PRELIMINARY OFFERING CIRCULAR AUGUST 28, 2020, SUBJECT TO REVISION

Atlis Motor Vehicles, Inc.
A Delaware Corporation
Maximum Offering Amount: $25,000,000

This is our initial public offering (the "**Offering")** of securities of Atlis Motor Vehicles, Inc, a Delaware corporation ("**Atlis**" or the "**Company"**). We are offering for sale 3,033,981 shares of our Class A Class A common stock, $.0001 par value per share, at $8.24 per share (the "**Shares**") on a "best efforts" basis. This offering will terminate on the earlier of (i) January 15, 2021, subject to extension for up to one hundred-eighty (180) days in the sole discretion of the Company; or (ii) the date on which the Maximum Offering is sold; or (iii) when our board of directors elects to terminate the Offering (in either case, the "**Termination Date**"). Upon the receipt of investors' subscriptions and acceptance of such subscriptions by the Company, we may hold closings. There is no aggregate minimum requirement for the Offering to become effective, therefore, we reserve the right, subject to applicable securities laws, to begin applying "***dollar one***" of the proceeds from the Offering towards our business strategy, development expenses, offering expenses and other uses as more specifically set forth in this offering circular ("**Offering Circular**"). In concert with Jumpstart, we expect to commence the sale of the Shares as of the date on which the offering statement, of which this Offering Circular is a part (the "**Offering Statement**"),is qualified by the United States Securities and Exchange Commission (the "**SEC**" or the "**Commission**"). The offering is made in reliance upon an exemption from registration under the federal securities laws provided by Rule 251 of Regulation A (as promulgated by the SEC in 17 CFR 230.251 et seq. under the Securities Act of 1933, as amended (the "**Securities Act**" or the "**1933 Act**").

Investing in our Class A common stock involves a high degree of risk. See "*Risk Factors*" for a discussion of certain risks that you should consider in connection with an investment in Atlis. This Preliminary Offering Circular is following the offering circular format described in Part II of Form 1-A.

THE U.S. SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF OR GIVE ITS APPROVAL TO ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SOLICITATION MATERIALS. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE COMMISSION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED ARE EXEMPT FROM REGISTRATION.

	Price to Public	Sales Commissions (1)	Proceeds to the Company (2)
Per share of Class A common stock	$8.24	$0.41	7.83
Maximum Offering	$25,000,000	$1,250,000.00	$23,750,000

GENERALLY, NO SALE MAY BE MADE TO YOU IN THIS OFFERING IF THE AGGREGATE PURCHASE PRICE YOU PAY IS MORE THAN TEN PERCENT (10%) OF THE GREATER OF YOUR ANNUAL INCOME OR YOUR NET WORTH. DIFFERENT RULES APPLY TO ACCREDITED INVESTORS AND NON-NATURAL PERSONS. BEFORE MAKING ANY REPRESENTATION THAT YOUR INVESTMENT DOES NOT EXCEED APPLICABLE THRESHOLDS, WE ENCOURAGE YOU TO REVIEW RULE 251(D)(2)(I)(C) OF REGULATION A. FOR GENERAL INFORMATION ON INVESTING, WE ENCOURAGE YOU TO REFER TO WWW.INVESTOR.GOV.

(1) Includes up to a maximum of five percent (5%) of the gross proceeds of this Offering for sales commissions to any participating underwriter. The Company has retained JumpStart Securities to provide certain critical back office and support services to us in this transaction. JumpStart Securities is not underwriting the offering, will not receive any finders fees, and will not receive the maximum available commission, but will receive an advisory fee of $10,000, a commission/fee of 1.5% of the aggregate amount of gross proceeds from the offering, plus administrative transaction fees of between $2-$150 for each subscription depending on the type of investor and any added servicing work used to process the subscription not to exceed 2.16% of the aggregate amount of gross proceeds. In addition to these fees, JumpStart Securities may also receive expense reimbursements up to $2,500. Additionally, escrow and technology fees will be paid to Prime Trust LLC for its work as Escrow Agent, which is expected to equal 3% assuming the offering is completely fulfilled.

(2) Does not include expenses of the Offering, including but not limited to, fees and expenses for marketing and advertising of the Offering, media expenses, fees for administrative, accounting, audit and legal services, FINRA filing fees, fees for EDGAR document conversion and filing, and website posting fees, estimated to be as much as $1,000,000.

THE SECURITIES UNDERLYING THIS OFFERING STATEMENT MAY NOT BE SOLD UNTIL QUALIFIED BY THE SECURITIES AND EXCHANGE COMMISSION. THIS OFFERING CIRCULAR IS NOT AN OFFER TO SELL, NOR SOLICITING AN OFFER TO BUY, ANY SHARES OF OUR CLASS A COMMON STOCK IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH SALE IS PROHIBITED.

INVESTMENT IN SMALL BUSINESS INVOLVES A HIGH DEGREE OF RISK, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. SEE "RISK FACTORS" FOR A DISCUSSION OF CERTAIN RISKS YOU SHOULD CONSIDER BEFORE PURCHASING ANY SHARES IN THIS OFFERING.

AN OFFERING STATEMENT PURSUANT TO REGULATION A RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION, WHICH WE REFER TO AS THE COMMISSION. INFORMATION CONTAINED IN THIS PRELIMINARY OFFERING CIRCULAR IS SUBJECT TO COMPLETION OR AMENDMENT. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED BEFORE THE OFFERING STATEMENT FILED WITH THE COMMISSION IS QUALIFIED. THIS PRELIMINARY OFFERING CIRCULAR SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR MAY THERE BE ANY SALES OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL BEFORE REGISTRATION OR QUALIFICATION UNDER THE LAWS OF ANY SUCH STATE. WE MAY ELECT TO SATISFY OUR OBLIGATION TO DELIVER A FINAL OFFERING CIRCULAR BY SENDING YOU A NOTICE WITHIN TWO (2) BUSINESS DAYS AFTER THE COMPLETION OF OUR SALE TO YOU THAT CONTAINS THE URL WHERE THE FINAL OFFERING CIRCULAR OR THE OFFERING STATEMENT IN WHICH SUCH FINAL OFFERING CIRCULAR WAS FILED MAY BE OBTAINED.

THE DATE OF THIS OFFERING CIRCULAR IS AUGUST 28, 2020.

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We are offering to sell, and seeking offers to buy, our securities only in jurisdictions where such offers and sales are permitted. You should rely only on the information contained in this Offering Circular. We have not authorized anyone to provide you with any information other than the information contained in this Offering Circular. The information contained in this Offering Circular is accurate only as of its date, regardless of the time of its delivery or of any sale or delivery of our securities. Neither the delivery of this Offering Circular nor any sale or delivery of our securities shall, under any circumstances, imply that there has not been a change in our affairs since the date of this Offering Circular. This Offering Circular will be updated and made available for delivery to the extent required by the federal securities laws.

