporation and amended and restated bylaws that may make it difficult for a third party to acquire, or attempt to acquire, control of our company, even if a change in control were considered favorable by our stockholders. These anti-takeover provisions include:

- a classified board of directors so that not all members of our board of directors are elected at one time;
- the ability of our board of directors to determine the number of directors and to fill any vacancies and newly created directorships;
- a requirement that our directors may only be removed for cause;
- a prohibition on cumulative voting for directors;
- the requirement of a super-majority to amend some provisions in our restated certificate of incorporation and restated bylaws;
- authorization of the issuance of “blank check” preferred stock that our board of directors could use to implement a stockholder rights plan; and
- an inability of our stockholders to call special meetings of stockholders; and a prohibition on stockholder actions by written consent, thereby requiring that all stockholder actions be taken at a meeting of our stockholders.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibit a person who owns 15% or more of our outstanding voting stock from merging or combining with us for a three-year period beginning on the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner. Any provision in our amended and restated certificate of incorporation, our amended and restated bylaws, or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our common stock.

In addition, the limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder’s investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware and the federal district courts of the United States of America are the exclusive forums for substantially all disputes between us and our stockholders, which may limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law:

- any derivative action or proceeding brought on our behalf;
- any action asserting a breach of fiduciary duty;
- any action asserting a claim against us arising under the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws;
- any action seeking to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws;

- any action as to which Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware; and
- any action asserting a claim against us that is governed by the internal-affairs doctrine.

This provision does not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation further provides that the federal district courts of the United States of America are the exclusive forums for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid and several state trial courts have enforced such provisions and required that suits asserting Securities Act claims be filed in federal court, there is no guarantee that courts of appeal will affirm the enforceability of such provisions, and a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such an instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions. If a court were to find either exclusive forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with litigating Securities Act claims in state court, or both state and federal court, which could seriously harm our business, financial condition, results of operations, and prospects. These exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees.

General Risk Factors

The requirements of being a public company may strain our resources, divert management's attention, and affect our ability to attract and retain executive management and qualified board members.

As a public company, we are subject to the reporting requirements of the Exchange Act, the listing standards of Nasdaq Global Select Market, and other applicable securities rules and regulations. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time-consuming and costly, and place significant strain on our personnel, systems, and resources. Furthermore, several members of our management team do not have prior experience in running a public company. For example, the Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and results of operations. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management's attention may be diverted from other business concerns, which could harm our business, results of operations, and financial condition. Although we have already hired additional employees to assist us in complying with these requirements, we may need to hire more employees in the future or engage outside consultants, which will increase our operating expenses. In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs, and making some activities more time-consuming. These laws, regulations, and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We have invested and intend to continue investing substantial resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expense and a diversion of management's time and attention from business operations to compliance activities. If our efforts to comply with new laws, regulations, and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Being subject to these new rules and regulations has made it more expensive for us to obtain director and officer liability insurance, and we have incurred substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly members who can serve on our audit committee and compensation committee, and qualified executive officers. In addition, as a public company, we may be subject to stockholder activism, which can lead to additional substantial costs, distract management and impact the manner in which we operate our business in ways we cannot currently anticipate. As a result of the disclosure obligations required of a public company, our business and financial condition are more visible, which may result in an increased risk of threatened or actual litigation, including by competitors and other third parties. If such claims

are successful, our business, results of operations, and financial condition would be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, would divert the resources of our management and harm our business, results of operations, and financial condition.

As a result of being a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting, and any failure to maintain the adequacy of these internal controls may adversely affect investor confidence in our company and, as a result, the value of our common stock.

We are required, pursuant to Section 404 of the Sarbanes-Oxley Act (“Section 404”), to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting as of the end of each fiscal year. This assessment includes disclosure of any material weaknesses in our internal control over financial reporting identified by our management. In addition, our independent registered public accounting firm is required to attest to the effectiveness of our internal control over financial reporting. Our compliance with Section 404 requires that we incur substantial expenses and expend significant management efforts. We have established an internal audit group, and as we continue to grow, we will hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge and update the system and process documentation necessary to perform the evaluation needed to comply with Section 404.

During the evaluation and testing process of our internal controls, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to certify that our internal control over financial reporting is effective. We cannot assure you that there will not be material weaknesses in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations, harm our results of operations, or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any such failure could also adversely affect the results of periodic management evaluations and annual independent registered public accounting firm reports regarding the effectiveness of our internal control over financial reporting that we are required to include in our periodic reports that will be filed with the SEC. Additionally, if we are unable to conclude that our internal control over financial reporting is effective, or if we or our independent registered public accounting firm determines we have a material weakness in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States.

U.S. generally accepted accounting principles (“GAAP”), are subject to interpretation by the Financial Accounting Standards Board (“FASB”), the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. The accounting for our business is complex, particularly in the area of revenue recognition, and is subject to change based on the evolution of our business model, interpretations of relevant accounting principles, enforcement of existing or new regulations, and changes in SEC or other agency policies, rules, regulations, and interpretations of accounting regulations. Changes to our business model and accounting methods, principles, or interpretations could result in changes to our financial statements, including changes in revenue and expenses in any period, or in certain categories of revenue and expenses moving to different periods, may result in materially different financial results, and may require that we change how we process, analyze, and report financial information and our financial reporting controls.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our condensed consolidated financial statements and accompanying notes appearing elsewhere in this Quarterly Report on Form 10-Q. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations-Critical Accounting Policies and Estimates.” The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenue and expenses. Significant estimates and judgments involve: revenue recognition, including revenue-related reserves; legal and loss contingencies; and income taxes. Our results of operations

may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock. Additionally, incorrect judgments may cause errors in our financial statements that could result in corrections to or restatements of our historical financial statements, cause delays in the preparation and filing of our periodic reports as well as failures to meet our reporting and other obligations as a public company, and lead to expenses that could adversely affect our business, financial condition, and results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following table sets forth information relating to repurchases of our equity securities during the three months ended June 30, 2025:

	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid Per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Program
	(in thousands)		(in thousands)	(in millions)
April 1, 2025 to April 30, 2025	1,876	\$ 39.83	1,876	\$ 393
May 1, 2025 to May 31, 2025	127	\$ 39.86	127	\$ 388
June 1, 2025 to June 30, 2025	701	\$ 44.05	701	\$ 357
Total	2,704		2,704	

⁽¹⁾ In June 2024, our board of directors authorized a \$500 million share repurchase program, which was subsequently increased to \$750 million and later \$1 billion in November 2024 and May 2025, respectively. The share repurchase program has no expiration date. In determining the authorization of each share repurchase program, including the amount authorized, our board of directors considered the trading price levels of our common stock, including relative to that of comparable companies, our cash position, and other relevant business, tax, and legal factors. Our board of directors also considered our profitability and positive operating cash flow in recent periods, which enable us to both engage in capital return and reinvest in our talent, technology, and long-term endeavors to drive more profitable growth and help our partners navigate the digital transformations of their businesses. As such, our board of directors believes that these factors will allow us to generate more value for our stockholders over the long term. For more information regarding the risks associated with our share repurchase program, see the section titled “Risk Factors—Risks Related to Ownership of Our Common Stock—We may not realize the anticipated long-term stockholder value of our share repurchase program, and any failure to repurchase our common stock after we have announced our intention to do so may negatively impact our stock price.”

⁽²⁾ Excludes costs associated with the repurchases and the 1% excise tax accrued on the Company’s share repurchases as a result of the Inflation Reduction Act of 2022.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

The exhibits listed below are filed as part of this Quarterly Report on Form 10-Q, or are incorporated herein by reference, in each case as indicated below:

Exhibit Number	Description of Exhibit	Form	File No.	Exhibit	Filing Date	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of Maplebear Inc.	8-K	001-41805	3.1	9/22/2023	
3.2	Certificate of Designation of Series A Convertible Preferred Stock.	8-K	001-41805	3.2	9/22/2023	
3.3	Amended and Restated Bylaws of Maplebear Inc.	S-1/A	333-274213	3.4	9/11/2023	
10.1+	Transition and Acknowledgement Letter between the Registrant and Fidji Simo, dated May 27, 2025.	8-K	001-41805	10.1	5/28/2025	
10.2+	Amended and Restated Offer Letter between Maplebear Canada ULC and Chris Rogers, dated May 26, 2025.	8-K	001-41805	10.2	5/28/2025	
10.3	Office Lease Agreement between the Registrant and 50 Beale Street LLC, dated May 12, 2015, as amended through June 4, 2025.					X
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certifications of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.SCH	XBRL Taxonomy Extension Schema Document.					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.					X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).					X

+ Indicates management contract or compensatory plan.

* The certifications furnished herewith are deemed to accompany this Quarterly Report on Form 10-Q and are not deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act, or the Exchange Act (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MAPLEBEAR INC.

Date:	August 8, 2025	By:	/s/ Fidji Simo Fidji Simo Chief Executive Officer and Director <i>(Principal Executive Officer)</i>
Date:	August 8, 2025	By:	/s/ Emily Reuter Emily Reuter Chief Financial Officer <i>(Principal Financial Officer)</i>
Date:	August 8, 2025	By:	/s/ Lisa Blackwood-Kapral Lisa Blackwood-Kapral Chief Accounting Officer <i>(Principal Accounting Officer)</i>

OFFICE LEASE AGREEMENT

Between

Landlord: 50 BEALE STREET LLC,
a Delaware limited liability company

and

Tenant: MAPLEBEAR, INC.,
a Delaware corporation d/b/a Instacart)

50 BEALE STREET
SAN FRANCISCO, CALIFORNIA

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LIST OF EXHIBITS

- A-1** Premises (Suite 100)
- A-2** Premises (Suite 600)
- A-3** Premises (Suite 1100)
- A-4** Expansion Space (Suite 700)
- A-5** Expansion Space (Suite 1000)
- B** Work Agreement
- C** Commencement Letter
- D** Rules and Regulations
- E** Asbestos Notification
- F** Form of Letter of Credit
- G** Options
- H** Window Signage (Suite 100)
- I.** Bicycle Storage Use Agreement

BASIC LEASE PROVISIONS

The following sets forth some of the basic provisions of the lease (the “**Basic Lease Provisions**”). In the event of any conflict between the terms of these basic lease provisions and the referenced Article s of the lease, the referenced Article s of the lease shall control.

1. Building (Article 1): the 24-story office tower, together with all appurtenant plazas, subgrade areas and garages in the city of San Francisco, California, located at 50 Beale Street. The building contains approximately 662,060 rentable square feet.
2. Property (Article 1): the building and the parcel(s) of land on which it is located and, at Landlord’s reasonable discretion, the off-site parking facilities and other improvements, if any, serving the building and the parcel(s) of land on which they are located.
3. Premises (Article 1): the Premises are made up of Suite 100 on the ground floor (“**Suite 100**”), Suite 600, comprising the entire sixth (6th) floor (“**Suite 600**”), and Suite 1100, comprising the entire eleventh (11th) floor (“**Suite 1100**”) (Suite 600 and Suite 1100 are collectively referred to herein as the “**Initial Premises**”), as follows:

Suite	Rentable Area
100	1,110
600	28,114
1100	29,280
Total	58,504

4. Term and Delivery (Article 2): Eighty eight (88) full calendar months, plus any fractional calendar month immediately following the Initial Premises Rent Commencement Date

Suite	Anticipated Delivery Date	Rent Commencement Date
100	October 1, 2015	One hundred twenty (120) days following Delivery (or, if earlier, the date Tenant occupies any portion of Suite 100 for the purposes of transacting Tenant’s business operations therein) (the “ Suite 100 Rent Commencement Date ”), anticipated to be February 1, 2016.
600	Promptly following Mutual Execution of Lease	August 1, 2015 (or, if earlier, the date Tenant occupies any portion of the Initial Premises for the purpose of transacting Tenant’s business operations therein) (the “ Initial Premises Rent Commencement Date ”).
1100	Promptly following Mutual Execution of Lease	The Initial Premises Rent Commencement Date

5. Base Rent (Article 4):

(a) Initial Premises (Suites 600 and 1100) (57,394 RSF)

Months Commencing as of Initial Premises Rent Commencement Date	Annual Rate Per Rentable Square Foot	Monthly Installment
Month 1* - Month 12	\$64.00	\$306,101.33**
Month 13 - Month 24	\$65.92	\$315,284.37
Month 25 - Month 36	\$67.90	\$324,754.38
Month 37 - Month 48	\$69.93	\$334,463.54
Month 49 - Month 60	\$72.03	\$344,507.49
Month 61 - Month 72	\$74.19	\$354,838.41
Month 72 - Month 84	\$76.42	\$365,504.12
Month 85 - Month 88	\$78.71	\$376,456.81

* If the Commencement Date is not the first (1st) day of a calendar month, then “**Month I**” includes the partial calendar month during which the Commencement Date occurs and the next succeeding calendar month, and in such event, Tenant shall pay the prorated amount of the monthly installment of Base Rent for such partial calendar month on the Commencement Date.

** Subject to abatement pursuant to Article 4(b) below.

(b) Suite 100 (1,110 RSF)

Months Commencing as of Suite 100 Rent Commencement Date	Annual Rate Per Rentable Square Foot	Monthly Installment
Month 1* - Month 8	\$64.00	\$5,920.00
Month 9 - Month 20	\$65.92	\$6,097.60
Month 21 - Month 32	\$67.90	\$6,280.75
Month 33 - Month 44	\$69.93	\$6,468.53
Month 45 - Month 56	\$72.03	\$6,662.78
Month 57 - Month 68	\$74.19	\$6,862.58
Month 69 - Month 80	\$76.42	\$7,068.85
Month 81 - Expiration Date	\$78.71	\$7,280.68

6. Rent Payment Address (Article 4):

50 Beale Street LLC
P.O. Box 360885
Pittsburgh, Pennsylvania 15251-6885

7. Base Year (Article 5):

Tax Base Year: 2015
Operating Expense Base Year: 2015

8. Tenant's Share (Article 5):

Suite 600	4.25% (i.e. 28,114/662,060)
Suite 1100	4.42% (i.e. 29,280/662,060)
Total Initial Premises	8.67% (i.e., 57,394/662,060)
Suite 100	0.17% (i.e. 1,110/662,060)
Total Premises:	8.84% (i.e. 58,504/662,060)

9. Letter of Credit Amount (Article 8): \$3,837,375.00

10. Parking Passes (Article 18): Up to seven (7) valet parking passes (i.e., one (1) per every 7,500 rentable square feet in the Premises

11. Landlord's Broker (Article 44): Jones Lang LaSalle

Tenant's Broker (Article 45): Jones Lang LaSalle

12. Notice Addresses (Article 29):

Landlord

50 Beale Street LLC
50 Beale Street, Suite 150
San Francisco, Ca 94015
Attention: Area Asset Manager/General
Manager

with a copy to:

PARAMOUNT GROUP, INC.
1633 Broadway, Suite 180 I
New York, Ny 10019
Attention: Bernard A. Marasco
Senior Vice President - Counsel,
Leasing & Property Management

with a copy to:

PARAMOUNT GROUP, INC.
Spear Tower, One Market Plaza,
Suite 1300
San Francisco, Ca 94105
Attention: Area Asset Manager/General Manager

Tenant

Prior To Occupancy Of Premises:

Instacart
420 Bryant Street
San Francisco, CA 94107
Attention: General Counsel

Following Occupancy Of Premises:

Instacart
50 Beale Street, Suite 1100
San Francisco, CA 94105
Attention: General Counsel

with a copy to:

UTRECHT & LENVIN, LLP
109 Stevenson Street, 5th Floor
San Francisco, CA 94105
Attention: Patrick J. Connolly

OFFICE LEASE AGREEMENT

This office lease agreement (hereinafter called the “**Lease**”) is entered into as of May 12, 2015 (the “**Effective Date**”), by and between the Landlord and Tenant identified above.

1. Premises and Common Areas.

(a) Premises. Landlord does hereby lease to Tenant and Tenant does hereby lease from Landlord the Premises identified in the basic lease provisions, being further shown on the drawings attached hereto as **Exhibits A-1** (Suite 100), **A-2** (Suite 600), and **A-3** (Suite 1100) and made a part hereof. As used herein, Suite 600 and Suite 1000 are, from time to time, referred to herein as the “**Initial Premises**,” and the initial premises, together with Suite 100, are referred to as the “**Premises**”.

(b) Rentable Area. The “rentable square feet” or “rentable area” of the Premises and the Building has been determined based upon the modified ANSI/BOMA Z65.1-2010 standard promulgated by the Building Owners and Managers Association, as interpreted by Landlord’s architect for the Building (the “**BOMA Standard**”). Landlord and Tenant agree that the Rentable area of the Premises as described in the Basic Lease Provisions has been confirmed and conclusively agreed upon by the parties. No easement for light, air or view is granted hereunder or included within or appurtenant to the Premises. Neither party hereto will have the right to remeasure the Rentable area of the Premises during initial Term; Landlord will have the right to remeasure the Building from time to time during the initial Term, but no such remeasurement will result in an increase in the Rentable area of the Premises or in Tenant’s Share. If and to the extent that the physical dimensions of the Premises are changed by a reduction of the Premises or the addition of additional space to the Premises, Landlord will, however, have the right to remeasure the reconfigured Premises using the BOMA Standard.

(c) As-Is Acceptance. Tenant acknowledges that it has had the opportunity to inspect the Premises, and by accepting the Premises, Tenant shall be deemed to have accepted them in their “AS IS” condition existing as of the Commencement Date (defined below), subject to the completion of Landlord’s Work (defined below). Landlord represents that the Building Systems serving the Premises will be in good working order as of the Delivery Date (defined in Section 2(b) below). As used in this Lease, the “**Base Building**” shall mean the structural portions of the Building, the public restrooms (but not any restrooms on floors occupied by fullfloor tenants) and the Building’s mechanical, electrical, life-safety, HY AC and plumbing systems and equipment located in the internal core of the Building (the “**Building Systems**”). In the event that Tenant notifies Landlord that any Building System serving the Premises is not in good working order during the initial sixty (60) day period following the Delivery Date (and provided that the relevant condition is not attributable to the misuse of the Building Systems by Tenant or Tenant’s employees, representatives, agents or contractors), Landlord shall repair the Building System which is not in good working order as soon as reasonably practicable and Landlord will warrant the repaired Building System for sixty (60) days after any such repair.

(d) Access. At all times during the Term, but subject to any Casualty, Force Majeure Event (as such terms are defined below) or Landlord’s security procedures, Tenant shall have access to the Premises 24 hours a day, 7 days a week, 365 days a year. The lobby desk near the elevator banks on the Beale Street side of the Building is in operation 24 hours a day, 7 days a week, 365 days a year.

(e) Common Areas. Tenant shall have the nonexclusive right (in common with other Tenants or occupants of the Building, Landlord and all others to whom Landlord has granted or may hereafter grant such rights) to use the Common Areas (defined below), subject to the Rules and Regulations (defined below). Landlord may at any time alter, renovate, rearrange, expand or reduce some or all of the Common Areas or temporarily close any Common Areas to make repairs or changes therein or to effect construction, repairs, or changes within the Building or Property, or to prevent the acquisition of public rights in such areas, or to discourage parking by parties other than Tenants, and may do such other acts in and to the Common Areas as in its judgment may be desirable provided Tenant’s access to the Premises is not adversely affected (other than in the case of emergency). Landlord may from time to time reasonably permit portions of the Common Areas to be used

exclusively by specified Tenants provided (except in the case of emergency) that Tenant is given at least ten (10) days' notice of Landlord's decision to do so if such use will materially affect Tenant's rights or obligations herein (such notice may be telephonic). Landlord may also, from time to time, place or permit customer service and information booths, kiosks, stalls, push carts and other merchandising facilities in the Common Areas. "**Common Areas**" shall mean any of the following or similar items, as so designated from time to time by Landlord: (a) the total square footage of areas of the Building devoted to nonexclusive uses such as ground floor lobbies, seating areas and elevator foyers; fire vestibules; mechanical areas; restrooms and corridors on all multi-Tenant floors; elevator foyers and lobbies on multi-Tenant floors; electrical and janitorial closets; telephone and equipment rooms; and other similar facilities in the Building maintained for the benefit of Building tenants, but shall not mean Major Vertical Penetrations (defined below); and (b) all parking garage vestibules; loading docks; locker rooms, exercise and conference facilities available for use by Building tenants (if any); walkways, roadways and sidewalks; trash areas; landscaped areas including courtyards, plazas and patios; and other similar facilities on the Property maintained for the benefit of Building tenants. As used herein, "**Major Vertical Penetrations**" shall mean the area or areas within Building stairs (excluding the landing at each floor), elevator shafts, and vertical ducts that service more than one floor of the Building. The area of Major Vertical Penetrations shall be bounded and defined by the dominant interior surface of the perimeter walls thereof (or the extended plane of such walls over areas that are not enclosed). Major Vertical Penetrations shall exclude, however, areas for the specific use of Tenant or installed at the request of Tenant, such as special stairs or elevators.

(f) **Landlord's Work.** Notwithstanding the foregoing provisions of this Section 1, Landlord agrees to perform the following work within the Premises (or, alternatively, bear the cost of Tenant's performance of such work, if Landlord and Tenant mutually agree in writing that it is preferable for Tenant to have Tenant's contractor perform such work concurrently with Tenant's performance of the Tenant Improvements):

(i) demolish the existing ceiling in Suite 1100;

(ii) perform work necessary to seismically brace the sprinkler mains located in Suite 600 and Suite 1100 to the extent necessary to meet current code (Tenant to responsible for bracing any branch lines).

The foregoing work is hereby referred to as "**Landlord's Work**". If Landlord performs Landlord's work, Landlord will perform Landlord's work concurrently with Tenant's performance of the Tenant improvements.

2. **Term; Delivery; Tenant Improvements.**

(a) **Term.** The term of this lease ("**Term**") will commence on the date (the "**Commencement Date**") on which Landlord first delivers (defined below) the initial premises to Tenant for the purposes of allowing Tenant to construct Tenant improvements (defined in the work agreement attached hereto as **Exhibit B** (the "**Work Agreement**")) therein. This lease shall terminate at midnight on the last day of the eighty-eighth (88th) full calendar month following the initial premises rent commencement date (the "**Expiration Date**"), unless sooner terminated or extended pursuant hereto. Promptly following the determination of the delivery date (defined below) for any portion of the Premises, Landlord and Tenant shall enter into a letter agreement in the form attached hereto as **Exhibit C**, specifying and/or confirming the delivery date for such portion of the Premises, the applicable rent commencement date and, if applicable, the expiration date, and if Tenant fails to execute and deliver such letter agreement to Landlord or provide good faith comments on such letter agreement within ten (10) Business Days after Landlord's delivery of same to Tenant, said letter agreement will be deemed final and binding upon Tenant.

(b) **Delivery.** The date upon which Landlord delivers any portion of the Premises to Tenant for the purpose of allowing Tenant to commence the construction of Tenant improvements therein ("**Delivery**") is referred to herein as the "**Delivery Date**" for the applicable portion of the Premises. Landlord shall use diligent, good faith efforts to deliver each Suite on or before the anticipated delivery date for such Suite described in the basic lease provisions. Notwithstanding the foregoing, Landlord will not deliver any Suite to Tenant unless and until Tenant has delivered to Landlord (i) the pre-paid base rent required pursuant to the provisions of Article 5 below, (ii) the letter of credit pursuant to Article 8 below, and evidence of Tenant's procurement of all insurance required to be

maintained by Tenant pursuant to the provisions of this lease (the “**Delivery Conditions**”); if Landlord does not deliver any Suite to Tenant because Tenant has failed to fulfill the delivery conditions, for the purposes of determining the Rent commencement date applicable to such Suite, Landlord shall be deemed to have delivered such Suite to Tenant as of the date Landlord would have delivered such Suite absent Tenant’s failure to fulfill the Delivery Conditions. As of the effective date, Suite 600 and Suite 1100 are vacant and available to be delivered to Tenant in their as-is condition. Landlord will use commercially reasonable efforts to achieve delivery of Suite 1100 to Tenant on or before October 1, 2015.

(c) **Failure to Deliver.** Landlord shall not be liable for damages to Tenant for failure to achieve delivery of any Suite to Tenant by the anticipated delivery date for such Suite(s) set forth in the basic lease provisions. However, if and to the extent that Landlord fails to deliver any Suite by the applicable anticipated delivery date, for any reason other than due to the acts or omissions of (or at the request of) Tenant or Tenant’s failure to fulfill the Delivery Conditions (“**Tenant Delay**”), then the Rent commencement date for such Suite(s) shall be delayed on a day-for-day basis for each such day beyond the applicable anticipated delivery date that Landlord is so delayed in Delivering such Suite(s); provided, however, that the Rent commencement date for any such Suite shall, as described in the basic lease provisions, be the earlier to occur of the anticipated rent commencement date (as delayed on a day-for-day basis as described above) and the date upon which Tenant occupies any portion of such Suite for the purpose of transacting Tenant’s business operations therein. For the purposes of this section 2(e), construction of the Tenant improvements by Tenant and its contractor and the installation of furniture, furnishings, fixtures and equipment, shall not be considered transacting Tenant’s business operations.

3. **Quiet Enjoyment.** Tenant, upon payment in full of the required Rent (as defined below) and full performance of the terms, conditions, covenants and agreements contained in this lease, shall peaceably and quietly have, hold and enjoy the Premises during the term without interference by Landlord, subject to the terms and conditions of this Lease. Landlord shall not be responsible for the acts or omissions of any other tenant or third party that may interfere with Tenant’s use and enjoyment of the Premises. This Article 3 is in lieu of any implied covenant of quiet enjoyment.

4. **Base Rent.**

(a) **Generally.** Tenant shall pay to Landlord, at the address stated in the Basic Lease Provisions or at such other place as Landlord shall designate in writing to Tenant, annual base rent (“**Base Rent**”) in the amounts set forth in the basic lease provisions. The Base Rent shall be payable in equal monthly installments, due on the first day of each calendar month, in advance, in legal tender of the United States of America, without abatement, demand, deduction or offset whatsoever, except as may be expressly provided in this lease. One full monthly installment of Base Rent payable for the Initial Premises in the amount of \$306,101.33 shall be due and payable on the date of execution of this Lease by Tenant and shall be applied to the first full calendar month’s Base Rent payable following the Abatement Period, defined below, and, thereafter, a like monthly installment of Base Rent shall be due and payable on or before the first day of each calendar month following the commencement date during the term (provided, that if the commencement date should be a date other than the first day of a calendar month, the monthly Base Rent installment paid on the date of execution of this Lease by Tenant shall be prorated to that partial calendar month, and the excess shall be applied as a credit against the next monthly Base Rent installment). Tenant shall pay, as additional Rent, all other sums due from Tenant under this Lease (the term “**Rent**”, as used herein, means all Base Rent, additional Rent and all other amounts payable hereunder from Tenant to Landlord). Unless otherwise specified herein, all items of rent (other than Base Rent and amounts payable pursuant to Article 5 below) shall be due and payable by Tenant on the date that is thirty (30) days after billing by Landlord. Rent shall be made payable to the entity, and sent to the address, Landlord designates and shall be made by good and sufficient check or by other means acceptable to Landlord.

(b) **Abatement.** Notwithstanding Section 4(a) above to the contrary, so long as Tenant is not in Default under this Lease, Tenant shall be entitled to an abatement of Base Rent payable for the Initial Premises for the first (1st) four (4) full calendar months following the Initial premises Rent Commencement Date (the “**Abatement Period**”). The total amount of Base Rent abated during the Abatement Period, in the amount of

\$1,224,405.30, is referred to herein as the “**Abated Rent**”. If Tenant is in Default at any time during the term, if Landlord terminates this Lease as a consequence of such Default, Landlord may include in its claim for damages all then-unamortized Abated Rent (assuming amortization of the Abated Rent on a straight-line basis over the term from the Initial Premises Rent Commencement Date credited to Tenant prior to the occurrence of the Default; and (b) if such Default occurs prior to the expiration of the Abatement Period, from and after the occurrence of such Default, there shall be no further abatement of Base Rent pursuant to this Section 4(b) unless and until Tenant has cured such Default and thereafter timely paid all amounts due hereunder for a period of six (6) consecutive calendar months, at which point the abatement of Abated Rent may once again commence (provided that any such abatement will be calculated based upon the Rent rate(s) in effect during the originally scheduled Abatement Period(s)).

5. **Operating Expenses and Taxes.**

(a) **Generally.** Tenant agrees to reimburse Landlord throughout the Term, as additional Rent hereunder, for Tenant’s Share (defined below) of: (i) the annual Operating Expenses (as defined below) in excess of the Operating Expenses for the operating expense base year set forth in the Basic Lease Provisions (hereinafter called the “**Base Year Expense Amount**”) and (ii) the annual taxes (as defined below) in excess of the taxes for the Tax Base Year set forth in the Basic Lease Provisions (hereinafter called the “**Base Year Tax Amount**”). The term “**Tenant’s Share**” as used in this Lease shall mean the percentage determined by dividing the Rentable square footage of the Premises by the Rentable square footage of the building and multiplying the quotient by 100. Landlord and Tenant hereby agree that Tenant’s Share with respect to the Premises initially demised by this Lease is as set forth in the Basic Lease Provisions. Tenant’s Share of excess Operating Expenses and excess taxes for any calendar year shall be appropriately prorated for any partial year occurring during the term. The obligations of the parties pursuant to this Article 5 will survive the expiration or sooner termination of this Lease.

(b) “**Operating Expenses**” shall mean all of those expenses incurred or paid by Landlord in operating, servicing, managing, maintaining and repairing the property, including, the building and common areas. Operating Expenses shall include, without limitation, the following: (1) all costs related to the providing of water, heating, lighting, ventilation, sanitary sewer, air conditioning and other utilities, but excluding those utility charges actually paid separately by Tenant or any other tenants of the Building; (2) janitorial and maintenance expenses, including: (a) janitorial services and janitorial supplies and other materials used in the operation and maintenance of the Building; and (b) the cost of maintenance and service agreements on equipment, window cleaning, grounds maintenance, pest control, security, trash removal, any compost and/or recycle program, and other similar services or agreements; (3) the amount paid or incurred by Landlord (i) in insuring all or any portion of the property under policies of insurance, which may include commercial general liability insurance, property insurance, worker’s compensation insurance, rent interruption insurance, contingent liability and builder’s risk insurance, and any other insurance as may from time to time be maintained by Landlord and (ii) for deductible payments under any insured claims, unless and to the extent paid directly by any other Tenant in the Building or their insurance carrier; (4) management fees (or a commercially reasonable imputed charge for management fees if Landlord provides its own management services) and the market rental value (as reasonably determined by Landlord) of a management office; (5) the costs, including interest, amortized over the applicable useful life in accordance with generally accepted accounting principles (“**GAAP**”), as reasonably determined by Landlord, of (A) any capital improvement made to the Building or Property by or on behalf of Landlord which is required under any governmental law or regulation (or any judicial interpretation thereof) enacted after the effective date or under any insurance requirement that was not applicable to, and enforced against, the Building or property as of the effective date and (B) any capital cost of acquisition and installation of any device or equipment designed or anticipated to improve the operating efficiency of any system within the Building or which is reasonably intended to reduce Operating Expenses or which is intended to achieve or maintain LEED status and which is properly capitalized, or (C) the cost of any capital improvement or capital equipment which is made or acquired to improve the safety of the Building or Property and which is commensurate with the practices of owners of comparable buildings or which represents the replacement of obsolete or worn-out equipment, or (D) capital improvements, repairs, replacements or renovations which are replacements or modifications of items located in the common areas required to keep the common areas in good order or condition (the costs described in clauses (A) through (D) above being referred to herein as “**Permitted Capital Items**”), with only the amortized amount of costs of Permitted Capital Items attributable to a calendar year being included in that particular calendar year; (6) all services, supplies, repairs, replacements or other expenses

directly and reasonably associated with servicing, maintaining, managing and operating the Building or property, including, but not limited to the Building lobby, vehicular and pedestrian traffic areas and other common areas; (7) wages and salaries of Landlord's employees (not above the level of building or general manager or such other title representing the on-site management representative primarily responsible for management of the Building) engaged in the maintenance, operation, repair and services of the Building, including taxes, insurance and customary fringe benefits; (8) legal and accounting costs directly associated with the operation of the Building (but not including legal costs incurred in collecting delinquent rent from any occupants of the Property); (9) costs to maintain and repair the Building and/or Property; (10) landscaping and security costs unless and to the extent that Landlord hires a third party to provide such services pursuant to a service contract and the cost of that service contract is already included in Operating Expenses as described above; and (11) costs or payments under any easement, license, operating agreement, declaration, restrictive covenant or other instrument pertaining to the sharing of costs by the Building or Property or related to the use or operation of the Building or Property.

Operating Expenses shall specifically exclude the following:

- (i) costs of alterations of Tenant's spaces (including all Tenant improvements to such spaces, but not including work performed on the components of the Base Building which are located within any such space if consistent with Landlord's maintenance and compliance with Landlord's obligations set forth herein, which costs may be included in Operating Expenses);
- (ii) costs of capital improvements, except Permitted Capital Items, and costs of rental of any capital items that would not constitute Permitted Capital Items and be excluded if purchased;
- (iii) commissions, loan fees, points, penalties, depreciation, interest and principal payments with respect to funds borrowed by Landlord, whether secured or unsecured, and other debt costs, if any;
- (iv) real estate brokers' leasing commissions or compensation and advertising and other marketing expenses;
- (v) payments to Landlord or affiliates of Landlord for goods and/or services to the extent the same are materially in excess of what would be paid to non-affiliated parties of similar experience, skill and expertise (and, if applicable, union affiliation) for such goods and/or services in an arm's length transaction;
- (vi) costs incurred or services or work performed for the singular benefit of another Tenant or occupant;
- (vii) legal, space planning, construction, and other expenses incurred in procuring Tenants or other occupants for the Property (including without limitation, attorneys' fees incurred in the negotiation of leases) or renewing or amending leases or licenses with existing Tenants or occupants of the Property or in connection with any assignment, sublease or termination of such leases;
- (viii) costs of advertising and public relations, promotional costs associated with the leasing of the Property;
- (ix) any expense to the extent that Landlord receives reimbursement for such expense from insurance, condemnation awards, other Tenants or any other source (other than through the collection of Operating Expenses);
- (x) costs incurred in connection with the sale, financing, refinancing, mortgaging, or other change of ownership of the Property;
- (xi) all expenses in connection with the installation, operation and maintenance of any observatory, broadcasting facilities, luncheon club, athletic or recreation club, cafeteria, dining facility or other facility not generally available to all office Tenants of the Property, including Tenant;

- (xii) Taxes;
- (xiii) rental and other payments under any ground or underlying lease or Leases;
- (xiv) attorneys' fees and other costs incurred by Landlord in or with Respect to Tenant disputes and the enforcement of any leases;
- (xv) any fines or penalties or attorneys' or accountants' fees incurred by Landlord due to Landlord's late payment of any taxes, borrowed funds or other sums due from Landlord;
- (xvi) costs of acquisition of sculpture, decorations, paintings or other objects of art (as opposed to the cost of installation, insurance or maintenance of such items);
- (xvii) Landlord's general corporate overhead and general and administrative expenses;
- (xviii) costs of non-Building standard signage identifying other tenants in The property;
- (xix) increased costs arising from the negligence or violation of laws by (i) Landlord or Landlord's agents, employees or contractors or (2) that of any other building Tenant (but in such event only to the extent Landlord succeeds in recovering such costs from such other building Tenant on a "direct" basis) (to the extent such negligence or violation is admitted in writing or determined by a court of competent jurisdiction, following the exhaustion of all appellate rights [or, in the case of negligence, such negligence is admitted by Landlord's insurer]) or increased costs incurred by Landlord due to Landlord's breach of, any of its covenants, agreements, representations, warranties, guarantees or indemnities made under this Lease or breach of any lease for space in the Property (to the extent such breach is admitted in writing or is determined by a court of competent jurisdiction after the exhaustion of all appellate rights);
- (xx) costs incurred to comply with laws relating to the removal of Hazardous Materials which was in existence in the Building or the Property prior to the commencement date, and was of such a nature that a federal, state or municipal governmental authority, if it had then had knowledge of the presence of such Hazardous Material, in the state, and under the conditions that it then existed, would have then required the removal of such Hazardous Material or other remedial or containment action with respect thereto; and costs incurred to remove, remedy, contain, or treat Hazardous Material, which Hazardous Material is brought into the Building or onto the Property after the effective date by Landlord and is of such a nature, at that time, that a federal, state or municipal governmental authority, if it had then had knowledge of the presence of such Hazardous Material, in the state, and under the conditions, that it then exists in the Building or the Property, would have then required the removal of such Hazardous Material or other remedial or containment action with respect thereto (except that the cost of handling, treatment, containing, removing or abating Hazardous Materials related to the ordinary general repair and maintenance of the Building or Property, for example, the removal of and disposal of oil from building machinery in the course of typical building maintenance and not as a response to any action of any Tenant or occupant of the Building or release of Hazardous Materials, may be included in Operating Expenses);
- (xxi) Landlord's charitable or political contributions and dues or fees paid to professional lobbying organizations (excluding dues/fees paid to BOMA);
- (xxii) costs associated with the operation of the business of the entity which constitutes Landlord, including entity accounting and legal matters, costs of defending any lawsuits with any mortgagee, costs of selling, syndicating, financing, mortgaging or hypothecating any interest of Landlord in the Property, defense of Landlord's title to the Property, costs of any disputes between Landlord and its employees (if any) not engaged in property operation, disputes of Landlord with Landlord's Property management company, costs relating to maintaining Landlord's existence, either as a corporation, partnership, or other entity, such as trustee's fees, annual fees, partnership organization or administration expenses, and deed recordation expenses;

(xxiii) expenses incurred by Landlord in connection with furnishing services, repairs or maintenance or providing other benefits which are not available to Tenant, but which are provided to other tenants or occupants in the Property, or which are not available or provided to Tenant to the same extent as to other tenants or occupants of the Property where the differential between service levels is material in nature;

(xxiv) any bad debt loss, rent loss or reserves for bad debts or rent loss, costs separately billed to Tenant or other tenants or occupants in the Property, including any utility costs for which a Tenant contracts directly;

(xxv) costs of operations of the project parking facility unless the same is made available for use by all Building tenants;

(xxvi) costs incurred by Landlord in connection with any obligation of Landlord to indemnify another tenant or occupant of the Property pursuant to a lease or otherwise; and

(xxvii) rent for any office space occupied by Property management personnel to the extent the size or rental rate of such office space materially exceeds the size or fair market rental value of office space occupied by management personnel of Comparable Buildings, with adjustment where appropriate for the size of the applicable project (as of the Effective Date, the Property management office for the Property contains approximately 1,110 rentable square feet, which Tenant acknowledges does not exceed the limitations described in this clause (xxvi).

(c) “**Taxes**” shall mean all Taxes and assessments of every kind and nature which Landlord shall become obligated to pay with respect to any calendar year of the Term or portion thereof because of or in any way connected with the ownership, leasing, and/or operation of the Building and/or property, as well as any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the state of California in the June 1978 election (“**Proposition 13**”) and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants, and, in further recognition of the decrease in the level and quality of governmental services and amenities as a result of Proposition 13, Taxes shall also include any governmental or private assessments or the Property’s contribution towards a governmental or private cost-sharing agreement for the purpose of augmenting or improving the quality of services and amenities normally provided by governmental agencies. Landlord may include in Taxes each year hereunder (including, without limitation, the Tax Base Year) (i) the amounts levied, assessed, accrued or imposed for such year, regardless of whether paid or payable in another year (except that, with respect to personal property taxes, Landlord shall include in Taxes the amounts paid during each such year), and Landlord shall each year make any other appropriate changes to reflect adjustments to Taxes for prior years (including, without limitation, the Tax Base Year) due to error by the taxing authority, supplemental assessment or other reason, regardless of whether Landlord uses an accrual system of accounting for other purposes (the amount of any Tax refunds received by Landlord during the Term of this Lease shall be deducted from Taxes for the calendar year to which such refunds are attributable); (ii) the amount of special Taxes and special assessments to be included shall be limited to the amount of the installments (plus any interest, other than penalty interest, payable thereon) of such special Tax or special assessment payable for the calendar year in respect of which Taxes are being determined; (iii) the amount of any tax or excise levied by the State or the City where the Building is located, any political subdivision of either, or any other taxing body, on rents or other income from the Building and/or property (or the value of the leases thereon) to be included shall not be greater than the amount which would have been payable on account of such tax or excise by Landlord during the calendar year in respect of which Taxes are being determined had the income received by Landlord from the Building and/or property (excluding amounts payable under this subparagraph (iii)) been the sole Taxable income of Landlord for such calendar year; (iv) if any portion of the Taxes in the Tax Base Year includes an assessment which is no longer payable in a subsequent calendar year, Taxes for the Tax Base Year shall be adjusted to eliminate the amount of the annual assessment originally included therein; and (v) Taxes shall also include Landlord’s reasonable costs and expenses (including reasonable attorneys’ fees) in contesting or attempting

to reduce any Taxes. Taxes will not include income Taxes (except those which may be included pursuant to subparagraph (iii) above), excess profits Taxes, franchise, capital stock, and inheritance or estate taxes. Without limiting the generality of this Article 7(c), if at any time prior to or during the Term any sale, refinancing or change in ownership of the Building is consummated, and if Landlord reasonably anticipates that the Building will be reassessed for purposes of Taxes as a result thereof, but that such reassessment may not be completed during the calendar year in which such event is consummated, then for all purposes under this Lease, Landlord shall have the right to calculate Taxes applicable to such calendar year and thereafter based upon Landlord's good faith estimate of the Taxes which will result from such reassessment. Upon the finalization of any such reassessment and Landlord's determination of actual Taxes applicable to the Tax Base Year and all calendar years subsequent thereto, as applicable, Landlord shall adjust the applicable Taxes therefor and, upon such adjustment, Landlord or Tenant, as appropriate, shall promptly make such reconciliation payment (which, in the case of Landlord, may be made in the form of a credit against the installment(s) of Tenant's Share of excess Taxes next coming due) as may be necessary in order that Tenant pays Tenant's Share of actual Taxes for each such calendar year.

(d) Cost Pools. Landlord shall have the right, from time to time, to equitably and reasonably allocate some or all of the Operating Expenses among different portions or occupants of the Building (the "**Cost Pools**"), in Landlord's reasonable discretion. Such Cost Pools may, for example, include, but shall not be limited to, the office space tenants of the Building and the retail space Tenants. The Operating Expenses allocable to each such Cost Pool shall be allocated to such Cost Pool and charged to the Tenants within such Cost Pool in an equitable manner.

(e) Procedure. As soon as reasonably possible after the commencement of each calendar year following the base year, Landlord will provide Tenant with a statement of the estimated monthly installments of Tenant's Share of excess Operating Expenses and excess Taxes which will be due for the remainder of the calendar year in which the commencement date occurs or for the next ensuing calendar year, as the case may be. Landlord shall deliver to Tenant within one hundred twenty (120) days after the close of each calendar year (including the calendar year in which this Lease terminates), or as soon thereafter as reasonably practical, a statement ("**Landlord's Statement**") setting forth: (i) the actual amount of any increases in the Operating Expenses for such calendar year in excess of the Operating Expenses for the Operating Expense Base Year and (2) the actual amount of any increases in the Taxes for such calendar year in excess of the Taxes for the Tax Base Year.

(i) For each year following the base year, Tenant shall pay to Landlord, together with its monthly payment of Base Rent as provided in Article 4 above, as additional Rent hereunder, the estimated monthly installments of Tenant's Share of the excess Operating Expenses and excess Taxes for the calendar year in question. At the end of any calendar year, and upon Landlord's completion of Landlord's statement for such year, if Tenant has paid to Landlord an amount in excess of Tenant's Share of excess Operating Expenses and excess Taxes for such calendar year, Landlord shall reimburse to Tenant any such excess amount (or shall apply any such excess amount to any amount then owing to Landlord hereunder, and if none, to the next due installment or installments of additional Rent due hereunder, at the option of Landlord); if Tenant has paid to Landlord less than Tenant's Share of excess Operating Expenses and excess Taxes for such calendar year, Tenant shall pay to Landlord any such deficiency within thirty (30) days after the date of delivery of the applicable Landlord's statement.

(ii) For the calendar year in which this Lease terminates and is not extended or renewed, the provisions of this Article 5 shall apply, but Tenant's Share of excess Operating Expenses and excess Taxes for such calendar year shall be subject to a pro rata adjustment based upon the number of days in such calendar year prior to the expiration of the Term of this Lease. Tenant's obligation to pay Tenant's Share of excess Operating Expenses and excess Taxes (or any other amounts) accruing during, or relating to, the period prior to expiration or earlier termination of this Lease shall survive such expiration or termination. Landlord may reasonably estimate all or any of such obligations within a reasonable time before, or any time after, such expiration or termination. Tenant shall pay the full amount of such estimate, and any additional amount due after the actual amounts are determined, in each case within thirty (30) days after Landlord sends a statement therefor. If the actual amount is less than the amount Tenant has paid as an estimate, Landlord shall refund the difference within thirty (30) days after such determination is made.

(iii) If the Building is less than one hundred percent (100%) occupied throughout any calendar year of the term, inclusive of the base year, then those Operating Expenses for the calendar year in question which vary with occupancy levels in the Building (including for example, but not limited to, utilities, janitorial costs and management fees) shall be increased by Landlord, for the purpose of determining Tenant's Share of excess Operating Expenses, to be the amount of Operating Expenses which Landlord reasonably determines would have been incurred during that calendar year if the Building had been 100% occupied throughout such calendar year.

(f) Other Taxes Payable by Tenant. In addition to payment of Tenant's Share of excess Taxes, Tenant shall pay before delinquency any and all taxes levied or assessed and which become payable by Tenant (or directly or indirectly by Landlord) during the Term (excluding, however, state and federal personal or corporate income taxes measured by the net income of Landlord from all sources, capital stock taxes, and estate and inheritance taxes), whether or not now customary or within the contemplation of the parties hereto, which are based upon, measured by or otherwise calculated with respect to: (i) the gross or net rental income of Landlord under this Lease, including, without limitation, any gross receipts tax levied by any taxing authority, or any other gross income tax or excise tax levied by any taxing authority with respect to the receipt of the Rental payable hereunder, except to the extent Landlord elects to include any of the foregoing in Taxes; (ii) the value of Tenant's equipment, furniture, fixtures or other personal property located in the Premises; (iii) the possession, lease, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion thereof; (iv) the value of any leasehold improvements, alterations or additions made in or to the Premises, regardless of whether title to such improvements, alterations or additions shall be in Tenant or Landlord's name; or (v) this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises.

(g) Tenant's Audit Right. Tenant shall have the right to conduct an audit of Landlord's books and records relating to Operating Expenses in accordance with the following terms and provisions, provided that Tenant delivers written notice of its audit within one hundred and twenty (120) days after receipt by Tenant of Landlord's Statement and completes such audit within thirty (30) days after the date Landlord makes Landlord's books and records available to Tenant:

(i) No Default then exists.

(ii) Tenant shall have the right to have an employee of Tenant or a Qualified Auditor (as defined below) inspect Landlord's accounting records at Landlord's office.

(iii) Neither the employee of Tenant nor the Qualified Auditor shall be employed or engaged on a contingency basis, in whole or in part.

(iv) Prior to commencing the audit, Tenant and the auditor shall: (a) if the auditor is not an employee of Tenant, provide Landlord with evidence that the auditor is from a nationally recognized accounting firm and that the individual performing the audit is a certified public accountant (a "**Qualified Auditor**"); (b) each sign a confidentiality letter to be provided by Landlord; and (c) provide Landlord with evidence of the fee arrangement between the auditor and Tenant.

(v) The audit shall be limited solely to confirming that the Operating Expenses reported in the Landlord's Statement are consistent with the Terms of this Lease. The auditor shall not make any judgments as to the reasonableness of any item of expense and/or the total Operating Expenses, nor shall such reasonableness be subject to audit except where this Lease specifically states that a particular item must be reasonable.

(vi) If Tenant's auditor finds errors or overcharges in Landlord's Statement that Tenant wishes to pursue, then within the time period set forth above Tenant shall advise Landlord thereof in writing with specific reference to claimed errors and overcharges and the relevant lease provisions disqualifying such expenses. Landlord shall have a reasonable opportunity to meet with Tenant's auditor (and any third auditor selected hereinbelow, if applicable) to explain its calculation of Operating Expenses, it being the understanding of Landlord and Tenant that Landlord intends to operate the Building as a first-class office building with services at or near the

top of the market. If Landlord agrees with said findings, appropriate rebates or charges shall be made to Tenant. If Landlord does not agree, Landlord shall engage its own auditor to review the findings of Tenant's auditor and Landlord's books and records. The two (2) auditors and the parties shall then meet to resolve any difference between the audits.

(vii) If agreement cannot be reached within two (2) weeks thereafter, then the auditors shall together select a third auditor (who shall be a Qualified Auditor not affiliated with and who does not perform services for either party or their affiliates) to which they shall each promptly submit their findings in a final report, with copies submitted simultaneously to the first two (2) auditors, Tenant and Landlord. Within two (2) weeks after receipt of such findings, the third auditor shall determine which of the two reports best meets the Terms of this Lease, which report shall become the "**Final Finding**". The third auditor shall not have the option of selecting a compromise between the first two auditors' findings, nor to make any other finding.

(viii) If the Final Finding determines that Landlord has overcharged Tenant, Landlord shall credit Tenant toward the payment of additional Rent next due and payable under this Lease the amount of such overcharge. If the Final Finding determines that Tenant was undercharged, then within twenty (20) days after the Final Finding, Tenant shall reimburse Landlord the amount of such undercharge.

(ix) If the Final Finding results in a determination that Landlord overstated Operating Expenses by more than five percent (5%) for the calendar year subject to the audit, Landlord shall pay its own audit costs and reimburse Tenant for its costs associated with said audits. In all other events, each party shall pay its own audit costs, including one-half (1/2) of the cost of the third auditor.

(x) The results of any audit of Operating Expenses hereunder shall be treated by Tenant, all auditors, and their respective employees and agents as confidential, and shall not be discussed with nor disclosed to any third party, except for disclosures required by applicable law, court rule or order or in connection with any litigation or arbitration involving Landlord or Tenant.

6. **Late Charge.** Other remedies for non-payment of rent notwithstanding, if any monthly installment of Base Rent or additional Rent is not received by Landlord on or before the date due, or if any payment due Landlord by Tenant which does not have a scheduled due date is not received by Landlord on or before the tenth (10th) business day following the date Tenant was invoiced for such charge, a late charge of five percent (5%) of such past due amount shall be immediately due and payable as additional Rent; provided, however, that Tenant shall be entitled to notice of non-payment and a five (5) day cure period prior to the imposition of such late charge on the first (1st) occasion in any twelve (12) month period in which Tenant fails to timely pay any installment of Rent (and, during such cure period, Landlord will not draw upon the letter of credit (defined in Article 8 below) as a result of Tenant's non-payment, provided that Tenant is not otherwise in Default hereunder and no other amounts payable hereunder are past due. Additionally, interest shall accrue on all delinquent amounts from the date past due until paid at the lower of (a) the rate of one and one-half percent (1-1/2%) per month or fraction thereof from the date such payment is due until paid, or (b) the highest rate permitted by applicable law (the "**Interest Rate**").

7. **Partial Payment.** No payment by Tenant or acceptance by Landlord of an amount less than the Rent herein stipulated shall be deemed a waiver of any other rent due. No partial payment or endorsement on any check or any letter accompanying such payment of rent shall be deemed an accord and satisfaction, but Landlord may accept such payment without prejudice to Landlord's right to collect the balance of any Rent due under the Terms of this Lease or any late charge or interest assessed against Tenant hereunder.

8. **Cash Deposit; Letter Of Credit.**

(a) **Generally.** Concurrently with Tenant's execution and delivery of this Lease to Landlord, Tenant will deliver to Landlord the sum of twenty five thousand dollars (\$25,000.00) (the "**Cash Deposit**"). Additionally, on or before the date that is five (5) business days following Tenant's execution and delivery of this Lease to Landlord (the "**Outside Letter Of Credit Date**"), Tenant shall deliver to Landlord, as collateral for the full performance by Tenant of all of its obligations under this Lease and for all losses and damages Landlord may suffer

(or which Landlord reasonably estimates it may suffer) as a result of Tenant's failure to timely comply with one or more provisions of this Lease, including, but not limited to, any post lease termination damages under Section 1951.2 of the California Civil Code, a standby, unconditional, irrevocable, transferable (with Tenant responsible for the payment of any transfer fee or charge imposed by the issuing bank, as defined below) letter of credit (the "**Letter of Credit**") in the form of **Exhibit H** attached hereto or such other form approved in writing in advance by Landlord and containing the Terms required herein, in the face amount set forth in Section 9 of the Basic Lease Provisions (the "**Letter of Credit Amount**"), naming Landlord as beneficiary, issued (or confirmed) by a financial institution acceptable to Landlord (the "**Issuing Bank**"), permitting multiple and partial draws thereon from a location in San Francisco, California or Manhattan, New York (or, alternatively, permitting draws via overnight courier or facsimile in a manner acceptable to Landlord), and otherwise in form acceptable to Landlord in its reasonable discretion. Landlord hereby approves Wells Fargo Bank, N.A., as the issuing bank. Tenant expressly acknowledges that unless and until Tenant delivers the Letter of Credit in accordance with the provisions of this Section 8(a), the Delivery Conditions will not be satisfied, no allowance (defined in the work agreement) funds will be paid or payable to Tenant and no commissions will be paid or payable to either Landlord's broker or Tenant's broker with respect to this Lease (and to the fullest extent allowed under applicable law, Tenant will indemnify, defend, protect and hold Landlord harmless from and against any and all loss, cost, damage or liability arising out of any claim by either such broker for the payment of any such commission funds made prior to Tenant's delivery of the Letter of Credit), and if Tenant fails to deliver the Letter of Credit by the Outside Letter Of Credit Date, Landlord will have the unilateral right to terminate this Lease by written notice. In the event of any such termination of this Lease by Landlord, Landlord shall retain the Cash Deposit as liquidated damages for Tenant's failure to timely deliver the Letter of Credit, which amount Tenant expressly agrees and acknowledges is a reasonable approximation of Landlord's cost and damages incurred in the negotiation and preparation of this Lease. If Tenant delivers the Letter of Credit to Landlord prior to Landlord's termination of this Lease as set forth in the immediately preceding sentences, Landlord will promptly return the Cash Deposit to Tenant. The Letter of Credit shall be "callable" at sight, permit partial draws and multiple presentations and drawings, and be otherwise subject to the Uniform Customs and Practices for Documentary Credits (1993-rev), International Chamber Of Commerce Publication #500, or the International Standby PracticesISP 98, International Chamber Of Commerce Publication #590. In the event of an assignment by Tenant of its interest in this Lease (and irrespective of whether Landlord's consent is required for such assignment), the acceptance of any replacement or substitute Letter of Credit by Landlord from the assignee shall be subject to Landlord's prior written approval, in Landlord's reasonable discretion, and the attorneys' fees incurred by Landlord in connection with such determination shall be payable by Tenant to Landlord within ten (10) business days of billing. Tenant shall cause the Letter of Credit to be continuously maintained in effect (whether through replacement, amendment, renewal or extension) in the Letter of Credit Amount through the date (the "**Final LC Expiration Date**") that is the later to occur of (x) the date that is ninety (90) days after the scheduled expiration of the Term and (y) the date that is ninety (90) days after Tenant vacates the Premises and completes any restoration or repair obligations. In furtherance of the foregoing, Landlord and Tenant agree that the Letter of Credit shall contain a so-called "Evergreen Provision," whereby the Letter of Credit will automatically be renewed unless at least sixty (60) days' prior written notice of non-renewal is provided by the issuing bank to Landlord; provided, however, that the final expiration date identified in the Letter of Credit, beyond which the Letter of Credit shall not automatically renew, shall not be earlier than the Final LC Expiration Date. Tenant shall neither assign nor encumber the Letter of Credit or any part thereof. Neither Landlord nor its successors or assigns will be bound by any assignment, encumbrance, attempted assignment or attempted encumbrance by Tenant in violation of this Article . If the Letter of Credit held by Landlord expires earlier than the Final LC Expiration Date (whether by reason of a stated expiration date or a notice of termination or non-renewal given by the issuing bank), Tenant shall deliver a new or amended Letter of Credit or certificate of renewal or extension to Landlord not later than thirty (30) days prior to the expiration or termination of the Letter of Credit then held by Landlord. Any renewal, amended or replacement Letter of Credit shall comply with all of the provisions of this Article 8. Landlord will use commercially reasonable efforts to notify Tenant in the event that Landlord draws upon the Letter of Credit in accordance with the provisions of this Section 8(b), but prior notice to Tenant shall not be a condition precedent to Landlord's right to draw upon the Letter of Credit.

(b) Drawing Under Letter of Credit. Landlord, or its then managing agent, without prejudice to any other remedy provided in this Lease or by law, shall have the right to draw down an amount up to the face amount of the Letter of Credit if any of the following shall have occurred or be applicable: (i) rent is at least five (5)

days past due to Landlord (subject to the provisions of Article 6 above) under the Terms and conditions of this Lease; or (ii) Tenant is in Default, or (iii) Tenant has filed a voluntary petition under the U.S. Bankruptcy Code or any State bankruptcy code (collectively, “**Bankruptcy Code**”), or (iv) an involuntary petition has been filed against Tenant under the Bankruptcy Code, or (v) Tenant executes an assignment for the benefit of creditors, or (vi) Tenant is placed into receivership or conservatorship, or becomes subject to similar proceedings under Federal or State law, or (vii) the Issuing Bank has notified Landlord that the Letter of Credit will not be renewed or extended through the final LC Expiration Date or (viii) Tenant fails to timely provide a replacement Letter of Credit pursuant to the penultimate sentence of Section 8(a) above (the events described in clauses (iii), (iv), (v) and (vi) above, collectively, being referred to herein as an “**Insolvency Event**”). Upon any such draw, Landlord may use all or any part of the proceeds as set forth in this Article 8.

(c) Use of Proceeds by Landlord. The proceeds of any draw upon the Letter of Credit shall be used to pay for damages suffered by Landlord (or which Landlord reasonably estimates it will suffer) (the “**Unused Proceeds**”). Any Unused Proceeds shall be paid by Landlord to Tenant (x) upon receipt by Landlord of a replacement Letter of Credit in the full Letter of Credit Amount, which replacement Letter of Credit shall comply in all respects with the requirements of this Article 8, or (y) within thirty (30) days after the final LC Expiration Date; provided, however, that if prior to the final LC Expiration Date a voluntary petition is filed by Tenant, or an involuntary petition is filed against Tenant by any of Tenant’s creditors, under the bankruptcy code, then Landlord shall not be obligated to make such payment in the amount of the Unused Proceeds until either all preference issues relating to payments under this Lease have been resolved in such bankruptcy or reorganization case or such bankruptcy or reorganization case has been dismissed, in any case pursuant to a final court order not subject to appeal or any stay pending appeal.

(d) Additional Covenants of Tenant.

(i) Replacement of Letter of Credit if Issuing Bank No Longer Satisfactory to Landlord. If, at any time during the Term, Landlord determines that (a) the Issuing Bank is closed for any reason, whether by the Federal Deposit Insurance Corporation (“**FDIC**”), by any other governmental authority, or otherwise, or (b) the Issuing Bank fails to meet any of the following three ratings standards as to its unsecured and senior, long-term debt obligations (not supported by third party credit enhancement): (x) “A2” or better by Moody’s Investors Service, or its successor, (y) “A” or better by standard & poor’s rating service, or its successor; or (z) “A” or better by Fitch Ratings, or its successor, or (c) the Issuing Bank is no longer considered to be well capitalized under the “Prompt Corrective Action” rules of the FDIC (as disclosed by the Issuing Bank’s report of condition and income (commonly known as the “Call Report”) or otherwise), or (d) the Issuing Bank has been placed into receivership by the FDIC, or has entered into any other form of regulatory or governmental receivership, conservatorship or other similar regulatory or governmental proceeding, or is otherwise declared insolvent or downgraded by the FDIC or other governmental authority (any of the foregoing, an “**Issuing Bank Credit Event**”), then, within ten (10) calendar days following Landlord’s notice to Tenant, Tenant shall deliver to Landlord a new Letter of Credit meeting the terms of this Article 8 issued by an Issuing Bank meeting Landlord’s credit rating standards and otherwise acceptable to Landlord, in which event, Landlord shall return to Tenant the previously held Letter of Credit. If Tenant fails to timely deliver such replacement Letter of Credit to Landlord, such failure shall be deemed a Default by Tenant under this Lease, without the necessity of additional notice or the passage of additional grace periods, entitling Landlord to draw upon the Letter of Credit.

(ii) Replacement of Letter of Credit Upon Draw. If, as result of any application or use by Landlord of all or any part of the Letter of Credit, the amount of the Letter of Credit plus any cash proceeds previously drawn by Landlord and not applied pursuant to Section 8(c) above shall be less than the Letter of Credit Amount, Tenant shall, within five (5) days thereafter, provide Landlord with additional Letter(s) of Credit in an amount equal to the deficiency (or a replacement or amended Letter of Credit in the total Letter of Credit Amount), and any such additional (or replacement or amended) Letter of Credit shall comply with all of the provisions of this Article 8; notwithstanding anything to the contrary contained in this Lease, if Tenant fails to timely comply with the foregoing, the same shall constitute a Default by Tenant under this Lease, without the necessity of additional notice or the passage of additional grace periods.

(e) Nature of Letter of Credit. Landlord and Tenant (i) acknowledge and agree that in no event or circumstance shall the Letter of Credit or any renewal thereof or substitute therefor or any proceeds thereof be deemed to be or treated as a "security deposit" under any law applicable to security deposits in the commercial context, including, but not limited to, Section 1950.7 of the California Civil Code, as such Section now exists or as it may be hereafter amended or succeeded (the "**Security Deposit Laws**"), (2) acknowledge and agree that the Letter of Credit (including any renewal thereof or substitute therefor or any proceeds thereof) is not intended to serve as a security deposit, and the security deposit laws shall have no applicability or relevancy thereto, and (3) waive any and all rights, duties and obligations that any such party may now, or in the future will, have relating to or arising from the security deposit laws. Without limiting the generality of the foregoing, Tenant hereby agrees that Landlord may claim those sums specified in Section 8(c) above and/or those sums reasonably necessary to compensate Landlord for any loss or damage caused by the acts or omissions of Tenant or Tenant's breach of this Lease, including any damages Landlord suffers following termination of this Lease, and/or to compensate Landlord for any and all damages arising out of, or incurred in connection with, the Termination of this Lease, including, without limitation, those specifically identified in Section 1951.2 of the California Civil Code.

(f) Reduction in Letter of Credit Amount. Provided that the Reduction Conditions (defined below) are satisfied as of the later to occur of a reduction date (defined below) and the date of Tenant's applicable reduction request, upon written request by Tenant, the face amount of the Letter of Credit may be reduced as follows: (i) to \$3,453,637.00, as of the first (1st) reduction date; and (ii) to \$3,069,899.00, as of the second (2nd) Reduction Date; and (iii) to \$2,686,161.00, as of the third (3rd) reduction date; and (iv) to \$2,302,423.00, as of the fourth (4th) and final reduction date. Any reduction in the Letter of Credit Amount shall be accomplished by Tenant providing Landlord with a substitute Letter of Credit or an amendment to the existing Letter of Credit, in the reduced amount. In no event shall the Letter of Credit Amount be reduced below \$2,302,423.00 during the Term. Notwithstanding the foregoing, if, at any time following any reduction in the Letter of Credit Amount pursuant to the provisions of this Section 8(f), an event occurs which would entitle Landlord to draw upon the Letter of Credit, at Landlord's option, to be exercised by written notice delivered to Tenant, the Letter of Credit Amount will be reinstated to \$3,837,375.00, in which event Tenant shall so reinstate the Letter of Credit Amount to such sum within ten (10) business days following delivery of Landlord's notice. Tenant's failure to timely reinstate the Letter of Credit Amount as described herein shall constitute a Default by Tenant under this Lease, without the necessity of additional notice or the passage of additional grace periods. As used herein, the "**Reduction Conditions**" shall mean that (i) Tenant is not in Default, (2) no Issuing Bank Credit Event then exists, (3) no Insolvency Event then exists, (4) Tenant has not previously been in Default and no Insolvency Event has previously occurred, (5) no event which, with notice, the passage of time, or both, would constitute a Default, then exists and (6) Tenant has been "cash flow positive," on an EBITDA (earnings before interest, Taxes, depreciation and amortization) basis, during each financial quarter during the immediately preceding twelve (12) month period, as shown on Tenant's then most current audited financial statements. As used herein, the "**Reduction Date**" shall mean: the fourth (4th) anniversary of the Initial Premises Rent Commencement Date, and each subsequent anniversary thereafter, provided that there shall be no more than four (4) Reduction Dates.

9. Use of Premises.

(a) Generally. Tenant shall use and occupy the Premises for general office purposes of a type customary for first-class office buildings and for no other purpose. The Premises shall not be used for any illegal purpose, nor in violation of any valid regulation of any governmental body, nor in any manner to create any nuisance or trespass, nor in any manner which will void the insurance or increase the rate of insurance on the Premises or the Building, nor in any manner inconsistent with the first-class nature of the Building, nor in any manner that would cause the occupancy level of the Premises to exceed the standard density limit for the Building (i.e., one occupant per 189 rentable square feet (the "**Standard Density**"). However, Tenant may occupy the Premises at a density greater than the standard density, provided that such occupancy density is in compliance with applicable law; Tenant acknowledges that the Building's HVAC and electrical systems and the Base Building are not designed to service space occupied at a density greater than the standard density, and, as a consequence, if and to the extent that Tenant desires additional HVAC services or electrical infrastructure to service any portion of the Premises as a result of Tenant's occupancy of any portion of the Premises at a density greater than the standard density, Tenant will bear the cost of providing such additional HVAC service or electrical infrastructure, and,

further, if and to the extent that pursuant to applicable Law, any changes to the Base Building or Premises are necessitated as a consequence of such increased occupancy density, Tenant shall be solely responsible for the cost of such changes (which may be carried out by Landlord for the account of Tenant). Tenant may also use the Premises as a training facility for Tenant's independent contractors who are on site on a temporary basis.

(b) Hazardous Materials.

(i) Tenant shall not cause or permit the receipt, storage, use, location or handling on the Property (including the Building and premises) of any product, material or merchandise which is explosive, highly inflammable, or a "Hazardous Material," as that term is hereafter defined. "**Hazardous Material**" shall include all materials or substances which are listed in, regulated by or subject to any applicable federal, state or local laws, rules or regulations from time to time in effect, including, without limitation, hazardous waste (as defined in the Resource Conservation And Recovery Act); hazardous substances (as defined in the Comprehensive Emergency Response, Compensation and Liability Act, as amended by the superfund amendments and reauthorization act); gasoline or any other petroleum product or by-product or other hydrocarbon derivative; toxic substances (as defined by the Toxic Substances Control Act); insecticides, fungicides or rodenticides (as defined in the Federal Insecticide, Fungicide, and Rodenticide Act); and asbestos, radon and substances determined to be hazardous under the Occupational Safety and Health Act or regulations promulgated thereunder. Notwithstanding the foregoing, Tenant shall not be in breach of this provision as a result of the presence in the Premises of minor amounts of Hazardous Materials which are in compliance with all applicable laws, ordinances and regulations and are customarily present in a general office use (e.g., copying machine chemicals and kitchen cleansers).

(ii) Without limiting in any way Tenant's obligations under any other provision of this Lease, but subject to the provisions of Section 23(e) below, Tenant and its successors and assigns shall indemnify, protect, defend (with counsel approved by Landlord) and hold Landlord, its partners, officers, directors, shareholders, employees, agents, lenders, contractors and each of their respective successors and assigns (the "**Indemnified Parties**") harmless from any and all claims, damages, liabilities, losses, costs and expenses of any nature whatsoever, known or unknown, contingent or otherwise (including, without limitation, attorneys' fees, litigation, arbitration and administrative proceedings costs, expert and consultant fees and laboratory costs, as well as damages arising out of the diminution in the value of the Premises, the Property or any portion thereof, damages for the loss of the Premises or the Property or any portion thereof, damages arising from any adverse impact on the marketing of space in the Premises, and sums paid in settlement of claims), which arise during or after the Term in whole or in part as a result of the presence or suspected presence of any Hazardous Materials, in, on, under, from or about the Premises due to Tenant's acts or omissions, except to the extent such claims, damages, liabilities, losses, costs and expenses arise out of or are caused by the negligence or willful misconduct of any of the indemnified parties. Landlord and its successors and assigns shall indemnify and hold Tenant and its successors and assigns harmless against all such claims or damages to the extent arising out of or caused by the negligence or willful misconduct of Landlord, its agents or employees and against any and all claims, damages, liabilities, losses, costs and expenses of any nature whatsoever (including, without limitation, attorneys' fees, litigation, arbitration and administrative proceedings costs, expert and consultant fees and laboratory costs, damages for the loss of the Premises or any portion thereof, and sums paid in settlement of claims), but subject to the provisions of Section 23(e) and Article 25 below, regarding the presence of Hazardous Materials in the Premises in concentrations or quantities which violate applicable laws and which presence is attributable to the acts or omissions of Landlord. Additionally, if it is determined that the Premises (or any portion thereof) contains Hazardous Materials as of the Delivery Date in amounts or concentrations which violate applicable law in effect as of the Delivery Date, Landlord, not Tenant, shall be responsible for the appropriate remediation of same in accordance with applicable law. The indemnities contained herein shall survive the expiration or earlier termination of this Lease.

10. Compliance with Laws.

(a) By Tenant. Tenant, at its sole cost and expense, shall promptly comply with all laws, statutes, codes, ordinances, orders, rules and regulations of any municipal or governmental entity which are now in force or which may hereafter be enacted or promulgated, including, without limitation, the Americans with Disabilities Act of 1990, as amended (collectively, "**Law(s)**"), regarding the operation of Tenant's business and the

use, condition, configuration and occupancy of the Premises. In addition, Tenant, at its sole cost and expense, shall promptly comply with any Laws that relate to the Base Building and/or any areas of the Building or the Property outside the Premises, but only to the extent such obligations are triggered by Tenant's particular use of the Premises (as opposed to office use in general), alterations or improvements in the Premises performed by or on behalf of Tenant, or Tenant's occupancy of the Premises or any portion of the Premises at a density which is in excess of the Standard Density. Tenant shall promptly provide Landlord with copies of any notices it receives regarding an alleged violation of Law.

(b) By Landlord. Landlord shall comply with all laws relating to the Base Building (exclusive of any Building Systems that were constructed by or for the benefit of Tenant) and the common areas, provided that such compliance with laws is not the responsibility of Tenant under this Lease, and provided further that Landlord's failure to comply therewith would prohibit Tenant from obtaining or maintaining a temporary certificate of occupancy or its equivalent for the Premises, or would unreasonably and materially affect the safety of Tenant's employees or create a significant health hazard for Tenant's employees, or would otherwise materially, adversely affect Tenant's use of the Premises, and as to any and all areas of property, is not the responsibility of Tenant under this Lease. Notwithstanding the foregoing, Landlord shall have the right to contest in good faith any alleged violation of law, including, without limitation, the right to apply for and obtain a waiver or deferment of compliance, the right to assert any and all defenses allowed by law and the right to appeal any decisions, judgments or rulings to the fullest extent permitted by law. Landlord shall be permitted to include in Operating Expenses any costs or expenses incurred by Landlord under this Section 10(6) to the extent consistent with the Terms of Section 5(6) above.

11. **Waste Disposal.** All normal day-to-day trash and waste (i.e., waste that does not require special handling pursuant to the second sentence of this Article 11 and acceptable to be deposited into the Building's compactors) shall be disposed of through the Building's janitorial service. Tenant shall be responsible for the removal and disposal of any waste deemed by any governmental authority having jurisdiction over the matter to be hazardous or infectious waste or waste requiring special handling or waste that cannot be deposited in a compactor according to city or local regulations, such removal and disposal to be in accordance with any and all applicable laws. Tenant agrees to separate and mark appropriately all waste to be removed and disposed of through the Building's janitorial service and hazardous, infectious or special waste to be removed and disposed of by Tenant pursuant to the immediately preceding sentence.

12. **Rules and Regulations.** The current rules and regulations of the Building, a copy of which is attached hereto as exhibit d, and all reasonable rules and regulations and modifications thereto which Landlord may hereafter from time to time adopt and promulgate after notice thereof to Tenant (collectively, the "Rules and Regulations") are hereby made a part of this Lease and shall be observed and performed by Tenant, its agents, employees and invitees.

13. **Services.** Generally. The normal business hours of the Building ("Building Service Hours") shall be from 6:00 a.m. to 6:00 p.m. on Monday through Friday, exclusive of Building Holidays as designated by Landlord in Landlord's reasonable discretion ("**Building Holidays**") (for avoidance of doubt, Landlord will be deemed to have reasonably designated a day as a Building Holiday if such designation is reasonably commensurate with similar designations by owners of similar Comparable Buildings (defined in **Exhibit G**)). Initially and until further notice by Landlord to Tenant, the Building Holidays shall be: new year's day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day And Christmas Day. Landlord shall furnish the following services during the Building service hours except as noted:

(i) Passenger elevator service at all times;

(ii) Heating, ventilation and air conditioning ("**HVAC**") reasonably adequate to allow for the comfortable occupancy of the Premises, subject to governmental regulations and provided that the occupancy level of the Premises and the heat generated by electrical lighting and fixtures do not exceed the following thresholds:

(A) occupant load: the Standard Density; and

(B) Equipment & Lighting Load: 4.0 watts per usable square foot.

(iii) Water at all times for all restrooms and lavatories;

(iv) Janitorial service Monday through Friday (exclusive of building Holidays);

(v) A connection point on each floor of the Premises for Tenant's lighting fixtures and incidental use equipment, provided that (a) the demand electrical load of the incidental use equipment does not exceed four (4) watts per usable square foot of the Premises during Building Service Hours and the electricity so furnished for incidental use equipment will be at a nominal one hundred twenty (120) volts and no electric circuit for the supply of such incidental use equipment will require a current capacity exceeding twenty (20) amperes, and (b) the demand electrical load of Tenant's lighting fixtures does not exceed an average of one (1) watt per usable square foot of the Premises during building hours and the electricity so furnished for Tenant's lighting will be at a nominal two hundred seventy-seven (277) volts, which electrical usage shall be subject to applicable laws and regulations, including Title 24 (the "**Standard Electrical Allocation**") (Tenant shall pay for any electrical service in excess of the Standard Electricity Allocation); and

(vi) Replacement of Building standard lamps and ballasts as needed from time to time.

(c) Extra Services. Except as expressly set forth herein, Tenant shall have no right to any services in excess of those provided herein; however:

(i) Tenant shall have the right to receive HVAC service during hours other than building service hours by paying Landlord's then standard charge for additional HVAC service and providing such prior notice as is reasonably specified by Landlord.

(ii) if Tenant is permitted to connect any supplemental HVAC units to the Building's condenser water loop or chilled water line, such permission shall be conditioned upon Landlord having adequate excess capacity from time to time and such connection and use shall be subject to Landlord's reasonable approval and reasonable restrictions imposed by Landlord, and Landlord shall have the right to charge Tenant a connection fee and/or a monthly usage fee, as reasonably determined by Landlord;

(iii) Landlord shall have the right to measure Tenant's electrical usage by commonly accepted methods, including the installation of measuring devices such as submeters and check meters. If it is determined that Tenant is using electricity in such quantities or during such periods as to cause the total cost of Tenant's electrical usage, on a monthly, per rentable square foot basis, to exceed the Standard Electricity Allocation, Tenant shall pay Landlord as additional Rent the estimated cost of such excess electrical usage and, if applicable, for the cost of purchasing, installing and maintaining the measuring device(s);

(iv) If Tenant installs or operates a server room or supplemental HVAC units or other forms of high-consumption equipment or areas, Landlord will have the right to install, at Tenant's sole cost and expense, a separate electrical meter to measure Tenant's electrical consumption in such areas or from such equipment and to require that Tenant pay Landlord directly for the electricity consumed in such areas or by such equipment, on a monthly basis, within ten (10) days after the delivery of an invoice from Landlord; and

(v) if Tenant uses any other services in an amount or for a period in excess of that provided for herein, then Landlord reserves the right to charge Tenant as additional Rent hereunder a reasonable sum as reimbursement for the cost of such added services, and to charge Tenant for the cost of any administrative time, additional equipment or facilities or modifications thereto which are necessary to provide the additional services, and/or to discontinue providing such excess services to Tenant.

(d) Interruptions. Landlord shall not be liable for any damages directly or indirectly resulting from the interruption in any of the services described above, nor shall any such interruption entitle Tenant to any abatement of rent or any right to terminate this Lease or be deemed an eviction, constructive or actual. Landlord shall use reasonable efforts to furnish uninterrupted services as required above. Tenant hereby waives the provisions of California Civil Code Section 1932(1) and any other applicable existing or future Law permitting the termination of this Lease due to an interruption, failure or inability to provide any services. Notwithstanding the foregoing, in the event that any interruption or discontinuance of services provided by Landlord pursuant to Article 13(a) above (i) was within the reasonable control of Landlord to prevent (and was not caused in any way by the act or omission of Tenant or Tenant's employees, agents, invitees or contractors), (ii) continues beyond five (5) business days after the date of delivery of written notice from Tenant to Landlord, and (iii) materially and adversely affects Tenant's ability to conduct business in the Premises, or any material portion thereof, and (iv) on account of such interruption or disturbance Tenant ceases doing business in the Premises (or any material portion thereof), Base Rent shall abate proportionately, beginning on the sixth (6th) business day after delivery of said notice and continuing for so long as Tenant remains unable to (and in fact does not) conduct its business in the Premises or such portion thereof. To the extent within Landlord's reasonable control, Landlord agrees to use reasonable efforts to restore such interrupted or discontinued service as soon as reasonably practicable.

14. Telephone and Data Equipment. Landlord shall have no responsibility for providing to Tenant any telephone or data equipment, including wiring, within the Premises or for providing telephone or data service or connections to the Premises, except as required by law. Tenant shall not alter, modify, add to or disturb any telephone or data wiring in the Premises or elsewhere in the Building without the Landlord's prior written consent which shall not be unreasonably withheld or delayed. Tenant shall be liable to Landlord for any damage to the telephone or data wiring in the Building due to the act, negligent or otherwise, of Tenant or any employee, agent, invitee or contractor of Tenant. Tenant shall have no access to the telephone or data closets within the Building, except in the manner and under procedures established by Landlord. Tenant shall promptly notify Landlord of any actual or suspected failure of telephone or data service to the Premises. All costs incurred by Landlord for the installation, maintenance, repair and replacement of telephone or data wiring within the Building shall be an operating expense unless and to the extent Landlord is separately reimbursed for such costs by any Tenants of the Building. Landlord shall not be liable to Tenant and Tenant waives all claims against Landlord whatsoever, whether for personal injury, property damage, loss of use of the Premises, or otherwise, due to the interruption or failure of telephone or data services to the Premises, unless the interruption or failure was caused by Landlord's negligence or willful misconduct (and in such event subject to the provisions of Section 23(e) and Article 25 below). Tenant hereby holds Landlord harmless and agrees to indemnify, protect and defend Landlord from and against any liability for any damage, loss or expense due to any failure or interruption of telephone or data service to the Premises for any reason, except in the event that the interruption or failure was caused by Landlord's negligence or willful misconduct. Tenant agrees to obtain business interruption insurance adequate to cover any damage, loss or expense occasioned by the interruption of telephone or data service. All electronic, fiber, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant is referred to herein as "Cable". Landlord may designate specific contractors with respect to oversight, installation, repair, connection to, and removal of vertical Cable. All Cable shall be clearly marked with adhesive plastic labels (or plastic tags attached to such Cable with wire) to show Tenant's name, suite number, and the purpose of such Cable (i) every 6 feet outside the Premises (specifically including, but not limited to, the electrical room risers and any common areas), and (ii) at the Termination point(s) of such Cable.

15. Signs.

(a) Generally. Tenant shall not paint or place any signs, placards, or other advertisements of any character upon the windows of the Premises (except with the prior consent of Landlord, which consent may be withheld by Landlord in its absolute discretion), and Tenant shall place no signs upon the outside walls, the common areas or the roof of the Building except as expressly provided Section 15(d) below.

(b) Building-Standard Signage. Landlord, at Landlord's sole cost and expense, shall initially provide Tenant with Building-standard signage in the elevator floor lobby. Any subsequent changes to, or revisions or replacements of such signage, shall be at Tenant's sole cost and expense.

(c) Custom Signage on Full Floors. For so long as any portion of the Premises consists of a full floor, Tenant shall have the right to install custom signage identifying Tenant in the elevator lobby on such full floor provided that (i) the design, materials and method of installation of such signage shall be subject to the prior written approval of Landlord (not to be unreasonably withheld, conditioned or delayed), (ii) Tenant will be solely responsible for the repair and maintenance of such signage and (iii) at the expiration or sooner termination of this Lease (or at any time that the Premises no longer consists of the entire floor), Tenant, at Tenant's sole expense, shall remove such signage and repair all damage caused by the installation or removal of such signage to Landlord's reasonable satisfaction (alternatively, at Landlord's option, Landlord will perform some or all of such work and Tenant will reimburse Landlord for the cost of such work as additional Rent hereunder within forty five (45) days following demand). Tenant's removal/repair obligations as set forth herein will survive the expiration or sooner termination of this Lease.

(d) Window Signage (Suite 100 Only). The original Tenant named hereunder only, and not any subtenant or assignee, will have the right, subject to the conditions set forth below, to install signage at a mutually acceptable location on the exterior window of Suite 100 (such location and signage, when agreed upon, to be added to this Lease as **Exhibit H** attached hereto) (the "**Window Signage**"). The Window Signage may only include Tenant's name (i.e., Maple Bear, Inc. or "Instacart") and may not include any other content without Landlord's prior written consent, which may be withheld in Landlord's sole discretion. Tenant expressly acknowledges that Tenant shall be solely responsible for obtaining any necessary governmental approvals for all exterior signage, and that Tenant's failure to so procure such governmental approvals shall not give rise to any additional rights on the part of Tenant hereunder, or be deemed as a breach or Default on the part of Landlord under this Lease. Tenant shall have the right, at Tenant's sole cost and expense, to install the Window Signage, if and for so long as: (i) the original Tenant has not assigned its interest in this Lease, (ii) Tenant has not sublet (w) all or any portion of Suite 100 to any entity or individual, or (y) more than thirty five percent (35%) of the Rentable area of the Premises in aggregate (other than pursuant to a permitted transfer), (iii) Tenant is in actual occupancy of (y) all of Suite 100 and (z) at least 65% of the rentable area of the Premises and (iv) Tenant is not in Default (the "**Window Signage Conditions**"). Tenant, at its sole cost and expense, but with the assistance of Landlord as may be reasonably required (at no cost to Landlord), shall obtain all building permits and zoning and regulatory approval necessary for the installation of any Window Signage. All costs in connection with the Window Signage, including any costs for the design, installation, supervision of installation, maintenance, repair and removal, will be at Tenant's expense. Tenant shall submit to Landlord reasonably detailed drawings of any proposed Window Signage, including without limitation, the size, materials, shape and lettering, for review and approval by Landlord in Landlord's sole discretion. All Window Signage shall, at Landlord's option, conform to the standards of design and motif established by Landlord for the exterior areas of the Building. Tenant will at all times keep all Window Signage in a neat and clean condition and will promptly repair any deterioration of such Window Signage so that at all times it is in first class condition. Tenant shall reimburse Landlord for any reasonable out of pocket costs associated with Landlord's review and supervision related to the Window Signage as hereinbefore provided. Tenant will be responsible for the repair of any damage that the installation of the Window Signage may cause to the Building to Landlord's reasonable satisfaction. Upon the Expiration Date or the sooner termination of this Lease or at any time when the Window Signage conditions are not satisfied, Tenant will remove all Window Signage and repair and restore any damage to the Building resulting from such removal to Landlord's reasonable satisfaction at Tenant's expense.

16. **Parking.**

(a) Tenant Parking. Tenant shall have the right to rent, commencing on the commencement date, up to the number of valet parking passes set forth in the Basic Lease Provisions, on a monthly basis throughout the Term, which parking passes shall pertain to the project parking facility. Tenant shall pay to Landlord (or, at Landlord's election, to Landlord's parking operator or to any Tenant leasing the Property parking facility from Landlord) for such parking passes on a monthly basis the prevailing rate charged from time to time at the location of such parking passes. In addition, Tenant shall be responsible for the full amount of any Taxes imposed by any governmental authority in connection with the Renting of such parking passes by Tenant or the use of the parking facility by Tenant. Tenant's continued right to use the parking passes is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the parking facility

where the parking passes are located (including any sticker or other identification system and the prohibition of vehicle repair and maintenance activities in the Property's parking facilities), Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations and Tenant not being in Default under this Lease, Tenant's use of the Property parking facility shall be at Tenant's sole risk and Tenant acknowledges and agrees that Landlord shall have no liability whatsoever for damage to the vehicles of Tenant, its employees and/or visitors, or for other personal injury or property damage or theft relating to or connected with the parking rights granted herein or any of Tenant's, its employees' and/or visitors' use of the parking facilities. Tenant's rights hereunder are subject to the Terms of any Underlying Documents; provided that, the Terms of the underlying documents (defined below) shall not alter Tenant's rights under this Section 16(a). Landlord specifically reserves the right to change the size, configuration, design, layout and all other aspects of the Property parking facility at any time and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of rent under this Lease, from time to time, close-off or restrict access to the Property parking facility for purposes of permitting or facilitating any such construction, alteration or improvements. Landlord may delegate its responsibilities hereunder to a parking operator or to any Tenant leasing the Property parking facility from Landlord, in which case such parking operator or such Tenant shall have all the rights of control attributed hereby to the Landlord. The parking passes rented by Tenant pursuant to this Section 16(a) are provided to Tenant solely for use by Tenant's own personnel and such passes may not be transferred, assigned subleased or otherwise alienated by Tenant without Landlord's prior approval. Tenant may validate visitor parking by such method or methods as the Landlord may establish, at the validation rate from time to time generally applicable to visitor parking. As used herein, "**Underlying Documents**" shall mean any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Building, including, without limitation, any covenants, conditions and restrictions affecting the Property, and reciprocal easement agreements affecting the Property, any parking licenses, and any agreements with transit agencies affecting the Property. Notwithstanding the foregoing, Tenant acknowledges that there is currently no visitor parking at the Project parking facility.

(b) **Bicycle Parking.** Tenant shall have the non-exclusive right to use the bicycle storage area designated on the ground floor plaza level of the Building (the "**Bicycle Storage Area**"). Tenant's right to use the Bicycle Storage Area is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the Bicycle Storage Area, Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations and Tenant not being in Default. Tenant's use of the Bicycle Storage Area shall be at Tenant's sole risk and Tenant acknowledges and agrees that Landlord shall have no liability whatsoever for damage to the bicycles of Tenant, its employees and/or visitors, or for other personal injury or property damage or theft relating to or connected with the bicycle storage rights granted herein or any of Tenant's, its employees and/or visitors' use of the Bicycle Storage Area. Landlord specifically reserves the right to change the location, size, configuration, design, layout and all other aspects of the Property Bicycle Storage Area at any time and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of rent under this Lease, from time to time, on a temporary basis, close-off or restrict access to the Bicycle Storage Area. At Landlord's option, each of the employees of Tenant and its subtenants who desire to use the Bicycle Storage Area shall first sign and deliver to Landlord an agreement regarding use of the Bicycle Storage Area ("**Bicycle Storage Use Agreement**") in Landlord's standard form (a copy of Landlord's current form being attached hereto as **Exhibit I**), as the same may be revised from time to time. Tenant understands and agrees that no person shall be permitted use of or access to the Bicycle Storage Area unless and until such individual shall have first signed and delivered the Bicycle Storage Use Agreement to Landlord. Each person's continued right to use the Bicycle Storage Area shall be conditioned upon such person abiding by the bicycle storage use agreement and all reasonable rules and regulations which are prescribed from time to time for the orderly operation and use of the Bicycle Storage Area.

17. **Force Majeure.** In the event of a strike, lockout, labor trouble, civil commotion, an act of god, or any other event beyond a party's reasonable control (a "**Force Majeure Event**") which results in such party being unable to timely perform its obligations hereunder (other than the inability to pay any amount due hereunder), and so long as such party diligently proceeds to perform such obligations after the end of such Force Majeure Event, such party shall not be in breach hereunder.

18. **Repairs and Maintenance By Landlord.** Tenant, by taking possession of the Premises, shall accept and shall be held to have accepted the Premises as suitable for the use intended by this Lease. In no event shall Tenant be entitled to compensation or any other damages or any other remedy against Landlord in the event the Premises are not deemed suitable for Tenant's use. Landlord shall not be required, after possession of the Premises has been delivered to Tenant, to make any repairs or improvements to the Premises, except as expressly set forth in this Lease (including Section 1(c) above). Except for damage caused by Casualty or any Taking (which shall be governed by Articles 21 and 22 below), and subject to normal wear and tear, Landlord shall maintain in good repair (i) the structural elements of the Building, including the exterior walls and foundation, (ii) the common areas, and (iii) the mechanical, electrical, plumbing and HVAC systems which serve the Building in general, provided such repairs are not occasioned by Tenant or any employee, agent, invitee or contractor of Tenant. Tenant hereby waives any and all rights under and benefits of subsection 1 of Section 1932, and Sections 1941 and 1942 of the California Civil Code, and any similar or successor laws now or hereafter in effect.

19. **Repairs By Tenant.** Except as described in Article 18 above, Tenant shall, at its sole cost and expense, maintain the Premises in good repair and in a neat and clean, first-class condition, including making all necessary repairs and replacements. Tenant's repair and maintenance obligations include, without limitation, repairs to: (a) floor coverings; (b) interior partitions; (c) doors; (d) the interior side of demising walls; (e) alterations (as defined in Article 20); (f) supplemental air conditioning units, kitchens (including hot water heaters), plumbing, and similar facilities exclusively serving Tenant, whether such items are installed by or on behalf of Tenant or are currently existing in the Premises (except to the extent such facilities are part of the Building systems, which shall be governed by Article 18 above) and (g) Cable. Tenant shall further, at its own cost and expense, repair or restore any damage or injury to all or any part of the Building or Property caused by Tenant or Tenant's agents, employees, invitees or contractors, including but not limited to any repairs or replacements necessitated by (i) the construction or installation of improvements to the Premises by or on behalf of Tenant, and (ii) the moving of any property into or out of the Premises; at Landlord's option, Landlord will perform such work and Tenant will pay Landlord the cost thereof plus a commercially reasonable administrative fee. If Tenant fails to make any repairs or replacements required pursuant to this Article 19 within fifteen (15) days after notice from Landlord (or within such shorter period as Landlord may specify in the event of an emergency), Landlord may, at its option, upon prior reasonable notice to Tenant (except in an emergency) make the required repairs or replacements and the costs of such repairs or replacements (including Landlord's administrative charge) shall be charged to Tenant as additional Rent and shall be due and payable within ten (10) days following written demand.