Unless otherwise indicated, data contained in this Offering Circular concerning the business of the Company are based on information from various public sources. Although we believe that these data are generally reliable, such information is inherently imprecise, and our estimates and expectations based on these data involve a number of assumptions and limitations. As a result, you are cautioned not to give undue weight to such data, estimates or expectations.

In this Offering Circular, unless the context indicates otherwise, references to "**Atlis Motor Vehicles**," "**Atlis,**" "**we**," the "**Company**," "**our**," and "**us**" refer to the activities of and the assets and liabilities of the business and operations of Atlis Motor Vehicles, Inc.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements under "***Summary***," "***Risk Factors***," "***Management's Discussion and Analysis of Financial Condition and Results of Operations***," "***Our Business***" and elsewhere in this Offering Circular constitute forward-looking statements. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar matters that are not historical facts. In some cases, you can identify forward-looking statements by terms such as "*anticipate*", "*believe*," "*could*," "*estimate*," "*expect*," "*intend*," "*may*," "*plan*," "*potential*," "*should*," "*will*" and "*would*" or the negatives of these terms or other comparable terminology.

You should not place undue reliance on forward looking statements. The cautionary statements set forth in this Offering Circular, including in "*Risk Factors*" and elsewhere, identify important factors which you should consider in evaluating our forward-looking statements. These factors include, among other things:

- Our ability to effectively execute our business plan, including without limitation our ability to fully develop our XP Platform, XT Pickup Truck, subscription model, mass production, and respond to the highly competitive and rapidly evolving marketplace and regulatory environment in which we intend to operate;
- Our ability to manage our research, development, expansion, growth and operating expenses;
- Our ability to evaluate and measure our business, prospects and performance metrics, and our ability to differentiate our business model and products;
- Our ability to compete, directly and indirectly, and succeed in the highly competitive and evolving electric vehicle industry.
- Our ability to respond and adapt to changes in technology and customer behavior; and
- Our ability to protect our intellectual property and to develop, maintain and enhance a strong brand.

Although the forward-looking statements in this Offering Circular are based on our beliefs, assumptions and expectations, taking into account all information currently available to us, we cannot guarantee future transactions, results, performance, achievements or outcomes. No assurance can be made to any investor by anyone that the expectations reflected in our forward-looking statements will be attained, or that deviations from them will not be material and adverse. We undertake no obligation, other than as may be required by law, to re-issue this Offering Circular or otherwise make public statements updating our forward-looking statements.

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OFFERING SUMMARY

*This summary highlights information contained elsewhere in this Offering Circular, but might not contain all of the information that is important to you. This summary is not complete and does not contain all the information that you should consider before deciding whether to invest in our Class A common stock. As such, before investing in our Class A common stock, you should read the entire Offering Circular carefully, including the "**Risk Factors**" section and our historical financial statements and the notes thereto attached as part of this Offering Circular. For purposes of this Offering Circular, unless otherwise indicated or the context otherwise requires, all references herein to "Atlis Motor Vehicles, Inc.," "Atlis," the "Company," "we," "us," and "our" refer to Atlis Motor Vehicles, Inc., a Delaware corporation. Some of the statements in this Offering Circular are forward-looking statements. See the section entitled "**Cautionary Statement Regarding Forward-Looking Statements**."*

The Company

Atlis Motor Vehicles, Inc. was formed as a Delaware corporation on November 9, 2016. Atlis Motor Vehicles Inc is an early-stage development and manufacturing company of plug in electric trucks. The Company can be best described as a technology development company working toward providing a Vehicle as a Service platform for electric heavy duty and light duty work vehicles. The company is in the process of developing electrified vehicle, infrastructure, and software platforms for work fleets. At the core of Atlis Motor Vehicles' hardware platform will be proprietary battery technology capable of charging a full-size pickup truck in 15 minutes, and a modular system architecture capable of scaling to meet the specific vehicle or equipment application needs. We want to build a truck with unprecedented capabilities at a reasonable price. We also want to change the customer experience from sales, ordering, financing, and delivery to maintenance and service.

Principal Product and its market

- Atlis Motor Vehicles has several pillars of product focus for our business. These pillars are:
- **Battery technology.** Our goal is to offer a superior battery technology solution that offers unparalleled performance in charging as well as inclement weather and output performance.
- **XP Platform and connected vehicle technology.** As we look to the future of electrification, Atlis Motor Vehicles XP Platform aims to provide a scalable technology solution with a connected cloud, mobile, service, and charging ecosystem that will provide unprecedented workflows and customer experiences moving forward. This platform of technology will be leveraged to develop new vehicle solutions quickly while minimizing costs and time The XP technology platform will allow Atlis Motor Vehicles to work quickly with strategic partners looking to develop new vehicle solutions for niche and mass-market opportunities while leveraging the vast network of capabilities we look to provide.
- **Advanced charging stations.** The Atlis Motor Vehicles Advanced Charging Station, or AAC, is being designed to boast the highest power solution to enter the market, a 1.5MW charging station, that's as simple to operate as filling up your gas vehicle today or plugging in a Tesla vehicle.
- **The XT Pickup truck.** The XT Pickup truck will be our flagship vehicle product offering. The XT Pickup truck aims to represent every key piece of technology Atlis Motor Vehicles is developing and how this technology can be utilized to bring capable, non-compromising vehicle solutions through electrification. The XT Pickup truck will be our market entry solution into the world of work, and is intended to be just the beginning of a long line of vehicle solutions built on our XP Platform.

How We Will Generate Revenue

Atlis Motor Vehicles is still in the research and development stage and does not currently produce a product for sale. Atlis will soon exit the early stages of product and company development, whereupon it will produce a working prototype. Atlis Motor Vehicles has demonstrated physical proof of concept prototypes for the battery technology and XP Platform and renderings for the XT Truck. Following proof of concept prototypes, Atlis Motor Vehicles will finalize the design of all components and parts, order initial parts, and build the first working prototypes with production-quality parts. From there the production-level prototypes will go through thorough testing and once testing has passed all requirements the final designs will be locked and production parts will be ordered and built in our initial production runs. Atlis has not yet generated any sales of the XT Pickup truck or XP Platform to date. The Company is still in the development stage, and will be for at least 12-18 more months. We expect to finalize development of the production model and begin producing trucks for delivery and sale by the end of calendar year 2021.