20. **Alterations and Improvements/Liens.**

(a) **Generally.** Except for minor, decorative alterations that (i) are performed below the ceiling of the Premises, (ii) do not affect the Building's structure or systems, (iii) will not create excessive noise or result in the dispersal of odors or debris (including dust or airborne particulate matter), (iv) are not visible from outside the Premises, (v) do not require the procurement of a building permit, and (vi) do not cost in excess of \$50,000.00 in the aggregate, Tenant shall not make or allow to be made any alterations, physical additions or improvements in or to the Premises ("**Alterations**") without first obtaining in writing Landlord's written consent for such Alterations, which consent will not be unreasonably withheld or delayed; provided, however, that such consent may be granted or withheld in Landlord's sole discretion if the Alterations will affect the Building's structure or systems, or will be visible from outside the Premises. Prior to starting work, Tenant shall furnish Landlord with plans and specifications (which shall be in CAD format if requested by Landlord); names of contractors reasonably acceptable to Landlord (provided that Landlord may designate specific contractors with respect to the Base Building and vertical Cable and may also require that Tenant use only union labor for any work in the Building); required permits and approvals; evidence of contractors' and subcontractors' insurance in amounts reasonably required by Landlord and naming Landlord, any successor to Landlord, Landlord's Property manager, and their respective members, beneficiaries, partners, officers, directors, employees and agents and such other persons or entities as Landlord may reasonably request as additional insureds (any contract between Tenant And Tenant's contractors must expressly require that Landlord and such other parties be so designated as additional insureds and Landlord must be provided with a copy of the relevant endorsement); and any security for payment and performance in amounts reasonably required by Landlord. Tenant shall reimburse Landlord for any sums paid by Landlord for third party examination of Tenant's plans for Alterations. Landlord's approval of an alteration shall not be deemed a

representation by Landlord that the alteration complies with law. In addition, Tenant shall pay Landlord a fee for Landlord's oversight and coordination of any alteration equal to two percent (2%) of the total cost of the alteration, to the extent the cost of the alteration is equal to or less than \$500,000.00; plus two percent (2%) of the cost of the alteration to the extent that the cost of the alteration is in excess of \$500,000.00, but not more than \$1,000,000.00; plus two percent (2%) of any portion of the cost of the alteration in excess of \$1,000,000.00. In the event that Landlord grants its consent (if consent is granted) to any such Alterations, and provided that Tenant, and Tenant's request for consent for such Alterations, expressly requested in bold face, all capital letters, that Landlord notify Tenant whether Tenant will be required to remove all or any portion of any such Alterations at the expiration or sooner termination of this term, Landlord shall also inform Tenant in writing at the time of granting its consent as to whether Landlord requires that the Premises be restored to its state prior to the Alterations at the end of the Term, including any extensions thereof. Upon completion, Tenant shall furnish Landlord with at least three (3) sets of "as-built" plans (as well as a set in CAD format, if requested by Landlord) for Alterations, completion affidavits and full and final, unconditional waivers of lien and will cause a notice of completion to be recorded in the office of the recorder of the county of San Francisco in accordance with Section 8181 of the California Civil Code or any successor statute and will timely provide all notices required under Section 3259.5 of the California Civil Code or any successor statute. Any Alterations shall at once become the property of Landlord; provided, however, that Landlord, at its option, may require Tenant to remove any Alterations prior to the expiration or sooner termination of this Lease (which determination may be made at any time, subject to the provisions set forth above regarding Tenant's right to request that determination concurrently with Landlord's consent). All costs of any Alterations (including, without limitation, the removal thereof) shall be borne by Tenant. If Tenant fails to promptly complete the removal of any Alterations and/or to repair any damage caused by the removal, Landlord may do so and may charge the cost thereof to Tenant. All Alterations shall be made in a good, first-class, workmanlike manner and in a manner that does not disturb other tenants (i.e., any loud work must be performed during non-business hours) in accordance with Landlord's then-current guidelines for construction, and Tenant shall maintain appropriate liability and builder's risk insurance throughout the construction. Tenant will indemnify, defend, protect and hold Landlord harmless from and against any and all claims for injury to or death of persons or damage or destruction of property arising out of or relating to the performance of any Alterations by or on behalf of Tenant. Under no circumstances shall Landlord be required to pay, during the Term (as the same may be extended or renewed), any ad valorem or property tax on such Alterations, Tenant hereby covenanting to pay all such taxes when they become due.

(b) Liens. Nothing contained in this Lease shall authorize or empower Tenant to do any act which shall in any way encumber Landlord's title to the Building, property, or Premises, nor in any way subject Landlord's title to any claims by way of lien or encumbrance, whether claimed by operation of law or by virtue of any expressed or implied contract of Tenant, and any claim to a lien upon the Building, property or Premises arising from any act or omission of Tenant shall attach only against Tenant's interest in the Premises and shall in all respects be Subordinate to Landlord's title to the Building, property, and premises. If Tenant has not removed any such lien or encumbrance or (provided that Tenant is in good faith contesting such lien or encumbrance) delivered to Landlord a title indemnity, bond or other security reasonably satisfactory to Landlord, within ten (10) days after written notice to Tenant by Landlord, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for making any investigation as to the validity thereof, and the amount so paid shall be deemed additional Rent reserved under this Lease due and payable forthwith.

21. **Destruction or Damage**

(a) Completion Estimate. If, as a result of fire or other casualty (each, a "**Casualty**"), all or any portion of the Premises becomes untenable or inaccessible, Landlord, with reasonable promptness, shall cause a general contractor selected by Landlord to provide Landlord with a written estimate of the amount of time required, using standard working methods, to substantially complete the repair and restoration of the Premises and any common areas necessary to provide access to the Premises ("**Completion Estimate**"); Landlord will use good faith efforts to provide Tenant with its Completion Estimate within sixty (60) days after the date of any Casualty. Landlord shall promptly forward a copy of the Completion Estimate to Tenant. If the Completion Estimate indicates that the Premises or any common areas necessary to provide access to the Premises cannot be made Tenable within two hundred seventy (270) days from the date the repair is started (when such repair is made without the payment of overtime or other premiums), then Landlord shall have the right to terminate this Lease upon written

notice delivered to Tenant within thirty (30) days following delivery of the Completion Estimate. In addition, Landlord, by notice delivered to Tenant within ninety (90) days after the date of the Casualty, shall have the right to terminate this Lease if the Building or Property shall be damaged by Casualty, whether or not the Premises are affected, and one or more of the following conditions is present: (i) in Landlord's reasonable judgment, repairs cannot reasonably be completed within two hundred seventy (270) days from the date the repairs are started (when. Such repairs are made without the payment of overtime or other premiums); (ii) any holder (defined below) requires that the insurance proceeds or any portion thereof be applied to the payment of the mortgage debt; (iii) the damage is not fully covered by Landlord's insurance policies; (iv) Landlord decides to rebuild the Building or common areas so that they will be substantially different structurally or architecturally; or (v) the damage occurs during the last twenty-four (24) months of the Term.

(b) Landlord's Repair; Abatement. If this Lease is not terminated, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, restore the Premises and common areas. Such restoration shall be to substantially the same condition that existed prior to the Casualty, except for modifications required by law or any other modifications to the common areas deemed desirable by Landlord. Upon notice from Landlord, Tenant shall assign or endorse over to Landlord (or to any party designated by Landlord) all property insurance proceeds payable to Tenant under Tenant's insurance with respect to any Alterations; provided if the estimated cost to repair such Alterations exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, the excess cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repairs. Within fifteen (15) days after demand, Tenant shall also pay Landlord for any additional excess costs that are determined during the Performance of the repairs to any alteration. In no event shall Landlord be required to spend more for the restoration of the Premises and common areas than the proceeds received by Landlord, whether insurance proceeds under Landlord's insurance or insurance proceeds or other amounts received from Tenant. Landlord shall not be liable for any inconvenience to Tenant or injury to Tenant's business resulting in any way from the Casualty or the repair thereof. Provided that Tenant is not in Default, during any period of time that all or a material portion of the Premises is rendered untenantable as a result of a Casualty, Base Rent shall abate for the portion of the Premises that is untenantable and not used by Tenant.

(c) Statutory Waiver. The provisions of this Lease, including this Article 21, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, building or property, and any laws, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any similar or successor laws now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, building or property.

22. Eminent Domain. Either party may terminate this Lease if any material part of the Premises is taken or condemned for any public or quasi-public use under law, by eminent domain or conveyance in lieu thereof (a "**Taking**"). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Building or Property that would have a material adverse effect on Landlord's ability to profitably operate the remainder of the Building. The terminating party shall provide written notice of termination to the other party within forty-five (45) days after it first receives notice of the taking. The termination shall be effective as of the Effective Date of any order granting possession to, or vesting legal title in, the condemning authority. If this Lease is not terminated, Base Rent and Tenant's Share shall be appropriately adjusted to account for any reduction in the square footage of the Building or Premises. All compensation awarded for a Taking shall be the Property of Landlord. The right to receive compensation or proceeds is expressly waived by Tenant, provided, however, Tenant may file a separate claim for Tenant's personal property and Tenant's reasonable relocation expenses, provided the filing of such claim does not diminish the amount of Landlord's award. If only a part of the Premises is subject to a Taking and this Lease is not terminated, Landlord, with reasonable diligence, will restore the remaining portion of the Premises as nearly as practicable to the condition immediately prior to the Taking. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure, and any similar or successor laws.

23. **Insurance; Waivers.**

(a) **Tenant's Insurance.** Tenant covenants and agrees that from and after the date of delivery of the Premises from Landlord to Tenant, Tenant will carry and maintain, at its sole cost and expense, the following types of insurance, in the amounts specified and in the form hereinafter provided for:

(i) Commercial General Liability ("CGL") Insurance written on an occurrence basis, covering the Premises and all operations of Tenant in or about the Premises against claims for bodily injury, death, property damage products liability and completed operations and to include contractual liability coverage insuring Tenant's indemnification obligations under this Lease, to be in combined single limits of not less than \$2,000,000 each occurrence for bodily injury, death and property damage, \$2,000,000 for products/completed operations aggregate, \$2,000,000 for personal injury, and to have general aggregate limits of not less than \$2,000,000 (per location) and umbrella liability insurance in an amount not less than \$5,000,000 for each policy year. The general aggregate limits under the commercial general liability insurance policy or policies shall apply separately to the Premises and to Tenant's use thereof (and not to any other location or use of Tenant) and such policy shall contain an endorsement to that effect. The certificate of insurance evidencing the CGL form of policy shall specify all endorsements required herein and shall specify on the face thereof that the limits of such policy apply separately to the Premises.

(ii) Insurance covering all of the items included in the heating, ventilating and air conditioning equipment maintained by Tenant, Tenant's trade fixtures, merchandise and personal property from time to time in, on or upon the Premises, and all Tenant improvements and any Alterations in an amount not less than one hundred percent (100%) of their full replacement value from time to time during the Term, providing protection against perils included within the standard form of "special form" (formerly, "all risk") fire and casualty insurance policy. Any policy proceeds from such insurance shall be held in trust by Tenant's insurance company for the repair, construction and restoration or replacement of the Property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article 21 above.

(iii) Workers' Compensation insurance in amounts required by law.

(iv) Employer's Liability coverage of at least \$1,000,000.00 per Occurrence.

(v) Business Interruption Insurance equal to not less than fifty percent (50%) of the estimated gross earnings (as defined in the standard form of business interruption insurance policy) of Tenant at the Premises, which insurance shall be issued on an "all risk" basis (or its equivalent).

(b) **Requirements for Tenant's Policies.** All policies of the insurance provided for in Section 23(a) above shall be issued in form acceptable to Landlord by insurance companies with a rating and financial size of not less than A:VIII in the most current available "Best's Insurance Reports", and licensed to do business in the state in which the Building is located. Each and every such policy:

(i) shall designate Landlord, any successor to Landlord, Landlord's Property manager, and their respective members, beneficiaries, partners, officers, directors, employees and agents, and any other party reasonably designated by Landlord, as additional insureds, except with respect to the insurance described in Sections 23(a)(ii), (iii) and (iv) above;

(ii) shall be delivered in its entirety (or, in lieu thereof, a certificate in form and substance satisfactory to Landlord) to each of Landlord and any such other parties in Interest prior to any entry by Tenant or Tenant's employees or contractors onto the Premises and thereafter within five (5) days after the inception (or renewal) of each new policy, and as often as any such policy shall expire or terminate. Renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent; and

(iii) shall be written as a primary policy which does not contribute to and is not in excess of coverage which Landlord may carry.

(c) Additional Insurance Obligations. Tenant shall additionally carry and maintain, at Tenant's sole cost and expense, such increased amounts of the insurance and such other types of insurance coverage in such reasonable amounts, as may be reasonably requested from time to time by Landlord; provided, however, that (i) Landlord may not require Tenant to adjust its insurance coverage more than once in any twelve (12) month period and (2) the levels and/or types of coverage required by Landlord of Tenant pursuant to the provisions of this Section 23(c) will be reasonably commensurate with the levels or types of coverage then being required of technology company Tenants of similar size and market capitalization in similar space in Comparable Buildings.

(d) Landlord's Insurance. During the Term, Landlord shall keep in effect (i) commercial property insurance on the Base Building (but not on the Tenant improvements or any Alterations or any of Tenant's personal property), and (ii) a policy or policies of commercial general liability insurance insuring against liability arising out of the risks of death, bodily injury, property damage and personal injury liability with respect to the Building and property and (iii) such other types of insurance coverage, if any, as Landlord, in Landlord's good faith discretion, may elect to carry.

(e) Subrogation. Notwithstanding anything to the contrary set forth in this Lease, Landlord and Tenant do hereby waive any and all claims against one another for damage to or destruction of real or personal property to the extent such damage or destruction can be covered by "all risks" property insurance of the type described above. The risk to be borne by each party shall also include the satisfaction of any deductible amounts required to be paid under the applicable "all risks" fire and Casualty insurance carried by the party whose property is damaged, and each party agrees that the other party shall not be responsible for satisfaction of such deductible (this will not preclude Landlord from including deductible payments in insurance expenses). These waivers shall apply if the damage would have been covered by a customary "all risks" insurance policy, even if the party fails to obtain such coverage. The intent of this provision is that each party shall look solely to its insurance with respect to property damage or destruction which can be covered by "all risks" insurance of the type described above. Each such policy shall include a waiver of all rights of subrogation by the insurance carrier against the other party, its agents and employees with respect to property damage covered by the applicable "all risks" fire and Casualty insurance policy.

24. Indemnities.

(a) Tenant's Indemnity. Tenant will indemnify, defend, protect and hold harmless Landlord and its trustees, members, principals, beneficiaries, partners, officers, directors, employees, holders (defined in Section 36(a)) and agents from and against any and all Loss, cost, damage or liability arising in any manner (i) caused anywhere in the Building or on the Property due to the negligence or willful misconduct of Tenant, its agents, contractors or employees or (ii) due to any occurrence in the Premises (or arising out of actions taking place in the Premises), except to the extent caused by the negligence or willful misconduct of Landlord, its agents, or employees, or (iii) arising out of Tenant's breach or Default under the Terms of this Lease.

(b) Landlord's Indemnity. Landlord will indemnify, defend, protect and hold Tenant harmless from and against any loss of or damage to any property and any injury to or death of any person arising from any occurrence in the common areas, if caused solely by the negligence or willful misconduct of Landlord, its agents or employees.

(c) General Provisions. The indemnities set forth hereinabove shall include the obligation to pay reasonable expenses incurred by the indemnified party, including, without limitation, reasonable, actually incurred attorneys' fees, and shall survive the expiration or earlier termination of this Lease. The indemnities contained herein do not override the waivers contained in Section 23(e) above.

25. Exculpation. Notwithstanding any other provision of this Lease to the contrary, Tenant hereby waives all claims against and releases Landlord and its trustees, members, principals, beneficiaries, partners, officers, directors, employees, Holders and agents from all claims for any injury to or death of persons, damage to property or loss of profits or revenue in any manner related to (a) any force majeure event, (b) acts of third parties, (c) the bursting or leaking of any tank, water closet, drain or other pipe, and (d) the inadequacy or failure of any

security or protective services, personnel or equipment; provided, however, that the foregoing shall not preclude Tenant from seeking recovery from any third party responsible for such damage or injury. Tenant acknowledges that from time to time throughout the Term, construction work may be performed in and about the Building and the project by Landlord, contractors of Landlord, or other tenants or their contractors, and that such construction work may result in noise and disruption to Tenant's business provided that Landlord will use reasonable efforts to ensure that, except in the case of emergency, no such work will materially adversely affect Tenant's ability to conduct its business operations in any material portion of the Premises and/or materially and adversely affect Tenant's ability to have access to the Premises. In addition to and without limiting the foregoing waiver, Tenant agrees that Landlord shall not be liable for, and Tenant expressly waives and releases Landlord, Landlord's employees, agents or representatives, from any and all loss, cost, damage or liability, including without limitation, any and all consequential damages or interruption or loss of business, income or profits, or claims of actual or constructive eviction or for abatement of rental, arising or alleged to be arising as a result of any such construction activity.

26. **Estoppel.** Tenant shall, from time to time, upon not less than ten (10) business days' prior written request by Landlord, execute, acknowledge and deliver to Landlord a written statement certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications), the dates to which the Rent has been paid, that Tenant is not in Default hereunder and whether Tenant has any offsets or defenses against Landlord under this Lease, and whether or not to the best of Tenant's knowledge Landlord is in Default hereunder (and if so, specifying the nature of the Default) and any other information reasonably requested by Landlord regarding this Lease, it being intended that any such statement delivered pursuant to this Article 26 may be relied upon by a prospective purchaser of Landlord's interest or by a mortgagee of Landlord's interest or assignee of any security deed upon Landlord's interest in the Premises. If Tenant fails to timely deliver an executed estoppel certificate to Landlord, the estoppel prepared by Landlord will be deemed true and correct and binding upon Tenant and, at Landlord's option, such failure will constitute a Default by Tenant under this Lease, without the necessity of additional notice or the passage of additional grace periods.

27. **Notices.** All notices, demands or requests required or permitted to be given by either party under this Lease (referred to in this Article 27 as a "notice") shall be in writing and must be given only by certified mail, postage prepaid and return receipt requested, by personal delivery or by nationally recognized overnight courier service at the addresses set forth in the Basic Lease Provisions. Any such notice shall be deemed given on the date ("**Notice Delivery Date**") that is the earliest of: (i) two (2) business days after the date sent in accordance with one of the permitted methods described above and (ii) the date of actual receipt or refusal thereof unless receipt or refusal occurs on a weekend or holiday, in which case notice will be deemed given on the next-succeeding business day. The time period for responding to any such notice shall begin on the Notice Delivery Date. Either party may change its notice address by giving not less than ten (10) business days' prior notice thereof to the other party in accordance with the Terms of this Article 27, provided that such new address shall be in the United States of America and, with respect to Tenant, shall not be a post office box. If the Basic Lease Provisions include (or Tenant otherwise designates in writing in accordance with this Article 28) more than one person or address to receive notices on Tenant's behalf hereunder, Landlord shall use commercially reasonable efforts to send any notice to all requested persons or addresses; however, it shall not be a condition to the effectiveness of any notice given by Landlord to Tenant that more than one person or address receive such notice.

28. **Default.** The occurrence of any of the following events shall constitute a Default on the part of Tenant ("**Default**") without notice from Landlord unless otherwise provided:

(a) **Vacation or Abandonment.** [OMITTED];

(b) **Payment.** Failure to pay any installment of Base Rent, Additional Rent or other monies due and payable hereunder upon the date when said payment is due, where such failure continues for a period of three (3) days after receipt by tenant of written notice from landlord of such failure to pay when due (which notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar or successor statute);

(c) Performance. Except as set forth in Article 28(b) above and Article 28(d) below, tenant's failure to perform any of tenant's covenants, agreements or obligations hereunder, where such failure continues for twenty (20) days after written notice thereof from landlord (which notice shall be in lieu of, and not in addition to, any notice required under California Code Of Civil Procedure Section 1161 or any similar or successor statute); provided, however, that if the nature of tenant's failure is such that more than twenty (20) days are reasonably required for its cure, then tenant shall not be deemed to be in Default if tenant shall promptly commence such cure within such twenty (20) day period and thereafter continuously and diligently prosecute such cure to completion within sixty (60) days after landlord's notice of such failure (the time periods set forth herein are not subject to extension due to any force majeure event);

(d) Estoppel Certificate; Subordination Agreement. Tenant's failure to timely deliver a duly executed estoppel certificate, subordination agreement or any other document or statement within the time periods specified in article 26 or 36;

(e) Assignment. A general assignment by Tenant for the benefit of creditors;

(f) Bankruptcy. The filing of a voluntary petition by Tenant, or the filing of an involuntary petition by any of Tenant's creditors seeking the rehabilitation, liquidation or reorganization of Tenant under any law relating to bankruptcy, insolvency or other relief of debtors and not removed within ninety (90) days of filing;

(g) Receivership. The appointment of a receiver or other custodian to take possession of substantially all of Tenant's assets or of the Premises or any interest of Tenant therein;

(h) Insolvency or Dissolution. Tenant shall become insolvent or unable to pay its debts, or shall fail generally to pay its debts as they become due; or any court shall enter a decree or order directing the winding up or liquidation of Tenant or of substantially all of its assets; or Tenant shall take any action toward the dissolution or winding up of its affairs or the cessation or suspension of its use of the Premises; and

(i) Attachment. Attachment, execution or other judicial seizure of substantially all of Tenant's assets or the Premises or any interest of Tenant under this Lease.

29. Landlord's Remedies. Upon the occurrence of any Default under this Lease, Landlord shall have the option to pursue any one or more of the following remedies without any notice (except as expressly prescribed herein) or demand whatsoever (and without limiting the generality of the foregoing, Tenant hereby specifically waives notice and demand for payment of rent or other obligations, except for those notices specifically required pursuant to the Terms of Article 28 or this Article 29, and waives any and all other notices or demand requirements imposed by applicable law):

(a) Termination. Terminate this Lease and Tenant's right to possession of the Premises and recover from Tenant an award of damages equal to the sum of the following:

(i) The worth at the time of award of the unpaid Rent which had been earned at the time of termination;

(ii) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided;

(iii) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided;

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's Default or which in the ordinary course of things would be likely to result therefrom; and

(v) All such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time under applicable Law, including, without limitation, any then-unamortized Abated Rent as described in Section 4(b) above.

The "worth at the time of award" of the amounts referred to in parts (i) and (ii) above, shall be computed by allowing interest at the interest rate. The "worth at the time of award" of the amount referred to in part (iii), above, shall be computed by discounting such amount at the discount rate of the federal reserve bank of San Francisco at the time of award plus 1%.

(b) Continue Lease. Employ the remedy described in California Civil Code Section 1951.4 (Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations); provided that, notwithstanding Landlord's exercise of the remedy described in California Civil Code Section 1951.4 in respect of any Default, at any time thereafter as Landlord may elect in writing, Landlord may terminate this Lease and Tenant's right to possession of the Premises and recover an award of damages as provided above in Section 29(a).

(c) Acceptance Not Waiver. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No waiver by Landlord of any breach hereof shall be effective unless such waiver is in writing and signed by Landlord.

(d) Waiver of Redemption. TENANT HEREBY WAIVES ANY AND ALL RIGHTS CONFERRED BY SECTION 3275 OF THE CALIFORNIA CIVIL CODE AND BY SECTIONS 11174(C) AND 1179 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE AND ANY AND ALL OTHER LAWS AND RULES OF LAW FROM TIME TO TIME IN EFFECT DURING THE LEASE TERM OR THEREAFTER PROVIDING THAT TENANT SHALL HAVE ANY RIGHT TO REDEEM, REINSTATE OR RESTORE THIS LEASE FOLLOWING ITS TERMINATION BY REASON OF TENANT'S BREACH.

(e) Jury Trial. THE PARTIES HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS LEASE. IF THE JURY WAIVER PROVISIONS OF THIS SECTION 29(E) ARE NOT ENFORCEABLE UNDER CALIFORNIA LAW, THEN THE FOLLOWING PROVISIONS SHALL APPLY. It is the desire and intention of the parties to agree upon a mechanism and procedure under which controversies and disputes arising out of this Lease or related to the Premises will be resolved in a prompt and expeditious manner. Accordingly, except with respect to actions for unlawful or forcible detainer or with respect to the prejudgment remedy of attachment, any action, proceeding or counterclaim brought by either party hereto against the other (and/or against its officers, directors, employees, agents or subsidiaries or affiliated entities) on any matters whatsoever arising out of or in any way connected with this Lease, Tenant's use or occupancy of the Premises and/or any claim of injury or damage, whether sounding in contract, tort, or otherwise, shall be heard and resolved by a referee under the provisions of the California Code of Civil Procedure, Sections 638-645.1, inclusive (as same may be amended, or any successor statute(s) thereto) (collectively, the "**Referee Sections**"). Any fee to initiate the judicial reference proceedings and all fees charged and costs incurred by the referee shall be paid by the party initiating such procedure (except that if a reporter is requested by either party, then a reporter shall be present at all proceedings where requested and the fees of such reporter, except for copies ordered by the other parties, shall be borne by the party requesting the reporter); provided however, that allocation of the costs and fees, including any initiation fee, of such proceeding shall be ultimately determined in accordance with Article 35 below. The venue of the proceedings shall be in the county in which the Premises are located. Within ten (10) days of receipt by any party of a written request to resolve any dispute or controversy pursuant to this Section 29(e), the parties shall agree upon a single referee who shall try all issues, whether of fact or law, and report a finding and judgment on such issues as required

by the Referee Sections. If the parties are unable to agree upon a referee within such ten (10) day period, then any party may thereafter file a lawsuit in the county in which the Premises are located for the purpose of appointment of a referee under the referee Sections. If the referee is appointed by the court, the referee shall be a neutral and impartial retired judge with substantial experience in the relevant matters to be determined, from Jams/Endispute, Inc., the American Arbitration Association or similar mediation/arbitration entity. The proposed referee may be challenged by any party for any of the grounds listed in the Referee Sections. The referee shall have the power to decide all issues of fact and law and report his or her decision on such issues, and to issue all recognized remedies available at law or in equity for any cause of action that is before the referee, including an award of attorneys' fees and costs in accordance with this Lease. The referee shall not, however, have the power to award punitive damages, nor any other damages which are not permitted by the express provisions of this Lease, and the parties hereby waive any right to recover any such damages. The parties shall be entitled to conduct all discovery as provided in the California Code of Civil Procedure, and the referee shall oversee discovery and may enforce all discovery orders in the same manner as any trial court judge, with rights to regulate discovery and to issue and enforce subpoenas, protective orders and other limitations on discovery available under California law. The reference proceeding shall be conducted in accordance with California law (including the rules of evidence), and in all regards, the referee shall follow California law applicable at the time of the reference proceeding. The parties shall promptly and diligently cooperate with one another and the referee, and shall perform such acts as may be necessary to obtain a prompt and expeditious resolution of the dispute or controversy in accordance with the Terms of this Section 29(e). In this regard, the parties agree that the parties and the referee shall use best efforts to ensure that (i) discovery be conducted for a period no longer than six (6) months from the date the referee is appointed, excluding motions regarding discovery, and (ii) a trial date be set within nine (9) months of the date the referee is appointed. In accordance with Section 644 of the California Code of Civil Procedure, the decision of the referee upon the whole issue must stand as the decision of the court, and upon the filing of the statement of decision with the clerk of the court, or with the judge if there is no clerk, judgment may be entered thereon in the same manner as if the action had been tried by the court. Any decision of the referee and/or judgment or other order entered thereon shall be appealable to the same extent and in the same manner that such decision, judgment, or order would be appealable if rendered by a judge of the superior court in which venue is proper hereunder. The referee shall in his/her statement of decision set forth his/her findings of fact and conclusions of law. The parties intend this general reference agreement to be specifically enforceable in accordance with the California Code of Civil Procedure. Nothing in this Section 29(e) shall prejudice the right of any party to obtain provisional relief or other equitable remedies from a court of competent jurisdiction as shall otherwise be available under the California Code of Civil Procedure and/or applicable court rules.

(f) Remedies Cumulative. No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing by agreement, applicable law or in equity. In addition to other remedies provided in this Lease, Landlord shall be entitled, to the extent permitted by applicable Law, to injunctive relief, or to a decree compelling performance of any of the covenants, agreements, conditions or provisions of this Lease, or to any other remedy allowed to Landlord at law or in equity. Forbearance by Landlord to enforce one or more of the remedies herein provided upon a Default shall not be deemed or construed to constitute a waiver of such Default.

(g) Landlord's Right to Perform. If Tenant is in breach of any of its non-monetary obligations under this Lease, Landlord shall have the right to perform such obligations. Tenant shall reimburse Landlord for the cost of such performance upon demand together with an administrative charge equal to ten percent (10%) of the cost of the work performed by Landlord.

(h) Unenforceability. This Article 29 shall be enforceable to the maximum extent such enforcement is not prohibited by applicable law, and the unenforceability of any portion of this Article 30 shall not thereby render unenforceable any other portion.

30. Default by Landlord. Landlord shall not be considered to be in Default in the performance of any obligation to be performed by Landlord under this Lease unless (a) Landlord fails to perform any of its obligations hereunder and said failure continues for a period of thirty (30) days after the date of delivery of written notice of

such failure by Tenant to Landlord; provided, however, that if such failure cannot reasonably be cured within said thirty (30) day period (other than Landlord's payment of any monetary obligation to Tenant), Landlord shall not be in Default hereunder unless Landlord fails to commence the cure of said failure as soon as reasonably practicable under the circumstances, or fails diligently to pursue the same to completion; and (b) each Holder of whose identity Tenant has been notified in writing shall have failed to cure such Default within thirty (30) days (or such longer period of time as may be specified in any written agreement between Tenant and such Holder regarding such matter) after receipt of written notice from Tenant of Landlord's failure to cure within the time periods provided above (a "Landlord Default"). In the event of a Landlord Default, Tenant shall use reasonable efforts to mitigate its damages and losses arising from any such Landlord Default and Tenant may pursue any and all remedies available to it at law or in equity; provided, however, in no event shall Tenant claim a constructive or actual eviction or that the Premises have become unsuitable or untenable prior to a Landlord Default and failure to cure by Landlord and its Holder under this Lease and, further, in no event shall Tenant be entitled to terminate this Lease or receive more than its actual direct damages arising from any Landlord Default, it being agreed that for all purposes under this Lease, Tenant waives any claim it otherwise may have for special or consequential damages or any damages attributable to lost profits or revenue or loss of or interruption to Tenant's business operations.

31. **Advertising.** Landlord may advertise the Premises as being "For Rent" at any time following a Default by Tenant and at any time within one hundred eighty (180) days prior to the expiration, cancellation or termination of this Lease for any reason, and during any such periods Landlord may exhibit the Premises to prospective Tenants upon prior reasonable notice to Tenant. Further, Landlord may, at any time, advertise the completion of this Lease transaction.

32. **Surrender of Premises.** Whenever under the Terms hereof Landlord is entitled to possession of the Premises, Tenant at once shall surrender the Premises and the keys thereto to Landlord. The premises will be delivered in broom clean condition and otherwise in the same condition as on the commencement date, ordinary wear and tear associated with the responsible use of first-class office space only excepted, and Tenant shall remove all of its personal property therefrom and shall, if directed to do so by Landlord in accordance with Article 20 above, remove any Alterations and restore the Premises to its original condition prior to the construction of such Alterations. Landlord may forthwith re-enter the Premises and repossess itself thereof and remove all persons and effects therefrom, using such force as may be reasonably necessary without being guilty of forcible entry, detainer, trespass or other tort. Tenant's obligation to observe or perform these covenants shall survive the expiration or other termination of this Lease. If the last day of the Term or any renewal falls on a Saturday, Sunday or a legal holiday, this Lease shall expire on the business day immediately preceding.

33. **Removal of Fixtures.** Tenant shall, prior to the expiration or any earlier termination of this Lease, or any extension of the Term hereof, remove any and all personal property, fixtures and equipment which Tenant has placed in the Premises which can be removed without significant damage to the Premises, and Tenant shall promptly repair all damage to the Premises, Building or Property caused by such removal.

34. **Holding Over.** In the event Tenant remains in possession of the Premises after the expiration or any earlier termination of the Term, such tenancy shall be a tenancy at sufferance and on a month-to-month basis only, and shall not constitute a renewal hereof or an extension for any further term, and in such case (in addition to Tenant's other monetary obligations under this Lease) Tenant shall be obligated to pay Base Rent for such period that Tenant holds over at the higher of 150% of the monthly Base Rent payable hereunder upon such expiration of the Term, or 150% of the then current fair market rental value of the Premises, as determined by Landlord in good faith, which monthly Base Rent shall increase from 150% to 200% of such monthly Base Rent (or current fair market rental value, as the case may be) if such holding over continues more than thirty (30) days. Tenant shall also be liable for any and all other damages Landlord suffers as a result of such holding over including, without limitation, any loss of a prospective Tenant for such space. There shall be no renewal of this Lease by operation of law or otherwise. Nothing in this Article 34 shall be construed as a consent by Landlord to any holding over by Tenant after the expiration or any earlier termination of the Term or to prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise.

35. **Attorneys' Fees.** In case Landlord shall, without fault on its part, be made a party to any litigation commenced by or against Tenant, then Tenant shall pay all costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with such litigation. In the event of any action, suit or proceeding brought by Landlord or Tenant to enforce any of the other's covenants and agreements in this Lease, the prevailing party shall be entitled to recover from the non-prevailing party any costs, expenses and reasonable attorneys' fees incurred in connection with such action, suit or proceeding. Without limiting the generality of the foregoing, if Landlord utilizes the services of an attorney for the purpose of collecting any Rent due and unpaid by Tenant or in connection with any other breach of this Lease by Tenant following a written demand of Landlord to pay such amounts or cure such breach, Tenant agrees to pay Landlord reasonable actual attorneys' fees as determined by Landlord for such services, irrespective of whether any legal action may be commenced or filed by Landlord. If any such work is performed by in-house counsel for Landlord, the value of such work shall be determined at a reasonable hourly rate for comparable outside counsel; provided, however, the parties hereby confirm that such fees shall be recoverable with respect to legal work performed by Landlord's in-house counsel only to the extent that such work is not duplicative of legal work performed by outside counsel representing Landlord in such matter.

36. **Mortgagee's Rights.**

(a) This lease shall be subject and subordinate (i) to any ground lease, mortgage, deed of trust or other security interest now encumbering all or any portion of the Property and to all advances which may be hereafter made, to the full extent of all debts and charges secured thereby and to all renewals or extensions of any part thereof, and to any ground lease, mortgage, deed of trust or other security interest which any owner of all or any portion of the Property may hereafter, at any time, elect to place on the Property; (ii) to any assignment of Landlord's interest in the leases and rents from the Building or Property which includes this Lease, which now exists or which any owner of all or any portion of the Property may hereafter, at any time, elect to place on the Property; and (iii) to any uniform commercial code financing statement covering the personal property rights of Landlord or any owner of all or any portion of the Property which now exists or which any owner of all or any portion of the Property may hereafter, at any time, elect to place on the foregoing personal property (all of the foregoing instruments set forth in (i), (ii) and (iii) above being hereafter collectively referred to as "**Security Documents**"). Tenant agrees upon request of the holder of any security documents ("**Holder**") to hereafter execute any documents which Landlord or Holder may reasonably deem necessary to evidence the subordination of this Lease to the security documents. If Tenant fails to execute any such requested documents within ten business (10) days after request therefor, Landlord or Holder is hereby empowered to execute such documents in the name of Tenant evidencing such subordination, as the act and deed of Tenant, and this authority is hereby declared to be coupled with an interest and not revocable; additionally, at Landlord's option, such failure will be deemed a Default under this Lease without the necessity of additional notice or the passage of additional grace periods.

(b) In the event of a foreclosure pursuant to any security documents, Tenant shall at the election of Landlord, thereafter remain bound pursuant to the Terms of this Lease as if a new and identical lease between the purchaser at such foreclosure ("**Purchaser**"), as Landlord, and Tenant, as Tenant, had been entered into for the remainder of the Term hereof and Tenant shall attorn to the Purchaser upon such foreclosure sale and shall recognize such Purchaser as the Landlord under this Lease. Such attornment shall be effective and self-operative without the execution of any further instrument on the part of any of the parties hereto. Tenant agrees, however, to execute and deliver at any time and from time to time, upon the request of Landlord, Holder or Purchaser, any instrument or certificate that may be necessary or appropriate in any such foreclosure proceeding or otherwise to evidence such attornment.

(c) If the Holder of any security document or the Purchaser upon the foreclosure of any of the security documents shall succeed to the interest of Landlord under this Lease, such Holder or Purchaser shall have the same remedies, by entry, action or otherwise, for the non-performance of any agreement contained in this Lease, for the recovery of rent or for any other breach or Default hereunder that Landlord had or would have had if any such Holder or Purchaser had not succeeded to the interest of Landlord.

(d) Notwithstanding anything to the contrary set forth in this Article 36, the Holder of any security documents shall have the right, at any time, to elect to make this Lease superior and prior to its security

document. No documentation, other than written notice to Tenant, shall be required to evidence that this Lease has been made superior and prior to such security documents, but Tenant hereby agrees to execute any documents reasonably requested by Landlord or Holder to acknowledge that the lease has been made superior and prior to the Security Documents.

(e) Landlord will use reasonable efforts to obtain a non-disturbance, subordination and attornment agreement from the current Holder and any future Holder on such Holder's then current standard form of agreement. "**Reasonable efforts**" of Landlord shall not require Landlord to incur any cost, expense or liability to obtain such agreement, and Tenant shall be responsible for any fees or review costs charged by the Holder. Upon Landlord's request, Tenant shall execute the Holder's form of non-disturbance, subordination and attornment agreement and return the same to Landlord for execution by the Holder. Landlord's failure to obtain a non-disturbance, subordination and attornment agreement for Tenant shall have no effect on the rights, obligations and liabilities of Landlord or Tenant hereunder, nor be considered a Default by Landlord hereunder.

37. **Entering Premises.** Landlord may enter the Premises at reasonable hours provided that Landlord will use Reasonable Efforts not to unreasonably interrupt Tenant's business operations and that prior twenty four (24) hours' prior notice (which notice may be telephonic or via electronic mail) is given when reasonably possible (provided that if in the opinion of Landlord any emergency exists, entry by Landlord may occur at any time and without notice): (a) to make repairs, perform maintenance and provide other services (no prior notice is required to provide routine services) which Landlord is obligated to make to the Premises or the Building pursuant to the Terms of this Lease or to the other premises within the Building pursuant to the leases of other Tenants; (b) to inspect the Premises in order to confirm that Tenant is complying with all of the Terms and conditions of this Lease and with the rules and regulations hereof; (c) to remove from the Premises any Article s or signs kept or exhibited therein in violation of the Terms hereof; (d) to run pipes, conduits, ducts, wiring, cabling or any other mechanical, electrical, plumbing or HVAC equipment through the areas behind the walls, below the floors or above the drop ceilings in the Premises and elsewhere in the Building; (e) to show the Premises to prospective Purchasers, lenders or Tenants and (f) to exercise any other right or perform any other obligation that Landlord has under this Lease. Landlord shall be allowed to take all material into and upon the Premises that may be required to make any repairs, improvements, Alterations and/or additions, without in any way being deemed or held guilty of trespass and without constituting a constructive eviction of Tenant. The rent reserved herein shall not abate while such repairs, improvements, Alterations and/or additions are being made, and Tenant shall not be entitled to any set-off against rent or to any claim for damages against Landlord by reason of loss from interruption to the business of Tenant or otherwise because of the prosecution of any such work. Unless any work would unreasonably interfere with Tenant's use of the Premises if performed during business hours, all such repairs, improvements, Alterations and/or additions shall be performed during ordinary business hours. If any such work is, at the request of Tenant, performed during other than ordinary business hours, Tenant shall pay all overtime and other extra costs arising as a result thereof.

38. **Relocation.** [OMITTED]

39. **Assignment and Subletting.**

(a) **Generally.** Tenant shall not, by operation of law or otherwise, mortgage, pledge, hypothecate, encumber or permit any lien to attach to this Lease, any interest hereunder or all or any portion of the Premises. Further, Tenant may not, without the prior written consent of Landlord, assign this Lease or any interest hereunder, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than Tenant (subject to the provisions of Article 9 above). In the event that Tenant is a corporation or entity other than an individual, any transfer of a majority or controlling interest in Tenant (whether by stock transfer, merger, operation of law or otherwise) shall be considered an assignment for purposes of this paragraph and shall require Landlord's prior written consent, except (x) permitted transfers, and (y) the initial public offering on a nationally recognized public stock exchange of Tenant's Shares (an "**IPO**") or (z) following an IPO, the sale of Tenant's Shares in a normal course of business on a nationally recognized public stock exchange and/or the issuance of stock options to employees and/or shareholders in the normal course of business. Consent to one assignment or sublease shall not nullify or waive this provision, and all later assignments and subleases shall likewise be made only upon the prior written consent of Landlord. Subtenants or assignees shall become liable to Landlord for all obligations of Tenant

hereunder, without relieving Tenant's liability hereunder and, in the event of any Default by Tenant, Landlord may, at its option, but without any obligation to do so, elect to treat any sublease as a direct lease with Landlord and collect rent directly from the subtenant. Each sublease by Tenant hereunder shall be subject and subordinate to this Lease and to the matters to which this Lease is or shall be subordinate, and each subtenant by entering into a sublease shall be deemed to have agreed that in the event of a rejection of this Lease or the relevant sublease under Section 365 of the Bankruptcy Code by Tenant, or a termination, re-entry or dispossession by Landlord under this Lease, Landlord may, at its option, either terminate the sublease or take over all of the right, title and interest of Tenant, as sublandlord, under such sublease, and such subtenant shall, at Landlord's option, attorn to Landlord pursuant to the then executory provisions of such sublease, except that Landlord shall not be: (i) liable for any previous act or omission of Tenant under such sublease; (2) subject to any counterclaim, offset or defense that such subtenant might have against Tenant; etc.

(b) Transfer Notice. If Tenant desires to assign or sublease ("**Transfer**"), Tenant shall provide written notice to Landlord describing the proposed transaction in detail ("**Transfer Notice**") and provide all documentation (including detailed financial information for the proposed assignee or subtenant (a "**Transferee**")) reasonably necessary to permit Landlord to evaluate the proposed transaction, including without limitation the following:

(i) the proposed Effective Date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice;

(ii) a description of the portion of the Premises to be transferred (the "**Subject Space**");

(iii) all of the Terms of the proposed transfer and the consideration therefor, including a calculation of the Transfer Premium (as defined in Section 39(e) below), in connection with such Transfer, the name and address of the proposed transferee, and a copy of all existing and/or proposed documentation pertaining to the proposed Transfer, including all existing operative documents to be executed to evidence such transfer or the agreements incidental or related to such Transfer; and

(iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, and any other information required by Landlord, which will enable Landlord to determine the financial responsibility, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the subject space, and such other information as Landlord may reasonably require. Any Transfer made without Landlord's prior written consent or not in compliance with this Article 39 shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute an incurable Default by Tenant under this Lease.

(c) Landlord's Options. Upon any request by Tenant for Landlord's consent to a transfer, Landlord may elect to terminate this Lease and recapture all of the Premises (in the event of an assignment request, other than a permitted transfer) or the subject space (in the event of a subleasing request pursuant to which the subject space is (x) one (1) full floor of the Building, or more, or (y) for a term which (together with any potential renewal rights or options) equals or exceeds ninety percent (90%) of the then-remaining term, in each case other than a Permitted Transfer). Notwithstanding the foregoing provisions of this Section 39(c) to the contrary, if the Premises is expanded to include additional space in the Building, Tenant shall have the one-time right to sublease such space (up to a maximum of one (i) floor in the Building) for a term which commences on or about the date that such additional space is added to the Premises and does not exceed the greater of (x) two (2) years and (y) ninety percent (90%) of the then-remaining term (calculated inclusive of any potential renewal or extension rights granted as a part of such sublease) and, solely with respect to such space and such sublease, Landlord shall not have the right to recapture such portion of the Premises; however, if and to the extent any subsequent extension or renewal of the Term of such sublease would cause the Term of such sublease to exceed two (2) years, Landlord shall have the right to recapture such space effective as of the Effective Date of the proposed extension or renewal. For avoidance of doubt, Tenant will only have the right described in the immediately preceding sentence on one (1) occasion with respect to only one (i) floor, and once Tenant enters into any such sublease, no other sublease entered into by Tenant

will be subject to the provisions of the immediately preceding sentence. Landlord shall notify Tenant within thirty (30) days after Landlord's receipt of the subject Transfer Notice and all other documentation and information required to be provided pursuant to Section 39(b) above, whether Landlord elects to exercise Landlord's recapture right and, if not, whether Landlord consents to the requested Transfer; if Landlord does not elect to exercise its recapture right, Landlord's consent to a transfer will not be unreasonably withheld. Without limiting the grounds upon which Landlord may reasonably withhold its consent, the parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply:

- (i) The Transferee is of a reputation or engaged in a business which is not consistent with the quality of the Building;
- (ii) The Transferee intends to use the subject space for purposes which are not permitted hereunder;
- (iii) The Transferee is either a governmental agency or instrumentality thereof;
- (iv) The Transfer will result in an occupancy density in any portion of the Premises that is greater than the Standard

Density;

(v) The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities involved under this Lease on the date consent is requested;

(vi) The proposed transfer would cause Landlord to be in violation of another lease or agreement to which Landlord is a party, or would give an occupant of the Building a right to cancel or seek monetary or injunctive relief under its lease;

(vii) The terms of the proposed Transfer will allow the Transferee to exercise any right of renewal, right of expansion, right of first offer, or any other similar right held by Tenant (or will allow the Transferee to occupy space leased by Tenant pursuant to any such right);

(viii) Either the proposed transferee, or any person or entity which directly or indirectly controls, is controlled by, or is under common control with, the proposed Transferee, (1) occupies space in the Building at the time of the request for consent, (2) is negotiating with Landlord to lease space in the Building at such time, or (3) has negotiated with Landlord during the twelve (12) month period immediately preceding the transfer notice and, in each of (1), (2) and (3) above, Landlord has, or reasonably anticipates it will have (based upon its then-current rent rolls and relocation rights), available space in the Building sufficient in size to meet the needs of the transferee; or

(ix) With respect to a Transfer proposed to be entered into during the first year of the Term of this Lease, the Rent proposed to be paid by the Transferee is less than the Rent payable by Tenant under this Lease.

(d) Landlord's Consent. Concurrently with Tenant's delivery of each Transfer Notice, Tenant shall pay Landlord a review fee of \$1,500.00 for Landlord's review of the requested Transfer, regardless of whether consent is granted, and thereafter, Tenant shall be obligated to pay all reasonable costs incurred by Landlord in connection with any requested Transfer, including but not limited to Landlord's attorneys' fees. If Landlord consents to any Transfer pursuant to the terms of this Article 39, Tenant may within six (6) months after Landlord's consent, but not later than the expiration of said six (6) month period, enter into such Transfer of the subject space, upon substantially the same terms and conditions as are set forth in the transfer notice furnished by Tenant to Landlord; provided, however, that if there are any material changes in the terms and conditions from those specified in the Transfer Notice, or if there are any material changes in any of the documentation delivered in connection therewith, (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Article 39, or (ii) which would cause the proposed transfer to be more favorable to the Transferee than the Terms set forth in

Tenant's original Transfer notice, then Tenant shall again submit the transfer to Landlord for its approval or other action under this Article 39.

(e) Transfer Premium. If Landlord consents to any Transfer request and the assignee or subtenant pays to Tenant an amount in excess of the Rent due under this Lease (after deducting Tenant's reasonable, actual expenses in obtaining such assignment or sublease, amortized in equal monthly installments over the then remainder of the Term, such expenses being limited to (i) any Alterations to the subject space made in order to achieve the Transfer, or contributions to the cost thereof and (ii) any commercially reasonable brokerage commissions, reasonable attorneys' fees and reasonable advertising and marketing costs reasonably incurred by Tenant in connection with the transfer) ("**Transfer Premium**"), Tenant shall pay fifty percent (50%) of such Transfer Premium to Landlord as and when the monthly payments are received by Tenant. Any Transfer Premium shall also include, but not be limited to, key money and bonus money paid by the Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixture, inventory, equipment or furniture transferred by Tenant to Transferee in connection with such Transfer.

(f) No Release. No Transfer shall release or discharge Tenant of or from any liability, whether past, present or future, under this Lease, and Tenant shall continue to be fully liable hereunder. Each subtenant or assignee shall agree in a form reasonably satisfactory to Landlord to comply with and be bound by all of the Terms, covenants, conditions, provisions and agreements of this Lease (but, with respect to a subtenant of less than all of the Premises, only to the extent of the subject space), and Tenant shall deliver to Landlord promptly after execution, an executed copy of each such Transfer and an agreement of compliance by each such subtenant or assignee.

(g) Conditions. If Landlord consents to a Transfer, (i) the Terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or any Transferee, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, (v) any assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease, and (vi) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of this Lease from liability under this Lease. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency and Landlord's costs of such audit.

(h) Affiliates. Notwithstanding anything to the contrary contained in this Article 39, Tenant may assign this Lease or sublet the Premises without the need for Landlord's prior consent if such assignment or sublease is to any parent, subsidiary or affiliate business entity which the initially named Tenant controls, is controlled by or is under common control with (each, an "**Affiliate**") provided that: (i) either at least thirty (30) days prior to such assignment or sublease, Tenant delivers to Landlord the financial statements or other financial and background information of the assignee or sublessee as required for other Transfers; (ii) if the Transfer is an assignment, the assignee assumes, in full, the obligations of Tenant under this Lease (or if a sublease, the sublessee of all or any portion of the Premises, for all or any portion of the remaining term assumes, in full, the obligations of Tenant with respect thereto); (iii) the financial audited net worth of the assignee or sublessee as of the time of the proposed Transfer is sufficient for such assignee or sublessee to fulfill its obligations pursuant to such assignment or sublease; (iv) Tenant remains fully liable under this Lease; and (v) the use of the Premises set forth herein remains unchanged. As used in this Article, "control" (including, with its correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies through ownership of at least fifty-one percent (51%) of the securities or partnership or

other ownership interests of the entity subject to control. Any Transfer carried out pursuant to the provisions of this Section 39(h) shall be referred to as a “**Permitted Transfer**”, and the Transferee, a “**Permitted Transferee**”.

(i) **Statutory Waiver.** Tenant hereby waives the provisions of Section 1995.310 of the California Civil Code, and any similar or successor laws, now or hereafter in effect, and all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under applicable law, on behalf of the proposed Transferee.

(j) **Prohibited Transaction.** Notwithstanding anything to the contrary contained in this Article 39, neither Tenant nor any other person having a right to possess, use, or occupy (for convenience, collectively referred to in this subarticle as “**Use**”) the Premises shall enter into any lease, sublease, license, concession or other agreement for Use of all or any portion of the Premises which provides for rental or other payment for such use based, in whole or in part, on the net income or profits derived by any person that leases, possesses, uses, or occupies all or any portion of the Premises (other than an amount based on a fixed percentage or percentages of receipts or sales), and any such purported lease, sublease, license, concession or other agreement shall be absolutely void and ineffective as a Transfer of any right or interest in, or as a grant of the right to Use, all or any part of the Premises.

40. **Sale.** In the event the original Landlord hereunder, or any successor owner of the Building, shall sell or convey the Building, all liabilities and obligations on the part of the original Landlord, or such successor owner, under this Lease accruing thereafter shall terminate, and thereupon all such liabilities and obligations shall be binding upon the new owner. Tenant agrees to attorn to such new owner.

41. **Limitation of Liability.** Landlord’s obligations and liability with respect to this Lease shall be limited solely to the lesser of (a) the interest of Landlord in the Property, or (b) the equity interest Landlord would have in the Property if the Property were encumbered by third party debt in an amount equal to seventy percent (70%) of the value of the Property. Neither Landlord, nor any partner or member of Landlord, or any officer, director, shareholder, or partner or member of any partner or member of Landlord, shall have any individual or personal liability whatsoever with respect to this Lease. Notwithstanding any other provision of this Lease to the contrary, in no event shall Landlord be liable to Tenant for any lost profits, damage to business, or any form of special, indirect or consequential damage on account of any Default or breach by Landlord under this Lease or otherwise.

42. **Broker Disclosure.** The Landlord’s Broker identified in the Basic Lease Provisions has acted as agent for Landlord in this transaction and is to be paid a commission by Landlord pursuant to a separate agreement. The Tenant’s broker identified in the Basic Lease Provisions has acted as agent for Tenant in this transaction and is to be paid its commission out of Landlord’s Broker’s commission pursuant to a separate agreement with Landlord’s Broker. Landlord represents that Landlord has dealt with no other broker other than the broker(s) identified herein. Landlord agrees that, if any other broker makes a claim for a commission based upon the actions of Landlord, Landlord shall indemnify, defend, protect and hold Tenant harmless from any such claim. Tenant represents that Tenant has dealt with no broker other than the broker(s) identified herein. Tenant agrees that, if any other broker makes a claim for a commission based upon the alleged actions of Tenant, Tenant shall indemnify, defend, protect and hold Landlord harmless from any such claim. The indemnity obligations set forth herein shall survive the expiration or any earlier termination of this Lease.

43. **Joint and Several.** If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.

44. **Construction of this Agreement.** No failure of Landlord to exercise any power given Landlord hereunder, or to insist upon strict compliance by Tenant of its obligations hereunder, and no custom or practice of the parties at variance with the Terms hereof shall constitute a waiver of Landlord’s right to demand exact compliance with the Terms hereof. No amendment of this Lease shall be valid unless the same is in writing and signed by the parties. Subject to the provisions of Article 40, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and permitted assigns. This lease

shall be construed in accordance with and governed by the laws of the state of California. Nothing in this Lease creates any relationship between the parties other than that of lessor and lessee and nothing in this Lease constitutes Landlord a partner of Tenant or a joint venturer or member of a common enterprise with Tenant.

45. **Paragraph Titles; Severability.** The paragraph titles used herein are not to be considered a substantive part of this Lease, but merely descriptive aids to identify the respective paragraphs to which they refer. Use of the masculine gender includes the feminine and neuter, and vice versa, where necessary to impart contextual continuity. If any paragraph or provision herein is held invalid by a court of competent jurisdiction, all other paragraphs or severable provisions of this Lease shall not be affected thereby, but shall remain in full force and effect.

46. **Cumulative Rights.** All rights, powers and privileges conferred hereunder upon Landlord shall be cumulative with those available under applicable Law.

47. **Entire Agreement.** This lease contains the entire agreement of the parties and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect.

48. **Submission of Agreement.** Submission of this Lease to Tenant for signature does not constitute an offer, a reservation of space or an option to lease or to acquire a right of entry. This lease is not binding or effective until execution by and delivery to both Landlord and Tenant.

49. **Authority.** If Tenant or Landlord executes this Lease as a corporation, limited partnership, limited liability company or any other type of entity, each of the persons executing this Lease on behalf of Tenant or Landlord, as the case may be, does hereby personally represent that Tenant or Landlord, as the case may be, is a duly organized and validly existing corporation, limited partnership, limited liability company or other type of entity, that Tenant or Landlord, as the case may be, is qualified to do business in the state where the Building is located, that Tenant or Landlord, as the case may be, has full right, power and authority to enter into this Lease, and that each person signing on behalf of Tenant or Landlord, as the case may be, is authorized to do so. In the event any such representation is false, all persons who execute this Lease shall be individually, jointly and severally, liable as Tenant or Landlord, as the case may be. Upon Landlord's or Tenant's request, as the case may be, the requested party shall provide to the requesting party evidence reasonably satisfactory to the requesting party confirming the foregoing representations.

50. **Determination in Good Faith.** Wherever the consent, approval, judgment or determination of Landlord is required or permitted under this Lease, Landlord may exercise its good faith business judgment in granting or withholding such consent or approval or in making such judgment or determination without reference to any extrinsic standard of reasonableness, unless the provision providing for such consent, approval, judgment or determination specifies that Landlord's consent or approval is not to be unreasonably withheld, or that such judgment or determination is to be reasonable, or otherwise specifies the standards under which Landlord may withhold its consent. If it is determined that Landlord failed to give its consent where it was required to do so under this Lease, Tenant shall be entitled to injunctive relief but shall not be entitled to monetary damages or to terminate this Lease for such failure.

51. **Open-Ceiling Plan.** If any portion of the Premises is, as a part of Tenant's initial Tenant improvements or any subsequent Alterations, designed with an "open ceiling plan", Tenant acknowledges that Landlord and third parties leasing or otherwise using/managing or servicing space on the floor immediately above such portion of the Premises shall have the right to install, maintain, repair and replace mechanical, electrical and plumbing fixtures, devices, piping, ductwork and other improvements through the floor above the Premises (which may, as a consequence, penetrate through the open ceiling of the Premises and be visible within the Premises both during the course of construction and upon completion thereof) (as applicable, the "**Penetrating Work**"). Moreover, there shall be no obligation by Landlord or any such third party to enclose or otherwise screen any of such Penetrating Work from view within the Premises, whether during the course of construction or upon completion thereof. If Tenant is anticipated to be in occupancy of the affected area of the Premises at the time when any

Penetrating Work is being performed, Landlord agrees that it shall (and shall cause third parties to) use commercially Reasonable Efforts to perform the Penetrating Work in a manner so as to attempt to minimize interference with Tenant's use of the Premises; provided, however, such Penetrating Work may be performed during normal business hours, without any obligation to pay overtime or other premiums (provided, however, that (x) if it is the normal practice of owners of Comparable Buildings, as well as Landlord, to perform any component of such Penetrating Work on an "after hours" basis in order to minimize disturbance to building occupants, Landlord will similarly perform [or require such other Tenant(s) to similarly perform], such Penetrating Work, or component thereof, on an "after hours" basis and (y) if clause (x) immediately preceding does not apply to all or any portion of the Penetrating Work, but Tenant is willing to reimburse Landlord for additional costs incurred by Landlord for the rescheduling of one or more components of the Penetrating Work so as to be performed on an "after hours" basis, Landlord will not unreasonably withhold its consent to the performance of such work on an "after hours" basis). Tenant acknowledges that, notwithstanding Tenant's occupancy of the Premises during the performance of any such Penetrating Work, the performance of such Penetrating Work in compliance with this Article 51 shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of rent. Neither Landlord nor any of the Landlord parties or any third parties performing the Penetrating Work shall be responsible for any direct or indirect injury to or interference with Tenant's business arising from the performance of such Penetrating Work in compliance with this Article 51, nor shall Tenant be entitled to any compensation or damages from Landlord or any of the Landlord parties or any third parties performing the Penetrating Work for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the performance of the Penetrating Work in compliance with this Article 51, or for any inconvenience or annoyance occasioned by the Penetrating Work in compliance with this Article 51. In addition, Tenant hereby agrees to reasonably cooperate with Landlord and any of the third parties performing the Penetrating Work in order to facilitate the applicable party's performance of the particular Penetrating Work in an efficient and timely manner.

52. **Asbestos Notification.** Tenant acknowledges that Tenant has received the asbestos notification letter attached to this Lease as Exhibit G hereto, disclosing the existence of Asbestos in the Building. As part of Tenant's obligations under this Lease, Tenant agrees to comply with the California "Connelly Act" and other applicable laws, including providing copies of Landlord's asbestos notification letter to all of Tenant's "employees" and "owners," as those terms are defined in the Connelly Act and other applicable Laws.

53. **OFAC and Anti-Money Laundering Compliance Certifications.** Tenant hereby represents, certifies and warrants to Landlord as follows: (i) Tenant is not named and is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any executive order, including without limitation executive order 13224, or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enacted, enforced or administered by the office of foreign assets control ("OFAC"); (ii) Tenant is not engaged in this transaction, directly or indirectly, for or on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation; and (iii) none of the proceeds used to pay rent have been or will be derived from a "specified unlawful activity" as defined in, and Tenant is not otherwise in violation of, the Money Laundering Control Act of 1986, as amended, or any other applicable laws regarding money laundering activities. Furthermore, Tenant agrees to immediately notify Landlord if Tenant was, is, or in the future becomes, a "senior foreign political figure" or an immediate family member or close associate of a "senior foreign political figure," within the meaning of Section 312 of the USA PATRIOT Act of 2001, as the same may be amended from time to time. Notwithstanding anything in this Lease to the contrary, Tenant understands that this Lease is a continuing transaction and that the foregoing representations, certifications and warranties are ongoing and shall be and remain true and in force on the date hereof and throughout the Term of this Lease and that any breach thereof shall be a Default (not subject to any notice or cure rights) giving rise to any and all Landlord remedies hereunder, and Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, fines, penalties, forfeitures and expenses (including without limitation costs and attorneys' fees) arising from or related to any breach of the foregoing representations, certifications and warranties.

54. **Civil Code Section 1938.** The premises have not undergone an inspection by a certified access specialist (CASP). This notice is given pursuant to California Civil Code Section 1938.

55. **Energy Disclosure.** Tenant agrees to cooperate with Landlord's energy consumption disclosure requirements under California's nonresidential building energy use disclosure program and with the requirements under any other existing or future energy conservation or sustainability programs applicable to the Building, including without limitation those of the U.S. Green Building Council's LEED Rating System, or which may be imposed on Landlord by law. Tenant shall promptly and in no event later than within five (5) business days after receipt of Landlord's written request therefor, provide any and all written consents to utility companies providing services to the Building required to authorize such utility companies to release energy usage data for the Premises to the EPA's ENERGY STAR® program Portfolio Manager website for use by the Landlord, or to such other sites or parties as required for the Landlord's compliance with the applicable program.

56. **LEED Certification.** The parties acknowledge that the Building is currently certified under the U.S. Green Building Council's LEED Rating System ("**LEED Certification**"). Tenant may, at Tenant's sole cost and expense, obtain LEED Certification for the Premises. Landlord shall use commercially Reasonable Efforts to cooperate with Tenant in obtaining LEED Certification for the Premises, and the actual costs incurred by Landlord in providing such cooperation shall be reimbursed by Tenant within ten (10) days after notice specifying such costs.

57. **Disability Access.** [OMITTED]

58. **Financial Statements.** At any time during the Term of this Lease, but not more than once in any twelve (12) month period (except in the case of a proposed financing or sale of building, a Default on the part of Tenant, or a proposed permitted Transfer by Tenant), Tenant shall, upon ten (10) business days prior written notice from Landlord, provide Landlord with a current financial statement and financial statements of the two (2) years prior to the current financial statement year. Such statements shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. Landlord shall keep such financial information confidential and shall only disclose such information to Landlord's lenders, consultants, Purchasers or investors, or other agents (who shall be subject to the same confidentiality obligations) on a need to know basis in connection with the administration of this Lease.

59. **Counterparts; Telecopied or Electronic Signatures.** This lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. In order to expedite the transaction contemplated herein, telecopied signatures or signatures transmitted by electronic mail in so-called "pdf" format may be used in place of original signatures on this Lease. Landlord and Tenant intend to be bound by the signatures on the telecopied or e-mailed document, are aware that the other party will rely on the telecopied or e-mailed signatures, and hereby waive any defenses to the enforcement of the Terms of this Lease based on such telecopied or e-mailed signatures. Promptly following request by either party, the other party shall provide the requesting party with original signatures on this Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this instrument as of the Effective Date.

LANDLORD:

50 BEALE STREET LLC
A Delaware Limited Liability Company

By: 50 BEALE INC., its managing member

By: /s/ Jolanta K. Bott

Jolanta K. Bott

Vice President

TENANT:

MAPLEBEAR, INC.,
A Delaware corporation, d/b/a Instacart

By: /s/ Ashok Sundar

Print name: Ashok Sundar

Its: Head of Finance

By: /s/ Apoorva Mehta

Print name: Apoorva Mehta

Its: CEO/Treasurer/Secretary

Tenant's Federal Tax I.D. Number ____

EXHIBIT "A-1"

PREMISES - SUITE 100

A-1-1

EXHIBIT "A-2"

PREMISES - SUITE 600

A-2-1

EXHIBIT "A-3"

PREMISES – SUITE 1100

A-3-1

EXHIBIT "A-4"

EXPANSION SPACE - SUITE 700

A-4-1

EXHIBIT “A-5”

EXPANSION SPACE – SUITE 1000

A-5-1

EXHIBIT "B"

WORK AGREEMENT

THIS WORK AGREEMENT (this "**Work Agreement**") is attached to and made a part of that certain lease (the "**Lease**") between **50 BEALE STREET LLC**, a Delaware limited liability company ("**Landlord**"), and **MAPLEBEAR, INC.**, a Delaware corporation d/b/a Instacart ("**Tenant**"). All capitalized terms used but not defined herein shall have the respective meanings given such terms in the lease. This work agreement sets forth the Terms and conditions relating to the construction of Tenant improvements (defined below) in the Premises.

SECTION 1
ALLOWANCE

1.1 Allowance. Tenant shall be entitled to an improvement allowance (the "**Allowance**") in an amount not to exceed (i) \$65.00 per rentable square foot of Suite 100 (i.e., \$72,150); (ii) \$65.00 per rentable square foot of Suite 600 (i.e., \$1,827,410.00); and (iii) \$70.00 per rentable square foot of Suite 1100 (i.e., \$2,049,600.00) for the costs relating to the design and construction of improvements which are permanently affixed to the Premises (the "**Tenant Improvements**"). Tenant may allocate a portion of the Allowance attributable to any Suite towards the costs of allowance items in another Suite, provided that in no event may Tenant allocate more than \$5.00 per rentable square foot of any allowance applicable to a particular Suite to allowance items applicable to any other Suite or Suites. Separate from the allowance, Landlord will provide Tenant with up to \$7,000 to be applied towards the cost of preparing Tenant's space plan (defined below) (the "**Space Plan Allowance**"). Except as set forth in Section 3.3 below and for the performance of Landlord's work, in no event will Landlord be obligated to make disbursements or incur costs pursuant to this work agreement in a total amount which exceeds the allowance and the Space Plan Allowance. Tenant must complete all Tenant improvements and have submitted payment request supporting documentation (defined below) for such work no later than December 31, 2016 in order to be entitled to receive the Allowance for such work.

1.2 Allowance Items. The allowance may be applied to reimburse Tenant for the following items and costs (collectively, the "**Allowance Items**");

- (i) costs related to the design and construction of the Tenant improvements, including the cost of permits (defined below) and the payment of plan check and license fees;
- (ii) payment of the fees of the architect and the Building Consultants (as such terms are defined below), and payment of the fees incurred by, and the cost of documents and materials supplied by, Landlord and Landlord's consultants in connection with the preparation and review of the Construction Drawings (as defined below);
- (iii) the cost of any changes in the Building when such changes are required by the Construction Drawings, such cost to include all architectural and engineering fees and expenses incurred in connection therewith;
- (iv) the cost of any changes to the construction drawings or the Tenant improvements required by applicable building codes (collectively, "**Code**"); and
- (v) the Supervision Fee (defined below).

(a) Disbursement of Allowance. Tenant expressly acknowledges that it is the intent of the parties that Tenant will initially fund all cost of design, permitting and construction of Tenant improvements. Following the final completion of construction of the Tenant improvements, Tenant shall deliver to Landlord: (A) invoices from all of Tenant's Agents (defined below), including contractor (defined below) for labor rendered and materials delivered to the Premises; and (B) executed unconditional mechanic's lien releases from all of Tenant's agents who have lien rights (collectively, the "**Payment Request Supporting Documentation**"). Provided that (A)

Landlord has determined in good faith that no substandard work exists which adversely affects the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other Tenant's use of such other Tenant's leased premises in the Building; (B) architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Tenant improvements has been finally completed; (C) Tenant supplies Landlord with evidence that all governmental approvals required for Tenant to legally occupy the Premises have been obtained; and (D) Tenant has fulfilled its Completion Obligations (defined below) and has otherwise complied with Landlord's standard "close-out" requirements regarding city approvals, closeout tasks, closeout documentation regarding the general contractor, financial close-out matters, and Tenant's vendors, Landlord shall deliver to Tenant a check made payable to Tenant, or a check or checks made payable to another party or parties as reasonably requested by Tenant, in the amount of the allowance (or, if less, the amount of all allowance items described in Tenant's payment request supporting documentation), within thirty (30) days thereafter.

SECTION 2

CONSTRUCTION DRAWINGS

2.1 Selection of Architect; Construction Drawings. Tenant shall retain design blitz (the "**Architect**") to prepare the construction drawings. For any additional work required to be performed with respect to the construction drawings, Tenant shall retain the engineering consultants designated by Landlord listed below (the "**Building Consultants**");

MEP:	United Mechanical Incorporation ("UMI")
Electrical:	West Coast Electric
Plumbing:	Emcor Services
Air Balancing:	RSA (RS Analysis)
Life Safety:	Pacific Auxiliary Fire Alarm Co.
Structural:	River Consulting Group, Inc.
Sprinkler:	RLH Fire Protection
Riser Management:	IMG Technologies, Inc.

If any of the MEP work will be performed on a design-build basis, Tenant will not be required to retain UMI As the Building consultant, provided that Landlord will reserve the right to require that UMI Peer-review the MEP plans of the resulting work, the cost of which will be deducted from the allowance. The plans and drawings to be prepared by Architect and the Building Consultants hereunder (i.e., both the Space Plan and the Working Drawings, as each term is defined below) shall be known collectively as the "**Construction Drawings**." All Construction Drawings shall comply with the drawing format and specifications determined or approved by Landlord and shall be subject to Landlord's prior written approval, not to be unreasonably withheld, conditioned or delayed. Landlord's review of the Construction Drawings shall be for its sole purpose and shall not obligate Landlord to review the same, for quality, design, code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed by Landlord or its space planner, architect, engineers and consultants, and notwithstanding any advice or assistance which may be rendered to Tenant by Landlord or Landlord's space planner, architect, engineers, and consultants, Landlord shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings.

2.2 Space Plan. Tenant shall supply Landlord for Landlord's review and approval with four (4) copies signed by Tenant of its space plan for the Premises (the "**Space Plan**") before any architectural working drawings or engineering drawings have been commenced. The Space Plan shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein. Landlord may request clarification or more specific drawings for special use items not included in the Space Plan. Landlord shall advise

Tenant within five (5) business days after Landlord's receipt of the Space Plan (or, if applicable, such additional information requested by Landlord pursuant to the provisions of the immediately preceding sentence) if the same is approved or is unsatisfactory or incomplete in any respect. If Tenant is so advised, Tenant shall promptly cause the Space Plan to be revised to correct any deficiencies or other matters Landlord may reasonably require.

2.3 Working Drawings. After the Space Plan has been approved by Landlord, Tenant shall supply the architect and the Building consultants with a complete listing of standard and non-standard equipment and specifications, including, without limitation, B.T.U. calculations, electrical requirements and special electrical receptacle requirements for the Premises, to enable the architect and the Building consultants to complete the working drawings and shall cause the architect and the Building consultants to promptly complete the architectural and engineering drawings for the Premises, and architect shall compile a fully coordinated set of architectural, structural, mechanical, electrical and plumbing working drawings in a form which is complete to allow subcontractors to bid on the work and to obtain all applicable permits (collectively, the "**Working Drawings**") and shall submit the same to Landlord for Landlord's review and approval. Tenant shall supply Landlord with four (4) copies signed by Tenant of the working drawings. Landlord shall advise Tenant within ten (10) business days after Landlord's receipt of the working drawings if Landlord, in good faith, determines that the same are approved or are unsatisfactory or incomplete. If Tenant is so advised, Tenant shall promptly revise the working drawings to correct any deficiencies or other matters Landlord may reasonably require.

2.4 Landlord's Approval. Landlord's approval of any matter under this work agreement may be withheld if Landlord reasonably determines that the same would violate any provision of the lease or this work agreement or would adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other Tenant's use of such other Tenant's leased premises in the Building.

SECTION 3

CONSTRUCTION OF THE TENANT IMPROVEMENTS

3.1 Tenant's Selection of Contractors.

(a) The Contractor. A general contractor selected by Tenant and approved in writing by Landlord, which approval shall not be unreasonably withheld or delayed (provided that Tenant expressly acknowledges that it shall be deemed reasonable for Landlord to withhold its consent to any contractor who is not union Affiliated) ("**Contractor**") shall be retained by Tenant to construct the Tenant improvements.

(b) Tenant's Agents. All subcontractors, laborers, materialmen, and suppliers used by Tenant (such subcontractors, laborers, materialmen, and suppliers, and the Contractor to be known collectively as "**Tenant's Agents**") must be approved in writing by Landlord, in Landlord's sole discretion (Landlord will approve or disapprove Tenant's agents within fifteen (15) business days following Tenant's written request). All of Tenant's agents shall be licensed in the State of California, capable of being bonded and union-Affiliated in compliance with all then existing master labor agreements.

3.2 Construction of Tenant Improvements by Tenant's Agents.

(a) Construction Contract. Tenant's construction contract and general conditions with Contractor (the "**Contract**") shall comply with all relevant provisions of this work agreement. Prior to the commencement of the construction of the Tenant improvements, Tenant shall provide Landlord with a schedule of values consisting of a detailed breakdown, by trade, of the final costs to be incurred or which have been incurred, for all allowance items in connection with the design and construction of the Tenant Improvements, which costs form the basis for the amount of the contract.

(b) Construction Requirement.

(i) Landlord's General Conditions for Tenant's Agents and Tenant Improvement Work. Construction of the Tenant improvements shall comply with the following: (a) the Tenant improvements shall be constructed in strict accordance with the Approved Working Drawings and Landlord's then-current published construction guidelines; (b) Tenant's agents shall submit schedules of all work relating to the Tenant improvements to Landlord and Landlord shall, within three (3) business days of receipt thereof, inform Tenant's agents of any Changes which are necessary thereto, and Tenant's agents shall adhere to such corrected schedule; and (c) Tenant shall abide by all rules made by Landlord's building manager with respect to the use of freight, loading dock and service elevators, any required shutdown of utilities (including life-safety systems), storage of materials, coordination of work with the Contractors of Landlord or other Tenants, and any other matter in connection with this work agreement, including, without limitation, the construction of the Tenant Improvements.

(ii) Indemnity. Tenant's indemnity of Landlord as set forth in the lease shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to any act or omission of Tenant or Tenant's Agents, or anyone directly or indirectly employed by any of them, or in connection with Tenant's non-payment of any amount arising out of the Tenant Improvements and/or Tenant's disapproval of all or any portion of any request for payment. Such indemnity by Tenant, as set forth in the lease, shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to Landlord's performance of any ministerial acts reasonably necessary (a) to permit Tenant to complete the Tenant Improvements, and (b) to enable Tenant to obtain any building permit or certificate of occupancy for the Premises.

(iii) Requirements of Tenant's Agents. Each of Tenant's Agents shall guarantee to Tenant and for the benefit of Landlord that the portion of the Tenant Improvements for which it is responsible shall be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of completion thereof. Each of Tenant's Agents shall be responsible for the replacement or repair, without additional charge, of all work done or furnished in accordance with its contract that shall become defective within one (1) year after the completion of the work performed by such Contractor or subcontractor. The correction of such work shall include, without additional charge, all additional expenses and damages incurred in connection with the removal or replacement of all or any part of the Tenant Improvements, and/or the Building and/or common areas that are damaged or disturbed thereby. All such warranties or guarantees as to materials or workmanship of or with respect to the Tenant Improvements shall be contained in the contract or subcontract and shall be written such that such guarantees or warranties shall inure to the benefit of both Landlord and Tenant, as their respective interests may appear, and can be directly enforced by either. Tenant covenants to give to Landlord any assignment or other assurances as may be necessary to effect such right of direct enforcement.

(c) Insurance Requirements.

(i) General Coverages. All of Tenant's Agents shall carry employer's liability and worker's compensation insurance covering all of their respective employees, and shall also carry commercial general liability insurance, including personal and bodily injury, property damage and completed operations liability, all with limits, in form and with companies as are required to be carried by Tenant as set forth in the lease.

(ii) Special Coverages. Tenant or Contractor shall carry "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of the Tenant Improvements, and such other insurance as Landlord may require, it being understood and agreed that the Tenant Improvements shall be insured by Tenant pursuant to the lease immediately upon completion thereof. Such insurance shall be in amounts and shall include such extended coverage endorsements as may be reasonably required by Landlord, and shall be in form and with companies as are required to be carried by Tenant as set forth in the lease.

(iii) General Terms. Certificates for all of the foregoing insurance coverage shall be delivered to Landlord before the commencement of construction of the Tenant Improvements and before the Contractor's equipment is moved onto the site. All such policies of insurance must contain a provision that the company writing said policy will endeavor to give Landlord thirty (30) days' prior written notice of any cancellation of such insurance. In the event that the Tenant Improvements are damaged by any cause during the course of the construction thereof, Tenant shall immediately repair the same at Tenant's sole cost and expense. Tenant's Agents

shall maintain all of the foregoing insurance coverage in force until the Tenant Improvements are fully completed and accepted by Landlord, except for any products and completed operations coverage insurance required by Landlord, which is to be maintained for one (1) year following completion of the work and acceptance by Landlord and Tenant. All policies carried hereunder shall insure Landlord and Tenant, as their interests may appear, as well as Tenant's Agents. All insurance, except Workers' Compensation, maintained by Tenant's Agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance as respects Landlord and Tenant and that any other insurance maintained by Landlord or Tenant is excess and noncontributing with the insurance required hereunder. The requirements for the foregoing insurance shall not derogate from the provisions for indemnification of Landlord by Tenant under the lease and/or this Work Agreement.

(d) Supervision Fee. Landlord shall supervise the construction by Contractor, and Tenant shall pay to Landlord a construction supervision and management fee (the "**Supervision Fee**") in an amount equal to \$1.00 per rentable square foot in the Premises (i.e., \$58,504.00). This Supervision Fee shall be in lieu of and not in addition to the supervision fee set forth in Article 20 of the Lease.

(e) Governmental Compliance. The Tenant Improvements shall comply in all respects with the following: (i) the code and other federal, state, city and/or quasi-governmental laws, codes, ordinances and regulations, as each may apply according to the rulings of the controlling public official, agent or other person or entity; (ii) applicable standards of the American Insurance Association (formerly, the National Board of Fire Underwriters) and the National Electrical Code; and (iii) building material manufacturer's specifications.

(f) Inspection by Landlord. Landlord shall have the right to inspect the Tenant Improvements at all times, provided however, that Landlord's failure to inspect the Tenant Improvements shall in no event constitute a waiver of any of Landlord's rights hereunder nor shall Landlord's inspection of the Tenant Improvements constitute Landlord's approval of the same. Should Landlord disapprove any portion of the Tenant Improvements, Landlord shall notify Tenant in writing of such disapproval and shall specify the items disapproved. Any defects or deviations in, and/or disapproval by Landlord of, the Tenant Improvements shall be rectified by Tenant at no expense to Landlord, provided however, that in the event Landlord determines that a defect or deviation exists or disapproves of any matter in connection with any portion of the Tenant Improvements and such defect, deviation or matter might adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning or life-safety systems of the Building, the structure or exterior appearance of the Building or any other Tenant's use of such other Tenant's leased premises, Landlord may take such action as Landlord deems necessary, at Tenant's expense and without incurring any liability on Landlord's part, to correct any such defect, deviation and/or matter, including, without limitation, causing the cessation of performance of the construction of the Tenant Improvements until such time as the defect, deviation and/or matter is corrected to Landlord's satisfaction.

(g) Meetings. Tenant shall hold periodic meetings at a reasonable time with the Architect and the Contractor regarding the progress of the preparation of the Construction Drawings and the construction of the Tenant Improvements, which meetings shall be held at a location designated or reasonably approved by Landlord, and Landlord and/or its agents shall receive prior written notice of, and shall have the right to attend, all such meetings. Upon Landlord's request, certain of Tenant's Agents shall attend such meetings. In addition, minutes shall be taken at all such meetings, and Landlord will be included in the distribution list for such minutes. One such meeting each month shall include the review of Contractor's current request for payment.

3.3 Path of Travel. Landlord, at Landlord's sole cost and expense (without deduction from the allowance), shall perform all work necessary, using building-standard plans and finishes, so as to cause the path of travel to the floor on which the Premises are located to comply with the Americans With Disabilities Act, Title 24 and corresponding state law provisions regarding accessibility in effect and as interpreted as of the Effective Date (but not with respect to additional accessibility requirements, if any, arising from Tenant's particular employees or Tenant's particular use constituting a place of public accommodation or any other non-office use by Tenant or the occupancy by Tenant of a portion of the Premises) at a density which is greater than the Standard Density). Tenant shall be responsible for any Alterations, additions or improvements required by law to be made to or in the Premises or the Building as a result of Tenant's proposed Tenant Improvements or, in accordance with Section 11(a) of the

lease, subsequent Alterations. Landlord will additionally provide Tenant with necessary path of travel drawings for the portion of the Property located outside of the Premises.

3.4 Notice of Completion; Copy of Record Set of Plans. Within fifteen (15) days after completion of construction of the Tenant Improvements, Tenant shall cause a notice of completion to be recorded in the office of the recorder of San Francisco County shall furnish a copy thereof to Landlord upon such recordation, and shall timely give all notices required pursuant to the California Civil Code. If Tenant fails to do so, Landlord may execute and file such notice of completion and give such notices on behalf of Tenant as Tenant's agent for such purpose, at Tenant's sole cost and expense. Within thirty (30) days following the completion of construction, (i) Tenant shall cause the Architect and Contractor (a) to update the Approved Working Drawings as necessary to reflect all changes made to the Approved Working Drawings during the course of construction, (b) to certify to the best of their knowledge that the updated drawings are true and correct, which certification shall survive the expiration or termination of the lease, and (c) to deliver to Landlord such updated drawings in accordance with Landlord's then-current cad requirements, and (ii) Tenant shall deliver to Landlord a copy of all warranties, guaranties, and operating manuals and information relating to the improvements, equipment, and systems in the Premises. Tenant's obligations set forth in this Section are collectively referred to as the "**Completion Obligations.**"

SECTION 4

LANDLORD DELAY

As used herein, "**Landlord Delay**" shall mean an actual delay in the substantive completion of the Tenant Improvements in any Suite resulting from (i) failure of Landlord to timely approve or disapprove any Construction Drawings; (ii) unreasonable and material interference by Landlord, its employees, agents or Contractors with the completion of the Tenant Improvements; or (iii) delays due to the acts or failures to act of Landlord, its agents or Contractors with respect to payment of the allowance. If Tenant contends that a Landlord delay has occurred, Tenant shall notify Landlord in writing (the "**Delay Notice**") of the event which constitutes such Landlord delay. If the actions or inactions or circumstances described in the delay notice qualify as a Landlord delay (such notice may be delivered via electronic mail to Landlord's construction representative identified below, with a copy to), and are not cured by Landlord within two (2) business days after Landlord's receipt of the delay notice, then a potential Landlord delay shall be deemed to have occurred commencing as of the expiration of such two (2) business day period. Notwithstanding the foregoing to the contrary, Tenant will, in any event, use Reasonable Efforts to mitigate the effect of any potential Landlord delay by re-scheduling or re-sequencing work, as and to the extent feasible (provided that Tenant will not be required to incur overtime or after-hours charges in such efforts unless Landlord agrees to bear the cost of such overtime or after-hours charges). However, if and to the extent that Landlord satisfied any timing requirement set forth in this work agreement by acting or responding, as the case may be, one (i) or more days' prior to the scheduled date set forth herein for such action or response (each, a "**Schedule Saving Day**"), then any aggregate Landlord delay described in above shall first be offset against and reduced on a day-for-day basis by the aggregate number of schedule saving days. If and to the extent that the substantial completion of the Tenant Improvements in any Suite is delayed due to any Landlord delay, then the Rent Commencement Date for the applicable Suite (or, in the case of 600 spear, the anticipated Rent Commencement Date) shall be delayed on a day-for-day basis for each such day that such work is so delayed by Landlord delay), after accounting for any schedule saving day(s).

SECTION 5

MISCELLANEOUS

5.1 Tenant's Representative. Tenant has designated Alex Holton as its sole representative with respect to the matters set forth in this work agreement, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of Tenant as required in this work agreement.

5.2 Landlord's Representative. Landlord has designated Christine Mann as its sole representative with respect to the matters set forth in this work agreement, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of Landlord as required in this work agreement.

5.3 Tenant's Agents. All Contractors, subcontractors, laborers, materialmen, vendors and suppliers retained by or through Tenant shall be union labor in compliance with the then existing master labor agreements.

5.4 Time of the Essence in This Work Agreement. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days. In all instances where Tenant is required to approve or deliver an item, if no written notice of approval is given or the item is not delivered within the stated time period, at Landlord's sole option, at the end of such period the item shall automatically be deemed approved or delivered by Tenant and the next succeeding time period shall commence.

5.5 Tenant's Lease Default. Notwithstanding any provision to the contrary contained in the lease, if a Default by Tenant under the lease (including, without limitation, any Default by Tenant under this work agreement) has occurred at any time on or before the substantial completion of the Tenant Improvements, then (i) in addition to all other rights and remedies granted to Landlord pursuant to the lease, Landlord shall have the right to withhold payment of all or any portion of the Allowance and/or Landlord may cause Contractor to cease the construction of the Tenant Improvements, and (ii) all other obligations of Landlord under the Terms of this work agreement shall be forgiven until such time as such Default is cured pursuant to the Terms of the lease. Any delay in the Substantial Completion of the Tenant Improvements caused by the exercise of Landlord's rights pursuant to this Section shall be a Tenant Delay.

5.6 Freight Elevators. Landlord shall, consistent with its obligations to other Tenants of the Building, make the freight elevator reasonably available to Tenant without cost in connection with Tenant's initial decorating, furnishing and moving into the Premises and, at the Expiration Date moving out of the Premises (provided that with respect to Tenant's move-out, if Landlord is required to pay for a separate elevator security guard for such usage and/or pay overtime or "after-hours" overtime rates for any elevator operator, Tenant will bear such costs).

EXHIBIT "C"

COMMENCEMENT LETTER

Date _____

Re: Lease dated as of _____, by and between **50 BEALE STREET LLC**, as Landlord, and _____, as Tenant, for 65,479 rentable square feet on the ground floor, sixth (6th) floor, and eleventh (11th) floors of the Building located at 50 Beale Street, San Francisco, California.

Dear _____:

In accordance with the Terms and conditions of the above referenced lease, Tenant accepts possession of the Premises and agrees:

1. 1. The Initial Premises delivery date is _____;
2. The Initial Premises Rent Commencement Date is _____;
3. The Delivery Date for Suite 100 is _____, _____;
4. The Suite 100 Rent Commencement Date is _____, _____;
5. The Abatement Period for the Initial Premises is the period commencing on _____, _____ and expiring on _____, _____;
6. The Expiration Date is _____; and
7. The schedule of Base Rent payable for the Premises is as follows: **[TO BE ADDED]**

Please acknowledge your acceptance of possession and agreement to the terms set forth above by signing all 3 counterparts of this commencement letter in the space provided and returning 2 fully executed counterparts to my attention.

Sincerely,

Property Manager

Agreed and Accepted:

Tenant: _____

By: [EXHIBIT - - DO NOT SIGN]

Name: _____

Title: _____

EXHIBIT "D"

RULES AND REGULATIONS

1. The sidewalks, entry passages, corridors, halls, elevators and stairways shall not be obstructed by Tenant or used for any purpose other than that of ingress and egress. The floors, skylights and windows that reflect or admit light into any place in the Building shall not be covered or obstructed by Tenant. The toilets, drains and other water apparatus shall not be used for any other purpose than those for which they were constructed and no rubbish or other obstructing substances shall be thrown therein.
2. No advertisement, signs, pictures, placards or other notice shall be inscribed, painted or affixed on any part of the outside or inside of the Building, except upon the doors, and of such order, size and style, and at such places, as shall be approved and designated by Landlord. Interior signs on doors will be ordered for Tenant by Landlord, the cost thereof to be charged to and paid for by Tenant.
3. Tenant shall not do or permit to be done in the Premises, or bring or keep anything therein, which shall in any way increase the rate of insurance carried by Landlord on the Building, or on the Property, or obstruct or interfere with the rights of other Tenants or in any way injure or annoy them, or violate any applicable laws, codes or regulations. Tenant, its agents, employees or invitees shall maintain order in the Premises and the Building, shall not make or permit any improper noise in the Premises or the Building or interfere in any way with other Tenants, or those having business with them. Nothing shall be thrown by Tenant, its clerks or servants, out of the windows or doors, or down the passages or skylights of the Building. No rooms shall be occupied or used as sleeping or lodging apartments at any time. No part of the Building shall be used or in any way appropriated for gambling, immoral or other unlawful practices, and no intoxicating liquor or liquors shall be sold in the Building.
4. Tenant shall not employ any persons other than the janitors of Landlord (who will be provided with pass-keys into the offices) for the purpose of cleaning or taking charge of the Premises, except as may be specifically provided otherwise in the Lease.
5. No animals, birds, bicycles or other vehicles shall be allowed in the offices, halls, corridors, elevators or elsewhere in the Building, without the approval of Landlord.
6. No painting shall be done, nor shall any Alterations be made to any part of the Building or the Premises by putting up or changing any partitions, doors or windows, nor shall there be any nailing, boring or screwing into the woodwork or plastering, nor shall any connection be made in the electric wires or gas or electric fixtures, without the consent in writing on each occasion of Landlord. All glass, locks and trimmings in or upon the doors and windows of the Building shall be kept whole and, when any part thereof shall be broken by Tenant or Tenant's agent, the same shall be immediately replaced or repaired by Tenant (subject to Tenant's compliance with Article 21 of the Lease) and put in order under the direction and to the satisfaction of Landlord, or its agents, and shall be kept whole and in good repair. Tenant shall not injure, overload, or deface the Building, the woodwork or the walls of the Premises, nor carry on upon the Premises any noxious, noisy or offensive business.
7. Two (2) keys will be furnished Tenant without charge. No additional locks or latches shall be put upon any door and no locks shall be changed without the written consent of Landlord. Tenant, at the termination of the Lease, shall return to Landlord all keys to doors in the Building. Tenant shall not alter locks or install new locks without approval from Landlord.
8. Landlord in all cases retains the power to prescribe the weight and position of iron safes or other heavy articles. Tenant shall make arrangements with the superintendent of the Building when the elevator is required for the purpose of the carrying of any kind of freight.
9. The use of burning fluid, camphene, benzine, kerosene or anything except gas or electricity, for lighting the Premises, is prohibited. No offensive gases or liquids will be permitted.

10. If Tenant desires blinds, coverings or drapes over the windows, they must be of such shape, color and material as may be prescribed by Landlord, and shall be erected only with Landlord's consent and at the expense of Tenant. No awnings shall be placed on the Building. Window covering shall be closed when the effect of sunlight would impose unnecessary loads on the air conditioning system.

11. All wiring and cabling work shall be done only by Contractors approved in advance by Landlord and Landlord shall have the right to have all such work supervised by building engineering/maintenance personnel. No antenna or cabling shall be installed on the roof or exterior walls of the Building.

12. At Landlord's discretion, Landlord may hire security personnel for the Building, and every person entering or leaving the Building may be questioned by such personnel as to the visitor's business in the Building and shall sign his or her name on a form provided by the Building for so registering such persons. Landlord shall have no liability with respect to breaches of the Building security, if any.

13. Landlord shall have the right, exercisable without notice and without liability to Tenant, to change the name or street address of the Building or the room or suite number of the Premises.

14. The freight elevator shall be available for use by all tenants in the Building subject to such reasonable scheduling as Landlord in its discretion shall deem appropriate. The persons employed to move such equipment in or out of the Building must be acceptable to Landlord and any costs incurred by Landlord shall be reimbursed by Tenant.