Atlis Motor Vehicles has received substantial interest in its product via reservations submitted on the Company's website. The total value of these reservations, if all such reservations were converted to sales, is over $1.5 billion. This projection was generated by extrapolating the XT Pickup Truck's predicted average sales price of $59,968 by the number of electronic reservations made on the Company's website. These reservations are non-binding, non-deposit, and require no down payment or reservation fee. Atlis has foregone the requirement for a refundable deposit in favor of allowing reservation holders to become investors in Atlis Motor Vehicles through our Regulation CF offering. This expressed interest should not be taken as a guarantee of sale.

Market

Industry

Pickup trucks have been the top three best-selling vehicles in the US for the past five years. Altogether, including the new and used truck market, vehicle up-fitter market, and charging opportunity, the total market opportunity for us is north of $241B, and we have already received over $1.5B in reservations. Currently there are no electric pickup trucks in the market, and Atlis intends to capture the largest market share of the electric work truck market. Our proprietary battery technology is being designed to allow us to deliver unprecedented range and charge times.

Target market demographics

We're developing technology that will power work. Our target customers for the Atlis XT are work vehicle fleet owners, and our target customers for the Atlis XP Platform are work vehicle manufacturers. We intend to add value for customers across multiple target industries, including construction, agriculture, and logistics.

The Atlis XT pickup truck will be Atlis Motor Vehicles' flagship product, capable of 500 miles of range, 35,000 lbs. fifth wheel towing capability, and 15 minute charge time from 0-100%. The Atlis XT will be the first application of our core product offering, the Atlis XP Platform, our electric vehicle technology platform that is currently in development and is being designed for applications with work vehicles: RVs, box trucks, delivery vehicles, tractors, construction equipment, and beyond. Our modular design will allow the Atlis XP Platform to easily accommodate the sizes, shapes, and use cases of a variety of different work vehicles.

Volume targets

We will take a strategic approach to scale: first we will bring the XP Platform to market to drive revenue as we work toward the launch of the XT pickup truck. We are in talks with multiple companies in construction, agriculture, and logistics industries, and we are working to create a proof of concept for one large logistics company this summer. We will ship them initial trial XP Platforms integrated with their delivery vehicles. For calendar year 2021, our volume targets are: 1000 XP Platforms and 100 XT Trucks. In calendar year 2022 we're targeting production of 4,000 XP Platforms and 1,000 XT Trucks.

Geographic sales territory
Ultimately, Atlis is building a technology platform that is intended to add value across the globe, and our long-term vision includes expansion to the rest of the world. We will begin manufacturing in the USA, and our initial sales focus is in the USA. We've also had multiple conversations with a Japanese logistics company, and the opportunity is large enough to prioritize sales and infrastructure in Japan. We have no agreement with any of the companies with which we have had talks.

Distribution Channels
Our hardware and services will be conducted online via our website. Fleet and consumer customers will be able to purchase the Atlis XP Platform, Atlis XT Pickup Truck, and Atlis advanced charging solutions online. Our advanced charging infrastructure will require users to be able to purchase electricity at our charging stations. This purchase will be conducted through the cloud-based mobile application and website we plan to build.

Growth Strategy

Our strategy for growth is to focus on execution. We are completing the design work to deliver our production prototype in the second half of 2020. From there, we will stand up production and begin building products. Once we have started production, we plan to leverage influencer marketing and customer word of mouth to generate additional interest in our products. We will develop a dedicated sales team pursuing larger fleet customers.

Risk Factors

Our business and our ability to execute our business strategy are subject to a number of risks as more fully described in the section titled "*Risk Factors.*" These risks include, among others:

- Atlis is a fledgling company without having developed any products in the past
- Uncertainty exists as to whether Atlis will be able to raise sufficient funds to continue developing the XP platform and XT pickup truck
- Future capital raises may dilute current stockholders' ownership interests
- Atlis will experience losses for the foreseeable future
- Development timelines are at risk of delays outside of Atlis' control
- Competition will be stiff
- Scaling up manufacturing will be a challenge and fraught with potential pitfalls
- Product recall could cripple growth
- Product liability could result in costly litigation
- We may face regulatory challenges
- We may not be able to successfully manage growth
- We may not be successful in developing an effective direct sales force
- Raising capital may be costly
- Atlis stock is not marketable and initial investors should be aware that the investment is speculative
- Lack of diversification could cause you to lose all or some of your investment if initial products fail
- Our executive officer and executive staff will retain most of Atlis' voting rights

Corporate Information

Atlis Motor Vehicles, Inc. was incorporated under the laws of the State of Delaware on November 9, 2016. Our Chief Executive Officer, President and Secretary has not been in bankruptcy, receivership or any similar proceeding. Our principal executive offices are located at 1828 North Higley Road, Mesa, AZ 85205. Our website address is www.atlismotorvehicles.com. Information on our web site is not part of this Offering Circular.

REGULATION A+

We are offering our Class A common stock pursuant to recently adopted rules by the Securities and Exchange Commission mandated under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. These offering rules are often referred to as "*Regulation A+*." We are relying upon "*Tier 2*" of Regulation A+, which allows us to offer up to $50 million in a 12-month period.

In accordance with the requirements of Tier 2 of Regulation A+, we will be required to publicly file annual, semiannual, and current event reports with the Securities and Exchange Commission after the qualification of the offering statement of which this Offering Circular forms a part.

The Offering

Securities Offered:	3,033,981 shares of Class A common stock at $8.24 per share
Class A common stock Outstanding:	
Prior to the offering	17,096,177 shares[1]
After the offering	20,116,448 shares
(Assuming the sale of all shares offered)	
Use of Proceeds:	If we sell all of the Shares being offered, our net proceeds (after our estimated commissions, if any, but excluding our estimated Offering expenses) will be approximately Twenty Three Million Seven Hundred and Fifty Thousand Dollars ($23,750,000). We will use these net proceeds for our product research and development, expenses associated with the marketing and advertising of the Offering, working capital and general corporate purposes, and such other purposes described in the "Use of Proceeds" section of this Offering Circular.
Risk Factors:	**Investing in our Class A common stock involves a high degree of risk**. See "*Risk Factors*."
No Market:	There is no market for our Class A common stock and there can be no assurance that a market will develop.

[1] As of August 28, 2020, there are 4,871,129 Class A shares of common stock and 12,225,048 Class D of common stock which total 17,096,177 shares of common stock outstanding.