15. Canvassing, peddling, soliciting and distribution of handbills or any other written materials in the Building are prohibited and each Tenant shall cooperate to prevent the same.

16. Each tenant shall ensure that all doors to its premises are locked and all water faucets or apparatus and office equipment are shut off before the Tenant or its employees leave such premises at night. On multiple tenancy floors, all Tenants shall keep the doors to the Building corridors closed at all times except for ingress and egress.

17. The toilets, urinals, wash bowls and other restroom facilities shall not be used for any purpose other than for which they were constructed, no foreign substance of any kind whatsoever may be thrown therein and the expense of any breakage, stoppage or damage resulting from a violation of this rule shall be borne by the tenant who, or whose employees or invitees, shall have caused it.

18. Each tenant shall store its refuse within its premises. No material shall be placed in the refuse boxes or receptacles if such material is of such a nature that it may not be disposed of in the ordinary and customary manner of removal without being in violation of any law or ordinance governing such disposal.

19. Landlord reserves the right to make such other and reasonable rules and regulations as in its judgment may from time to time be needed for the safety, care and cleanliness of the Building and for the preservation of good order therein.

EXHIBIT "E"

ASBESTOS NOTIFICATION

This Exhibit is attached to and made a part of the lease by and between **50 BEALE STREET LLC**, a Delaware limited liability company ("**Landlord**"), and **MAPLEBEAR, INC.**, a Delaware corporation d/b/a Instacart ("**Tenant**"), for space in the Building located at 50 Beale Street, San Francisco, California.

As you may know, asbestos, because of its insulating and fire-resistant properties, was historically used in some construction materials. California's Connelly Act, as well as federal osha and some other California rules, now require building owners and Landlords to make certain notifications regarding known asbestos-containing materials ("**ACM**") and presumed ACMs ("**PACM**"). PACM consists of certain older construction materials that commonly contained asbestos. This Exhibit is designed to provide you with the required ACM and PACM notifications.

ACM

Our asbestos survey(s) for the Building did note the presence, location or quantity of ACM in the Building as follows: vinyl floor tile, linoleum sheeting, built-up roofing material, associated tar and transite paneling located on the cooling towers, and rope sealant around duct penetrations.

PACM

PACM consists of thermal system insulation and surfacing material found in buildings constructed prior to 1981, and asphalt or vinyl flooring installed prior to 1981. "**Surfacing material**" means material that is sprayed-on, troweled-on or otherwise applied to surfaces (such as acoustical plaster on ceilings and fireproofing materials on structural members, or other materials on surfaces for acoustical, fireproofing, and other purposes). Because this building was constructed prior to 1981, PACM may be present.

The fact that our survey(s) may identify such materials as PACM does not necessarily mean that no other PACM exists in the Building. Please be advised that if any thermal system insulation, asphalt or vinyl flooring or surfacing material, of the type described above, are found to be present in the Building, such materials must be considered PACM unless properly tested and shown otherwise.

Because of the presence of ACM and the potential presence of PACM in the Building, we are providing you with the following warning, which is commonly known as a California Proposition 65 warning:

WARNING: This Building contains asbestos, a chemical known to the state of California to cause cancer.

In addition, you should be aware that there are certain potential health risks that may result from exposure to asbestos. Because we are not physicians, scientists or industrial Hygienists, we have no special knowledge of the health impact of exposure to asbestos. However, we hired an environmental consulting firm to prepare an asbestos operations and maintenance plan ("**O&M Plan**") to address asbestos matters at the Building. The O&M Plan is designed to minimize the potential for a release of asbestos fibers and outlines a schedule of actions to be undertaken with respect to asbestos. The written O&M Plan is available for your review at our building management office during regular business hours, and a copy of the O&M Plan will be provided to you upon request.

In general, the written O&M Plan describes the risks associated with asbestos exposure and how to prevent such exposure. The O&M Plan describes those risks as follows: asbestos is not a significant health concern unless asbestos fibers are released and inhaled. If inhaled, asbestos fibers can accumulate in the lungs and, as exposure increases, the risk of disease (such as asbestosis and cancer) increases. However, measures to minimize exposure and consequently minimize the accumulation of fibers, reduces the risk of adverse health effects.

The O&M Plan is designed to safely manage the ACM and PACM in the Building and to avoid the inadvertent disturbance of such ACM or PACM. To that end, the O&M Plan provides for the training of building housekeeping and maintenance personnel so that they can conduct their work without causing a release of asbestos fibers. As part of the O&M Plan, we maintain records of all asbestos-related activities and the results of any asbestos survey, sampling or monitoring conducted in the Building.

The written O&M Plan describes a number of activities that should be avoided in order to prevent a release of asbestos fibers in the Building. In particular; you should be aware that some of the activities which may present a health risk by causing an airborne release of asbestos fibers include moving, drilling, boring or otherwise disturbing ACM or PACM. Consequently, such activities should not be attempted by any person not qualified to handle ACM or PACM. In other words, you must obtain the approval of building management prior to engaging in any such activities. Please contact the Property manager for more information in this regard. In addition, please contact the Property manager if you notice any deterioration or disturbance of ACM or PACM. Also, note that the identification of ACM and PACM in this Exhibit is based on actual knowledge and assumptions that the law requires us to make; the materials identified herein do not necessarily comprise all asbestos in the Building.

Please be aware that you may have certain obligations under California and federal laws with regard to the ACM and PACM in the Building, including obligations to notify your own employees, Contractors, subtenants, agents and others of the presence of ACM and PACM. You are solely responsible for complying with all such applicable laws.

Please contact the Property manager if you have any questions regarding the contents of this Exhibit.

EXHIBIT "F"

FORM OF LETTER OF CREDIT

Irrevocable Standby Letter of Credit No. _____

Beneficiary: Issuance Date:

50 BEALE STREET LLC
c/o PARAMOUNT GROUP, INC.
1633 Broadway, Suite 1801
New York, NY 10019

Attention: Bernard A. Marasco
Senior Vice President - Counsel, Leasing and Property Management

Accountee/Applicant:

Attn: _____

Ladies and Gentlemen:

We hereby establish our irrevocable Letter of Credit no. _____ in your favor for the account of _____ for an amount not to exceed in the aggregate _____ U.S. Dollars (\$ _____).

Funds under this credit are available against presentation of this original Letter of Credit and the attached Exhibit A, with the blanks appropriately completed.

This Letter of Credit expires and is payable at the office of _____ **[Issuing Bank's name, address, department, and fax number]**, on or prior to _____, 20__ **[enter the Expiration Date]**, or any extended date as hereinafter provided for (the "Expiration Date").

If the Expiration Date shall ever fall on a day which is not a business day, then such Expiration Date shall automatically be extended to the date which is the next business day. It is a condition of this Letter of Credit that the Expiration Date will be automatically extended without amendment for one (i) year from the Expiration Date hereof, or any future Expiration Date, unless at least sixty (60) days prior to any Expiration Date we notify you by certified mail, return receipt requested, or overnight courier service with proof of delivery to the address shown above, attention: Bernard A. Marasco, Senior Vice President - Counsel, Leasing and Property Management, and concurrently notify Paramount Group Inc., Spear Tower, One Market Plaza, Suite 345, San Francisco, California 94105, attention: Area Asset Manager/General Manager, in the same delivery method, that we elect not to extend the Expiration Date of this Letter of Credit. Upon your receipt of such notification, you may draw against this Letter of Credit by presentation of this original Letter of Credit and the attached Exhibit B, with the blanks appropriately completed.

Demands presented by fax (to fax number _____ are acceptable; provided that if any such demand is presented by fax, the original exhibit and Letter of Credit shall be simultaneously forwarded by overnight courier service to our office located at the address stated above; provided further that the failure of the courier service to timely deliver shall not affect the efficacy of the demand. Further, you shall give telephone notice of a drawing to the Bank, attention: _____ at _____, on the day of such demand, provided that your failure to provide such telephone notification shall not invalidate the demand.

Drawing(s) in compliance with all of the terms of this Letter of Credit, presented prior to 11:00 A.M., pacific time, on a Business Day, shall be made to the account number or address designated by you of the amount specified, in immediately available funds, on the immediately following Business Day.

Drawing(s) in compliance with all of the terms of this Letter of Credit, presented on or after 11:00 A.M., pacific time, on a Business Day, shall be made to the account number or address designated by you of the amount specified, in immediately available funds, on the second Business Day.

This Letter of Credit is transferable any number of times without charge to you. Any transfer must be requested in accordance with our transfer form, which is attached as Exhibit C, accompanied by the return of this original Letter of Credit and all amendments thereto for endorsement thereon by us to the transferee. This Letter of Credit is transferable provided that such transfer would not violate any governmental rule, order or regulation applicable to us.

We hereby engage with you that documents (including fax documents) presented in compliance with the Terms and conditions of this Letter of Credit will be duly honored if presented to our bank on or before the Expiration Date of this Letter of Credit, which is _____, 20__.

Multiple and partial drawings are permitted.

This Letter of Credit is subject to the international standby practices 1998, international chamber of commerce publication no. 590.

[Issuing Bank's name]

By: _____

Name: _____

Title: _____

Exhibit A

SIGHT DRAFT

Irrevocable Standby Letter of Credit No. _____

Date of This Draft: _____

To:

Name of Issuing Bank

Address

Re: Irrevocable Standby Letter of Credit No. _____

To the order of 50 Beale Street LLC

Pay _____ (\$ _____)

At Sight

For value received under Letter of Credit No. _____.

Payment of the amount demanded is to be made to the beneficiary by wire Transfer in immediately available funds in accordance with the following instructions:

[Payment instructions to be inserted]

By: _____

Name: _____

Title: _____

Exhibit B

Irrevocable Standby Letter of Credit No. _____

Date: _____

To:

Name of Issuing Bank

Address

Ladies and Gentlemen:

Re: Irrevocable Standby Letter of Credit No. _____

The undersigned, a duly authorized official of _____, a(n) _____, (hereinafter referred to as "Landlord"), hereby certifies that Landlord is entitled to draw upon Irrevocable Standby Letter of Credit No. _____ in the amount of \$_____ **[amount in words U.S. Dollars]** as we have been notified that the Letter of Credit will not be extended and _____ has not provided us with an acceptable substitute irrevocable standby Letter of Credit in accordance with the Terms of that certain lease agreement (the "Lease") dated as of _____, _____ by and between Landlord and _____, as Tenant.

Drawn under Irrevocable Standby Letter of Credit No. _____ issued by
_____ **[name of Issuing Bank]**.

Payment of the amount demanded is to be made to the beneficiary by wire Transfer in immediately available funds in accordance with the following instructions:

[Payment instructions to be inserted]

[Beneficiary's name]

By: _____

Name: _____

Title: _____

Exhibit C

Irrevocable Standby Letter of Credit No. _____

Date: _____

To:

Name of Issuing Bank

Address

Ladies and Gentlemen:

Re: Irrevocable Standby Letter of Credit No. _____

For value received, the undersigned beneficiary hereby irrevocably transfers to:

(Name of Transferee)

(Address)

(City, State, Zip Code)

all rights of the undersigned beneficiary to draw under the above Letter of Credit in its entirety.

By this transfer, all rights of the undersigned beneficiary in such Letter of Credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments whether increases or extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised direct to the transferee without necessity of any consent of or notice to the undersigned beneficiary.

The advice of such Letter of Credit is returned herewith, and we ask you to endorse the Transfer on the reverse thereof, and forward it direct to the Transferee with your customary notice of Transfer.

Very truly yours,

[Beneficiary's name]

By: _____

Name: _____

Title: _____

The above signature with title as stated conforms to that on file with us and is authorized for the execution of said instruments.

[Name of Authenticating Bank]

By: _____

Name: _____

Title: _____

EXHIBIT "G"

OPTIONS

This Exhibit Is attached to and made a part of the lease by and between **50 BEALE STREET LLC**, a Delaware limited liability company ("Landlord"), and **MAPLEBEAR, INC.**, a Delaware corporation, d/b/a Instacart ("Tenant"), for space in the Building located at 50 Beale Street, San Francisco, California.

1. Expansion Option.

(a) Grant of Option; Conditions. Landlord hereby grants to Tenant the one time option (the "**Expansion Option**") to expand the Premises to include either Suite 700, consisting of the entire seventh (7th) floor of the Building, as shown on **Exhibit A-4**, ("**Suite 700**") or Suite 1000, consisting of the entire tenth (10th) floor of the Building, as shown on **Exhibit A-5** ("**Suite 1000**") (the applicable Suite being referred to herein as the "**Expansion Space**"). Landlord will notify Tenant which Suite constitutes the expansion space within thirty (30) days after receipt of the expansion notice (defined below). The date on which Landlord delivers the expansion space to Tenant in accordance with the Terms of this Section 1 being referred to as the "**Expansion Space Delivery Date**"). Tenant may exercise the expansion option if:

(i) Landlord receives written notice (the "**Expansion Notice**") from Tenant of the exercise of the expansion option on or before December 1, 2015; and

(ii) Tenant is not in Default under the lease at the time Landlord receives the expansion notice (and, at Landlord's option, as of the Expansion Space Delivery Date); and

(iii) Tenant's interest in the Lease has not been assigned (other than pursuant to a Permitted Transfer) prior to or as of the time Landlord receives the Expansion Notice (and, at Landlord's option, as of the Expansion Space Delivery Date); and

(iv) the Expansion Space is intended for the exclusive use of only Tenant or an assignee pursuant to a PERMITTED TRANSFER; and

(v) Tenant has not vacated or abandoned the Premises at the time Landlord receives the Expansion Notice.

(b) Terms for Expansion Space.

(i) The annual Base Rent rate per square foot for the expansion space shall be the rate per square foot per annum then payable with respect to the Initial Premises, which Base Rent shall be payable from and after the date (the "**Expansion Space Rent Commencement Date**") that is the earlier of (i) one hundred twenty (120) days after the Expansion Space Delivery Date and (ii) the date Tenant occupies any portion of the Expansion Space for the purposes of conducting Tenant's business operations therein.

(ii) Tenant shall pay Operating Expenses and Taxes for the Expansion Space on the same terms and conditions set forth in the Lease, provided that the Base Year with respect to the Expansion Space will be the calendar year in which such term commences, unless the commencement date is October 1, or later, in which case the Base Year shall be the following year.

(iii) The term for the Expansion Space shall commence on the Expansion Space Delivery Date and shall end, unless sooner terminated pursuant to the Terms of the lease on the Expiration Date. If Landlord is delayed in delivering possession of the Expansion Space to Tenant due to the holdover or unlawful possession of the Expansion Space by any party, Landlord shall use Reasonable Efforts to obtain possession of the Expansion Space, and the Expansion Space Delivery Date shall be postponed until the date Landlord delivers possession of the Expansion Space to Tenant free from occupancy by any party.

(iv) Tenant shall have the right to construct Tenant Improvements within the Expansion Space in accordance with the Terms and provisions of a work agreement substantially similar to the work agreement, provided that the only allowance that Tenant shall be entitled to receive with respect to the Expansion Space is an allowance in the amount of \$60.00 per rentable square footage of the Expansion Space.

(v) The Expansion Space shall be considered part of the Premises, subject to all of the Terms and conditions of the Lease; except that no allowances, credits, abatements or other concessions (if any) set forth in the Lease for the Premises shall apply to the Expansion Space.

(vi) The Letter of Credit Amount shall be increased such that it shall equal ten (10) months' Base Rent payable during the final ten (10) months of the Term, subject to reduction in the manner set forth in Article 8 in the Lease, on a proportionate basis.

(c) Expansion Amendment. If Tenant is entitled to and properly exercises the Expansion Option, Landlord shall prepare an amendment (the "**Expansion Amendment**") to reflect the commencement date of the Term for the Expansion Space and the changes in Base Rent, rentable area of the Premises, Tenant's Share, Letter of Credit Amount, and other appropriate terms. A copy of the Expansion Amendment shall be executed by Tenant and returned to Landlord within a reasonable time; provided, however, that following Tenant's delivery of the expansion notice, an otherwise valid exercise of the Expansion Option shall be fully effective whether or not the expansion amendment is executed and delivered by Tenant.

2. Right of First Offer.

(a) Generally. Subject to the rights of building Tenants existing as of the Effective Date and to Landlord's right to grant or negotiate renewals with such Tenants whether pursuant to existing options or not (collectively, "**Superior Rights**"), Tenant shall have the one-time right of first offer with respect to one (1) Entire floor of the Building contiguous to a floor which is then included in the Premises during the initial term, which floor will be selected by Landlord in Landlord's sole discretion, if and when the same becomes available for lease (described below) (the "**Offering Space**"). Offering Space shall be deemed to be "**Available for Lease**" as follows: (i) with respect to any Offering Space that is under lease from time to time to third parties, such Offering Space shall be deemed to be available for Lease when Landlord has determined that such third party will not extend or renew the term of its lease for the offering space, no occupant has a superior right which is subject to exercise and Landlord is ready to market such space for lease, or (ii) with respect to any Offering Space that is not under lease, such Offering Space shall be deemed to be available for lease when Landlord has determined that no occupant has a Superior Right which is subject to exercise and Landlord is ready to market such space for lease. After Landlord has determined that the Offering Space is available for lease, Landlord shall advise Tenant (the "**Advice**") of the terms under which Landlord is prepared to lease such Offering Space to Tenant (including rental terms (which will be Landlord's determination of the fair market rent for such Offering Space) and concessions, which will be reasonably consistent with the terms of similar transactions recently entered into by Landlord in the Building) for a term that commences as of the date that is the earlier of (w) one hundred twenty (120) days after date of Landlord's delivery of the Offering Space to Tenant and (x) the date Tenant occupies any portion of the Offering Space for the purposes of conducting Tenant's business operations therein, which term shall be equal to the greater of (y) three (3) years and (z) the remainder of the Term; in no event will Landlord deliver an advice to Tenant which specifies an anticipated date of availability of such Office Space that is less than ninety (90) days after the date of delivery of the Advice. Tenant may lease such Offering Space in its entirety only, under such terms, by delivering written notice of exercise to Landlord ("**Notice of Exercise**") within five (5) business days after the date of delivery of the Advice, except that Tenant shall have no such right of first offer and Landlord need not provide Tenant with an Advice, if:

(i) Tenant is in Default under the Lease at the time Landlord would otherwise deliver the Advice; or

(ii) More than thirty five percent (35%) of the rentable area of the Premises is sublet pursuant to subleases (other than pursuant to a Permitted Transfer) at the time Landlord would otherwise deliver the Advice; or

(iii) Tenant's interest in the Lease has been assigned (other than pursuant to a Permitted Transfer) prior to the date Landlord would otherwise deliver the Advice; or

(iv) Tenant is not in occupancy of at least sixty five percent (65%) of the rentable area of the Premises on the date Landlord would otherwise deliver the Advice.

(b) Terms. The term for the Offering Space shall commence upon the commencement date stated in the Advice and thereupon such Offering Space shall be considered a part of the Premises, provided that all of the Terms stated in the Advice shall govern Tenant's leasing of the Offering Space and only to the extent that they do not conflict with the Advice, the Terms and conditions of the Lease shall apply to the Offering Space. Notwithstanding the foregoing, if Tenant determines that the rate set forth in Landlord's Advice does not accurately reflect the Fair Market Rent for the Offering Space, Tenant shall have the right to provide Landlord with a Notice Of Exercise that is specifically conditioned upon Landlord's and Tenant's agreement on the Fair Market Rent for the Offering Space. In such event, for a period of fifteen (15) days after the date of Tenant's Notice Of Exercise, Landlord and Tenant shall work together in good faith to determine the Fair Market Rent for the Offering Space. If Landlord and Tenant fail to agree upon the Fair Market Rent within such fifteen (15) day period. The Fair Market Rent will be determined in accordance with the procedures set forth in Section 3(d) below and the expiration of such fifteen (15) day period will be deemed to be the expiration of the "Negotiation Period" for such purposes. The Letter of Credit Amount shall be increased such that it shall equal ten (10) months' Base Rent payable during the final ten (10) months of the Term.

(c) Limitation on Right of First Offer. The rights of Tenant hereunder with respect to the Offering Space shall terminate on the earlier to occur of: (i) with respect to any Offering Space that is the subject of an Advice, Tenant's failure to exercise its Right Of First Offer within the ten (10) business day period provided in Section 2(a) above, and (ii) with respect to any Offering Space which would otherwise have been the subject of an Advice, the date Landlord would have provided Tenant an Advice if Tenant had not been in violation of one or more of the conditions set forth in clauses (i) through (iv) of Section 2(a) above.

(d) Offering Amendment. If Tenant exercises its right of first offer, Landlord shall prepare an amendment (the "**Offering Amendment**") adding the Offering Space to the Premises on the Terms set forth in the Advice and reflecting the changes in the Base Rent, Rentable Area of the Premises, Tenant's Share, the increase in the Letter of Credit Amount, and other appropriate terms. A copy of the Offering Amendment shall be (i) sent to Tenant within a reasonable time after receipt of the Notice Of Exercise executed by Tenant, and (ii) executed by Tenant and returned to Landlord within fifteen (15) business days thereafter, but an otherwise valid exercise of the Right Of First Offer shall be fully effective whether or not the Offering Amendment is signed.

3. Renewal Option.

(a) Grant of Option; Conditions. Tenant shall have the right to extend the Term of the lease (each, a "**Renewal Option**") for one additional period of five (5) years (the "**Renewal Term**"), if:

(i) Landlord receives notice of exercise ("**Initial Renewal Notice**") not less than fifteen (15) full calendar months prior to the Expiration Date and not more than eighteen (18) full calendar months prior to the Expiration Date; and

(ii) Tenant is not in monetary Default at the time that Tenant delivers its Initial Renewal Notice or, at Landlord's option, as of the Expiration Date; and

(iii) No more than twenty-five percent (25%) of the rentable area of the Premises is sublet pursuant to subleases which, inclusive of potential renewal or extension options, extend through substantially the remainder of the Term (other than pursuant to one (1) or more Permitted Transfers) at the time that Tenant delivers its initial renewal notice; and

(iv) Tenant (and not any subtenant other than a Transferee pursuant to a Permitted Transfer) is in occupancy (described below) of at least seventy five percent (75%) of the rentable area of the Premises as of the date Tenant delivers its Initial Renewal Notice. "Occupancy" (and related variations of the term) shall mean Tenant's physical occupancy of the applicable space for the conduct of Tenant's business, and shall not include any space that is subject to a sublease or that has been vacated by Tenant, other than a vacation of the space as reasonably necessary in connection with the performance of approved Alterations or by reason of a fire or other casualty or a taking.

(v) Tenant's interest in the Lease has not been assigned (other than pursuant to a Permitted Transfer) prior to the date that Tenant delivers its Initial Renewal Notice.

(b) Terms applicable to Premises during Renewal Term. The initial Base Rent rate per rentable square foot of the Premises during the renewal term shall equal the fair market (hereinafter defined) rate per rentable square foot for the Premises, which may be higher or lower than Base Rent as of the Expiration Date. Base rent during the renewal term shall include annual increases, if at all, in accordance with such increases assumed in the determination of fair market rate. Tenant shall pay Operating Expenses, and Taxes for the Premises during the renewal term in accordance with the Terms of the lease, except that the base year shall be adjusted to be the calendar year 2020.

(c) Initial Procedure for determining Fair Market. Within thirty (30) days after receipt of Tenant's initial renewal notice, Landlord shall advise Tenant of the applicable Base Rent rate for the Premises for the Renewal Term. Within thirty (30) days after the date on which Landlord advises Tenant of the applicable Base Rent rate for the Renewal Term, Tenant shall either (i) give Landlord final binding written notice ("**Binding Notice**") of Tenant's agreement with Landlord's determination of the Fair Market rate for the Renewal Term, or (ii) if Tenant disagrees with Landlord's determination, provide Landlord with written notice of rejection (the "**Rejection Notice**"). If Tenant fails to provide Landlord with either a Binding Notice or Rejection Notice within such thirty (30) day period, Tenant will be deemed to have delivered a Rejection Notice. If Tenant provides (or is deemed to have provided) Landlord with a Binding Notice, Landlord and Tenant shall enter into the Renewal Amendment (as defined below) upon the terms and conditions set forth herein. If Tenant provides (or is deemed to have provided) Landlord with a Rejection Notice, Landlord and Tenant shall work together in good faith to agree upon the Fair Market rate for the Premises during the Renewal Term. Upon agreement, Landlord and Tenant shall enter into the Renewal Amendment in accordance with the terms and conditions hereof. Notwithstanding the foregoing, if Landlord and Tenant fail to agree upon the Fair Market rate within thirty (30) days after the date Tenant provides (or is deemed to have provided) Landlord with a Rejection Notice (the "**Negotiation Period**"), the Fair Market rate will be determined in accordance with the arbitration procedures described below.

(d) Arbitration Procedure.

(i) Landlord and Tenant, within five (5) days after the date of expiration of the Negotiation Period, shall each simultaneously submit to the other, in a sealed envelope, its good faith estimate of the Fair Market rate for the Premises during the Renewal Term (collectively referred to as the "**Estimates**"). If the higher of such Estimates is not more than 105% of the lower of such Estimates, then Fair Market rate shall be the average of the two Estimates. If the fair market rate is not resolved by the exchange of Estimates, then, within fourteen (14) days after the exchange of Estimates, Landlord and Tenant shall each select a real estate broker to determine which of the two Estimates most closely reflects the Fair Market rate for the Premises during the Renewal Term. Each such real estate broker so selected shall have had at least the immediately preceding ten (10) years' experience as a real estate broker leasing first-class office space in the San Francisco financial district, with working knowledge of current rental rates and practices.

(ii) Upon selection, Landlord's and Tenant's brokers shall work together in good faith to agree upon which of the two Estimates most closely reflects the Fair Market rate for the Premises. The Estimate chosen by the brokers shall be binding on both Landlord and Tenant. If either Landlord or Tenant fails to appoint a broker within the fourteen (14) day period referred to above, the broker appointed by the other party shall be the sole broker for the purposes hereof. If the two brokers cannot agree upon which of the two estimates most

closely reflects the Fair Market within twenty (20) days after their appointment, then, within fourteen (14) days after the expiration of such twenty (20) day period, the two brokers shall select a third broker meeting the aforementioned criteria. Once the third broker (the “**Arbitrator**”) has been selected as provided for above, then, as soon thereafter as practicable but in any case within fourteen (14) days, the Arbitrator shall make his or her determination of which of the two Estimates most closely reflects the Fair Market rate and such Estimate shall be binding on both Landlord and Tenant. The parties shall share equally in the costs of the Arbitrator. Any fees of any appraiser, counsel or experts engaged directly by Landlord or Tenant, however, shall be borne by the party retaining such appraiser, counsel or expert.

(iii) If the Fair Market rate has not been determined by the commencement date of the Renewal Term, Tenant shall pay Base Rent upon the terms and conditions in effect during the last month of the Term for the Premises until such time as the Fair Market rate has been determined. Upon such determination, the Base Rent for the Premises shall be retroactively adjusted to the commencement of the Renewal Term. If such adjustment results in an underpayment of Base Rent by Tenant, Tenant shall pay Landlord the amount of such underpayment within thirty (30) days after the determination thereof. If such adjustment results in an overpayment of Base Rent by Tenant, Landlord shall credit such overpayment against the next installment of Base Rent due under the Lease and, to the extent necessary, any subsequent installments, until the entire amount of such overpayment has been credited against Base Rent.

(e) Renewal Amendment. If Tenant is entitled to and properly exercises the Renewal Option, Landlord shall prepare an amendment (the “**Renewal Amendment**”) to reflect changes in the Base Rent, Base Year, term, termination date and other appropriate terms. Tenant shall execute and return the Renewal Amendment to Landlord within fifteen (15) business days after Tenant’s receipt of same, but an otherwise valid exercise of the Renewal Option shall be fully effective whether or not the Renewal Amendment is executed.

(f) Fair Market. For purposes hereof, “**Fair Market**” shall mean the arms’ length fair market annual rental rate per rentable square foot under new and renewal leases and amendments (other than renewal amendments with rental rates which are defined by a preestablished formula (such as, for example, “CP1 escalator” or a fixed percentage increase) or are subject to a pre-set “cap”), with terms commencing within six (6) months before or after the date of commencement of the renewal term, for Tenants of comparable credit worthiness to the Tenant, for space comparable to the Premises in the Building and in class “A” office buildings Comparable to the Building in the San Francisco, California, financial district (“**Comparable Buildings**”). The determination of fair market shall take into account any material economic differences between the Terms of the lease and any comparison lease or amendment, such as rent abatements, Tenant improvement allowances, construction costs and other concessions and the manner, if any, in which the Landlord under any such lease is reimbursed for Operating Expenses and Taxes, as well as the level of improvements existing in the Premises.

EXHIBIT “H”

WINDOW SIGNAGE (SUITE 100)

[TO BE PROVIDED AT A SUBSEQUENT DATE]

H-1

EXHIBIT "I"

BICYCLE STORAGE LICENSE AGREEMENT

Date of agreement: _____, 20__

Name and address of

Licensor ("**Licensor**"): 50 Beale Street LLC

50 Beale Street, Suite 150
San Francisco, CA 94015
Attention: Asset Manager/General Manager

With a Copy to:

PARAMOUNT GROUP, INC.
1633 Broadway, Suite 1801
New York, NY 10019
Attention: Bernard A. Marasco, Senior Vice President
Counsel, Leasing & Property Management

With a Copy to:

PARAMOUNT GROUP, INC.
Spear Tower, One Market Plaza, Suite 1300
San Francisco, CA 94105
Attention: Area Asset Manager/General Manager

Name, address and telephone

Number of licensee ("**Licensee**"): _____

Tel. No.: _____

Name of Tenant ("**Tenant**"): _____, a _____

Address of building ("**Building**"): 50 Beale Street, San Francisco, California

Color, manufacturer and serial

Number of non-motorized two wheel

Bicycle owned by licensee (the "**Bike**"): _____

1. Parties. Licensor and Tenant have entered into a Lease (the "**Lease**"), and pursuant to the Lease Tenant Leases space in the Building (the "**Premises**") from Licensor. Licensee is an employee or principal of Tenant who works at the Premises on a regular basis. The Building contains a Bicycle Storage Area (the "**Bike Storage Area**"), as depicted on **Exhibit A** attached hereto. Tenant has requested that Landlord permit Licensee to store the bike in the Bike Storage Area while Licensee is at work in the Premises, and Landlord has agreed to permit Licensee to use the Bike Storage Area on the Terms and conditions set forth in this Bicycle Storage License Agreement ("**Agreement**"). Licensee acknowledges and agrees that Licensor would not have agreed to permit Licensee to use the Bike Storage Area unless Licensee had agreed to all of the terms and conditions of this Agreement.

2. License. Licensor hereby grants to Licensee, and Licensee hereby accepts from Licensor, a non-exclusive license to store the Bike in the Bike Storage Area during the time Licensee is actually present in the

Premises. The Bike Storage Area includes an area for the storage of multiple bicycles and Licensee shall only have the right to store the Bike in the Bike Storage Area while Licensee is present in the Building, and the Bike shall not be stored in the Bike Storage Area overnight. Licensee acknowledges that other persons will also be storing bicycles in the Bike Storage Area, and that Licensee does not have the exclusive right to use all or any part of the Bike Storage Area. Licensee acknowledges that at times the Bike Storage Area may be full, and in this event, Licensee shall store the Bike in another location that is not located at the Building. By way of example, and not limitation, bicycles shall not be stored at entrances or approaches to the Building, brought onto an elevator or stored in the Premises. Licensee shall only store the Bike in the Bike Storage Area and shall not store any other bicycles, helmets, clothes or other personal property in the Bike Storage Area. Licensee shall use the Bike Storage Area in accordance with all applicable laws and regulations. Licensee agrees to comply with any rules and regulations which Licensor may adopt from time to time relating to the use of the Bike Storage Area. Licensee may require that Licensee place an identification sticker on the Bike so Licensor can easily confirm that the Bike is permitted to be stored in the Bike Storage Area. Licensee further acknowledges that all property or equipment placed by Licensee in the Bike Storage Area shall be at the Licensee's sole risk and expense and Licensee shall be solely responsible for the security for the Bike while located in the Bike Storage Area. Licensor makes no representation or warranty concerning the condition or use of the Bike Storage Area or that the Bike Storage Area is secure of safe from criminal **activity**.

3. **Term.** The term (the "Term") of this Agreement shall commence upon the mutual execution of this Agreement by Licensor and Licensee and shall terminate on the first to occur of the following events: (a) the termination of the Lease, (b) the date Licensee no longer works in the Premises on a regular basis, (c) the date Licensee's employment with Tenant is Terminated, (d) the date Licensee has committed a Default (as defined below) and (e) five (5) days after either Licensee or Licensor gives written notice to the other party of its election to terminate this Agreement. Licensee acknowledges that Licensor shall have the right, in Licensor's sole discretion, to expand, contract, eliminate or otherwise modify the Bike Storage Area. No expansion, contraction, elimination or modification of the Bike Storage Area, and no Termination of Licensee's right to use the Bike Storage Area, shall entitle Licensee to any claim or remedy against Licensor including, but not limited to, damages.

4. **Access Device Fee.** Licensor may elect to provide Licensee with an access card or other device ("**Access Device**") to control access to the Building and/or Bike Storage Area. In this event, Licensor shall provide Licensee with one Access Device subject to the payment by Licensee of a non-refundable fee for the access device. In addition, Licensor may charge Licensee a nonrefundable fee to replace lost, stolen or damaged Access Devices. Licensee acknowledges and agrees that this Agreement does not grant any estate, interest or leasehold or rental rights or privileges in any part of the Building including, but not limited to, the Bike Storage Area.

5. **Waiver.** Neither Licensor nor its directors, officers, shareholders, general partners, limited partners, members, employees, agents, or Contractors, or any party or entity under the direction or control of Licensor or any successor to the interest of Licensor in the Building or this Agreement (collectively, the "**Licensor Parties**") shall be liable to Licensee or Licensee's agents, employees, guests, invitees, or to any person claiming, by through or under Licensee for any injury to person, loss or damage to Licensee's property (including, but not limited to, the Bike), or for loss or damage, occasioned by or through the acts of omission of Licensor or any other person, or by any other cause whatsoever. Licensee waives all claims against Licensor and the Licensor Parties for any loss, theft, vandalism, casualty, damage or the like, including consequential damages, however caused, to any person or any other property occasioned by theft, burglary, other criminal act, fire, act of god, public enemy, injunction, riot, strike, insurrection, war, court, order, requisition, or other order of governmental body or authority, and Licensee agrees to look solely to its own insurance for any recovery for the same. This waiver and release shall apply to any existing claims and any claims that may arise in the future based on the undersigned's future use of the Bike Storage Area. The undersigned expressly waives all rights under the provisions of Section 1542 of the California Civil Code. Section 1542 of the California Civil Code provides that "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release which, if known by him or her, must have materially affected his or her settlement with the debtor." The provisions of this Section shall survive the termination of this Agreement.

6. **Indemnity.** Licensee shall indemnify, hold harmless, and defend (with counsel reasonably satisfactory to Licensor) Licensor and the Licensor Parties from and against all claims, actions, demands, liabilities,

damages, costs, penalties, forfeitures, losses, or expenses, including without limitation reasonable attorneys' fees and the costs and expenses relating to the loss of life, bodily or personal injury, or property damage arising from or out of Licensee's use and occupancy of the Bike Storage Area. The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

7. Transfer of Building. If Licenser sells the Building, Licenser may Transfer and assign its interest, rights and obligations under this Agreement to the subsequent owner of the Building, and after such Transfer or assignment Licenser shall have no further liability or obligation under this Agreement, and Licensee agrees to look solely to such successor in interest of Licenser for performance of such obligations. Licensee shall have no right to transfer or assign its rights or obligations under this Agreement.

8. End of Term; Surrender. At the end of the Term, Licensee shall remove all of its personal property from the Bike Storage Area. If Licensee fails to remove any personal property by the end of the Term, then such personal property shall conclusively be deemed abandoned and Licenser may dispose of it as Licenser sees fit. Licensee shall reimburse Licenser for any storage or disposal costs on demand. Licensee shall return to Licenser any access device provided by Licenser on the termination date.

9. No Waiver. Failure by Licenser to insist on strict performance of any of the conditions, covenants, terms, or provisions of this Agreement or to exercise any of its rights under this Agreement may not be construed to waive such rights, but Licenser shall have the right to enforce such rights at any time and take such action as might be lawful or authorized hereunder, either in law or in equity.

10. Default. Licensee shall be in Default under this Agreement in the event Licensee fails to perform any of its obligation under this Agreement within five (5) days after written notice from Licenser to Licensee (a "**Default**"). In the event Licensee is in Default under this Agreement, Licenser shall have all rights and remedies available at law or in equity. Licenser's rights under this Agreement are cumulative and the exercise of any rights and remedies does not exclude any right or remedy.

11. Governing Law. This Agreement shall be interpreted and enforced in accordance with the laws of the state of California. The invalidity of any provision of this Agreement as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

12. Entire Agreement; Modification. This Agreement contains the entire Agreement and understanding of the parties hereto with respect to any matter mentioned herein, and no prior or contemporaneous Agreement or understanding pertaining to any such matter shall be effective. This Agreement may be modified only by a writing signed by the parties in interest at the time of the modification.

13. Notices. Any notices or other communications required to be given by the parties hereunder shall be deemed given upon deposit in the U.S. Mails, certified mail, return receipt requested, or upon deposit with an overnight delivery service such as Federal Express, at the addresses set forth in the beginning of this Agreement, or upon receipt if personally delivered.

14. Counterpart Copies; Electronic Signatures. This Agreement and any documents or addenda attached hereto may be executed in two or more counterpart copies, each of which shall be deemed to be an original and all of which counterparts shall have the same force and effect as if the parties hereto had executed a single copy of this Agreement or the attached document or addenda. The parties acknowledge and agree that notwithstanding any law or presumption to the contrary, Licenser shall have the right to execute this Agreement and any documents and addenda attached to this Agreement using an electronic signature, and Licenser's electronic signature shall be deemed valid and binding and admissible by either party against the other as if same were an original ink signature. If Licenser executes this Agreement or any documents or addenda attached to this Agreement using an electronic signature, Licenser's electronic signature will appear in Licenser's signature block. An email from Licenser, its agents, brokers, attorneys, employees or other representatives shall never constitute Licenser's electronic signature or be otherwise binding on Licenser. Licensee shall not have the right to execute this Agreement or any documents

or addenda attached hereto using an electronic Signature, and Licensee shall execute this Agreement and any documents or addenda attached hereto using an original ink signature.

IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the date first above written.

LICENSOR:

50 BEALE STREET, a Delaware limited liability company

By: _____
Name: _____
Title: _____

LICENSEE:

Signature

Printed Name

Exhibit A to Bicycle Storage License Agreement

(Depiction of Bike Storage Area)

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (“First Amendment”) is entered into as of October 12, 2018 (the “**First Amendment Effective Date**”), by and between **50 BEALE STREET, LLC**, a Delaware limited liability company (“**Landlord**”), and **MAPLEBEAR INC.**, a Delaware corporation d/b/a Instacart (“**Tenant**”) with reference to the following facts:

- A. Landlord and Tenant are parties to that certain Office Lease dated as of May 12, 2015 (the “**Lease**”), pursuant to which Landlord leases to Tenant space (the “**Current Premises**”) containing 58,504 rentable square feet (“**RSF**”) described as (i) Suite 100 on the ground floor (1,110 RSF), (ii) Suite 600 on the sixth (6th) floor (28,114 RSF), and (iii) Suite 1100 on the eleventh (11th) floor (29,280 RSF) in the building located at 50 Beale Street, San Francisco, California (the “**Building**”).
- B. Tenant desires to expand the Premises to include a portion of the third (3rd) floor of the Building comprised of approximately 21,806 RSF, designated as Suite 300 (the “**Expansion Space**”) as shown on **Exhibit A** hereto (the “**Expansion Space**”) and the parties wish to memorialize the addition of the Expansion Space on the terms set forth herein.
- C. The Lease by its terms is scheduled to expire on November 30, 2022 (the “**Current Expiration Date**”), and the parties desire to extend the term of the Lease on the terms set forth herein.
- D. Landlord has remeasured the Building in accordance with the BOMA Standard and determined that the Building contains 668,197 RSF (the “**First Amendment Remeasurement**”). The First Amendment Remeasurement will be applicable to the Current Premises and the Expansion Space as and when described in this First Amendment.

NOW, THEREFORE, in consideration of the above recitals which by this reference are incorporated herein, the mutual covenants and conditions contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. **Expansion.**

(a) **Generally.** Landlord will deliver the Expansion Space to Tenant for the purpose of allowing Tenant to construct Tenant Improvements (defined in the Work Agreement attached hereto as **Exhibit B** (the “**Work Agreement**”)) therein on the later to occur of (i) January 1, 2019 (the “**Target Delivery Date**”) and (ii) the date upon which Landlord completes Landlord’s Demolition Work (defined in the Work Agreement) therein (the actual date of delivery of the Expansion Space to Tenant being referred to herein as the “**Delivery Date**”). Effective as of the date that is the earlier of (A) the date that is one hundred twenty (120) days following the Delivery Date (i.e., assuming a Delivery Date of January 1, 2019, May 1, 2019 (the “**Anticipated Expansion Date**”)) and (B) the date upon which Tenant occupies the Expansion Space for the purpose of transacting business therein (the “**Expansion Date**”), the Premises, as defined in the Lease, will be increased by the addition of the Expansion Space, and from and after the Expansion Date through the Current Expiration Date, the Current Premises and the Expansion Space, collectively, containing approximately 80,310 RSF, shall be deemed the “**Premises**” for all purposes under the Lease. The Expansion Space will be subject to all the terms and conditions of the Lease except as expressly modified herein.

(b) **Confirmation Letter; Beneficial Occupancy.** Promptly following the Delivery Date and/or the Expansion Date, at the request of either party, Landlord and Tenant shall enter into a letter agreement in the form attached hereto as **Exhibit C**, confirming the Delivery Date and/or the Expansion Date, as applicable. Any delay in the Delivery Date beyond the Target Delivery Date will not subject Landlord to any liability for any loss or damage resulting therefrom. From and after the Delivery Date and prior to the Expansion Date, Tenant may construct Tenant Improvements in the Expansion Space, and while Tenant will have no obligation to pay Base Rent

(which includes Tenant's Share of Operating Expenses and Taxes for the Base Year of 2019) for the Expansion Space during such period, Tenant's other Lease obligations will apply to Tenant's use and activities within the Expansion Space.

2. **Extension.** The term of the Lease is hereby extended for a period which will expire on the date that is eighty-seven (87) full calendar months following the Expansion Date (the "**Extended Expiration Date**"), unless sooner terminated in accordance with the terms of the Lease; if the Expansion Date is the Anticipated Expansion Date, then the Extended Expiration Date will be July 31, 2026 (the "**Anticipated Extended Expiration Date**"). That portion of the term of the Lease commencing the day immediately following the Current Expiration Date (the "**Extension Date**") and ending on the Extended Expiration Date shall be referred to herein as the "**Extended Term**", and unless the context clearly provides otherwise, from and after the Extension Date, references in the Lease to the "Term" shall be deemed to include the Extended Term.

3. **Suite 100 Remeasurement.** From and after the Expansion Date, Suite 100 will be deemed to contain 660 RSF, and, accordingly, the Current Premises, as modified by such remeasurement, will be deemed to contain 58,054 RSF (and, together with the Expansion Space, will be deemed to contain 79,860 RSF).

4. **Base Rent.**

(a) **Expansion Space.**

(i) **Generally.** In addition to Tenant's obligation to pay Base Rent for the Current Premises, Tenant shall pay Landlord Base Rent for the Expansion Space from and after the Expansion Date and thereafter during the remainder of the current Term and the Extended Term (the "**Expansion Space Term**") as follows:

Months of Expansion Space Term	Annual Rate Per RSF	Monthly Base Rent
1 - 12*	\$83.00	\$150,824.83**
13 - 24	\$85.49	\$155,349.58
25 - 36	\$88.05	\$160,001.53
37 - 48	\$90.70	\$164,817.02
49 - 60	\$93.42	\$169,759.71
61 - 72	\$96.22	\$174,847.78
73 - 84	\$99.11	\$180,099.39
85 - 87	\$102.08	\$185,496.37

* If the Expansion Date is not the first (1st) day of a calendar month, then, solely for the purposes of the table set forth above, "month 1" shall be deemed to include the partial calendar month in which the Expansion Date occurs, and the next-succeeding calendar month.

** Subject to abatement pursuant to the provisions of Section 4(a)(ii) below.

(ii) **Abatement.** Notwithstanding the foregoing provisions of Section 4(a)(i) to the contrary, so long as Tenant is not then in Default, Tenant shall be entitled to an abatement of Base Rent with respect to the Expansion Space only for the first three (3) full calendar months of the Expansion Space Term, i.e., not including any partial calendar month following the Expansion Date if the Expansion Date is not the first (1st) day of a calendar month (the "**Abatement Period**"). If the Expansion Date is not the first day of a calendar month, Tenant will pay the proportionate Base Rent payable hereunder for the Expansion Space for the applicable partial calendar month, and the Abatement Period will commence on the next-succeeding calendar month. The total amount of Base Rent payable for the Expansion Space which is abated during the Abatement Period, in the amount of \$452,474.49, is referred to herein as the "**Expansion Space Abated Rent**". If Tenant is in Default under the Lease (as amended hereby), if the Default occurs prior to the expiration of the Expansion Space Abatement Period, then, from and after

the occurrence of such Default, there shall be no further abatement of Base Rent pursuant to this Section 4(a)(ii) unless and until Tenant has cured such Default and thereafter timely paid all amounts due under the Lease (as amended hereby) for a period of six (6) consecutive calendar months, at which point the abatement of the Expansion Space Abated Rent may once again commence (provided that any such abatement will be calculated based upon the rent rate(s) in effect during the originally scheduled Expansion Space Abatement Period). Additionally, if the Lease is terminated as a result of any such Default, Landlord may include in its claim for damages the sum of all unamortized Expansion Space Abated Rent previously credited to Tenant as of the date of such Default (assuming amortization of Expansion Space Abated Rent on a straight-line basis over the Expansion Space Term). For avoidance of doubt, this Section 4(a)(ii) provides for the abatement of Base Rent payable for the Expansion Space only, and not the Base Rent payable for the Current Premises.

(b) **Current Premises.**

(i) **From and after Expansion Date through Current Expiration Date.** From and after the Expansion Date through the Current Expiration Date, Tenant will continue to pay Base Rent for the Current Premises at the rates set forth in the Lease, provided, however, that for such purposes, the Current Premises will be deemed to contain 58,054 RSF pursuant to Section 2 above.

(ii) **During the Extended Term.** During the Extended Term, Tenant will pay as Base Rent for the Current Premises (containing 58,054 RSF pursuant to Section 2 above) at the same rate per RSF (including annual escalations) as is then payable for the Expansion Space.

(iii) **Confirmation Letter.** Upon the determination of the Expansion Date and, hence, the Extended Term, Landlord and Tenant will enter into a letter agreement in the form attached hereto as **Exhibit C** confirming the Base Rent payable by Tenant for the Current Premises during the period from the Expansion Date through the Current Expiration Date as well as during the Extended Term.

All such Base Rent shall be payable by Tenant in accordance with the terms of the Lease.

5. **Operating Expenses and Taxes.**

(a) **Expansion Space.** From and after the Expansion Date:

(i) **Tenant's Share.** Tenant's Share for the Expansion Space only will be 3.26% (i.e., 21,806/668,197), calculated using the First Amendment remeasurement; and

(ii) **Base Year.** The Tax Base Year and the Operating Expense Base Year applicable to the Expansion Space only will each be the calendar year 2019.

(b) **Current Premises During the Extended Term.** During the Extended Term:

(i) **Tenant's Share.** Tenant's Share for the Current Premises only will be 8.69% (i.e., 58,054/668,197), calculated using the First Amendment remeasurement; and

(ii) **Base Year.** The Tax Base Year and the Operating Expense Base Year applicable to the Current Premises only will each be the calendar year 2023.

6. **Letter of Credit.**

(a) **Expansion Space Letter of Credit.** Pursuant to the provisions of Article 8 of the Lease, Tenant has delivered to Landlord a Letter of Credit in the face amount of \$3,837,375.00 (the "**Initial Letter of Credit**"), which is subject to potential reduction in accordance with Section 8(f) of the Lease and Section 6(d) below. Concurrently with Tenant's execution and delivery of this First Amendment to Landlord, Tenant will deliver to Landlord an additional Letter of Credit meeting the requirements of Article 8 of the Lease with a Letter of Credit

Amount of \$2,182,921.00 (the “**Expansion Space Letter of Credit**”) to be held by Landlord (in addition to the Initial Letter of Credit) in accordance with the terms of Article 8 of the Lease, except that (i) the Final LC Expiration Date for the Expansion Space Letter of Credit will be October 31, 2026 (i.e., ninety (90) days following the Anticipated Extended Expiration Date; if, however, the Expansion Date is other than the Anticipated Expansion Date, then, upon the determination of the Expansion Date and the Extended Expiration Date, Tenant will cause the Expansion Space Letter of Credit to be further amended, if necessary, to provide that the Final LC Expiration Date is will be at least ninety (90) days following the actual Extended Expiration Date; and (ii) the Expansion Space Letter of Credit will be subject to potential reduction as described in Section 6(b) below.

(b) **Reduction In Expansion Space Letter of Credit Amount.** The Expansion Space Letter of Credit will be subject to potential reductions in the Letter of Credit amount in the manner described in Section 8(f) of the Lease, provided, however, that (i) the Reduction Dates with respect to the Expansion Letter of Credit only, shall be the date of expiration of the thirty-sixth (36th) full calendar month of the Expansion Space Term and each anniversary of such date thereafter, and (ii) the amount of the first such reduction will be \$1,091,460.50, such that the face amount of the Expansion Space Letter of Credit will be reduced to \$1,091,460.50 as of the first Reduction Date, and (iii) each subsequent reduction will be in the amount of \$181,910.08 (provided that in no event shall the Expansion Space Letter of Credit Amount be reduced below \$545,730.26). The same Reduction Conditions as are set forth in the Lease will apply to any such reduction of the Expansion Space Letter of Credit.

(c) **Initial Letter of Credit.** Concurrently with Tenant’s execution and delivery of this First Amendment to Landlord, Tenant will deliver to Landlord an amendment to the Initial Letter of Credit extending the expiry date of the Initial Letter of Credit to October 31, 2026, and will subsequently cause the Initial Letter of Credit expiry date to be further adjusted, if necessary, to be at least ninety (90) days following the actual extended Expiration Date).

(d) **Reductions.** For avoidance of doubt, with respect to each of the Initial Letter of Credit and the Expansion Space Letter of Credit, if, as of a scheduled Reduction Date for such Letter of Credit, the Reduction Conditions are not satisfied, but the Reduction Conditions are satisfied as of the next-succeeding Reduction Date (which the parties acknowledge may not occur if at any time the Reduction Condition described in clause (iv) of Section 8(f) of the Lease is not satisfied) then, as of the next-succeeding Reduction Date, the Letter of Credit Amount for the applicable Letter of Credit will only be reduced to the next succeeding lower Letter of Credit Amount (i.e., any such subsequent reduction will not be “cumulative”; for example, with respect to the Initial Letter of Credit, if, as of the first Reduction Date, the Reduction Condition described in clause (vi) of Section 8(f) of the Lease has not been satisfied, but, as of the next-succeeding (i.e., the second (2nd)) Reduction Date, the Reduction Conditions are satisfied, then the Letter of Credit Amount with respect to the Initial Letter of Credit will be reduced to \$3,453,637, not to \$3,069,899.

7. Improvements to Expansion Space.

(a) **Condition of Expansion Space.** Tenant agrees to accept the Expansion Space as of the Delivery Date in its “as is” condition, without any agreements, representations, understandings or obligations on the part of Landlord to (i) perform any alterations, additions, repairs or improvements therein, other than Landlord’s Demolition Work and Landlord’s Additional Work (defined in the Work Agreement), (ii) fund or otherwise pay for any alterations, additions, repairs or improvements to the Expansion Space, or (iii) grant Tenant any free rent, concessions, credits or contributions of money with respect to the Expansion Space, except as may be expressly provided otherwise in this First Amendment (inclusive of the Work Agreement).

(b) **Responsibility for Improvements to the Expansion Space.** Tenant may construct Tenant Improvements to the Expansion Space in accordance with the Work Agreement and Tenant will be entitled to an Allowance in connection with such work as more fully described in the Work Agreement.

8. **Renewal Option.** For avoidance of doubt, the Renewal Option described in Section 3 of Exhibit G to the Lease will apply to the Current Premises, as expanded by the addition of the Expansion Space. For such purposes, Tenant’s Initial Renewal Notice must be delivered not less than fifteen (15) or more than eighteen (18) full

calendar months prior to the Extended Expiration Date, and the Base Year applicable during the Renewal Term shall be the calendar year in which the Renewal Term commences (as opposed to the calendar year 2020, as described in Section 3(b) of Exhibit G to the Lease).

9. **Right of First Offer.** For avoidance of doubt, Tenant will continue to retain the Right of First Offer described in Section 2 of Exhibit G to the Lease, provided that the Offering Space shall be limited to the entire fourth (4th) floor of the Building.

10. **Expansion Option.** Tenant acknowledges that the Expansion Option described in Section 1 of Exhibit G to the Lease is null and void and of no further force or effect.

11. **Parking.** From and after the Expansion Date, in addition to Tenant's existing parking rights under the Lease, Tenant shall be entitled to one (1) additional valet parking pass for every 7,500 RSF in the Expansion Space (i.e., three (3) valet parking passes) for an aggregate of ten (10) valet parking passes, in accordance with the provisions of Article 16 of the Lease.

12. **Gym Tenant Access to Third Floor Lobby.** Landlord agrees that the gym tenant occupying a portion of the third (3rd) floor of the Building will not have regular access to the common area third (3rd) floor elevator lobby from the portion of such tenant's premises located on the third (3rd) floor; only emergency access by such tenant to such lobby will be permitted.

13. **Miscellaneous.**

(a) This First Amendment and the attached exhibits, which are hereby incorporated into and made a part of this First Amendment, set forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

(b) Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect.

(c) In the case of any inconsistency between the provisions of the Lease and this First Amendment, the provisions of this First Amendment shall govern and control.

(d) Submission of this First Amendment by Landlord is not an offer to enter into this First Amendment. Landlord and Tenant will not be bound by this First Amendment until Landlord and Tenant have executed and delivered this First Amendment.

(e) Capitalized terms used in this First Amendment shall have the same definitions as set forth in the Lease to the extent that such capitalized terms are defined therein and not redefined in this First Amendment.

(f) Tenant hereby represents to Landlord that Tenant has dealt with no broker in connection with this First Amendment, other than CBRE, Inc. ("**Tenant's Broker**"). Tenant agrees to defend, indemnify and hold Landlord harmless from all claims of any brokers, other than Tenant's Broker, claiming to have represented Tenant in connection with this First Amendment. Landlord hereby represents to Tenant that Landlord has dealt with no broker in connection with this First Amendment, other than Jones Lang LaSalle Americas, Inc. Landlord agrees to defend, indemnify and hold Tenant harmless from all claims of any brokers claiming to have represented Landlord in connection with this First Amendment. Landlord agrees to compensate Tenant's Broker pursuant to the terms of a separate written agreement.

(g) Each signatory of this First Amendment represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.

(h) This notice is given pursuant to California Civil Code Section 1938. The Premises and the Expansion Space have not been issued a disability access inspection certificate. A Certified Access Specialist (CASP) can inspect the Premises and/or the Expansion Space and determine whether the Premises or Expansion Space complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection, Landlord may not prohibit Tenant from obtaining a CASp inspection. If Tenant desires to perform a CASp inspection, Tenant will provide written notice to Landlord, and Landlord may elect, in its sole discretion, to retain a CASp to perform the inspection. If Landlord does not so elect, the time and manner of any CASp inspection performed by Tenant, as well as the CASp selected to perform such inspection, will be subject to the prior written approval of Landlord, not to be unreasonably withheld, conditioned or delayed. In either event, the payment of the fee for the CASp inspection shall be borne by Tenant. The cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises shall be allocated as provided in Article 11 of the Original Lease and the cost of making any such repairs with respect to violations within the Expansion Space will be borne by Tenant.

(i) Tenant represents and warrants to Landlord that Tenant is currently in compliance with and shall at all times remain in compliance with the regulations of the Office of Foreign Assets Control (“OFAC”) of the Department of the Treasury and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

(j) This First Amendment may be executed in multiple counterparts each of which is deemed an original but together constitute one and the same instrument. This First Amendment may be executed in “pdf” format and each party has the right to rely upon a pdf counterpart of this First Amendment signed by the other party to the same extent as if such party had received an original counterpart.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Second Amendment as of the Second Amendment Effective Date.

LANDLORD:

50 BEALE STREET LLC, A Delaware Limited Liability Company

By: 50 BEALE INC., its managing member

By: /s/ Peter R. C. Brindley
Peter R. C. Brindley, Vice President

TENANT:

MAPLEBEAR, INC.,
a Delaware corporation, d/b/a Instacart

By: /s/ Ravi Gupta
Print Name: Ravi Gupta, COO/CFO
Its: COO/CFO

By: /s/ Javier Cortes
Print Name: Javier Cortes
Its: Head of Finance

EXHIBIT A
EXPANSION SPACE

EXHIBIT A

EXHIBIT B

WORK AGREEMENT

THIS WORK AGREEMENT (this “**Work Agreement**”) is attached to and made a part of that certain First Amendment to Lease (the “**First Amendment**”) between **50 BEALE STREET LLC**, a Delaware limited liability company (“**Landlord**”), and **MAPLEBEAR INC.**, a Delaware corporation d/b/a Instacart (“**Tenant**”). All capitalized terms used but not defined herein shall have the respective meanings given such terms in the First Amendment or the Lease (defined in the First Amendment). This Work Agreement sets forth the terms and conditions relating to the construction of Tenant Improvements (defined below) in the Expansion Premises.

SECTION 1

ALLOWANCE

1.1 Allowance. Tenant shall be entitled to an improvement allowance (the “**Allowance**”) in an amount not to exceed \$80.00 per RSF of the Expansion Space (i.e., \$1,744,480.00) for the costs relating to the design and construction of improvements which are permanently affixed to the Expansion Space and/or the Current Premises (the “**Tenant Improvements**”). For the avoidance of doubt, Tenant may, in Tenant’s sole discretion, use the Allowance for the Tenant Improvements in the Expansion Space, in the Current Premises, or in both, without regard to the relative proportion of each portion of the Premises to the whole. Except as set forth in Section 4 below, in no event will Landlord be obligated to make disbursements or incur costs pursuant to this Work Agreement in a total amount which exceeds the Allowance. Tenant must complete all Tenant Improvements and have submitted Payment Request Supporting Documentation (defined below) for such work no later than December 31, 2019 in order to be entitled to receive the Allowance for such work.

1.2 Allowance Items. The Allowance may be applied to reimburse Tenant for the following items and costs (collectively, the “**Allowance Items**”):

- (a) costs related to the design and construction of the Tenant Improvements, including the cost of Permits (defined below) and the payment of plan check and license fees;
- (b) payment of the fees of the Architect and the Building Consultants (as such terms are defined below), and payment of the fees incurred by, and the cost of documents and materials supplied by, Landlord and Landlord’s consultants in connection with the preparation and review of the Construction Drawings (as defined below);
- (c) the cost of any changes in the Building when such changes are required by the Construction Drawings, such cost to include all architectural and engineering fees and expenses incurred in connection therewith;
- (d) the cost of any changes to the Construction Drawings or the Tenant Improvements required by applicable building codes (collectively, “**Code**”); and
- (e) the Supervision Fee (defined below).

1.3 Disbursement of Allowance. Tenant expressly acknowledges that it is the intent of the parties that Tenant will initially fund all cost of design, permitting and construction of Tenant Improvements. Following the final completion of construction of the Tenant Improvements, Tenant shall deliver to Landlord: (A) invoices from all of Tenant’s Agents (defined below), including Contractor (defined below) for labor rendered and materials delivered to the Premises; and (B) executed unconditional mechanic’s lien releases from all of Tenant’s Agents who have lien rights (collectively, the “**Payment Request Supporting Documentation**”). Provided that (A) Landlord has determined in good faith that no substandard work exists which adversely affects the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of

the Building, the structure or exterior appearance of the Building, or any other tenant's use of such other tenant's leased premises in the Building; (B) Architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Tenant Improvements has been finally completed; (C) Tenant supplies Landlord with evidence that all governmental approvals required for Tenant to legally occupy the Premises have been obtained; and (D) Tenant has fulfilled its Completion Obligations (defined below) and has otherwise complied with Landlord's standard "**close-out**" requirements regarding city approvals, closeout tasks, closeout documentation regarding the general contractor, financial close-out matters, and Tenant's vendors, Landlord shall deliver to Tenant a check made payable to Tenant, or a check or checks made payable to another party or parties as reasonably requested by Tenant, in the amount of the Allowance (or, if less, the amount of all Allowance Items described in Tenant's Payment Request Supporting Documentation), within thirty (30) days thereafter.

SECTION 2

CONSTRUCTION DRAWINGS

2.1 Selection of Architect; Construction Drawings. Tenant shall retain Design Blitz (the "**Architect**") to prepare the Construction Drawings. For any additional work required to be performed with respect to the Construction Drawings, Tenant shall retain the engineering consultants designated by Landlord listed below (the "**Building Consultants**");

MEP:	Glumac International (" Glumac ")
Air Balancing:	RSA (RSAnalysis)
Life Safety:	Pyro Comm
Structural:	Rivera Consulting Group, Inc.
Sprinkler:	RLH Fire Protection
Riser Management:	Montgomery Technologies

If any of the MEP work will be performed on a design-build basis, Tenant will not be required to retain Glumac as the Building Consultant, provided that Landlord will reserve the right to require that Glumac peer-review the MEP plans of the resulting work, the cost of which will be deducted from the Allowance. The plans and drawings to be prepared by Architect and the Building Consultants hereunder (i.e., both the Space Plan and the Working Drawings, as each term is defined below) shall be known collectively as the "**Construction Drawings.**" All Construction Drawings shall comply with the drawing format and specifications reasonably determined or approved by Landlord and shall be subject to Landlord's prior written approval, not to be unreasonably withheld, conditioned or delayed. Landlord's review of the Construction Drawings shall be for its sole purpose and shall not obligate Landlord to review the same, for quality, design, Code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed by Landlord or its space planner, architect, engineers and consultants, and notwithstanding any advice or assistance which may be rendered to Tenant by Landlord or Landlord's space planner, architect, engineers, and consultants, Landlord shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings.

2.2 Space Plan. Tenant shall supply Landlord for Landlord's review and approval with four (4) copies signed by Tenant of its space plan for the Premises (the "**Space Plan**") before any architectural working drawings or engineering drawings have been commenced. The Space Plan shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein. Landlord may request clarification or more specific drawings for special use items not included in the Space Plan. Landlord shall advise Tenant within five (5) business days after Landlord's receipt of the Space Plan (or, if applicable, such additional information reasonably requested by Landlord pursuant to the provisions of the immediately preceding sentence) if the same is approved or is unsatisfactory or incomplete in any respect. If Tenant is so advised, Tenant shall promptly cause the Space Plan to be revised to correct any deficiencies or other matters Landlord may reasonably require.

2.3 Working Drawings. After the Space Plan has been approved by Landlord, Tenant shall supply the Architect and the Building Consultants with a complete listing of standard and non-standard equipment and specifications, including, without limitation, B.T.U. calculations, electrical requirements and special electrical receptacle requirements for the Premises, to enable the Architect and the Building Consultants to complete the Working Drawings and shall cause the Architect and the Building Consultants to promptly complete the architectural and engineering drawings for the Premises, and Architect shall compile a fully coordinated set of architectural, structural, mechanical, electrical and plumbing working drawings in a form which is complete to allow subcontractors to bid on the work and to obtain all applicable permits (collectively, the “**Working Drawings**”) and shall submit the same to Landlord for Landlord’s review and approval. Tenant shall supply Landlord with four (4) copies signed by Tenant of the Working Drawings. Landlord shall advise Tenant within ten (10) business days after Landlord’s receipt of the Working Drawings if Landlord, in good faith, determines that the same are approved or are unsatisfactory or incomplete. If Tenant is so advised, Tenant shall promptly revise the Working Drawings to correct any deficiencies or other matters Landlord may reasonably require.

2.4 Landlord’s Approval. Landlord’s approval of any matter under this Work Agreement may be withheld if Landlord reasonably determines that the same would violate any provision of the Lease or this Work Agreement or would adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant’s use of such other tenant’s leased premises in the Building.

SECTION 3

CONSTRUCTION OF THE TENANT IMPROVEMENTS

3.1 Tenant’s Selection of Contractors.

(a) The Contractor. A general contractor selected by Tenant and approved in writing by Landlord, which approval shall not be unreasonably withheld or delayed (provided that Tenant expressly acknowledges that it shall be deemed reasonable for Landlord to withhold its consent to any Contractor who is not union affiliated) (“**Contractor**”) shall be retained by Tenant to construct the Tenant Improvements.

(b) Tenant’s Agents. All subcontractors, laborers, materialmen, and suppliers used by Tenant (such subcontractors, laborers, materialmen, and suppliers, and the Contractor to be known collectively as “**Tenant’s Agents**”) must be approved in writing by Landlord, in Landlord’s sole discretion (Landlord will approve or disapprove Tenant’s Agents within seven (7) business days following Tenant’s written request). All of Tenant’s Agents shall be licensed in the State of California, capable of being bonded and union-affiliated in compliance with all then existing master labor agreements.

3.1 Construction of Tenant Improvements by Tenant’s Agents.

(a) Construction Contract. Tenant’s construction contract and general conditions with Contractor (the “**Contract**”) shall comply with all relevant provisions of this Work Agreement. Prior to the commencement of the construction of the Tenant Improvements, Tenant shall provide Landlord with a schedule of values consisting of a detailed breakdown, by trade, of the final costs to be incurred or which have been incurred, for all Allowance Items in connection with the design and construction of the Tenant Improvements, which costs form the basis for the amount of the Contract.

(b) Construction Requirements.

(i) Landlord’s General Conditions for Tenant’s Agents and Tenant Improvement Work. Construction of the Tenant Improvements shall comply with the following: (A) the Tenant Improvements shall be constructed in strict accordance with the Approved Working Drawings and Landlord’s then-current published construction guidelines; (B) Tenant’s Agents shall submit schedules of all work relating to the Tenant Improvements to Landlord and Landlord shall, within five (5) business days of receipt thereof, inform Tenant’s

Agents of any changes which are necessary thereto, and Tenant's Agents shall adhere to such corrected schedule; and (C) Tenant shall abide by all rules made by Landlord's Building manager with respect to the use of freight, loading dock and service elevators, any required shutdown of utilities (including life-safety systems), storage of materials, coordination of work with the contractors of Landlord or other tenants, and any other matter in connection with this Work Agreement, including, without limitation, the construction of the Tenant Improvements.

(ii) Indemnity. Tenant's indemnity of Landlord as set forth in the Lease shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to any act or omission of Tenant or Tenant's Agents, or anyone directly or indirectly employed by any of them, or in connection with Tenant's non-payment of any amount arising out of the Tenant Improvements and/or Tenant's disapproval of all or any portion of any request for payment. Such indemnity by Tenant, as set forth in the Lease, shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to Landlord's performance of any ministerial acts reasonably necessary (A) to permit Tenant to complete the Tenant Improvements, and (B) to enable Tenant to obtain any building permit or certificate of occupancy for the Premises.

(iii) Requirements of Tenant's Agents. Each of Tenant's Agents shall guarantee to Tenant and for the benefit of Landlord that the portion of the Tenant Improvements for which it is responsible shall be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of completion thereof. Each of Tenant's Agents shall be responsible for the replacement or repair, without additional charge, of all work done or furnished in accordance with its contract that shall become defective within one (1) year after the completion of the work performed by such contractor or subcontractor. The correction of such work shall include, without additional charge, all additional expenses and damages incurred in connection with the removal or replacement of all or any part of the Tenant Improvements, and/or the Building and/or common areas that are damaged or disturbed thereby. All such warranties or guarantees as to materials or workmanship of or with respect to the Tenant Improvements shall be contained in the Contract or subcontract and shall be written such that such guarantees or warranties shall inure to the benefit of both Landlord and Tenant, as their respective interests may appear, and can be directly enforced by either. Tenant covenants to give to Landlord any assignment or other assurances as may be necessary to effect such right of direct enforcement.

(c) Insurance Requirements.

(i) General Coverages. All of Tenant's Agents shall carry employer's liability and worker's compensation insurance covering all of their respective employees, and shall also carry commercial general liability insurance, including personal and bodily injury, property damage and completed operations liability, all with limits, in form and with companies as are required to be carried by Tenant as set forth in the Lease.

(ii) Special Coverages. Tenant or Contractor shall carry "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of the Tenant Improvements, and such other insurance as Landlord may require, it being understood and agreed that the Tenant Improvements shall be insured by Tenant pursuant to the Lease immediately upon completion thereof. Such insurance shall be in amounts and shall include such extended coverage endorsements as may be reasonably required by Landlord, and shall be in form and with companies as are required to be carried by Tenant as set forth in the Lease.

(iii) General Terms. Certificates for all of the foregoing insurance coverage shall be delivered to Landlord before the commencement of construction of the Tenant Improvements and before the Contractor's equipment is moved onto the site. All such policies of insurance must contain a provision, if available, that the company writing said policy will endeavor to give Landlord thirty (30) days' prior written notice of any cancellation of such insurance. In the event that the Tenant Improvements are damaged by any cause during the course of the construction thereof, Tenant shall immediately repair the same at Tenant's sole cost and expense. Tenant's Agents shall maintain all of the foregoing insurance coverage in force until the Tenant Improvements are fully completed and accepted by Landlord, except for any Products and Completed Operations Coverage insurance required by Landlord, which is to be maintained for one (1) year following completion of the work and acceptance by Landlord and Tenant. All policies carried hereunder shall insure Landlord and Tenant, as their interests may appear, as well as Tenant's Agents. All insurance, except Workers' Compensation, maintained by Tenant's Agents

shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance as respects Landlord and Tenant and that any other insurance maintained by Landlord or Tenant is excess and noncontributing with the insurance required hereunder. The requirements for the foregoing insurance shall not derogate from the provisions for indemnification of Landlord by Tenant under the Lease and/or this Work Agreement.

(d) Supervision Fee. Landlord shall supervise the construction by Contractor, and Tenant shall pay to Landlord a construction supervision and management fee (the “**Supervision Fee**”) in an amount equal to \$1.00 per RSF in the Expansion Space (i.e., \$21,806.00). This Supervision Fee shall be in lieu of and not in addition to the supervision fee set forth in Article 20 of the Lease.

(e) Governmental Compliance. The Tenant Improvements shall comply in all respects with the following: (i) the Code and other federal, state, city and/or quasi-governmental laws, codes, ordinances and regulations, as each may apply according to the rulings of the controlling public official, agent or other person or entity; (ii) applicable standards of the American Insurance Association (formerly, the National Board of Fire Underwriters) and the National Electrical Code; and (iii) building material manufacturer’s specifications.

(f) Inspection by Landlord. During performance of the Tenant Improvements, Landlord shall have the right to inspect the Tenant Improvements at all times, provided however, that Landlord’s failure to inspect the Tenant Improvements shall in no event constitute a waiver of any of Landlord’s rights hereunder nor shall Landlord’s inspection of the Tenant Improvements constitute Landlord’s approval of the same. Should Landlord disapprove any portion of the Tenant Improvements, Landlord shall notify Tenant in writing of such disapproval and shall specify the items disapproved. Any defects or deviations in, and/or disapproval by Landlord of, the Tenant Improvements shall be rectified by Tenant at no expense to Landlord, provided however, that in the event Landlord determines in good faith that a defect or deviation exists or disapproves of any matter in connection with any portion of the Tenant Improvements and such defect, deviation or matter might adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning or life-safety systems of the Building, the structure or exterior appearance of the Building or any other tenant’s use of such other tenant’s leased premises, Landlord may take such action as Landlord deems necessary, at Tenant’s expense and without incurring any liability on Landlord’s part, to correct any such defect, deviation and/or matter, including, without limitation, causing the cessation of performance of the construction of the Tenant Improvements until such time as the defect, deviation and/or matter is corrected to Landlord’s satisfaction.

(g) Meetings. Tenant shall hold periodic meetings at a reasonable time with the Architect and the Contractor regarding the progress of the preparation of the Construction Drawings and the construction of the Tenant Improvements, which meetings shall be held at a location designated or reasonably approved by Landlord, and Landlord and/or its agents shall receive prior written notice of, and shall have the right to attend, all such meetings. Upon Landlord’s request, certain of Tenant’s Agents shall attend such meetings. In addition, minutes shall be taken at all such meetings, and Landlord will be included in the distribution list for such minutes. One such meeting each month shall include the review of Contractor’s current request for payment.

3.2 Notice of Completion; Copy of Record Set of Plans. Within thirty (30) days after completion of construction of the Tenant Improvements, Tenant shall cause a Notice of Completion to be recorded in the office of the Recorder of San Francisco County shall furnish a copy thereof to Landlord upon such recordation, and shall timely give all notices required pursuant to the California Civil Code. If Tenant fails to do so, Landlord may execute and file such Notice of Completion and give such notices on behalf of Tenant as Tenant’s agent for such purpose, at Tenant’s sole cost and expense. Within thirty (30) days following the completion of construction, (i) Tenant shall cause the Architect and Contractor (A) to update the Approved Working Drawings as necessary to reflect all changes made to the Approved Working Drawings during the course of construction, (B) to certify to the best of their knowledge that the updated drawings are true and correct, which certification shall survive the expiration or termination of the Lease, and (C) to deliver to Landlord such updated drawings in accordance with Landlord’s then-current CAD Requirements, and (ii) Tenant shall deliver to Landlord a copy of all warranties, guaranties, and operating manuals and information relating to the improvements, equipment, and systems in the Premises. Tenant’s obligations set forth in this Section are collectively referred to as the “**Completion Obligations.**”

SECTION 4

LANDLORD'S DEMOLITION WORK

Landlord, at Landlord's sole cost, shall demolish the existing improvements within the Expansion Space (inclusive of the removal of the perimeter induction units in the Expansion Space) and construct new demising walls demising the Expansion Space from the remainder of the third (3rd) floor of the Building, in compliance with applicable Code and applicable Law in effect as of the Delivery Date, using Building standard finishes ("**Landlord's Demolition Work**"). Additionally, Landlord will (a) refurbish the existing corridor and elevator lobby on the third (3rd) floor of the Building (inclusive of the existing double doors to the Expansion Space, if necessary) in accordance with current "**Building Standard**" design and perform any necessary upgrades to the same required by Code in effect as of the Delivery Date and (b) modify the existing restrooms on the third (3rd) floor of the Building, if and to the extent necessary, so as to bring the same into compliance with applicable Code and applicable law (including, but not limited to work necessary to bring the restrooms into compliance with the ADA and Title 24) (collectively, the "**Landlord's Additional Work**"). Landlord's Demolition Work will be completed prior to the Delivery Date. Landlord's Additional Work may be carried out by Landlord after the Delivery Date and concurrently with Tenant's design and construction of the Tenant Improvements. Accordingly, during any period when both parties and/or their respective employees, vendors, contractors or consultants are concurrently performing work in, or accessing, any portion of the third (3rd) floor, neither party shall unreasonably interfere with or delay the work of the other party and/or its contractors or consultants and both parties shall mutually coordinate and cooperate with each other, and shall cause their respective employees, vendors, contractors and consultants to work in harmony with and to mutually coordinate and cooperate with the other's employee, vendors, contractors and consultants, respectively, to minimize any interference or delay by either party with respect to the other party's work.

SECTION 5

LANDLORD DELAY

As used herein, "**Landlord Delay**" shall mean an actual delay in the substantive completion of the Tenant Improvements in any Suite resulting from (a) failure of Landlord to timely approve or disapprove any Construction Drawings; (b) unreasonable and material interference by Landlord, its employees, agents or contractors with the completion of the Tenant Improvements; or (c) delays due to the acts or failures to act of Landlord, its agents or contractors with respect to payment of the Allowance. If Tenant contends that a Landlord Delay has occurred, Tenant shall notify Landlord in writing (the "**Delay Notice**") of the event which constitutes such Landlord Delay. If the actions or inactions or circumstances described in the Delay Notice qualify as a Landlord Delay (such notice may be delivered via electronic mail to Landlord's construction representative identified below, with a copy to), and are not cured by Landlord within two (2) business days after Landlord's receipt of the Delay Notice, then a potential Landlord Delay shall be deemed to have occurred commencing as of the expiration of such two (2) business day period. Notwithstanding the foregoing to the contrary, Tenant will, in any event, use reasonable efforts to mitigate the effect of any potential Landlord Delay by re-scheduling or re-sequencing work, as and to the extent feasible (provided that Tenant will not be required to incur any material out of pocket charges, including for overtime or after-hours charges in such efforts unless Landlord agrees to bear the cost of such overtime or after-hours charges). However, if and to the extent that Landlord satisfied any timing requirement set forth in this Work Agreement by acting or responding, as the case may be, one (1) or more days' prior to the scheduled date set forth herein for such action or response ("**Schedule Saving Day**"), then any aggregate Landlord Delay described in above shall first be offset against and reduced on a day-for-day basis by the aggregate number of Schedule Saving Days. If and to the extent that the substantial completion of the Tenant Improvements in any Suite is delayed due to any Landlord Delay, then the Expansion Date shall be delayed on a day-for-day basis for each such day that such work is so delayed by Landlord Delay), after accounting for any Schedule Saving Day(s). Except with respect to a delay due to Force Majeure, if either (i) the Expansion Date or (ii) Tenant's completion of the Tenant Improvements is delayed due to a Landlord Delay for more than thirty (30) days, Tenant shall receive a credit toward Base Rent in an amount equal to one (1) day of Base Rent next coming due under the First Amendment attributable to the Expansion Space for each day of delay in the Expansion Date or in Tenant's completion of the Tenant Improvements.

SECTION 6

MISCELLANEOUS

6.1 Tenant's Representative. Tenant has designated Max Mullen as its sole representative with respect to the matters set forth in this Work Agreement, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of Tenant as required in this Work Agreement.

6.2 Landlord's Representative. Landlord has designated Christine Mann as its sole representative with respect to the matters set forth in this Work Agreement, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of Landlord as required in this Work Agreement.

6.3 Tenant's Agents. All contractors, subcontractors, laborers, materialmen, vendors and suppliers retained by or through Tenant shall be union labor in compliance with the then existing master labor agreements.

6.4 Time of the Essence in This Work Agreement. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days. In all instances where Tenant is required to approve or deliver an item, if no written notice of approval is given or the item is not delivered within the stated time period, at Landlord's sole option, at the end of such period the item shall automatically be deemed approved or delivered by Tenant and the next succeeding time period shall commence.

6.5 Tenant's Lease Default. Notwithstanding any provision to the contrary contained in the Lease, if a Default by Tenant under the Lease (including, without limitation, any Default by Tenant under this Work Agreement) has occurred at any time on or before the Substantial Completion of the Tenant Improvements, then (i) in addition to all other rights and remedies granted to Landlord pursuant to the Lease, Landlord shall have the right to withhold payment of all or any portion of the Allowance and/or Landlord may cause Contractor to cease the construction of the Tenant Improvements, and (ii) all other obligations of Landlord under the terms of this Work Agreement shall be forgiven until such time as such Default is cured pursuant to the terms of the Lease. Any delay in the Substantial Completion of the Tenant Improvements caused by the exercise of Landlord's rights pursuant to this Section shall be a Tenant Delay.

6.6 Freight Elevators. Landlord shall, consistent with its obligations to other tenants of the Building, make the freight elevator reasonably available to Tenant without cost in connection with Tenant's initial decorating, furnishing and moving into the Premises and, at the Expiration Date moving out of the Premises (provided that with respect to Tenant's move-out, if Landlord is required to pay for a separate elevator security guard for such usage and/or pay overtime or "after-hours" overtime rates for any elevator operator, Tenant will bear such costs).

EXHIBIT C

CONFIRMATION LETTER

Date _____

Re: First Amendment Lease dated as of _____, 2018, by and between 50 BEALE STREET LLC, as Landlord, and MAPLEBEAR INC., d/b/a Instacart, as Tenant, for Expansion Space consisting of 21,806 rentable square feet on the third (3rd) floor of the Building located at 50 Beale Street, San Francisco, California.

Dear _____,

In accordance with the terms and conditions of the above referenced First Amendment, Tenant accepts possession of the Expansion Space and agrees:

1. The Delivery Date is _____.
2. The Expansion Date is _____, ____.
3. The Abatement Period for the Expansion Space is the period commencing on _____, ____ and expiring on _____, ____.
4. The Extended Expiration Date is _____.
5. The Schedule of Base Rent payable for the Expansion Space during the Expansion Space Term is as follows: **[TO BE ADDED]**;
6. The Schedule of Base Rent payable for the Current Premises during the period from the Expansion Date to the Current Expiration Date and thereafter during Extended Term is as follows: **[TO BE ADDED]**;
7. The Schedule of Base Rent payable for the Aggregate Premises, inclusive of the Expansion Space and the Current Premises, is as follows: **[TO BE ADDED]**

Please acknowledge your acceptance of possession and agreement to the terms set forth above by signing a counterpart of this Commencement Letter in the space provided and returning a fully executed counterparts to my attention (a scanned, signed counterpart delivered to _____@____.com will suffice).

Sincerely,

Agreed and Accepted:

Property Manager

Tenant: _____

By: **_[EXHIBIT - - DO NOT SIGN]_**

Name: _____

Title: _____

EXHIBIT C

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE (“Second Amendment”) is entered into as of May 15, 2019 (the “**Second Amendment Effective Date**”), by and between **50 BEALE STREET, LLC**, a Delaware limited liability company (“**Landlord**”), and **MAPLEBEAR INC.**, a Delaware corporation d/b/a Instacart (“**Tenant**”), with reference to the following facts:

- A. Landlord and Tenant are parties to that certain Office Lease dated as of May 12, 2015 (the “**Original Lease**”), as amended by that certain First Amendment to Lease dated as of October 12, 2018 (the “**First Amendment**”; the Original Lease, as amended by the First Amendment, being referred to herein as the “**Lease**”) pursuant to which Landlord leases to Tenant space (the “**Current Premises**”) containing 79,860 rentable square feet (“**RSF**”) described as (i) Suite 100 on the ground floor (660 RSF) (“**Suite 100**”), (ii) Suite 300 on the third (3rd) floor (21,806 RSF), (iii) Suite 600 on the sixth (6th) floor (28,114 RSF), and (iv) Suite 1100 on the eleventh (11th) floor (29,280 RSF) in the building located at 300 Mission Street (formerly known as 50 Beale Street), San Francisco, California (the “**Building**”).
- B. Tenant desires to (i) expand the Premises to include all of the fourteenth (14th) floor of the Building, comprised of approximately 28,267 RSF and designated as Suite 1400, as shown on **Exhibit A** hereto (the “**Suite 1400 Expansion Space**”), and (ii) Surrender Suite 100 to Landlord prior to the scheduled Expansion Date and the parties wish to memorialize the same on the terms set forth herein.

NOW, THEREFORE, in consideration of the above recitals which by this reference are incorporated herein, the mutual covenants and conditions contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. **Surrender of Suite 100.** On or before December 31, 2019 (the “**Suite 100 Expiration Date**”), Tenant will surrender possession of Suite 100 to Landlord in the condition required by the Lease and, from and after Suite 100 Expiration Date, the Term will be deemed to have expired with respect to Suite 100 only. Landlord agrees and acknowledges that in no event shall Tenant be required to remove any existing leasehold improvements as of the Second Amendment Effective Date from Suite 100. The provisions of Article 34 of the Original Lease regarding penalties and liability for holding over shall apply with respect to Tenant’s failure to timely surrender possession of Suite 100 to Landlord. Following the Suite 100 Expiration Date, the Premises will contain 78,200 RSF, and Tenant’s share with respect to the Premises originally demised by the Original Lease (i.e., Suite 600 and Suite 1100; the “**Original Premises**”) will be reduced to 11.81% (i.e., 78,200/662,060). Additionally, the Schedule of Base Rent payable for the Original Premises will be revised so as to delete from and after the Suite 100 Expiration Date, the Base Rent payable, as described in Section 5(b) of the Original Lease. At the request of either party hereto, the parties will enter into a further amendment to the Lease or a letter agreement, as applicable, reflecting the changes in the Base Rent payable for the Current Premises as a consequence of the early termination of the Lease with respect to Suite 100.

2. **Expansion.**

(a) **Generally.** Landlord will deliver the Suite 1400 Expansion Space to Tenant for the purpose of allowing Tenant to construct Tenant Improvements (defined in the Work Agreement attached hereto as **Exhibit B** (the “**Work Agreement**”)) therein on the later to occur of (i) January 1, 2020 (the “**Target Suite 1400 Expansion Delivery Date**”) and (ii) the date immediately following the date upon which the current occupant of the Suite 1400 Expansion Space, whose lease for the Suite 1400 Expansion Space is scheduled to expire as of December 31, 2019, vacates the Suite 1400 Expansion Space and tenders possession of the same to Landlord (the actual date of delivery of the Suite 1400 Expansion Space to Tenant being referred to herein as the “**Suite 1400 Expansion Space Delivery Date**”). Effective as of the date (the “**Suite 1400 Expansion Date**”) that is one hundred twenty (120) days following the Suite 1400 Expansion Space Delivery Date (i.e., May 1, 2020, assuming a Suite 1400 Expansion Space Delivery Date of January 1, 2020 (the “**Anticipated Suite 1400 Expansion Date**”)), the Premises, as defined

in the Lease, will be increased by the addition of the Suite 1400 Expansion Space, and from and after the Suite 1400 Expansion Date through the Extended Expiration Date (defined in the First Amendment, and such period being referred to herein as the “**Suite 1400 Expansion Space Term**”), the Current Premises (which will have been reduced by the surrender of Suite 100 and increased by the Suite 1400 Expansion Space), collectively, containing approximately 107,467 RSF, shall be deemed the “**Premises**” for all purposes under the Lease. The Suite 1400 Expansion Space will be subject to all of the terms and conditions of the Lease except as expressly modified herein.

(b) **Confirmation Letter; Beneficial Occupancy.** Promptly following the Suite 1400 Expansion Space Delivery Date and/or the Suite 1400 Expansion Date, at the request of either party, Landlord and Tenant shall enter into a letter agreement in the form attached hereto as **Exhibit C**, confirming the Suite 1400 Expansion Space Delivery Date and/or the Suite 1400 Expansion Date, as applicable. Any delay in the Suite 1400 Expansion Space Delivery Date beyond the Target Suite 1400 Expansion Space Delivery Date will not subject Landlord to any liability for any loss or damage resulting therefrom. From and after the Suite 1400 Expansion Space Delivery Date and prior to the Suite 1400 Expansion Date, Tenant may construct Tenant Improvements and install its furniture, fixtures and equipment in the Suite 1400 Expansion Space, and while Tenant will have no obligation to pay Base Rent (which includes Tenant’s Share of Operating Expenses and Taxes for the Base Year of 2020) for the Suite 1400 Expansion Space during such period, Tenant’s other Lease obligations will apply to Tenant’s use and activities within the Suite 1400 Expansion Space.

3. **Base Rent For Suite 1400 Expansion Space.**

(a) **Generally.** In addition to Tenant’s obligation to pay Base Rent for the Current Premises, Tenant shall pay Landlord Base Rent for the Suite 1400 Expansion Space from and after the Suite 1400 Expansion Date and thereafter during the remainder of the Suite 1400 Expansion Space Term as follows:

Months of Suite 1400 Expansion Space Term	Annual Rate Per RSF	Monthly Base Rent
1* - 12	\$90.00	\$212,002.50**
13 - 24	\$92.70	\$218,362.58
25 - 36	\$95.48	\$224,911.10
37 - 48	\$98.35	\$231,671.62
49 - 60	\$101.30	\$238,620.59
61 - 72	\$104.33	\$245,758.01
73 - Extended Expiration Date	\$107.46	\$253,130.99

* If the Suite 1400 Expansion Date is not the first (1st) day of a calendar month, then, solely for the purposes of the table set forth above, “month 1” shall be deemed to include the partial calendar month in which the Suite 1400 Expansion Date occurs, and the next-succeeding calendar month.

** Subject to abatement pursuant to the provisions of Section 2(b) below.

(b) **Abatement.** Notwithstanding the foregoing provisions of Section 2(a) to the contrary, so long as Tenant is not then in Default, Tenant shall be entitled to an abatement of Base Rent, with respect to the Suite 1400 Expansion Space only, for the first three (3) full calendar months of the Suite 1400 Expansion Space Term (i.e., not including any partial calendar month following the Suite 1400 Expansion Date if the Suite 1400 Expansion Date is not the first (1st) day of a calendar month (the “**Suite 1400 Abatement Period**”)). If the Suite 1400 Expansion Date is not the first day of a calendar month, Tenant will pay the proportionate Base Rent payable hereunder for the Suite 1400 Expansion Space for the applicable partial calendar month, and the Suite 1400 Abatement Period will commence on the next-succeeding calendar month. The total amount of Base Rent payable for the Suite 1400 Expansion Space which is’ abated during the Suite 1400 Abatement Period, in the amount of \$636,007.50, is referred to herein as the “**Suite 1400 Expansion Space Abated Rent**”. If Tenant is in Default under

the Lease (as amended hereby), and if the Default occurs prior to the expiration of the Suite 1400 Suite 1400 Abatement Period, then, from and after the occurrence of such Default, there shall be no further abatement of Base Rent pursuant to this Section 2(b) unless and until Tenant has cured such Default and thereafter timely paid all amounts due under the Lease (as amended hereby) for a period of six (6) consecutive calendar months, at which point the abatement of the Suite 1400 Expansion Space Abated Rent may once again commence (provided that any such abatement will be calculated based upon the rent rate(s) in effect during the originally scheduled Suite 1400 Abatement Period). Additionally, if the Lease is terminated as a result of any such Default, Landlord may include in its claim for damages the sum of all of the then unamortized portion of the Suite 1400 Expansion Space Abated Rent previously credited to Tenant as of the date of such Default (assuming amortization of the Suite 1400 Expansion Space Abated Rent on a straight-line basis over the Suite 1400 Expansion Space Term). For avoidance of doubt, this Section 2(b) provides for the abatement of Base Rent payable for the Suite 1400 Expansion Space only, and not the Base Rent payable for the Current Premises.

4. **Operating Expenses and Taxes.** From and after the Suite 1400 Expansion Date:

(a) **Tenant's Share.** Tenant's Share for the Suite 1400 Expansion Space only will be 4.23% (i.e., 28,267/668,197); and

(b) **Base Year.** The Tax Base Year and the Operating Expense Base Year applicable to the Suite 1400 Expansion Space only will each be the calendar year 2020.