RISK FACTORS

*An investment in our Class A common stock involves a high degree of risk. You should carefully consider the risks described below, together with all of the other information included in this Offering Circular, before making an investment decision. If any of the following risks actually occurs, our business, financial condition or results of operations could suffer. In that case, the trading price of our shares of Class A common stock could decline and you may lose all or part of your investment. See "**Cautionary Note Regarding Forward Looking Statements**" above for a discussion of forward-looking statements and the significance of such statements in the context of this Offering Circular.*

RISKS RELATED TO OUR COMPANY

ATLIS IS A FLEDGLING COMPANY

Atlis Motor Vehicles is a relatively new company that was incorporated on November 9th 2016. Atlis has no history, no clients, no revenues. If you are investing in this company, it's because you think the Atlis electric pickup truck is a good idea, that Atlis will be able to successfully market, manufacture and sell its electric pickup truck, and that it will be priced appropriately to sell sufficient units to make Atlis profitable. We have yet to fully develop or sell any electric vehicles. As of right now, aim to develop an electric truck that has no commercial contemporaries. In the meantime, other companies could develop successful alternatives. We have never turned a profit and there is no assurance that we will ever be profitable.

We also have no history in the automotive industry. Although Atlis has taken significant steps in building brand awareness, Atlis is a new company and currently has no experience developing or selling motor vehicles. As such, it is possible that Atlis Motor Vehicles' lack of history in the industry may impact our brand, business, financial goals, operation performance, and products.

We should be considered a "*Development Stage Company*," and our operations will be subject to all the risks inherent in the establishment of a new business enterprise, including, but not limited to, hurdles or barriers to the implementation of our business plans. Further, because there is no history of operations there is also no operating history from which to evaluate our executive management's ability to manage our business and operations and achieve our goals or the likely performance of the Company. Prospective investors should also consider the fact that our management team has not previously developed or managed similar companies. No assurances can be given that we will be able to achieve or sustain profitability.

UNCERTAINTY EXISTS AS TO WHETHER OUR BUSINESS WILL HAVE SUFFICIENT FUNDS OVER THE NEXT 12 MONTHS, THEREBY MAKING AN INVESTMENT IN ATLIS SPECULATIVE.

We require additional financing to complete development and marketing of our XP Platform until the vehicle is in production and sufficient revenue can be generated for us to be self-sustaining. Our management projects that in order to effectively bring the products to market, that it will require approximately $23,750,000.00 over the next 12 months to cover costs involved in completing the prototype and beginning to develop a supply chain. In the event that we are unable to generate sufficient revenues, and before all of the funds now held by us and obtained by us through this offering are expended, an investment made in Atlis may become worthless.

If we cannot continue to raise further rounds of funding, we cannot succeed. Atlis will require additional rounds of funding to complete development and begin shipments of the Atlis XT pickup truck. If Atlis is unable to secure funding, we will be unable to succeed in our goal of developing the world's best pickup truck. Atlis will require additional capital infusion to sustain operations. We predict that we will need to raise an additional $418 million dollars to finalize the prototype, obtain regulatory approvals, scale production, and continue lean production and sales for the following 4 years to our point of predicted profitability. If we are unable to raise adequate financing, we will be unable to sustain operations for a prolonged period of time.

We expect to significantly increase our spending to advance the development of our products and services and launch and commercialize the products for commercial sale. We will require additional capital for the further development and commercialization of our products, as well as to fund our other operating expenses and capital expenditures. We cannot be certain that additional funding will be available on acceptable terms, or at all. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back or discontinue the development or commercialization of one or more of our products and services. We may also seek collaborators for the products at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available. Any of these events could significantly harm our business, financial condition and prospects.

The expected gross offering proceeds of a maximum of $23,750,000 may never be realized. While we believe that such proceeds will capitalize and sustain us to allow for the continued development and implementation of our business plan, if only a fraction of this Offering is sold, or if certain assumptions contained in the business plans prove to be incorrect, we may have inadequate funds to fully develop our business. Although we believe that the proceeds from this Offering will be sufficient to help sustain our development process and business operations, there is no guarantee that we will raise all the funds needed to adequately fund our business plan.

WE NEED TO RAISE ADDITIONAL CAPITAL TO MEET OUR FUTURE BUSINESS REQUIREMENTS AND SUCH CAPITAL RAISING MAY BE COSTLY OR DIFFICULT TO OBTAIN AND COULD DILUTE CURRENT STOCKHOLDERS' OWNERSHIP INTERESTS.

We are seeking to raise $25,000,000 at $8.24 per share in this offering on a best efforts basis to implement our plan and meet our capital needs for the next 12 months of operations. Estimated commissions and offering related expenses of $1,250,000, the total net proceeds to us would be $23,750,000. Additionally, we may sell equity shares in a private placement pursuant to Regulation D. We will use the proceeds from these offerings to complete a working prototype and prepare for production. See the section entitled "Use of Proceeds" for a description of the manner in which we plan to use proceeds from this offering.

We have relied upon cash from financing activities and in the future, we expect to rely on the proceeds from this Offering, future debt and/or equity financings, and we hope to rely on revenues generated from operations to fund all of the cash requirements of our activities. However, there can be no assurance that we will be able to generate any significant cash from our operating activities in the future. Future financings may not be available on a timely basis, in sufficient amounts or on terms acceptable to us, if at all. Any debt financing or other financing of securities senior to the Class A common stock will likely include financial and other covenants that will restrict our flexibility.

Any failure to comply with these covenants would have a material adverse effect on our business, prospects, financial condition and results of operations because we could lose our existing sources of funding and impair our ability to secure new sources of funding. However, there can be no assurance that the Company will be able to generate any investor interest in its securities. If we do not obtain additional financing, our prototype will never be completed, in which case you would likely lose the entirety of your investment in us.

At this time, we have not secured or identified any additional financing. We do not have any firm commitments or other identified sources of additional capital from third parties or from our officer and director or from other shareholders. There can be no assurance that additional capital will be available to us, or that, if available, it will be on terms satisfactory to us. Any additional financing will involve dilution to our existing shareholders. If we do not obtain additional capital on terms satisfactory to us, or at all, it may cause us to delay, curtail, scale back or forgo some or all of our product development and/or business operations, which could have a material adverse effect on our business and financial results. In such a scenario, investors would be at risk to lose all or a part of any investment in our Company.

WE HAVE LOSSES WHICH WE EXPECT TO CONTINUE INTO THE FUTURE. THERE IS NO ASSURANCE OUR FUTURE OPERATIONS WILL RESULT IN A PROFIT. IF WE CANNOT GENERATE SUFFICIENT REVENUES TO OPERATE PROFITABLY OR WE ARE UNABLE TO RAISE ENOUGH ADDITIONAL FUNDS FOR OPERATIONS, THE SHAREHOLDERS WILL EXPERIENCE A DECREASE IN VALUE AND WE MAY HAVE TO CEASE OPERATIONS.

We are a development-stage technology company that began operating and commenced research and development activities in 2016. As a recently formed development-stage company, we are subject to all of the risks and uncertainties of a new business, including the risk that we may never develop, complete development or market any of our products or services and we may never generate product or services related revenues. Accordingly, we have only a limited history upon which an evaluation of our prospects and future performance can be made. We only have one product currently under development, which will require further development, significant marketing efforts and substantial investment before it and any successors could provide us with any revenue. As a result, if we do not successfully develop, market and commercialize our XT pickup truck on the XP platform, we will be unable to generate any revenue for many years, if at all. If we are unable to generate revenue, we will not become profitable, and we may be unable to continue our operations. Furthermore, our proposed operations are subject to all business risks associated with new enterprises. The likelihood of our success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry, and the continued development of advertising, promotions and a corresponding customer base. There can be no assurances that we will operate profitably.

We expect to incur operating losses in future periods due to the high cost associated with developing an electric vehicle from the ground up. We cannot be sure that we will be successful in generating revenues in the near future and in the event we are unable to generate sufficient revenues or raise additional funds we will analyze all avenues of business opportunities. Management may consider a merger, acquisition, joint venture, strategic alliance, a roll-up, or other business combination to increase business and potentially increase the liquidity of the Company. Such a business combination may ultimately fail, decreasing the liquidity of the Company and shareholder value or cause us to cease operations, and investors would be at risk to lose all or part of their investment in us.

WE DO NOT EXPECT TO GENERATE REVENUE IN THE NEXT 24 MONTHS

We currently do not have a product ready for sale to customers. To date, we have funded our operations from sales of our securities and contributions from our founders. We have not received, and do not expect to receive any revenues from the sale of our vehicles for at least 24 months. Such a time estimate may be adversely affected by a number of factors, including the inability prototype to operate properly, mechanical hurdles, our lack of capital resources to commence an effective marketing campaign, the success of this Offering, competition and other factors, some of which may be beyond our control. We may never succeed in these activities, and may not generate sufficient revenues to continue our business operations or achieve profitability.

COMPETITION MAY CROWD THE MARKET

We face significant barriers in development of a competitive EV in a crowded market space. Atlis Motor Vehicles faces significant technical, resource, and financial barriers in development of a battery electric vehicle intended to compete in a crowded pickup truck space. Incumbents, also known as legacy manufacturers, have substantially deeper pockets, larger pools of resources, and more significant manufacturing experience. Atlis will need to contract with development partners who may have existing relationships with incumbent manufacturers, these relationships may pose a significant risk in our ability to successfully develop this program. The Atlis product is differentiated from all currently announced electric trucks in that it will be a full-size, heavy-duty truck with capabilities that match or exceed internal combustion trucks of the same size. However, we have a lot of work to do before we reach production. There is a chance that other competitors may release similar full-sized electric trucks before we exit the research and development phase. If several competitors release full-sized electric trucks before Atlis, it will be exceedingly difficult to penetrate the market.

There are several potential competitors who are better positioned than we are to take the majority of the market. We will compete with larger, established Automotive Manufacturers who currently have products on the markets and/or various respective product development programs. They have much better financial means and marketing/sales and human resources than us. They may succeed in developing and marketing competing equivalent products earlier than us, or superior products than those developed by us. There can be no assurance that competitors will not render our technology or products obsolete or that the plug in electric pickup truck developed by us will be preferred to any existing or newly developed technologies. It should further be assumed that that competition will intensify. Atlis Motor Vehicles' success depends on our ability to continuously raise funding, keep cost under control, and properly execute in our delivery of the Atlis Motor Vehicles XT pickup truck, Atlis Motor Vehicles XP truck platform, and Advanced Charging Station.

In order to be competitive, we must have the ability to respond promptly and efficiently to the ever-changing marketplace. We must establish our name as a reliable and constant source for professional conversion and transmission services. Any significant increase in competitors or competitors with better, more efficient services could make it more difficult for us to gain market share or establish and generate revenues. We may not be able to compete effectively on these or other factors.

RELIABLE SUPPLIERS MAY BE HARD TO FIND

As Atlis does not currently manufacture any products, we will be starting from scratch in creating and developing supplier relationships. Currently, most major suppliers have agreements with legacy manufacturers that far exceed the scale and volume at which Atlis will operate. While we intend to make as many components in-house as possible, we will have to rely on third party suppliers to manufacture some of our components and specifications. Without having already developed these relationships, we may encounter challenges in ensuring we receive the quality parts we need at the price and volume required. These supplier challenges may result in unintended delays and/or product inferiority.

SCALING UP MANUFACTURING WILL BE A CHALLENGE

Electric Vehicle Technology is changing rapidly There is significant development and investment into electric vehicle technology being made today. Such rapidly changing technology conditions may adversely affect Atlis Motor Vehicles' ability to continuously remain a market leader, provide superior product performance, and an outstanding customer experience. If we are unable to control the cost of development, cost of manufacturing, and cost of operations, Atlis may be substantially affected. If we are unable to maintain substantially lower cost of manufacturing, developing, design, distributing, and maintaining our vehicles, we may incur significant cost increases which can be material substantial to the operation of our business. We have made, and will continue to make substantial investments into the development of Atlis Motor Vehicles, such investments may have unforeseen costs that we have been unable to accurately predict, which may significantly impact our ability to execute our business as planned. Atlis will face significant costs in development and purchasing of materials required to build the XT pickup truck, XP truck platform, and Advanced Charging Station through external partnerships. These purchases are subject to conditions outside the control of Atlis Motor Vehicles and as such, these conditions may substantially affect our business, product, brand, operational, and financial goals.

Atlis will continuously and diligently work towards obtaining multiple sources of materials and components to mitigate risk in our supply chain. However, it is possible that specific components or solutions required to manufacture an electric vehicle may be subject to intellectual property, material availability, or expertise owned solely by a single supplier. A condition such as a single source supplier may hinder our ability to secure the cost, schedule, and long term viability of Atlis Motor Vehicles XT pickup truck, XP truck platform, or Advanced Charging Station. We may be inherently subjected to conditions which permit only a single source supplier for specific components necessary to develop and manufacture the Atlis Motor Vehicles XT pickup truck, XP truck platform, and Advanced Charging Station, magnifying this risk.

UNFORESEEN FACTORS MAY ADJUST TIMELINES

Any valuation of Atlis at this stage is pure speculation. Atlis Motor Vehicles’ business success, timeline, and milestones are estimations. Atlis’ production projections, sales volume, and cost models are only estimates. Atlis produced these valuations based on existing business models of successful and unsuccessful efforts of other companies within the technology and automotive industries. All such projections and timeline estimations may change as Atlis continues in development of a plug in electric vehicle, charging station and manufacturing facilities.