5. **Suite 1400 Expansion Space Letter of Credit.**

(a) **Generally.** Pursuant to the provisions of Article 8 of the Original Lease and Section 6 of the First Amendment, Tenant has delivered to Landlord Letters of Credit in the aggregate face amount of \$6,020,290.00 (collectively, the "**Initial Letters of Credit**"), which are subject to potential reduction in accordance with Section 8(f) of the Original Lease and Section 6(d) of the First Amendment. Concurrently with Tenant's execution and delivery of this Second Amendment to Landlord, Tenant will deliver to Landlord an additional Letter of Credit meeting the requirements of Article 8 of the Original Lease with a Letter of Credit Amount of \$2,921,877.97 (the "**Suite 1400 Expansion Space Letter of Credit**") to be held by Landlord (in addition to the Initial Letters of Credit) in accordance with the terms of Article 8 of the Original Lease, except that (i) the Final LC Expiration Date for the Suite 1400 Expansion Space Letter of Credit will be January 31, 2027 (i.e., ninety (90) days following the Extended Expiration Date); and (ii) the Suite 1400 Expansion Space Letter of Credit will be subject to potential reduction as described in Section 5(b) below.

(b) **Reduction In Suite 1400 Expansion Space Letter of Credit Amount.** The Suite 1400 Expansion Space Letter of Credit will be subject to potential reductions in the Letter of Credit amount in the manner described in Section 8(f) of the Original Lease, provided, however, that (i) the Reduction Dates with respect to the Suite 1400 Expansion Letter of Credit only, shall be the date of expiration of the thirty-sixth (36th) full calendar month of the Suite 1400 Expansion Space Term and each anniversary of such date thereafter, and (ii) the amount of the first such reduction will be \$1,496,666.98, such that the face amount of the Suite 1400 Expansion Space Letter of Credit will be reduced to \$1,496,666.98 as of the first Reduction Date, and (iii) each subsequent reduction will be in the amount of \$249,444.50 (provided that in no event shall the Suite 1400 Expansion Space Letter of Credit Amount be reduced below \$748,333.49). The same Reduction Conditions as are set forth in the Original Lease will apply to any such reduction of the Suite 1400 Expansion Space Letter of Credit.

(c) **Reductions.** For avoidance of doubt, with respect to each of the Initial Letters of Credit and the Suite 1400 Expansion Space Letter of Credit, if, as of a scheduled Reduction Date for such Letter of Credit, the Reduction Conditions are not satisfied, but the Reduction Conditions are satisfied as of the next-succeeding Reduction Date (which the parties acknowledge may not occur if at any time the Reduction Condition described in clause (iv) of Section 8(f) of the Original Lease is not satisfied) then, as of the next-succeeding Reduction Date, the Letter of Credit Amount for the applicable Letter of Credit will only be reduced to the next succeeding lower Letter of Credit Amount (i.e., any such subsequent reduction will not be "cumulative"; for example, with respect to the Initial Letter of Credit, if, as of the first Reduction Date, the Reduction Condition described in clause (vi) of Section

8(f) of the Original Lease has not been satisfied, but, as of the next-succeeding (i.e., the second (2nd)) Reduction Date, the Reduction Conditions are satisfied, then the Letter of Credit Amount with respect to the Initial Letter of Credit will be reduced to \$3,453,637, not to \$3,069,899).

6. **Improvements to Suite 1400 Expansion Space.**

(a) **Condition of Suite 1400 Expansion Space.** Tenant agrees to accept the Suite 1400 Expansion Space as of the Delivery Date with all Building Systems in good working order and otherwise in its “as is” condition, without any agreements, representations, understandings or obligations on the part of Landlord to (i) perform any alterations, additions, repairs or improvements therein, (ii) fund or otherwise pay for any alterations, additions, repairs or improvements to the Suite 1400 Expansion Space, or (iii) grant Tenant any free rent, concessions, credits or contributions of money with respect to the Suite 1400 Expansion Space, except as may be expressly provided otherwise in this Second Amendment (inclusive of the Work Agreement).

(b) **Responsibility for Improvements to the Suite 1400 Expansion Space.** Tenant may construct Tenant Improvements to the Suite 1400 Expansion Space in accordance with the Work Agreement and Tenant will be entitled to an Allowance (as defined in the Work Agreement) in connection with such work as more fully described in the Work Agreement. Tenant’s right to perform any other Alterations to the Premises other than the Tenant Improvements to be performed in accordance with **Exhibit B** shall be governed by Article 20 of the Original Lease.

7. **Renewal Option.** For avoidance of doubt, the Renewal Option described in Section 3 of Exhibit G to the Original Lease, and as amended by Section 8 of the First Amendment, will apply to the Current Premises, as expanded by the addition of the Suite 1400 Expansion Space.

8. **Right of First Offer.** For avoidance of doubt, Tenant will continue to retain the Right of First Offer described in Section 2 of Exhibit G to the Original Lease, provided that the Offering Space shall be defined as the entire fourth (4th) and fifth (5th) floors of the Building.

9. **Parking.** From and after the Suite 1400 Expansion Date, in addition to Tenant’s existing parking rights under the Lease, Tenant shall be entitled to one (1) additional valet parking pass for every 7,500 RSF in the Suite 1400 Expansion Space (i.e., three (3) valet parking passes) for an aggregate of thirteen (13) valet parking passes, in accordance with the provisions of Article 16 of the Original Lease.

10. **Miscellaneous.**

(a) This Second Amendment and the attached exhibits, which are hereby incorporated into and made a part of this Second Amendment, set forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

(b) Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect.

(c) In the case of any inconsistency between the provisions of the Lease and this Second Amendment, the provisions of this Second Amendment shall govern and control.

(d) Submission of this Second Amendment by Landlord is not an offer to enter into this Second Amendment. Landlord and Tenant will not be bound by this Second Amendment until Landlord and Tenant have executed and delivered this Second Amendment.

(e) Capitalized terms used in this Second Amendment shall have the same definitions as set forth in the Lease to the extent that such capitalized terms are defined therein and not redefined in this Second Amendment.

(f) Tenant hereby represents to Landlord that Tenant has dealt with no broker in connection with this Second Amendment, other than CBRE, Inc. (“**Tenant’s Broker**”). Tenant agrees to defend, indemnify and hold Landlord harmless from all claims of any brokers, other than Tenant’s Broker, claiming to have represented Tenant in connection with this Second Amendment. Landlord hereby represents to Tenant that Landlord has dealt with no broker in connection with this Second Amendment, other than Jones Lang LaSalle Americas, Inc. (“**Landlord’s Broker**”). Landlord agrees to defend, indemnify and hold Tenant harmless from all claims of any brokers, other than Landlord’s Broker, claiming to have represented Landlord in connection with this Second Amendment. Landlord agrees to compensate Tenant’s Broker pursuant to the terms of a separate written agreement.

(g) Each signatory of this Second Amendment represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.

(h) This notice is given pursuant to California Civil Code Section 1938. The Premises and the Suite 1400 Expansion Space have not been issued a disability access inspection certificate. A Certified Access Specialist (CASP) can inspect the Premises and/or the Suite 1400 Expansion Space and determine whether the Premises or the Suite 1400 Expansion Space complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection, Landlord may not prohibit Tenant from obtaining a CASp inspection. If Tenant desires to perform a CASp inspection, Tenant will provide written notice to Landlord, and Landlord may elect, in its sole discretion, to retain a CASp to perform the inspection. If Landlord does not so elect, the time and manner of any CASp inspection performed by Tenant, as well as the CASp selected to perform such inspection, will be subject to the prior written approval of Landlord, not to be unreasonably withheld, conditioned or delayed. In either event, the payment of the fee for the CASp inspection shall be borne by Tenant. The cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises (including the Suite 1400 Expansion Space) shall be allocated as provided in Article 11 of the Original Lease and the cost of making any such repairs with respect to violations within the Suite 1400 Expansion Space will be borne by Tenant.

(i) Tenant represents and warrants to Landlord that Tenant is currently in compliance with and shall at all times remain in compliance with the regulations of the Office of Foreign Assets Control (“**OFAC**”) of the Department of the Treasury and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

(j) This Second Amendment may be executed in multiple counterparts each of which is deemed an original but together constitute one and the same instrument. This Second Amendment may be executed in “pdf” format and each party has the right to rely upon a pdf counterpart of this Second Amendment signed by the other party to the same extent as if such party had received an original counterpart.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Second Amendment as of the Second Amendment Effective Date.

LANDLORD:

50 BEALE STREET LLC, a Delaware limited liability company

By: 50 BEALE INC., its managing member

By: /s/ Peter R. C. Brindley
Peter R. C. Brindley, Vice President

TENANT:

MAPLEBEAR INC.,
a Delaware corporation, d/b/a Instacart

By: /s/ Sagar Sanghvi
Name: Sagar Sanghvi
Its: VP Finance & Strategy

By: /s/ Apoorva Mehta
Name: Apoorva Mehta
Its: CEO

EXHIBIT A
EXPANSION SPACE

EXHIBIT A

EXHIBIT B

WORK AGREEMENT

THIS WORK AGREEMENT (this “**Work Agreement**”) is attached to and made a part of that certain Second Amendment to Lease (the “**Second Amendment**”) between **50 BEALE STREET LLC**, a Delaware limited liability company (“**Landlord**”), and **MAPLEBEAR INC.**, a Delaware corporation d/b/a Instacart (“**Tenant**”). All capitalized terms used but not defined herein shall have the respective meanings given such terms in the Second Amendment or the Lease (defined in the Second Amendment). This Work Agreement sets forth the terms and conditions relating to the construction of Tenant Improvements (defined below) in the Suite 1400 Expansion Premises.

SECTION 1.

ALLOWANCE

1.1 Allowance. Tenant shall be entitled to an improvement allowance (the “**Allowance**”) in an amount not to exceed \$71.72 per RSF of the Suite 1400 Expansion Space (i.e., \$2,027,309.24) for the costs relating to the design and construction of improvements which are permanently affixed to the Suite 1400 Expansion Space (the “**Tenant Improvements**”). Tenant must complete all Tenant Improvements and have submitted Payment Request Supporting Documentation (defined below) for such work no later than the day immediately preceding the first (1st) anniversary of the Suite 1400 Delivery Date in order to be entitled to receive the Allowance for such work.

1.2 Allowance Items. The Allowance may be applied to reimburse Tenant for the following items and costs (collectively, the “**Allowance Items**”):

(a) costs related to the design and construction of the Tenant Improvements, including the cost of Permits (defined below) and the payment of plan check and license fees;

(b) payment of the fees of the Architect and the Building Consultants (as such terms are defined below), all design costs (space planning, architectural, engineering, working drawings) and payment of the fees incurred by, and the cost of documents and materials supplied by, Landlord and Landlord’s consultants in connection with the preparation and review of the Construction Drawings (as defined below);

(c) the cost of any changes in the Building when such changes are required by the Construction Drawings, such cost to include all architectural and engineering fees and expenses incurred in connection therewith;

(d) the cost of any changes to the Construction Drawings or the Tenant Improvements required by applicable building codes (collectively, “**Code**”); and

(e) the Supervision Fee (defined below).

1.3 Disbursement of Allowance. Tenant expressly acknowledges that it is the intent of the parties that Tenant will initially fund all costs of design, permitting and construction of the Tenant Improvements. Following the final completion of construction of the Tenant Improvements, Tenant shall deliver to Landlord: (A) invoices from all of Tenant’s Agents (defined below), including Contractor (defined below) for labor rendered and materials delivered to the Premises; and (B) executed unconditional mechanic’s lien releases from all of Tenant’s Agents who have lien rights (collectively, the “**Payment Request Supporting Documentation**”). Provided that (A) Landlord has determined in good faith that no substandard work exists which adversely affects the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant’s use of such other tenant’s leased premises in the Building; (B) Architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Tenant Improvements has been finally completed; (C) Tenant

supplies Landlord with evidence that all governmental approvals required for Tenant to legally occupy the Premises have been obtained; and (D) Tenant has fulfilled its Completion Obligations (defined below) and has otherwise complied with Landlord’s standard “close-out” requirements regarding city approvals, closeout tasks, closeout documentation regarding the general contractor, financial close-out matters, and Tenant’s vendors, Landlord shall deliver to Tenant a check made payable to Tenant, or a check or checks made payable to another party or parties as reasonably requested by Tenant, in the amount of the Allowance (or, if less, the amount of all Allowance Items described in Tenant’s Payment Request Supporting Documentation), within thirty (30) days thereafter.

1.4 As of the Second Amendment Effective Date, provided that Tenant delivers the Suite 1400 Expansion Space Letter of Credit to Landlord in accordance with the terms of Section 5(a) of the Second Amendment, Tenant shall be entitled to utilize no more than twenty-five percent (25%) of the Allowance toward the costs relating to the construction of improvements within Suite 300, which funds shall be disbursed in accordance with the terms of this Work Letter, as applied to Suite 300.

SECTION 2.

CONSTRUCTION DRAWINGS

2.1 Selection of Architect; Construction Drawings. Tenant shall retain Design Blitz (the “**Architect**”) to prepare the Construction Drawings. For any additional work required to be performed with respect to the Construction Drawings, Tenant shall retain the engineering consultants designated by Landlord listed below (the “**Building Consultants**”):

MEP:	Glumac International (“ Glumac ”)
Air Balancing:	RSA (RSAnalysis)
Life Safety:	Pyro Comm
Structural:	Rivera Consulting Group, Inc.
Sprinkler:	RLH Fire Protection
Building Management Systems:	EMCOR
Riser Management:	IMG

If any of the MEP work will be performed on a design-build basis, Tenant will not be required to retain Glumac as the Building Consultant, provided that Landlord will reserve the right to require that Glumac peer-review the MEP plans of the resulting work, the cost of which will be deducted from the Allowance. The plans and drawings to be prepared by Architect and the Building Consultants hereunder (i.e., both the Space Plan and the Working Drawings, as each term is defined below) shall be known collectively as the “**Construction Drawings.**” All Construction Drawings shall comply with the drawing format and specifications reasonably determined or approved by Landlord and shall be subject to Landlord’s prior written approval, not to be unreasonably withheld, conditioned or delayed. Landlord’s review of the Construction Drawings shall be for its sole purpose and shall not obligate Landlord to review the same, for quality, design, Code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed by Landlord or its space planner, architect, engineers and consultants, and notwithstanding any advice or assistance which may be rendered to Tenant by Landlord or Landlord’s space planner, architect, engineers, and consultants, Landlord shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings.

2.2 Space Plan. Tenant shall supply Landlord for Landlord’s review and approval with four (4) copies signed by Tenant of its space plan for the Premises (the “**Space Plan**”) before any architectural working drawings or engineering drawings have been commenced. The Space Plan shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein. Landlord may request clarification or more specific drawings for special use items not included in the Space Plan. Landlord shall advise Tenant within five (5) business days after Landlord’s receipt of the Space Plan (or, if applicable, such additional

information reasonably requested by Landlord pursuant to the provisions of the immediately preceding sentence) if the same is approved or is unsatisfactory or incomplete in any respect. If Tenant is so advised, Tenant shall promptly cause the Space Plan to be revised to correct any deficiencies or other matters Landlord may reasonably require.

2.3 Working Drawings. After the Space Plan has been approved by Landlord, Tenant shall supply the Architect and the Building Consultants with a complete listing of standard and non-standard equipment and specifications, including, without limitation, B.T.U. calculations, electrical requirements and special electrical receptacle requirements for the Premises, to enable the Architect and the Building Consultants to complete the Working Drawings and shall cause the Architect and the Building Consultants to promptly complete the architectural and engineering drawings for the Premises, and Architect shall compile a fully coordinated set of architectural, structural, mechanical, electrical and plumbing working drawings in a form which is complete to allow subcontractors to bid on the work and to obtain all applicable permits (collectively, the “**Working Drawings**”) and shall submit the same to Landlord for Landlord’s review and approval. Tenant shall supply Landlord with four (4) copies signed by Tenant of the Working Drawings. Landlord shall advise Tenant within ten (10) business days after Landlord’s receipt of the Working Drawings if Landlord, in good faith, determines that the same are approved or are unsatisfactory or incomplete. If Tenant is so advised, Tenant shall promptly revise the Working Drawings to correct any deficiencies or other matters Landlord may reasonably require.

2.4 Landlord’s Approval. Landlord’s approval of any matter under this Work Agreement may be withheld if Landlord reasonably determines that the same would violate any provision of the Lease or this Work Agreement or would adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant’s use of such other tenant’s leased premises in the Building.

SECTION 3.

CONSTRUCTION OF THE TENANT IMPROVEMENTS

3.1 Tenant’s Selection of Contractors

(a) The Contractor. A general contractor selected by Tenant and approved in writing by Landlord, which approval shall not be unreasonably withheld or delayed (provided that Tenant expressly acknowledges that it shall be deemed reasonable for Landlord to withhold its consent to any Contractor who is not union affiliated) (“**Contractor**”) shall be retained by Tenant to construct the Tenant Improvements.

(b) Tenant’s Agents. All subcontractors, laborers, materialmen, and suppliers used by Tenant (such subcontractors, laborers, materialmen, and suppliers, and the Contractor to be known collectively as “**Tenant’s Agents**”) must be approved in writing by Landlord, in Landlord’s sole discretion (Landlord will approve or disapprove Tenant’s Agents within seven (7) business days following Tenant’s written request). All of Tenant’s Agents shall be licensed in the State of California, capable of being bonded and union-affiliated in compliance with all then existing master labor agreements.

3.2 Construction of Tenant Improvements by Tenant’s Agents

(a) Construction Contract. Tenant’s construction contract and general conditions with Contractor (the “**Contract**”) shall comply with all relevant provisions of this Work Agreement. Prior to the commencement of the construction of the Tenant Improvements, Tenant shall provide Landlord with a schedule of values consisting of a detailed breakdown, by trade, of the final costs to be incurred or which have been incurred, for all Allowance Items in connection with the design and construction of the Tenant Improvements, which costs form the basis for the amount of the Contract.

EXHIBIT B

(b) Construction Requirements.

(i) Landlord's General Conditions for Tenant's Agents and Tenant Improvement Work. Construction of the Tenant Improvements shall comply with the following: (A) the Tenant Improvements shall be constructed in strict accordance with the Approved Working Drawings and Landlord's then-current published construction guidelines; (B) Tenant's Agents shall submit schedules of all work relating to the Tenant Improvements to Landlord and Landlord shall, within five (5) business days of receipt thereof, inform Tenant's Agents of any changes which are necessary thereto, and Tenant's Agents shall adhere to such corrected schedule; and (C) Tenant shall abide by all rules made by Landlord's Building manager with respect to the use of freight, loading dock and service elevators, any required shutdown of utilities (including life-safety systems), storage of materials, coordination of work with the contractors of Landlord or other tenants, and any other matter in connection with this Work Agreement, including, without limitation, the construction of the Tenant Improvements.

(ii) Indemnity. Tenant's indemnity of Landlord as set forth in the Lease shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to any act or omission of Tenant or Tenant's Agents, or anyone directly or indirectly employed by any of them, or in connection with Tenant's non-payment of any amount arising out of the Tenant Improvements and/or Tenant's disapproval of all or any portion of any request for payment. Such indemnity by Tenant, as set forth in the Lease, shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to Landlord's performance of any ministerial acts reasonably necessary (A) to permit Tenant to complete the Tenant Improvements, and (B) to enable Tenant to obtain any building permit or certificate of occupancy for the Premises.

(iii) Requirements of Tenant's Agents. Each of Tenant's Agents shall guarantee to Tenant and for the benefit of Landlord that the portion of the Tenant Improvements for which it is responsible shall be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of completion thereof. Each of Tenant's Agents shall be responsible for the replacement or repair, without additional charge, of all work done or furnished in accordance with its contract that shall become defective within one (1) year after the completion of the work performed by such contractor or subcontractor. The correction of such work shall include, without additional charge, all additional expenses and damages incurred in connection with the removal or replacement of all or any part of the Tenant Improvements, and/or the Building and/or common areas that are damaged or disturbed thereby. All such warranties or guarantees as to materials or workmanship of or with respect to the Tenant Improvements shall be contained in the Contract or subcontract and shall be written such that such guarantees or warranties shall inure to the benefit of both Landlord and Tenant, as their respective interests may appear, and can be directly enforced by either. Tenant covenants to give to Landlord any assignment or other assurances as may be necessary to effect such right of direct enforcement.

(c) Insurance Requirements.

(i) General Coverages. All of Tenant's Agents shall carry employer's liability and worker's compensation insurance covering all of their respective employees, and shall also carry commercial general liability insurance, including personal and bodily injury, property damage and completed operations liability, all with limits, in form and with companies as are required to be carried by Tenant as set forth in the Lease.

(ii) Special Coverages. Tenant or Contractor shall carry "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of the Tenant Improvements, and such other insurance as Landlord may require, it being understood and agreed that the Tenant Improvements shall be insured by Tenant pursuant to the Lease immediately upon completion thereof. Such insurance shall be in amounts and shall include such extended coverage endorsements as may be reasonably required by Landlord, and shall be in form and with companies as are required to be carried by Tenant as set forth in the Lease.

(iii) General Terms. Certificates for all of the foregoing insurance coverage shall be delivered to Landlord before the commencement of construction of the Tenant Improvements and before the Contractor's equipment is moved onto the site. All such policies of insurance must contain a provision, if available, that the company writing said policy will endeavor to give Landlord thirty (30) days' prior written notice of any

cancellation of such insurance. In the event that the Tenant Improvements are damaged by any cause during the course of the construction thereof, Tenant shall immediately repair the same at Tenant's sole cost and expense. Tenant's Agents shall maintain all of the foregoing insurance coverage in force until the Tenant Improvements are fully completed and accepted by Landlord, except for any Products and Completed Operations Coverage insurance required by Landlord, which is to be maintained for one (1) year following completion of the work and acceptance by Landlord and Tenant. All policies carried hereunder shall insure Landlord and Tenant, as their interests may appear, as well as Tenant's Agents. All insurance, except Workers' Compensation, maintained by Tenant's Agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance as respects Landlord and Tenant and that any other insurance maintained by Landlord or Tenant is excess and noncontributing with the insurance required hereunder. The requirements for the foregoing insurance shall not derogate from the provisions for indemnification of Landlord by Tenant under the Lease and/or this Work Agreement.

(d) Supervision Fee. Landlord shall supervise the construction by Contractor, and Tenant shall pay to Landlord a construction supervision and management fee (the "**Supervision Fee**") in an amount equal to \$1.00 per RSF in the Suite 1400 Expansion Space (i.e., \$28,267.00). This Supervision Fee shall be in lieu of and not in addition to the supervision fee set forth in Article 20 of the Original Lease.

(e) Governmental Compliance. The Tenant Improvements shall comply in all respects with the following: (i) the Code and other federal, state, city and/or quasi-governmental laws, codes, ordinances and regulations, as each may apply according to the rulings of the controlling public official, agent or other person or entity; (ii) applicable standards of the American Insurance Association (formerly, the National Board of Fire Underwriters) and the National Electrical Code; and (iii) building material manufacturer's specifications.

(f) Inspection by Landlord. During performance of the Tenant Improvements, Landlord shall have the right to inspect the Tenant Improvements at all times, provided however, that Landlord's failure to inspect the Tenant Improvements shall in no event constitute a waiver of any of Landlord's rights hereunder nor shall Landlord's inspection of the Tenant Improvements constitute Landlord's approval of the same. Should Landlord disapprove any portion of the Tenant Improvements, Landlord shall notify Tenant in writing of such disapproval and shall specify the items disapproved. Any defects or deviations in, and/or disapproval by Landlord of, the Tenant Improvements shall be rectified by Tenant at no expense to Landlord, provided however, that in the event Landlord determines in good faith that a defect or deviation exists or disapproves of any matter in connection with any portion of the Tenant Improvements and such defect, deviation or matter might adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning or life-safety systems of the Building, the structure or exterior appearance of the Building or any other tenant's use of such other tenant's leased premises, Landlord may take such action as Landlord deems necessary, at Tenant's expense and without incurring any liability on Landlord's part, to correct any such defect, deviation and/or matter, including, without limitation, causing the cessation of performance of the construction of the Tenant Improvements until such time as the defect, deviation and/or matter is corrected to Landlord's satisfaction.

(g) Meetings. Tenant shall hold periodic meetings at a reasonable time with the Architect and the Contractor regarding the progress of the preparation of the Construction Drawings and the construction of the Tenant Improvements, which meetings shall be held at a location designated or reasonably approved by Landlord, and Landlord and/or its agents shall receive prior written notice of, and shall have the right to attend, all such meetings. Upon Landlord's request, certain of Tenant's Agents shall attend such meetings. In addition, minutes shall be taken at all such meetings, and Landlord will be included in the distribution list for such minutes. One such meeting each month shall include the review of Contractor's current request for payment.

3.3 Notice of Completion; Copy of Record Set of Plans. Within ten (10) business days after completion of construction of the Tenant Improvements, Tenant shall cause a Notice of Completion to be recorded in the office of the Recorder of San Francisco County shall furnish a copy thereof to Landlord upon such recordation, and shall timely give all notices required pursuant to the California Civil Code. If Tenant fails to do so, Landlord may execute and file such Notice of Completion and give such notices on behalf of Tenant as Tenant's agent for such purpose, at Tenant's sole cost and expense. Within thirty (30) days following the completion of

EXHIBIT B

construction, (i) Tenant shall cause the Architect and Contractor (A) to update the Approved Working Drawings as necessary to reflect all changes made to the Approved Working Drawings during the course of construction, (B) to certify to the best of their knowledge that the updated drawings are true and correct, which certification shall survive the expiration or termination of the Lease, and (C) to deliver to Landlord such updated drawings in accordance with Landlord's then-current CAD Requirements, and (ii) Tenant shall deliver to Landlord a copy of all warranties, guaranties, and operating manuals and information relating to the improvements, equipment, and systems in the Premises. Tenant's obligations set forth in this Section are collectively referred to as the "**Completion Obligations.**"

SECTION 4.

LANDLORD DELAY

As used herein, "**Landlord Delay**" shall mean an actual delay in the substantive completion of the Tenant Improvements in any Suite resulting from (a) failure of Landlord to timely approve or disapprove any Construction Drawings; (b) unreasonable and material interference by Landlord, its employees, agents or contractors with the completion of the Tenant Improvements; or (c) delays due to the acts or failures to act of Landlord, its agents or contractors with respect to payment of the Allowance. If Tenant contends that a Landlord Delay has occurred, Tenant shall notify Landlord in writing (the "**Delay Notice**") of the event which constitutes such Landlord Delay. If the actions or inactions or circumstances described in the Delay Notice qualify as a Landlord Delay (such notice may be delivered via electronic mail to Landlord's construction representative identified below, with a copy to), and are not cured by Landlord within two (2) business days after Landlord's receipt of the Delay Notice, then a potential Landlord Delay shall be deemed to have occurred commencing as of the expiration of such two (2) business day period. Notwithstanding the foregoing to the contrary, Tenant will, in any event, use reasonable efforts to mitigate the effect of any potential Landlord Delay by re-scheduling or re-sequencing work, as and to the extent feasible (provided that Tenant will not be required to incur any material out of pocket charges, including for overtime or after-hours charges in such efforts unless Landlord agrees to bear the cost of such overtime or after-hours charges). However, if and to the extent that Landlord satisfied any timing requirement set forth in this Work Agreement by acting or responding, as the case may be, one (1) or more days' prior to the scheduled date set forth herein for such action or response ("**Schedule Saving Day**"), then any aggregate Landlord Delay described in above shall first be offset against and reduced on a day-for-day basis by the aggregate number of Schedule Saving Days. If and to the extent that the substantial completion of the Tenant Improvements in any Suite is delayed due to any Landlord Delay, then the Suite 1400 Expansion Date shall be delayed on a day-for-day basis for each such day that such work is so delayed by Landlord Delay), after accounting for any Schedule Saving Day(s). Except with respect to a delay due to Force Majeure or the holding over by the existing occupant of the Suite 1400 Expansion Space, if either (i) the Suite 1400 Expansion Date or (ii) Tenant's completion of the Tenant Improvements is delayed due to a Landlord Delay for more than thirty (30) days, Tenant shall receive a credit toward Base Rent in an amount equal to one (1) day of Base Rent next coming due under the Second Amendment attributable to the Suite 1400 Expansion Space for each day of delay in the Suite 1400 Expansion Date or in Tenant's completion of the Tenant Improvements.

SECTION 5.

MISCELLANEOUS

5.1 Tenant's Representative. Tenant has designated Max Mullen as its sole representative with respect to the matters set forth in this Work Agreement, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of Tenant as required in this Work Agreement.

5.2 Landlord's Representative. Landlord has designated Christine Mann as its sole representative with respect to the matters set forth in this Work Agreement, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of Landlord as required in this Work Agreement.

5.3 Tenant's Agents. All contractors, subcontractors, laborers, materialmen, vendors and suppliers retained by or through Tenant shall be union labor in compliance with the then existing master labor agreements.

EXHIBIT B

5.4 Time of the Essence in This Work Agreement. Unless otherwise indicated, all references herein to a “number of days” shall mean and refer to calendar days. In all instances where Tenant is required to approve or deliver an item, if no written notice of approval is given or the item is not delivered within the stated time period, at Landlord’s sole option, at the end of such period the item shall automatically be deemed approved or delivered by Tenant and the next succeeding time period shall commence.

5.5 Tenant’s Lease Default. Notwithstanding any provision to the contrary contained in the Lease, if a Default by Tenant under the Lease (including, without limitation, any Default by Tenant under this Work Agreement) has occurred at any time on or before the Substantial Completion of the Tenant Improvements, then (i) in addition to all other rights and remedies granted to Landlord pursuant to the Lease, Landlord shall have the right to withhold payment of all or any portion of the Allowance and/or Landlord may cause Contractor to cease the construction of the Tenant Improvements, and (ii) all other obligations of Landlord under the terms of this Work Agreement shall be forgiven until such time as such Default is cured pursuant to the terms of the Lease. Any delay in the Substantial Completion of the Tenant Improvements caused by the exercise of Landlord’s rights pursuant to this Section shall be a Tenant Delay.

5.6 Freight Elevators. Landlord shall, consistent with its obligations to other tenants of the Building, make the freight elevator reasonably available to Tenant without cost in connection with Tenant’s initial decorating, furnishing and moving into the Premises and, at the Expiration Date moving out of the Premises (provided that with respect to Tenant’s move-out, if Landlord is required to pay for a separate elevator security guard for such usage and/or pay overtime or “after-hours” overtime rates for any elevator operator, Tenant will bear such costs).

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EXHIBIT C

CONFIRMATION LETTER

Date _____

Re: Second Amendment Lease dated as of May ____, 2019, by and between 50 BEALE STREET LLC, as Landlord, and MAPLEBEAR INC., d/b/a Instacart, as Tenant, for Expansion Space consisting of 28,267 rentable square feet on the fourteenth (14th) floor of the Building located at 300 Mission Street, San Francisco, California.

Dear _____:

In accordance with the terms and conditions of the above referenced Second Amendment, Tenant accepts possession of the Suite 1400 Expansion Space and agrees:

1. The Suite 1400 Expansion Space Delivery Date is _____;
2. The Suite 1400 Expansion Date is _____, ____;
3. The Suite 1400 Abatement Period is the period commencing on _____, ____, and expiring on _____, ____;
4. The Schedule of Base Rent payable for the Suite 1400 Expansion Space during the Suite 1400 Expansion Space Term is as follows: [**TO BE ADDED**];
5. The Schedule of Base Rent payable for the aggregate Premises, inclusive of the Suite 1400 Expansion Space and the Current Premises (as reduced by the surrender of Suite 100), is as follows: [**TO BE ADDED**]

Please acknowledge your acceptance of possession and agreement to the terms set forth above by signing a counterpart of this Commencement Letter in the space provided and returning a fully executed counterparts to my attention (a scanned, signed counterpart delivered to _____@_____.com will suffice).

Sincerely,

Agreed and Accepted:

Property Manager

Tenant: _____

By: **[EXHIBIT - - DO NOT SIGN]**

Name: _____

Title: _____

EXHIBIT C

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE (“**Third Amendment**”) is entered into as of June 4, 2025 (the “**Third Amendment Effective Date**”), by and between **50 BEALE STREET LLC**, a Delaware limited liability company (“**Landlord**”), and **MAPLEBEAR INC.**, a Delaware corporation d/b/a Instacart (“**Tenant**”), with reference to the following facts:

A. Landlord and Tenant are parties to that certain Office Lease dated as of May 12, 2015 (the “**Original Lease**”), as amended by that certain First Amendment to Lease dated as of October 12, 2018 (the “**First Amendment**”) and that certain Second Amendment To Lease dated as of May 15, 2019 (the “**Second Amendment**”). The Original Lease, as amended by the First Amendment and the Second Amendment, is referred to herein as the “**Lease**”, pursuant to which Landlord leases to Tenant space (the “**Existing Premises**”) containing 107,467 rentable square feet (“**RSF**”) described as Suite 300 on the third (3rd) floor (21,806 RSF), Suite 600 on the sixth (6th) floor (28,114 RSF), Suite 1100 on the eleventh (11th) floor (29,280 RSF), and Suite 1400 on the fourteenth (14th) floor (28,267 RSF) in the building located at 300 Mission Street (formerly known as 50 Beale Street), San Francisco, California (the “**Building**”).

B. Tenant now desires to surrender and terminate the Lease as to those portions of the Existing Premises consisting of Suite 300 on the third (3rd) floor and Suite 1400 on the fourteenth (14th) floor, together containing approximately 50,073 RSF, and (ii) extend the Lease as to those portions of the Existing Premises consisting of Suite 600 on the sixth (6th) floor and Suite 1100 on the eleventh (11th) floor, together containing approximately contain 57,394 RSF, consisting of 28,114 RSF on the sixth (6th) floor and 29,280 RSF on the eleventh (11th) floor. Landlord is prepared to accept such surrender on the terms and subject to the conditions set forth in this Third Amendment.

C. The Lease by its terms is scheduled to expire on October 31, 2026, and the parties desire to extend the term of the Lease on the terms and conditions set forth herein.

D. The Building and the Extension Premises (as defined in Paragraph 1(b) below) have been remeasured by Landlord’s measurement consultant in general accordance with the ANSI/BOMA Z65.1-2017 standard promulgated by the Building Owners Managers Association, as interpreted and modified by Landlord’s measurement consultant for the Building, and such remeasurement determined that the RSF amounts set forth above as to the Extension Premises are approximately accurate.

E. Landlord and Tenant further desire to: (i) provide for the amount of Base Rent payable with respect to the Extension Premises; (ii) modify the Base Year for the calculation of Operating Expenses and Taxes with respect to the Extension Premises; (iii) modify certain taxes that have been paid by Tenant and may again be payable by Tenant directly to the taxing authority; (iv) provide to Tenant a Third Amendment Allowance for the refurbishment of the Extension Premises and for certain other purposes; (v) modify Tenant’s option to extend the term of the Lease with respect to the Extension Premises; and (vi) provide to Tenant a conditional right to Tenant to terminate the Lease under certain circumstances.

NOW, THEREFORE, in consideration of the above recitals which by this reference are incorporated herein, the mutual covenants and conditions contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. **Defined Terms.**

(a) “**Contraction Premises**” shall mean the Third Floor Premises and the Fourteenth Floor Premises, taken together. In instances where a reference is made to a particular event with regard to the Contraction Premises, the reference is intended to apply to the Third Floor Premises or the Fourteenth Floor Premises in (or as to which) the event occurred or is to occur.

- (b) **“Extension Premises”** shall mean the approximately 57,394 of RSF consisting of Suite 600 on the sixth (6th) floor (28,114 RSF) and Suite 1100 on the eleventh (11th) floor (29,280 RSF), all as more particularly shown on Exhibit A-3 hereto.
- (c) **“Extension Premises Rent Commencement Date”** shall mean July 1, 2025.
- (d) **“Extension Premises Tenant Improvements”** shall have the meaning given that term in Paragraph 1.1 of Exhibit B-3.
- (e) **“Fourteenth Floor Premises”** shall mean that portion of the Existing Premises located on the fourteenth (14th) floor of the Building.
- (f) **“Fourteenth Floor Premises Surrender Date”** shall mean the date upon which Tenant surrenders possession of the Fourteenth Floor Premises to Landlord in the condition required by Paragraph 6 below.
- (g) **“Fourteenth Floor Premises Vacation Date”** shall mean June 1, 2025.
- (h) **“Named Tenant”** shall mean only Mapbear Inc., a Delaware corporation d/b/a Instacart, and its Affiliates that are sublessees or assignees of Tenant under the Lease, but not any other successor or assign.
- (i) **“OFAC”** shall have the meaning given that term in Paragraph 18(i) below.
- (j) **“Renewal Option”** shall have the meaning given that term in Paragraph 3 below.
- (k) **“Second Extended Term”** shall have the meaning given that term in Paragraph 2 below.
- (l) **“Second Extended Termination Date”** shall have the meaning given that term in Paragraph 2 below.
- (m) **“Second Extension Date”** shall have the meaning given that term in Paragraph 2 below.
- (n) **“Tenant’s Termination Payment”** shall have the meaning given that term in Paragraph 17 below.
- (o) **“Tenant’s Termination Right”** shall have the meaning given that term in Paragraph 17 below.
- (p) **“Termination Date”** shall have the meaning given that term in Paragraph 17 below.
- (q) **“Termination Fee”** shall have the meaning given that term in Paragraph 17 below.
- (r) **“Termination Notice”** shall have the meaning given that term in Paragraph 17 below.
- (s) **“Third Amendment Abated Rent”** shall have the meaning given that term in Paragraph 9(c) below.
- (t) **“Third Amendment Abatement Period”** shall have the meaning given that term in Paragraph 9(c) below.
- (u) **“Third Amendment Allowance”** shall have the meaning given that term in Paragraph 1.1 of Exhibit B-3 attached hereto.

(v) **“Third Floor Premises”** shall mean that portion of the Existing Premises located on the third (3rd) floor of the Building.

(w) **“Third Floor Premises Surrender Date”** shall mean the date upon which Tenant surrenders possession of the Third Floor Premises to Landlord in the condition required by Paragraph 5 below.

(x) **“Third Floor Premises Vacation Date”** shall mean the later of June 1, 2025 or the sixth (6th) business day following the delivery by Landlord to Tenant of a written or electronic copy of this Third Amendment executed on behalf of Landlord.

(y) **“Second Extended Term”** shall have the meaning given that term in Paragraph 2 below.

5.26 Terms capitalized in this Third Amendment but not defined herein shall have the meanings given to such terms in the Lease.

2. **Extension of Term.** The Term of the Lease is hereby extended for a period of seven (7) years and seven (7) months and shall expire on May 31, 2034 (the **“Second Extended Termination Date”**), unless sooner terminated in accordance with the terms of the Lease or pursuant to the provisions of Paragraph 17 below. That portion of the Term commencing on July 1, 2025 (the **“Second Extension Date”**) and ending on the Second Extended Termination Date shall be referred to herein as the **“Second Extended Term”**, and unless the context clearly provides otherwise, from and after the Second Extension Date, references in the Lease to the **“Term”** shall be deemed to include the Second Extended Term, and references in the Lease to the **“Expiration Date”** shall mean the Second Extended Termination Date.

3. **Renewal Option.** Tenant shall have the right to extend the Term of the Lease for two additional periods of five (5) years each (each, a **“Renewal Option”**) in accordance with the procedures set forth in Section 3 of Exhibit G to the Original Lease, but such extension will apply only to the Extension Premises, as the Extension Premises may hereafter be expanded by a further amendment to the Lease, including as a result of an exercise of the Right of First Offer described in Paragraph 4 below. For such purposes, Tenant’s Initial Renewal Notice (as defined in Section 3(a)(i) of Exhibit G to the Original Lease) must be delivered not less than fifteen (15) or more than eighteen (18) full calendar months prior to the Second Extended Termination Date, and the Base Year applicable during the term of each renewal shall be the calendar year in which such term commences. For avoidance of doubt, the option to renew set forth in the First Amendment is hereby deleted in its entirety and shall be of no further force and effect.

4. **Right of First Offer.** For avoidance of doubt, Tenant will continue to retain the Right of First Offer described in Section 2 of Exhibit G to the Original Lease (including during the Second Extended Term and any renewal term), provided that the Offering Space shall be, and be limited to, the entire fifth (5th) floor of the Building.

5. **Vacation of Third Floor Premises.** On or before the Third Floor Premises Vacation Date, Tenant shall vacate, quit and surrender the Third Floor Premises to Landlord in the condition required by Sections 32 and 33 of the Original Lease as if the Term is expiring with respect to the Third Floor Premises on such date; provided, however, that Landlord acknowledges and agrees that Tenant shall not be required to remove any affixed improvements from the Third Floor Premises prior to surrender. Tenant shall repair at its sole cost and expense, all damage caused to the Third Floor Premises or the Property in connection with the performance by Tenant of its obligations under this Paragraph 5. If Tenant fails to vacate the Third Floor Premises and surrender the Third Floor Premises in the manner or condition required by this Paragraph 5 on or prior to Third Floor Premises Vacation Date, then Tenant shall be deemed to be in holdover of the Third Floor Premises until Tenant vacates the Third Floor Premises and surrenders the Third Floor Premises in the manner and condition required by this Paragraph 5, and the provisions of Section 34 of the Original Lease shall apply to such holdover, provided that the holdover Base Rent set forth therein shall apply only to that portion of Base Rent attributable to the Third Floor Premises pro rata. The foregoing notwithstanding, Landlord agrees that it shall not constitute a holdover if Tenant were to leave behind a small number of personal property items acceptable to Landlord in the exercise of its reasonable discretion, as to

which Tenant agrees (A) such items shall be deemed voluntarily abandoned by Tenant, and (B) Tenant waives any and all rights or interests therein. Further, Landlord agrees that, notwithstanding anything to the contrary stated in the Lease, Tenant shall not have any obligation to remove and/or restore the following improvements from the Third Floor Premises upon surrender: (i) any supplemental HVAC equipment and related, piping, electrical, and safety components; and (ii) any cabling and wiring installed by Tenant.

6. Vacation of Fourteenth Floor Premises. On or before the Fourteenth Floor Premises Vacation Date, Tenant shall vacate, quit and surrender the Fourteenth Floor Premises to Landlord in the condition required by Sections 32 and 33 of the Original Lease as if the Term is expiring with respect to the Fourteenth Floor Premises on such date; provided, however, that Landlord acknowledges and agrees that Tenant shall not be required to remove any affixed improvements from the Fourteenth Floor Premises prior to surrender. Tenant shall repair at its sole cost and expense, all damage caused to the Fourteenth Floor Premises or the Property in connection with the performance by Tenant of its obligations under this Paragraph 6. If Tenant fails to vacate the Fourteenth Floor Premises and surrender the Fourteenth Floor Premises in the manner or condition required by this Paragraph 6 on or prior to Fourteenth Floor Premises Vacation Date, then Tenant shall be deemed to be in holdover of the Fourteenth Floor Premises until Tenant vacates the Fourteenth Floor Premises and surrenders the Fourteenth Floor Premises in the manner and condition required by this Paragraph 6, and the provisions of Section 34 of the Original Lease shall apply to such holdover, provided that the holdover Base Rent set forth therein shall apply only to that portion of Base Rent attributable to the Fourteenth Floor Premises pro rata. The foregoing notwithstanding, Landlord agrees that: (i) it shall not constitute a holdover if Tenant were to leave behind a small number of personal property items acceptable to Landlord in the exercise of its reasonable discretion, as to which Tenant agrees (A) such items shall be deemed voluntarily abandoned by Tenant, and (B) Tenant waives any and all rights or interests therein; and (ii) it shall not constitute a holdover and Tenant shall be permitted access to the Fourteenth Floor Premises for up to sixty (60) days without any obligation to pay Rent, in order to perform any required restoration work, including without limitation: (1) any supplemental HVAC equipment and related, piping, electrical, and safety components; and (2) any cabling and wiring installed by Tenant. At the request of either party, Landlord and Tenant shall engage in good faith negotiations for period of fourteen (14) days following the giving of such a request to arrive at the amount of a payment to be made by Tenant to Landlord to be delivered in lieu of Tenant performing the required restoration work, although neither party shall be obligated to agree except in the exercise of its good faith discretion.

7. Limitations Upon Effect of Relocation. Any provision of the Lease or this Third Amendment to the contrary notwithstanding, the surrender of the Leased Premises pursuant to this Third Amendment shall not terminate any obligation of either party under the Lease with respect to the Contraction Premises: (i) which arose and was to be performed before the date upon which Tenant surrenders possession of the Contraction Premises to Landlord in the condition required, and which remains unperformed as of such date; (ii) with respect to claims, losses, liabilities or expenses which have arisen or arise (whether arising prior to, on or after the date upon which Tenant surrenders possession of the Contraction Premises to Landlord in the condition required), in connection with events which occur prior to the date upon which Tenant surrenders possession of the Contraction Premises to Landlord in the condition required; (iii) with respect to obligations of either party that (A) the Lease provides shall survive expiration or earlier termination of the Lease, (B) the Lease provides shall be performed following expiration or earlier termination of the Lease, or (C) by their nature are to be performed by either party following the expiration or earlier termination of the Lease. All of the foregoing obligations Landlord and Tenant hereby expressly agree shall survive such relocation. For the avoidance of doubt, the surviving obligations shall include, without limitation, year-end adjustments of Tenant's Share of electricity and excess Operating Costs and Taxes with respect to the Contraction Premises applicable to the portion of the Term preceding the surrender (which adjustments shall be paid at the time, in the manner and otherwise in accordance with the terms of the Lease).

8. Rentable Area. Effective as of the Second Extension Date, the Rentable Area of the Extension Premises is agreed to contain 57,394 RSF, consisting of 28,114 RSF on the sixth (6th) floor and 29,280 RSF on the eleventh (11th) floor. The rentable square footage of the Extension Premises alone shall not be subject to re-measurement at any time prior to May 31, 2034.

9. Base Rent.

(a) Prior to the Second Extension Date. Through and including the day immediately preceding the Second Extension Date, Tenant shall pay Base Rent for the Extension Premises in accordance with the terms of the Lease. Tenant shall continue to pay Base Rent for the Contraction Premises in accordance with Lease until the Third Floor Premises Vacation Date and the Fourteenth Floor Premises Vacation Date, as applicable.