We are currently in the development phase of the Atlis Motor Vehicles XT pickup truck and have not yet started manufacturing and sales. Cost overruns, scheduling delays, and failure to meet product performance goals may be caused by, but not limited to, unidentified technical hurdles, delays in material shipments, and regulatory hurdles. We may experience delays in design and manufacturing of the Atlis XT pickup truck We may experience significant delays in bringing the Atlis Motor Vehicles XT pickup truck to market due to design considerations, technical challenges, material availability, manufacturing complications, and regulatory considerations. Such delays could materially damage our brand, business, financial goals, operation results, and product.

A PRODUCT RECALL COULD CRIPPLE GROWTH

If the Atlis Motor Vehicles' XT pickup truck, XP truck platform, or Advanced Charging Station are unable to meet performance and quality criteria, we may be required to perform product recalls to address said concerns. A product recall can have substantial cost related to performing such corrective actions.
Although Atlis will perform significant internal testing and qualifications, as well as external qualifications through approved 3rd party vendors against industry standards and regulatory requirements, there will be unperceived conditions which may negatively impact the customer or Company expected performance and safety of our vehicles. As such, Atlis may perform a corrective action such as a recall of products, mandatory repairs of defective components, or litigation settlements which can materially affect our financial goals, operation results, brand, business, and products. If we are unable to provide significant charging stations, our business success may be substantially affected.

A significant portion of our success is our ability to deploy the appropriate number of charging stations, in strategic locations relative to our customers and customer behaviors. If Atlis is unable to deploy charging stations to specified locations, this may negatively affect our brand, business, financial goals, operational results, and product success in the market. As such, to meet said availability requirements, Atlis will require significant capital investments to rapidly deploy said Advanced Charging Stations, as well as development of relationships with third party members who can assist in deployment of said charging stations. If we are unable to address service requirements, we may negatively affect our customer experience. As such, Atlis Motor Vehicles will require service capabilities to be established in locations within close proximity to our XT pickup truck and XP truck platform owners. Atlis Motor Vehicles' ability to engage with 3rd party operating service stations, as well as our ability to establish company operated locations, will be critical to the success of developing a positive customer experience.

PRODUCT LIABILITY

While Atlis will work diligently to meet all company and regulatory safety requirements, there is a chance that a component catastrophically fails. It is possible that through unknown circumstances or conditions out of our control, some person is injured by our product. The risk of product liability claims and adverse publicity can always occur when manufacturing, developing, marketing, and selling a brand new product that was developed from scratch. If a customer or other party were to be injured by an Atlis product, the ensuing litigation costs and reputational damage could be irreparable.

WE MAY FACE REGULATORY CHALLENGES

We are substantially at risk of unfavorable governmental regulations. Motor vehicles are subject to substantial regulation under international, federal, state, local and foreign laws regarding safety, performance, and import regulations. Our vehicles will need to comply with many governmental standards and regulations relating to vehicle safety, fuel economy, emissions control, noise control, and vehicle recycling, among others. Compliance with all of these requirements may delay our production launch, thereby adversely affecting our business and financial condition.

Additionally, there is a chance that some economically advantageous governmental incentives or subsidies will be removed or repealed before our product reaches production. Such changes to the governmental regulatory structure could have an adverse effect on profitability.

IF WE CANNOT CONTINUE TO INNOVATE, OUR REVENUE GROWTH RATE AND PROFITS MAY BE REDUCED

To successfully develop and grow our business, we must develop, distribute and commercialize our products, secure strategic partnerships with various businesses, and bring our products to market on schedule and in a profitable manner, as well as spend time and resources on the development of future products, services and business strategies that are complementary to our initial electric vehicle and business plan. Delays or failures in launch of the XT pickup could hurt our ability to meet our growth objectives, which may affect our financial projections and may impact our stock price. Moreover, if we are unable to continually develop and evolve our business strategy and launch additional products and services in the future, our business will be entirely dependent on the success of the XT Pickup, which could hurt our ability to meet our objectives. We cannot guarantee that the XT pickup will be able to achieve our expansion goals alone. Our ability to expand successfully will depend on a number of factors, many of which are beyond our control.

WE MAY HAVE DIFFICULTY PROTECTING OUR INTELLECTUAL PROPERTY

Our pending patents and other intellectual property could be unenforceable or ineffective once patent reviews are completed. We anticipate patent review completion and patents issued in calendar year 2021 based on the typical two year process between when we filed in 2019 and anticipated issue timing in 2021. We have filed these patents privately and the scope of what they cover remains confidential until they are issued. For any company creating brand new products, it is imperative to protect the proprietary intellectual property to maintain a competitive advantage. There is no doubt that a significant portion of Atlis's current value depends on the strength and imperviousness of these pending patents. We intend to continue to file additional patent applications and build our intellectual property portfolio as we discover new technologies related to the development of plug in electric vehicles.

We believe that intellectual property will be critical to our success, and that we will rely on trademark, copyright and patent law, trade secret protection and confidentiality and/or license agreements to protect our proprietary rights. If we are not successful in protecting our intellectual property, it could have a material adverse effect on our business, results of operations and financial condition. While we believe that we will be issued trademarks, patents and pending patent applications help to protect our business, there can be no assurance that our operations do not, or will not, infringe valid, enforceable third-party patents of third parties or that competitors will not devise new methods of competing with us that are not covered by our anticipated patent applications. There can also be no assurance that our patent applications will be approved, that any patents issued will adequately protect our intellectual property, or that such patents will not be challenged by third parties or found to be invalid or unenforceable or that our patents will be effective in preventing third parties from utilizing a copycat business model to offer the same service in one or more categories. Moreover, it is intended that we will rely on intellectual property and technology developed or licensed by third parties, and we may not be able to obtain or continue to obtain licenses and technologies from these third parties at all or on reasonable terms. Effective trademark, service mark, copyright and trade secret protection may not be available in every country in which our intended services will be provided. The laws of certain countries do not protect proprietary rights to the same extent as the laws of the U.S. and, therefore, in certain jurisdictions, we may be unable to protect our proprietary technology adequately against unauthorized third party copying or use, which could adversely affect our competitive position. We expect to license in the future, certain proprietary rights, such as trademarks or copyrighted material, to third parties. These licensees may take actions that might diminish the value of our proprietary rights or harm our reputation, even if we have agreements prohibiting such activity. Also to the extent third parties are obligated to indemnify us for breaches of our intellectual property rights, these third parties may be unable to meet these obligations. Any of these events could have a material adverse effect on our business, results of operations or financial condition.

The U.S. Patent and Trademark Office and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. There are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case, which could have a material adverse effect on our business, results of operations and financial condition.

INTELLECTUAL PROPERTY PROTECTION IS COSTLY.

Filing, prosecuting and defending patents related to our products and software throughout the world is prohibitively expensive. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we have patent protection, but where enforcement is not as strong as that in the U.S. These products may compete with our products in jurisdictions where we do not have any issued or licensed patents and our patent claims or other intellectual property rights may not be effective or sufficient to prevent them from so competing. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to technology, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business.

CONFIDENTIALITY AGREEMENTS MAY NOT ADEQUATELY PREVENT DISCLOSURE OF TRADE SECRETS AND OTHER PROPRIETARY INFORMATION

We anticipate that a substantial amount of our processes and technologies will be protected by trade secret laws. In order to protect these technologies and processes, we intend to rely in part on confidentiality agreements with our employees, licensees, independent contractors and other advisors. These agreements may not effectively prevent disclosure of confidential information, including trade secrets, and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information, and in such cases, we could not assert any trade secret rights against such parties. To the extent that our employees, contractors or other third parties with which we do business use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Laws regarding trade secret rights in certain markets in which we operate may afford little or no protection to our trade secrets. The loss of trade secret protection could make it easier for third parties to compete with our products and related future products and services by copying functionality, among other things. In addition, any changes in, or unexpected interpretations of, the trade secret and other intellectual property laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our business, revenue, reputation and competitive position.

FAILURE TO COMPLY WITH FEDERAL AND STATE PRIVACY LAWS COULD ADVERSELY AFFECT OUR BUSINESS

A variety of federal and state laws and regulations govern the collection, use, retention, sharing and security of consumer data. The existing privacy-related laws and regulations are evolving and subject to potentially differing interpretations. In addition, various federal, state and foreign legislative and regulatory bodies may expand current or enact new laws regarding privacy matters. Several internet companies have recently incurred penalties for failing to abide by the representations made in their privacy policies and practices. In addition, several states have adopted legislation that requires businesses to implement and maintain reasonable security procedures and practices to protect sensitive personal information and to provide notice to consumers in the event of a security breach. Any failure, or perceived failure, by us to comply with our posted privacy policies or with any data-related consent orders, Federal Trade Commission requirements or orders or other federal, state or international privacy or consumer protection-related laws, regulations or industry self-regulatory principles could result in claims, proceedings or actions against us by governmental entities or others or other liabilities, which could adversely affect our business. In addition, a failure or perceived failure to comply with industry standards or with our own privacy policies and practices could adversely affect our business. Federal and state governmental authorities continue to evaluate the privacy implications inherent in the use of third-party web "*cookies*" for behavioral advertising. The regulation of these cookies and other current online advertising practices could adversely affect our business

WE ARE DEPENDENT UPON OUR CEO FOR HIS SERVICES AND ANY INTERRUPTION IN HIS ABILITY TO PROVIDE HIS SERVICES COULD CAUSE US TO CEASE OPERATIONS.

The loss of the services of our CEO, Mr. Mark Hanchett, could have a material adverse effect on us. We do not maintain any key man life insurance on Mr. Hanchett. The loss of Mr. Hanchett's services could cause investors to lose all or a part of their investment. Our future success will also depend on our ability to attract, retain and motivate other highly skilled employees. Competition for personnel in our industry is intense. We may not be able to retain our key employees or attract, assimilate or retain other highly qualified employees in the future. If we do not succeed in attracting new personnel or retaining and motivating our current personnel, our business will be adversely affected.

WE HAVE NO LONG-TERM EMPLOYMENT AGREEMENTS IN PLACE WITH OUR EXECUTIVE OFFICERS

As of the date of this Offering Circular we only have short-term, interim employment arrangements with our senior executive officers. We are negotiating compensation packages and the terms of long-term formal employment agreements with our executive officers and we anticipate any such employment agreement entered into with our executive officers will be on terms no less favorable to our executive officers than the terms of their respective interim arrangement. There is a risk that the Company and any one or more of our executive officers will not reach an agreement with respect to their employment agreements, in part because we expect their compensation packages will be comprised of cash compensation, equity compensation (e.g. stock options, warrants or stock grants), as well as standard benefits and other terms customary for executive officers of similar experience and tenure. Although we intend to finalize negotiations with respect to these employment agreements with each of our executive officers in the near future, if we fail to reach mutually satisfactory agreements in this regard, any one or more of such persons may terminate their association with the Company. Additionally, we are also highly dependent on certain consultants and service providers, including our development partners and our marketing and advertising service providers, some of which are affiliates of the Company and our officers and directors. The loss of any one or more of these experienced executives, consultants, service providers and/or development partners would have a material and adverse effect on our Company and our business prospects

WE ARE SIGNIFICANTLY INFLUENCED BY OUR OFFICERS AND DIRECTORS

In the aggregate, ownership of the Company's shares of common stock by management and affiliated parties, assuming the sale of the Maximum Offering, will represent approximately 62.4% of the issued and outstanding shares of common stock. These shareholders, if acting together, will be able to significantly influence all matters requiring approval by shareholders, including the election of directors and the approval of mergers or other business combinations transactions. Please see "***Security Ownership of Management & Certain Security Holders***" below for more information.

Our future performance is dependent on the ability to retain key personnel. The Company's performance is substantially dependent on the performance of senior management. The loss of the services of any of its executive officers or other key employees could have a material adverse effect on the Company's business, results of operations and financial condition.

OUR BUSINESS COULD BE ADVERSELY AFFECTED BY A DOWNTURN IN THE ECONOMY AND/OR MANUFACTURING.

We are dependent upon the continued demand for electric vehicles, making our business susceptible to a downturn in the economy or in manufacturing. For example, a decrease in the number of individuals investing their money in the equity markets could result in a decrease in the number of companies deciding to become or remain public. This downturn could have a material adverse effect on our business, our ability to raise funds, our production, and ultimately our overall financial condition.

OUR BUSINESS WOULD BE ADVERSELY AFFECTED IF WE ARE NOT ABLE TO CREATE AND DEVELOP AN EFFECTIVE DIRECT SALES FORCE.

Because a significant component of our growth strategy relates to increasing our revenues through sales to companies and individuals subject to the SEC disclosure and reporting requirements, our business would be adversely affected if we were unable to develop and maintain an effective sales force to market our products directly to consumers. Further complicating this matter, many states have prohibited direct to consumer vehicle sales. Atlis will need to be effective at converting online interest into hard sales. We currently do not employ any sales staff to sell our products, which could have a material adverse effect on our business, results of operations and financial condition.

WE MAY NOT BE ABLE TO SUCCESSFULLY MANAGE OUR GROWTH.