(b) Premises Base Rent for Second Extended Term. Subject to the provisions of Paragraph 9(c) below, commencing as of the Second Extension Date and continuing during the Second Extended Term, Tenant will pay as Base Rent for the Extension Premises the following:

Period	Annual Rate Per Rentable Square Foot	Monthly Base Rent
July 1, 2025 through June 30, 2026	\$71.00	\$339,581.17
July 1, 2026 through June 30, 2027	\$73.13	\$349,768.60
July 1, 2027 through June 30, 2028	\$75.32	\$360,261.66
July 1, 2028 through June 30, 2029	\$77.58	\$371,069.51
July 1, 2029 through June 30, 2030	\$79.91	\$382,201.59
July 1, 2030 through June 30, 2031	\$82.31	\$393,667.64
July 1, 2031 through June 30, 2032	\$84.78	\$405,477.67
July 1, 2032 through June 30, 2033	\$87.32	\$417,642.00
July 1, 2033 through May 31, 2034	\$89.94	\$430,171.26

(c) Abatement. Notwithstanding the provisions of Paragraph 9(b) above to the contrary, so long as Tenant is not then in Default, Tenant shall be entitled to an abatement of Base Rent with respect to the Extension Premises for the first seven (7) full calendar months of the Second Extended Term (the “**Third Amendment Abatement Period**”). Tenant, may, by written notice to Landlord accelerate the commencement (but not the duration) of the Third Amendment Abatement Period to the first (1st) day of the month following the Third Amendment Effective Date. The total amount of Base Rent payable for the Extension Premises which is abated during the Third Amendment Abatement Period, in the amount of Two Million Three Hundred Seventy-Seven Thousand Sixty-Eight and 17/100^{ths} Dollars (\$2,377,068.17), is referred to herein as the “**Third Amendment Abated Rent**”. If Tenant is in Default under the Lease (as amended hereby), and if the Default occurs prior to the expiration of the Third Amendment Abatement Period, then Tenant’s right to the Third Amendment Abated Rent shall be suspended until such Default is cured. Additionally, if the Lease is terminated as a result of any such

Default, Landlord may include (to the extent Landlord is not otherwise made whole through the recovery of leasehold damages specifically attributed in part to the Third Amendment Abated Rent) in its claim for damages the sum of all of the then unamortized portion of the Third Amendment Abated Rent previously credited to Tenant as of the date of such Default (assuming amortization of the Third Amendment Abated Rent on a straight-line basis over the Second Extended Term). For avoidance of doubt, this Paragraph 9(c) provides for the abatement of Base Rent payable for the Extension Premises only, and not the Base Rent payable for the Contraction Premises.

(d) Method of Payment. All such Base Rent shall be payable by Tenant in accordance with the terms of the Lease.

10. Tenant's Share. Commencing as of the Extension Premises Rent Commencement Date, Tenant's Share for the Extension Premises will be adjusted to Eight and Five Thousand Eight Hundred Ninety-Four Ten Thousandths of One Percent (8.5894%; i.e., 57,394/668,197).

11. Base Year. Until and including the day immediately preceding the Extension Premises Rent Commencement Date, the Tax Base Year and the Operating Expense Base Year shall be as provided in the Lease. Commencing on and as of Extension Premises Rent Commencement Date, the Tax Base Year and the Operating Expense Base Year applicable to the Extension Premises will be adjusted to be the calendar year 2027.

12. Other Taxes Payable by Tenant. In addition to payment of Base Rent and Tenant's Share of Operating Expenses in excess of the Operating Expense Base Year and Taxes in excess of the Tax Base Year, Tenant shall pay or reimburse to Landlord before delinquency any and all taxes levied or assessed and which become payable by Tenant or Landlord during the Term (excluding, however, state and federal personal or corporate income taxes measured by the net income of Landlord from all sources, capital stock taxes, and estate and inheritance taxes), whether or not now customary or within the contemplation of the parties hereto, which are based upon, measured by or otherwise calculated with respect to: (i) the gross or net rental income of Landlord under the Lease, including, without limitation, any gross receipts tax levied by any taxing authority, or any other gross income tax or excise tax levied by any taxing authority with respect to the receipt of the rental payable hereunder or under the Lease, including, without limitation, any tax imposed on the rent paid or payable by Tenant as a result of 2018 Proposition C (the San Francisco Commercial Rent Tax for Childcare and Early Education) and, only if Landlord so elects by written notice to Tenant, any tax imposed as a result of the San Francisco Gross Receipts Tax and Business Registration Fees Ordinance (2012 Proposition E); (ii) the value of Tenant's equipment, furniture, fixtures or other personal property located in the Extension Premises; (iii) the possession, lease, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Extension Premises or any portion of the Building, including, without limitation, the parking facility; (iv) the value of any leasehold improvements, alterations or additions made in or to the Extension Premises that would otherwise result in an increase in the Taxes charged on the Building, regardless of whether title to such improvements, alterations or additions shall be in Tenant or Landlord, but only if and to the extent that the value of such improvements, alterations or additions cease to be included in the tax bill pertaining to the Building as a whole, as they are so included as of the date of this Third Amendment; or (v) this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Extension Premises. The foregoing notwithstanding, any taxes described in clause (i) above of this Paragraph 12 and any other taxes based on gross receipts, gross or net rents, or similar amounts shall be determined by applying the applicable rate to all amounts payable by Tenant under the Lease. For any year during which Tenant directly pays to the taxing authority or reimburse to Landlord the entirety of a particular tax for that year pursuant to this Paragraph 12, or any year in which a particular tax is not payable, such particular tax shall not be included both: (A) in the calculation of Taxes for the Base Year, and (B) in the calculation of Taxes for that subsequent year.

13. Improvements to the Extension Premises.

(a) Condition of Extension Premises. Tenant has been in possession of the Extension Premises pursuant to the Lease, and is thoroughly familiar with their design and condition. Tenant agrees to accept the Extension Premises with all Building Systems in good working order and otherwise in its "as is" condition, without any agreements, representations, understandings or obligations on the part of Landlord to: (i) perform any

alterations, additions, repairs (except as otherwise expressly provided in the Lease) or improvements therein, (ii) fund or otherwise pay for any alterations, additions, repairs (except as otherwise expressly provided in the Lease) or improvements to the Extension Premises, or (iii) grant Tenant any free rent, concessions, credits or contributions of money with respect to the Extension Premises, except as may be expressly provided otherwise in this Third Amendment (inclusive of the Work Agreement).

(b) Responsibility for Improvements to the Extension Premises. Tenant may construct Extension Premises Tenant Improvements in the Extension Premises in accordance with the Work Agreement, and Tenant will be entitled to a Third Amendment Allowance (as defined in the Work Agreement) in connection with such work as more fully described in the Work Agreement. Tenant's right to perform any other Alterations to the Extension Premises (other than the Extension Premises Tenant Improvements to be performed in accordance with Exhibit B-3) shall be governed by Article 20 of the Original Lease.

14. Amenities. Landlord intends to convert the conference room facility presently located on the third (3rd) floor of the Building for the use of all tenants of the Building on commercially reasonable terms. If Landlord has not completed that work on or before the second (2nd) anniversary of the Third Amendment Effective Date, then Tenant shall be entitled to a credit against Base Rent in the amount of Nine Thousand Five Hundred Sixty-Five and 67/100^{ths} Dollars (\$9,565.67) per month, prorated on a daily basis, for each day commencing on the day immediately following the second (2nd) anniversary of the Third Amendment Effective Date (which anniversary date shall be postponed one (1) day for each day of delay in the conversion work attributable to Force Majeure) and continuing until such conversion is complete.

15. Credit Enhancement. Landlord acknowledges and confirms that it presently holds three letters of credit instruments (each, a "Letter of Credit") previously issued on behalf of Tenant (ending in 567, 551 and 550) in the aggregate amount of Four Million Two Hundred Seventy-Seven Thousand Two Hundred Eighty-Five and 82/100^{ths} Dollars (\$4,277,285.82) as a enhancements to the credit of Tenant for the benefit of Landlord. Upon the Third Amendment Effective Date, Landlord agrees: (i) that Tenant may replace the existing Letter of Credit ending in 550 with a replacement Letter of Credit in a face amount of One Million One Hundred Forty-Eight Thousand Six Hundred Thirty-Four and no/100^{ths} Dollars (\$1,148,634.00), and (ii) promptly following such replacement, to return the existing Letter of Credit instruments ending in 567 and 551 to Tenant. Thereafter: (i) upon or after the last day of the thirty-sixth (36th) full calendar month following the Third Amendment Effective Date, Tenant may deliver to Landlord a replacement Letter of Credit in the face amount of Seven Hundred Sixty-Five Thousand Seven Hundred Fifty-Six and no/100^{ths} Dollars (\$765,756.00); and (ii) upon or after the last day of the sixtieth (60th) full calendar month following the Third Amendment Effective Date, Tenant may deliver to Landlord a replacement Letter of Credit in the face amount of Three Hundred Eighty-Two Thousand Eight Hundred Seventy-Eight and no/100^{ths} Dollars (\$382,878.00), to be held (without limiting the rights of Landlord with respect to such Letter of Credit) for the remainder of the Term. The foregoing notwithstanding: (i) each such replacement Letter of Credit shall be in the form (but not the amount) described in the Original Lease; and (ii) the rights of Tenant to deliver such replacement Letters of Credit upon or after the thirty-sixth (36th) full calendar month and the sixtieth (60th) full calendar month following the Third Amendment Effective Date shall each be conditioned at the time of such delivery upon the satisfaction in full of the "Reduction Condition" set forth in Section 8 of the Original Lease. Upon delivery of any replacement Letter of Credit to Landlord, the prior Letter of Credit shall be promptly returned by Landlord to Tenant or the issuing bank, as Tenant may request by written notice to Landlord.

16. Mortgagee Consent and Non-Disturbance.

(a) Initial Agreement. Landlord will obtain within thirty (30) days of the Third Amendment Effective Date: (i) the consent of the current mortgagee to this Third Amendment; and (ii) a subordination, non-disturbance and attornment agreement from any future mortgagee on such mortgagee's then current standard form. Tenant shall be responsible for any reasonable fees or review costs charged by the mortgagee to the extent incurred as a result of Tenant's requests for changes to such lender's standard form. Within ten (10) business days following receipt of Landlord's request, Tenant shall execute the form of non-disturbance, subordination and attornment agreement specified or approved by such lender (whether or not it contains all or any of the changes requested by Tenant) and return the same to Landlord for execution by the mortgagee. Landlord's failure to obtain such a non-

disturbance, subordination and attornment agreement for Tenant shall not be considered a default by Landlord, and Tenant's sole remedy for such failure shall be to terminate this Third Amendment in its entirety by written notice to Landlord given within ten (10) business days of the expiration of thirty (30) days of the Third Amendment Effective Date (as such thirty (30) day period may be extended by the mutual agreement of Landlord and Tenant), it being agreed that it is the intention of Landlord and Tenant that the termination of this Third Amendment is to substantially restore the parties to their respective positions existing prior to the execution hereof and that such remedy is fully adequate to address such failure by Landlord. Failure by Tenant to give such a termination notice within such period of ten (10) business days shall for all purposes be deemed a waiver by Tenant of the such right to terminate this Third Amendment. If Tenant does so terminate this Third Amendment, then: (i) the Lease shall remain in full force and effect; and (ii) Tenant shall be deemed to have remained in possession of the Existing Premises without interruption.

(b) Future Agreements. Landlord will use reasonable efforts to obtain a subordination, non-disturbance and attornment agreement from any future mortgagee on such mortgagee's then current standard form (provided same is within the range of those considered commercially reasonable in the circumstances of the marketplace at that time). Within ten (10) business days following receipt of Landlord's request, Tenant shall execute the form of non-disturbance, subordination and attornment agreement specified by any future mortgagee and return the same to Landlord for execution by the mortgagee. Landlord's failure to obtain a non-disturbance, subordination and attornment agreement for Tenant shall have no effect on the rights, obligations and liabilities of Landlord or Tenant hereunder or under the Lease, nor be considered a default by Landlord, but the Lease shall not be deemed automatically subordinate to the future mortgage in the absence of such a subordination, non-disturbance and attornment agreement.

17. Right to Terminate Lease.

(a) Grant of Conditional Right to Terminate. Tenant shall have the one-time right to terminate the Lease ("**Tenant's Termination Right**") effective as if by expiration as of January 31, 2031 (the "**Termination Date**"), provided that, as conditions precedent to the effectiveness of such termination:

(i) Right Personal. Tenant's Termination Right is personal to the Named Tenant and any Tenant Affiliate that is then the Tenant under the Lease) and may not be exercised by -any other entity or individual. If the Named Tenant assigns its interest under the Lease to any other entity or individual other than to one of Tenant's Affiliates, Tenant's Termination Right shall thereupon be of no further force or effect; and

(ii) Notice of Termination. Tenant gives Landlord written notice (a "**Termination Notice**") of Tenant's exercise of Tenant's Termination Right no earlier than January 1, 2030 and no later than January 31, 2030; and

(iii) Tenant's Termination Payment. At or before the time of the delivery of the Termination Notice, Tenant shall have paid to Landlord a termination payment ("**Tenant's Termination Payment**") equal to the aggregate of: (i) the portion of the Third Amendment Allowance to remain unamortized as of the Termination Date; (ii) the portion of all real estate brokerage commissions paid by Landlord in connection with the making of this Third Amendment to remain unamortized as of the Termination Date; (iii) the portion of the Third Amendment Abated Rent to remain unamortized as of the Termination Date; (iv) the portion of the sum of Seven Million Two Hundred Thousand and no/100th Dollars (\$7,289,000.00) to remain unamortized as of the Termination Date; and (v) three (3) months of then current Base Rent that otherwise would have been due following the Termination Date. The amortizations required pursuant to this Paragraph 17(a)(iii) shall be calculated on a straight line basis over the entirety of the Second Extended Term with interest at eight percent (8%) per annum.

(b) Failure of Conditions Precedent. If Tenant gives the Termination Notice in a timely manner but fails to pay the Termination Fee at or before that time, then Landlord may elect by written notice to Tenant within thirty (30) days following the date of the Termination Notice either to deem the Termination Notice ineffective, in which event the Lease shall not terminate, or to allow the Lease to be terminated and to collect Tenant's Termination Payment from Tenant.

(c) Surrender of Possession. If the Lease is terminated early pursuant to the provisions of this Paragraph 17, Tenant shall quit and surrender possession of the Extension Premises to Landlord on the Termination Date in the manner and condition required under the terms of the Lease for surrender at the expiration of the Term.

18. Miscellaneous.

(a) Entire Agreement. This Third Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

(b) Lease Remains in Full Force and Effect. Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect.

(c) Interpretation. In the case of any inconsistency between the provisions of the Lease and this Third Amendment, the provisions of this Third Amendment shall govern and control.

(d) Incorporation of Exhibits. Exhibit A-3 and Exhibit B-3 attached hereto are incorporated herein by this reference as though set forth in full.

(e) Not an Option. Neither party hereto shall be bound by this Third Amendment until both parties have executed and delivered the same.

(f) Use of Terms. Capitalized terms used in this Third Amendment shall have the same definitions as set forth in the Lease to the extent that such capitalized terms are defined therein and not redefined in this Third Amendment.

(g) Brokerage Commission.

(i) Landlord's Obligation. Landlord hereby warrants and represents to Tenant that Landlord has not voluntarily incurred, on its behalf or on behalf of Tenant or on behalf of both Landlord and Tenant, any obligation to pay a commission or finder's fee to any real estate broker or other person or entity in connection with this Third Amendment, other than CBRE and Jones Lang LaSalle Americas. Landlord has separate agreements with Jones Lang LaSalle Americas and CBRE with respect to the payment of a commission to Jones Lang LaSalle Americas and CBRE in connection with this transaction. Landlord hereby agrees to indemnify, defend and hold Tenant harmless from claims for any commission or finder's fee charges by any real estate broker or other person or entity (including, without limitation, Jones Lang LaSalle Americas and CBRE, but only to the extent that the claim of Jones Lang LaSalle Americas or CBRE is based upon a separate agreement between Landlord and Jones Lang LaSalle Americas or CBRE) arising from an agreement, whether express or implied, between Landlord and such broker or other person or entity or otherwise arising from the conduct of Landlord.

(ii) Tenant's Obligation. Tenant hereby warrants and represents to Landlord that Tenant has not voluntarily incurred, on its behalf or on behalf of Landlord or on behalf of both Landlord and Tenant, any obligation to pay a commission or finder's fee to any real estate broker or other person or entity in connection with this Third Amendment, other than Jones Lang LaSalle Americas and CBRE. Tenant is not aware of any obligation of Landlord to Jones Lang LaSalle Americas or CBRE other than those set forth in the separate agreement between Landlord and Jones Lang LaSalle Americas or CBRE. Tenant hereby agrees to indemnify, defend and hold Landlord harmless from claims for any commission or finder's fee charges by any real estate broker or other person or entity arising from an agreement, whether express or implied, between Tenant and such broker or other person or entity or otherwise arising from the conduct of Tenant, with the exception of Jones Lang LaSalle Americas and CBRE, but only to the extent of the separate agreements between Landlord and such brokers.

(h) Notice Pursuant to California Civil Code Section 1938.

(i) Disclosure. Pursuant to California Civil Code Section 1938, Landlord hereby discloses, and Tenant hereby acknowledges, that neither the Extension Premises nor the Building has been inspected by a Certified Access Specialist (CASp). California Civil Code Section 1938 also requires that this Third Amendment contain the following statement:

“A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.”

(ii) Inspection and Correction. In accordance with the foregoing, Tenant, upon at least thirty (30) days' prior written notice to Landlord, shall have the right to require a CASp inspection of the Extension Premises. If Tenant requires a CASp inspection of the Extension Premises, then: (i) Landlord and Tenant shall mutually agree on the arrangements for the time and manner of the CASp inspection during such thirty (30) day period; (ii) Tenant shall be solely responsible to pay the cost of the CASp inspection as and when required by the CASp; and (iii) the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Extension Premises shall be paid when due by Tenant. Any work within the Extension Premises by Tenant shall be deemed Alterations for the purpose of the Lease, and payments to or for the benefit of Landlord required to be made pursuant to the provisions of this Paragraph 18(h) shall be paid as Additional Rent.

(i) OFAC. Tenant hereby represents, certifies and warrants to Landlord as follows: (i) Tenant is not named and is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order, including Executive Order 13224, or the United States Treasury Department as a terrorist, “Specially Designated National and Blocked Person,” or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enacted, enforced or administered by the Office of Foreign Assets Control (“OFAC”); (ii) Tenant is not engaged in this transaction, directly or indirectly, for or on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation; and (iii) none of the proceeds used to pay rent have been or will be derived from a “specified unlawful activity” as defined in, and Tenant is not otherwise in violation of, the Money Laundering Control Act of 1986, as amended, or any other applicable laws regarding money laundering activities. Furthermore, Tenant agrees to reasonably promptly notify Landlord if Tenant was, is, or in the future becomes, a “senior foreign political figure” or an immediate family member or close associate of a “senior foreign political figure,” within the meaning of Section 312 of the USA PATRIOT Act of 2001, as the same may be amended from time to time. Notwithstanding anything in the Lease to the contrary, Tenant understands that the Lease is a continuing transaction and that the foregoing representations, certifications and warranties are ongoing and shall be and remain true and in force on the date hereof and throughout the Term of the Lease and that any breach thereof shall be a Default (not subject to any notice or cure rights) giving rise to any and all Landlord remedies hereunder, and Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, fines, penalties, forfeitures and expenses (including costs and reasonable attorneys' fees) arising from or related to any breach of the foregoing representations, certifications and warranties.

(j) Inconsistency. In the case of any inconsistency between the provisions of the Lease and this Third Amendment, the provisions of this Third Amendment shall govern and control.

(k) Counterparts and Electronic Transaction. This Third Amendment may be executed in multiple counterparts each of which is deemed an original but together constitute one and the same instrument. This

Third Amendment may be executed in “pdf” format and each party has the right to rely upon a pdf counterpart of this Third Amendment signed by the other party to the same extent as if such party had received an original counterpart.

(l) Confidentiality. Each party hereto agrees that the terms of this Third Amendment are confidential, and that disclosure of the terms hereof could adversely affect the other party, including with respect to Landlord, the ability of Landlord to negotiate with other tenants. Each party hereby agrees that such party shall instruct its partners, officers, directors, employees, agents, real estate brokers and sales persons and attorneys not to disclose the terms of this Third Amendment to any other person without the other party’s prior written consent, except: (i) to any accountants, attorneys or other confidential advisors of such party in connection with the preparation of financial statements or tax returns; (ii) to an assignee or prospective assignee of such party’s interest in the Lease; (iii) to a subtenant or prospective subtenant of the Extension Premises; (iv) to an entity or person to whom disclosure is required by applicable law, the Securities Exchange Commission or any applicable securities exchange; (v) in connection with any action brought to enforce this Third Amendment; (vi) to representatives of any lender or prospective lender to Landlord; and (vii) to representatives of any purchaser or prospective purchaser of the Building or any interest therein.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Third Amendment as of the Third Amendment Effective Date.

LANDLORD:

50 BEALE STREET LLC,
a Delaware limited liability company

By: /s/ Peter R. C. Brindley
Name: Peter R. C. Brindley
Title: Vice President

TENANT:

MAPLEBEAR INC.,
a Delaware corporation d/b/a Instacart

By: /s/ Emily Reuter
Name: Emily Reuter
Title: Chief Financial Officer

By: _____
Name: _____
Title: _____

EXHIBIT A-3

DIAGRAM OF THE EXTENSION PREMISES

EXHIBIT A-3
Page 1

EXHIBIT B-3

WORK AGREEMENT

THIS WORK AGREEMENT (this “**Work Agreement**”) is attached to and made a part of that certain Third Amendment to Lease (the “**Third Amendment**”) between **50 BEALE STREET LLC**, a Delaware limited liability company (“**Landlord**”), and **MAPLEBEAR INC.**, a Delaware corporation d/b/a Instacart (“**Tenant**”). All capitalized terms used but not defined herein shall have the respective meanings given such terms in the Third Amendment or the Lease (as defined in the Third Amendment). This Work Agreement sets forth the terms and conditions relating to the construction of Extension Premises Tenant Improvements (as defined below) in the Extension Premises.

SECTION 1. ALLOWANCE

(a) Third Amendment Allowance. Tenant shall be entitled to an improvement allowance (the “**Third Amendment Allowance**”) in an amount not to exceed Five Million Twenty-One Thousand Nine Hundred Seventy-Five and no/100^{ths} Dollars (\$5,021,975.00; based on \$87.50 per RSF of the Extension Premises) for the costs relating to the design and construction of improvements which are permanently affixed to the Extension Premises (the “**Extension Premises Tenant Improvements**”) and certain furniture in the Extension Premises. Tenant must complete all Extension Premises Tenant Improvements and have submitted Payment Request Supporting Documentation (as defined below) for such work no later than July 1, 2026 (as extended one day for each day of Landlord Delay, defined below). Tenant shall have no right to or interest in any amount for which Tenant has not submitted Payment Request Supporting Documentation for such work on or before July 1, 2026 (as extended one day for each day of Landlord Delay, defined below), and any such amount shall be the sole property of Landlord.

(b) Third Amendment Allowance Items. The Third Amendment Allowance may, at Tenant’s option, be applied to reimburse Tenant for the following items and costs (collectively, the “**Third Amendment Allowance Items**”):

(i) costs related to the design and construction of the Extension Premises Tenant Improvements, including the cost of permits and the payment of plan check and license fees;

(ii) payment of the fees of the Architect and the Building Consultants (as such terms are defined below), all design costs (space planning, architectural, engineering, working drawings) and payment of the fees incurred by, and the cost of documents and materials supplied by, Landlord and Landlord’s consultants in connection with the preparation and review of the Construction Drawings (as defined below);

(iii) the cost of any changes in the Building when such changes are required by the Construction Drawings, such cost to include all architectural and engineering fees and expenses incurred in connection therewith;

(iv) the cost of the acquisition and installation of new furniture in the Extension Premises;

(v) the cost of any changes to the Construction Drawings or the Extension Premises Tenant Improvements required by applicable building codes (collectively, “**Code**”); and

(vi) the Coordination Fee (as defined below).

(c) Disbursement of Third Amendment Allowance. Tenant expressly acknowledges that it is the intent of the parties that Tenant will initially fund all costs of design, permitting and construction of the Extension Premises Tenant Improvements. Following the final completion of construction of the Extension Premises Tenant Improvements, Tenant shall deliver to Landlord: (A) invoices from all of Tenant’s Agents (as defined below), including Contractor (as defined below) for labor rendered and materials delivered to the Extension Premises; and

(B) executed unconditional mechanic's lien releases from all of Tenant's Agents and designers who have lien rights (collectively, the "**Payment Request Supporting Documentation**"). Provided that (A) Landlord has determined, reasonably and in good faith, that no substandard work exists which adversely affects the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant's use of such other tenant's leased premises in the Building; (B) Architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Extension Premises Tenant Improvements has been substantially completed; (C) Tenant supplies Landlord with evidence that all governmental approvals required for Tenant to legally occupy the Extension Premises have been obtained; and (D) Tenant has fulfilled its Completion Obligations (as defined below) and has otherwise complied with Landlord's standard "close-out" requirements regarding city approvals, closeout tasks, closeout documentation regarding the general contractor, financial close-out matters, and Tenant's vendors, Landlord shall deliver to Tenant a check made payable to Tenant, or a check or checks made payable to another party or parties as reasonably requested by Tenant, in the amount of the Third Amendment Allowance (or, if less, the amount of all appropriate Third Amendment Allowance Items described in Tenant's Payment Request Supporting Documentation), within thirty (30) days thereafter. Landlord shall promptly (and in no event more than seven (7) business days after submission of Tenant's Payment Request Supporting Documentation) inform Tenant in writing of any actual or alleged defects in Tenant's Payment Request Supporting Documentation, whereupon Tenant shall have ten (10) business days from the receipt of such Landlord notice to cure any such defects and resubmit the Payment Request Supporting Documentation. With regard to Payment Request Supporting Documentation submitted on or prior to the July 1, 2026, and provided Tenant resubmits the Payment Request Supporting Documentation within such ten (10) business day period, the July 1, 2026 deadline for submission of the Payment Request Supporting Documentation shall be deemed to have been met by Tenant as to such Payment Request Supporting Documentation, and Tenant shall remain entitled to receive the Third Amendment Allowance as to such Payment Request Supporting Documentation in accordance herewith.

(d) Application to Base Rent. Tenant may, at its election by written notice to Landlord given on or before June 30, 2026, apply up to seventy-five percent (75%) of the amount of the Third Amendment Allowance (but not more than the then remaining amount thereof) as a credit against Base Rent commencing as of the later to occur of (i) the first day of the calendar month following Landlord's receipt of Tenant's notice and (ii) January 1, 2026, but not more than the portion of the Third Amendment Allowance then remaining undisbursed by Landlord. The amount of the Third Amendment Allowance then remaining, if any, shall be reduced by the amount Tenant elects to so apply.

SECTION 2.
CONSTRUCTION DRAWINGS

(a) Selection of Architect: Construction Drawings. Tenant shall retain Design Blitz or another architect satisfactory to Tenant and reasonably approved in writing by Landlord (the "**Architect**") to prepare the Construction Drawings. Landlord agrees that the following architectural firms are deemed satisfactory: Revel and O+A. For any additional work required to be performed with respect to the Construction Drawings, Tenant shall retain the engineering consultants designated by Landlord listed below (the "**Building Consultants**"):

MEP:	AWA or AMA
Air Balancing:	RSA
Structural:	Rivera Consulting Group
Sprinkler:	RLH or Pioneer
Building Management Systems:	EMCOR Mesa Energy
Riser Management:	Montgomery Technologies

If any of the MEP work will be performed on a design-build basis, Tenant will not be required to retain Glumac as the Building Consultant, provided that Landlord will reserve the right to require that Glumac peer-review the MEP plans of the resulting work, the cost of which will be deducted from the Third Amendment Allowance.

The plans and drawings to be prepared by Architect and the Building Consultants hereunder (i.e., both the Space Plan and the Working Drawings, as each term is defined below) shall be known collectively as the “**Construction Drawings.**” All Construction Drawings shall comply with the drawing format and specifications reasonably determined or approved by Landlord and shall be subject to Landlord’s prior written approval, not to be unreasonably withheld, conditioned or delayed. Landlord’s review of the Construction Drawings shall be for its own purposes and shall not obligate Landlord to review the same, for quality, design, Code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed by Landlord or its space planner, architect, engineers and consultants, and notwithstanding any advice or assistance which may be rendered to Tenant by Landlord or Landlord’s space planner, architect, engineers, and consultants, Landlord shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings.

(b) Space Plan. Tenant shall supply Landlord for Landlord’s review and approval with four (4) copies signed by Tenant of its space plan for the Extension Premises (the “Space Plan”) before any architectural working drawings or engineering drawings have been commenced. The Space Plan shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein. Landlord may request clarification or more specific drawings for special use items not included in the Space Plan. Landlord shall advise Tenant within five (5) business days after Landlord’s receipt of the Space Plan (or, if applicable, such additional information reasonably requested by Landlord pursuant to the provisions of the immediately preceding sentence) if the same is approved or is unsatisfactory or incomplete in any respect. If Tenant is so advised, Tenant shall cause the Space Plan to be revised to correct any deficiencies or other matters Landlord may reasonably require.

(c) Working Drawings. After the Space Plan has been approved by Landlord, Tenant shall supply the Architect and the Building Consultants with a complete listing of standard and non-standard equipment and specifications, including, without limitation, B.T.U. calculations, electrical requirements and special electrical receptacle requirements for the Extension Premises, to enable the Architect and the Building Consultants to complete the Working Drawings and shall cause the Architect and the Building Consultants to promptly complete the architectural and engineering drawings for the Extension Premises, and Architect shall compile a fully coordinated set of architectural, structural, mechanical, electrical and plumbing working drawings in a form which is complete to allow subcontractors to bid on the work and to obtain all applicable permits (collectively, the “**Working Drawings**”) and shall submit the same to Landlord for Landlord’s review and approval. Tenant shall supply Landlord with four (4) copies signed by Tenant of the Working Drawings. Landlord shall advise Tenant within seven (7) business days after Landlord’s receipt of the Working Drawings if Landlord, in good faith, determines that the same are approved or are unsatisfactory or incomplete. If Tenant is so advised, Tenant shall revise the Working Drawings to correct any deficiencies or other matters Landlord may reasonably require. Tenant shall be entitled to request changes to the Working Drawings from time to time upon written notice to Landlord, which changes shall be subject to Landlord’s prior written consent (not to be unreasonably withheld, conditioned, or delayed).

(d) Landlord’s Approval. Landlord’s approval of any matter under this Work Agreement may be withheld if Landlord reasonably determines that the same would violate any provision of the Lease or this Work Agreement or would adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant’s use of such other tenant’s leased premises in the Building.

SECTION 3.
**CONSTRUCTION OF THE EXTENSION PREMISES TENANT
IMPROVEMENTS**

(a) Tenant’s Selection of Contractors.

(i) The Contractor. A general contractor selected by Tenant and approved in writing by Landlord, which approval shall not be unreasonably withheld or delayed (provided that Tenant expressly acknowledges that it shall be deemed reasonable for Landlord to withhold its consent to any Contractor who is not

union affiliated) (“**Contractor**”) shall be retained by Tenant to construct the Extension Premises Tenant Improvements.

(ii) Tenant’s Agents. All subcontractors, laborers, materialmen, and suppliers used by Tenant (such subcontractors, laborers, materialmen, and suppliers, and the Contractor to be known collectively as “**Tenant’s Agents**”) must be approved in writing by Landlord, in Landlord’s good faith discretion (Landlord will approve or disapprove Tenant’s Agents within five (5) business days following Tenant’s written request). All of Tenant’s Agents shall be licensed in the State of California, capable of being bonded and union-affiliated in compliance with all then existing master labor agreements.

(b) Construction of Extension Premises Tenant Improvements by Tenant’s Agents.

(i) Construction Contract. Tenant’s construction contract and general conditions with Contractor (the “**Contract**”) shall comply with all relevant provisions of this Work Agreement. Prior to the commencement of the construction of the Extension Premises Tenant Improvements, Tenant shall provide Landlord with a schedule of values consisting of a detailed breakdown, by trade, of the final costs to be incurred or which have been incurred, for all Third Amendment Allowance Items in connection with the design and construction of the Extension Premises Tenant Improvements, which costs form the basis for the amount of the Contract.

(ii) Construction Requirements.

(1) Landlord’s General Conditions for Tenant’s Agents and Tenant Improvement Work. Construction of the Extension Premises Tenant Improvements shall comply with the following: (A) the Extension Premises Tenant Improvements shall be constructed in strict accordance with the Working Drawing approved as approved by Landlord (the “**Approved Working Drawings**”) and Landlord’s then-current published construction guidelines; (B) Tenant’s Agents shall submit schedules of all work relating to the Extension Premises Tenant Improvements to Landlord, and Landlord shall, within five (5) business days of receipt thereof, inform Tenant’s Agents of any changes which are necessary thereto, and Tenant’s Agents shall adhere to such corrected schedule; and (C) Tenant shall abide by all rules made by Landlord’s Building manager with respect to the use of freight, loading dock and service elevators, any required shutdown of utilities (including life-safety systems), storage of materials, coordination of work with the contractors of Landlord or other tenants, and any other matter in connection with this Work Agreement, including, without limitation, the construction of the Extension Premises Tenant Improvements.

(2) Indemnity. Tenant’s indemnity of Landlord as set forth in the Lease shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to any act or omission of Tenant or Tenant’s Agents, or anyone directly or indirectly employed by any of them, or in connection with Tenant’s non-payment of any amount arising out of the Extension Premises Tenant Improvements and/or Tenant’s disapproval of all or any portion of any request for payment. Such indemnity by Tenant, as set forth in the Lease, shall also apply with respect to any and all reasonable out of pocket costs, losses, damages, injuries and liabilities related in any way to Landlord’s performance of any ministerial acts reasonably necessary (A) to permit Tenant to complete the Extension Premises Tenant Improvements, and (B) to enable Tenant to obtain any building permit or certificate of occupancy for the Extension Premises.

(3) Requirements of Tenant’s Agents. Each of Tenant’s Agents shall guarantee to Tenant and for the benefit of Landlord that the portion of the Extension Premises Tenant Improvements for which it is responsible shall be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of completion thereof. Each of Tenant’s Agents shall be responsible for the replacement or repair, without additional charge, of all work done or furnished in accordance with its contract that shall become defective within one (1) year after the completion of the work performed by such contractor or subcontractor at their expense. All such warranties or guarantees as to materials or workmanship of or with respect to the Extension Premises Tenant Improvements shall be contained in the Contract or subcontract and shall be written such that such guarantees or warranties shall inure to the benefit of both Landlord and Tenant, as their respective interests may

appear, and can be directly enforced by either. Tenant covenants to give to Landlord any assignment or other assurances as may be necessary to effect such right of direct enforcement.

(iii) Insurance Requirements.

(1) General Coverages. All of Tenant's Agents shall carry employer's liability and worker's compensation insurance covering all of their respective employees, and shall also carry commercial general liability insurance, including personal and bodily injury, property damage and completed operations liability, all with limits, in form and with companies as are required to be carried by Tenant as set forth in the Lease.

(2) Special Coverages. Tenant or Contractor shall carry "Builder's All Risk" property insurance in an amount sufficient to cover the construction of the Extension Premises Tenant Improvements, and such other insurance as Landlord may reasonably require, it being understood and agreed that the Extension Premises Tenant Improvements shall be insured by Tenant pursuant to the Lease immediately upon completion thereof. Such insurance shall be in amounts and shall include such extended coverage endorsements as may be reasonably required by Landlord, and shall be in form and with companies as are required to be carried by Tenant as set forth in the Lease.

(3) General Terms. Certificates of insurance for all of the foregoing insurance coverage shall be delivered to Landlord before the commencement of construction of the Extension Premises Tenant Improvements and before the Contractor's equipment is moved onto the site. All such policies of insurance must contain a provision, if available, that the company writing said policy will endeavor to give Landlord thirty (30) days' prior written notice of any cancellation of such insurance. In the event that the Extension Premises Tenant Improvements are damaged by any cause during the course of the construction thereof, Tenant shall immediately repair the same at Tenant's sole cost and expense. Tenant's Agents shall maintain all of the foregoing insurance coverage in force until the Extension Premises Tenant Improvements are fully completed and accepted by Landlord, except for any Products and Completed Operations Coverage insurance required by Landlord, which is to be maintained for one (1) year following completion of the work and acceptance by Landlord and Tenant. The commercial general liability policy shall include Landlord and Tenant, as their interests may appear, as well as Tenant's Agents as additional insured, which may be achieved through via appropriate blanket endorsement. All insurance, except Workers' Compensation, maintained by Tenant's Agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance as respects Landlord and Tenant and that any other insurance maintained by Landlord or Tenant is excess and noncontributing with the insurance required hereunder. The requirements for the foregoing insurance shall not derogate from the provisions for indemnification of Landlord by Tenant under the Lease and/or this Work Agreement.

(iv) Coordination Fee. Landlord shall coordinate the construction by Contractor with the requirements of the Building,, and Tenant shall pay to Landlord a construction coordination fee (the "**Coordination Fee**") in the amount of Five Thousand and no/100th Dollars (\$5,000.00). This Coordination Fee shall be in lieu of and not in addition to the Coordination Fee set forth in Article 20 of the Original Lease.

(v) Governmental Compliance. The Extension Premises Tenant Improvements shall comply in all respects with the following: (i) the Code and other federal, state, city and/or quasi-governmental laws, codes, ordinances and regulations, as each may apply according to the rulings of the controlling public official, agent or other person or entity; (ii) applicable standards of the American Insurance Association (formerly, the National Board of Fire Underwriters) and the National Electrical Code; and (iii) building material manufacturer's specifications.

(vi) Inspection by Landlord. During performance of the Extension Premises Tenant Improvements, Landlord shall have the right to inspect the Extension Premises Tenant Improvements at all times, provided however, that Landlord's failure to inspect the Extension Premises Tenant Improvements shall in no event constitute a waiver of any of Landlord's rights hereunder nor shall Landlord's inspection of the Extension Premises Tenant Improvements constitute Landlord's approval of the same. Should Landlord disapprove any portion of the Extension Premises Tenant Improvements, Landlord shall notify Tenant in writing of such disapproval and shall specify the items disapproved. Any defects or deviations in, and/or disapproval by Landlord of, the Extension

Premises Tenant Improvements shall be rectified by Tenant at no expense to Landlord, provided however, that in the event Landlord determines in good faith that a defect or deviation exists or disapproves of any matter in connection with any portion of the Extension Premises Tenant Improvements and such defect, deviation or matter might adversely affect the mechanical, electrical, plumbing, heating, ventilating and air conditioning or life-safety systems of the Building, the structure or exterior appearance of the Building or any other tenant's use of such other tenant's leased premises, Landlord may take such action as Landlord deems necessary, at Tenant's expense and without incurring any liability on Landlord's part, to correct any such defect, deviation and/or matter, including, without limitation, causing the cessation of performance of the construction of the Extension Premises Tenant Improvements until such time as the defect, deviation and/or matter is corrected to Landlord's satisfaction.

(vii) Meetings. Tenant shall hold periodic meetings at a reasonable time with the Architect and the Contractor regarding the progress of the preparation of the Construction Drawings and the construction of the Extension Premises Tenant Improvements, which meetings shall be held at a location designated or reasonably approved by Landlord, and Landlord and/or its agents shall receive prior written notice of, and shall have the right to attend, all such meetings. Upon Landlord's request, certain of Tenant's Agents shall attend such meetings. In addition, minutes shall be taken at all such meetings, and Landlord will be included in the distribution list for such minutes. One such meeting each month shall include the review of Contractor's current request for payment.

(c) Notice of Completion; Copy of Record Set of Plans. Within ten (10) business days after completion of construction of the Extension Premises Tenant Improvements, Tenant shall cause a Notice of Completion to be recorded in the office of the Recorder of San Francisco County, shall furnish a copy thereof to Landlord upon such recordation, and shall timely give all notices required pursuant to the California Civil Code. If Tenant fails to do so, Landlord may execute and file such Notice of Completion and give such notices on behalf of Tenant as Tenant's agent for such purpose, at Tenant's sole cost and expense. Within thirty (30) days following the completion of construction, (i) Tenant shall cause the Architect and Contractor (A) to update the Approved Working Drawings as necessary to reflect all changes made to the Approved Working Drawings during the course of construction, (B) to certify to the best of their knowledge that the updated drawings are true and correct, which certification shall survive the expiration or termination of the Lease, and (C) to deliver to Landlord such updated drawings in accordance with Landlord's then-current CAD Requirements, and (ii) Tenant shall deliver to Landlord a copy of all warranties, guaranties, and operating manuals and information relating to the improvements, equipment, and systems in the Extension Premises. Tenant's obligations set forth in this Section are collectively referred to as the "**Completion Obligations.**"

SECTION 4. LANDLORD DELAY

(a) Definition of Landlord Delay. As used herein, "**Landlord Delay**" shall mean an actual delay in the substantive completion of the Extension Premises Tenant Improvements in either Suite resulting from (a) failure of Landlord to timely approve or disapprove any Construction Drawings; (b) unreasonable and material interference by Landlord, its employees, agents or contractors with the completion of the Extension Premises Tenant Improvements; or (c) delays due to the acts or failures to act of Landlord, its agents or contractors with respect to payment of the Third Amendment Allowance. If Tenant contends that a Landlord Delay has occurred, Tenant shall notify Landlord in writing (the "**Delay Notice**") of the event which constitutes such Landlord Delay. If the actions or inactions or circumstances described in the Delay Notice qualify as a Landlord Delay (such notice may be delivered via electronic mail to Landlord's construction representative identified below) and are not cured by Landlord within two (2) business days after Landlord's receipt of the Delay Notice, then a potential Landlord Delay shall be deemed to have occurred commencing as of the expiration of such two (2) business day period. Notwithstanding the foregoing to the contrary, Tenant will, in any event, use reasonable efforts to mitigate the effect of any potential Landlord Delay by re-scheduling or re-sequencing work, as and to the extent feasible (provided that Tenant will not be required to incur any material out of pocket charges, including for overtime or after-hours charges in such efforts unless Landlord agrees to bear the cost of such overtime or after-hours charges). If and to the extent that the substantial completion of the Extension Premises Tenant Improvements in either Suite is delayed due to any Landlord Delay, then the Extension Premises Rent Commencement Date as to such Suite shall be delayed on a day-for-day basis for each such day that such work is so delayed by Landlord Delay. Except with respect to a delay due

to Force Majeure, if Tenant's completion of the Extension Premises Tenant Improvements is delayed due to a Landlord Delay for more than thirty (30) days, Tenant shall receive a credit toward Base Rent in an amount equal to one (1) day of Base Rent next coming due under the Third Amendment attributable to the Extension Premises for each day of delay in the Extension Premises Rent Commencement Date or in Tenant's completion of the Extension Premises Tenant Improvements.

Section 5.

MISCELLANEOUS

(a) Tenant's Representative. Tenant has designated Dilshika Wijsekera, its sole representative with respect to the matters set forth in this Work Agreement, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of Tenant as required in this Work Agreement.

(b) Landlord's Representative. Landlord has designated Brian Vicari as its sole representative with respect to the matters set forth in this Work Agreement, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of Landlord as required in this Work Agreement.

(c) Tenant's Agents. All contractors, subcontractors, laborers, materialmen, vendors and suppliers retained by or through Tenant shall be union labor in compliance with the then existing master labor agreements.

(d) Time of the Essence in This Work Agreement. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days.

(e) Tenant's Lease Default. Notwithstanding any provision to the contrary contained in the Lease, if a Default by Tenant under the Lease (including, without limitation, any Default by Tenant under this Work Agreement) has occurred at any time on or before the Substantial Completion of the Extension Premises Tenant Improvements, then (i) in addition to all other rights and remedies granted to Landlord pursuant to the Lease, Landlord shall have the right to withhold payment of all or any portion of the Third Amendment Allowance and/or Landlord may cause Contractor to cease the construction of the Extension Premises Tenant Improvements, and (ii) all other obligations of Landlord under the terms of this Work Agreement shall be forgiven until such time as such Default is cured pursuant to the terms of the Lease. Any delay in the Substantial Completion of the Extension Premises Tenant Improvements caused by the exercise of Landlord's rights pursuant to this Section shall be a delay attributable solely to Tenant.

(f) Freight Elevators. Landlord shall, consistent with its obligations to other tenants of the Building, make the freight elevator reasonably available to Tenant without cost in connection with the construction of the Extension Premises Tenant Improvements and the delivery of furniture to the Extension Premises and, at the Expiration Date moving out of the Extension Premises (provided that with respect to Tenant's move-out, if Landlord is required to pay for a separate elevator security guard for such usage and/or pay overtime or "after-hours" overtime rates for any elevator operator, Tenant will bear such costs).

**CERTIFICATION PURSUANT TO
EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Fidji Simo, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Maplebear Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2025

/s/ Fidji Simo

Fidji Simo
Chief Executive Officer

**CERTIFICATION PURSUANT TO
EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Emily Reuter, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Maplebear Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2025

/s/ Emily Reuter

Emily Reuter

Chief Financial Officer

**CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to the requirement set forth in Rule 13(a)-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Fidji Simo, Chief Executive Officer of Maplebear Inc. (the “Company”), and Emily Reuter, Chief Financial Officer of the Company, each hereby certifies that, to the best of her knowledge:

1. The Company’s Quarterly Report on Form 10-Q for the period ended June 30, 2025, to which this Certification is attached as Exhibit 32.1 (the “Periodic Report”), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned have set their hands hereto as of August 8, 2025.

/s/ Fidji Simo

Fidji Simo
Chief Executive Officer

/s/ Emily Reuter

Emily Reuter
Chief Financial Officer