We could experience growth over a short period of time, which could put a significant strain on our managerial, operational and financial resources. We must implement and constantly improve our certification processes and hire, train and manage qualified personnel to manage such growth. We have limited resources and may be unable to manage our growth. Our business strategy is based on the assumption that our customer base, geographic coverage and service offerings will increase. If this occurs it will place a significant strain on our managerial, operational, and financial resources. If we are unable to manage our growth effectively, our business will be adversely affected. As part of this growth, we may have to implement new operational, manufacturing, and financial systems and procedures and controls to expand, train and manage our employees, especially in the areas of manufacturing and sales. If we fail to develop and maintain our people and processes as we experience our anticipated growth, demand for our products and our revenues could decrease.

WE MAY NOT BE ABLE TO KEEP UP WITH RAPID TECHNOLOGICAL CHANGES

To remain competitive, we must continue to enhance our products and software. The evolving nature of the electric vehicle industry, which is characterized by rapid technological change, c, frequent new product and service introductions and the emergence of new industry standards and practices, could render our existing systems, software, and services obsolete. Our success will depend, in part, on our ability to develop, innovate, license or acquire leading technologies useful in our business, enhance our existing solutions, develop new solutions and technology that address the increasingly sophisticated and varied needs of our current and prospective customers, and respond to technological advances and emerging industry and regulatory standards and practices in a cost-effective and timely manner. Future advances in technology may not be beneficial to, or compatible with, our business. Furthermore, we may not successfully use new technologies effectively or adapt our proprietary technology and hardware to emerging industry standards on a timely basis. Our ability to remain technologically competitive may require substantial expenditures and lead time. If we are unable to adapt in a timely manner to changing market conditions or user requirements, our business, financial condition and results of operations could be seriously harmed

IF WE DO NOT SUCCESSFULLY ESTABLISH AND MAINTAIN OUR COMPANY AS A HIGHLY TRUSTED AND RESPECTED NAME FOR ELECTRIC VEHICLES, WE COULD SUSTAIN LOSS OF REVENUES, WHICH COULD SIGNIFICANTLY AFFECT OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

In order to attract and retain a client base and increase business, we must establish, maintain and strengthen our name and the services we provide. In order to be successful in establishing our reputation, clients must perceive us as a trusted source for quality services. If we are unable to attract and retain clients with our current marketing plans, we may not be able to successfully establish our name and reputation, which could significantly affect our business, financial condition and results of operations.

SMALL PUBLIC COMPANIES ARE INHERENTLY RISKY AND WE MAY BE EXPOSED TO MARKET FACTORS BEYOND OUR CONTROL. IF SUCH EVENTS WERE TO OCCUR IT MAY RESULT IN A LOSS OF YOUR INVESTMENT.

Managing a small public company involves a high degree of risk. Few small public companies ever reach market stability and we will be subject to oversight from governing bodies and regulations that will be costly to meet. Our present officer has limited experience in managing a fully reporting public company, so we may be forced to obtain outside consultants to assist us with meeting these requirements. These outside consultants are expensive and can have a direct impact on our ability to be profitable. This will make an investment in our Company a highly speculative and risky investment.

LIMITATIONS OF DIRECTOR LIABILITY AND DIRECTOR AND OFFICER INDEMNIFICATION

Our Certificate of Incorporation limits the liability of directors to the maximum extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except for liability for any:

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

These limitations of liability do not apply to liabilities arising under the federal or state securities laws and do not affect the availability of equitable remedies such as injunctive relief or rescission. Our corporate bylaws ("**Bylaws**") provide that we will indemnify our directors, officers and employees to the fullest extent permitted by law. Our Bylaws also provide that we are obligated to advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding. We believe that these Bylaw provisions are necessary to attract and retain qualified persons as directors and officers. The limitation of liability in our Certificate of Incorporation and Bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might provide a benefit to us and our stockholders. Our results of operations and financial condition may be harmed to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

RISKS OF BORROWING

As of the date of this Offering Circular, we have incurred certain debt obligations in the ordinary course of our business. While we don't intend to incur any additional debt from the equity commitments provided in this Offering, should we obtain secure bank debt in the future, possible risks could arise. If we incur additional indebtedness, a portion of our future revenues will have to be dedicated to the payment of principal and interest on such indebtedness. Typical loan agreements also might contain restrictive covenants, which may impair our operating flexibility. Such loan agreements would also provide for default under certain circumstances, such as failure to meet certain financial covenants. A default under a loan agreement could result in the loan becoming immediately due and payable and, if unpaid, a judgment in favor of such lender which would be senior to our rights. A judgment creditor would have the right to foreclose on any of our assets resulting in a material adverse effect on our business, ability to generate revenue, operating results or financial condition.

UNANTICIPATED OBSTACLES

Our business plan may change significantly. Many of our potential business endeavors are capital intensive and may be subject to statutory or regulatory requirements. Our Board of Directors believes that the chosen activities and strategies are achievable in light of current economic and legal conditions with the skills, background, and knowledge of our principals and advisors. Our Board of Directors reserve the right to make significant modifications to our stated strategies depending on future events.

RISKS OF OPERATIONS

Our future operating results may be volatile, difficult to predict and may fluctuate significantly in the future due to a variety of factors, many of which may be outside of our control. Due to the nature of our target market, we may be unable to accurately forecast our future revenues and operating results. Furthermore, our failure to generate revenues would prevent us from achieving and maintaining profitability. There are no assurances that we can generate significant revenue or achieve profitability. We anticipate having a sizeable amount of fixed expenses, and we expect to incur losses due to the execution of our business strategy, continued development efforts and related expenses. As a result, we will need to generate significant revenues while containing costs and operating expenses if we are to achieve profitability. We cannot be certain that we will ever achieve sufficient revenue levels to achieve profitability.

WE WILL INCUR INCREASED COSTS AS A RESULT OF BECOMING A PUBLIC COMPANY.

We have plans to become a publicly traded company in the U.S. As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. We will incur costs associated with our public company reporting requirements. We also anticipate that we will incur costs associated with recently adopted corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002, as well as new rules implemented by the SEC and the National Association of Securities Dealers (the "**NASD**"). We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly. We also expect these new rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, if we can obtain such insurance at all. We may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar liability coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these new rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

NO MINIMUM CAPITALIZATION

We do not have a minimum capitalization and we may use the proceeds from this Offering immediately following our acceptance of the corresponding subscription agreements. It is possible we may only raise a minimum amount of capital, which could leave us with insufficient capital to implement our business plan, potentially resulting in greater operating losses unless we are able to raise the required capital from alternative sources. There is no assurance that alternative capital, if needed, would be available on terms acceptable to us, or at all.

MINIMAL EMPLOYEES AND INFRASTRUCTURE

We currently only have a small number of employees and are in the process of establishing our human resources procedures, policies, processes and registrations, which are not yet complete. However, we expect to hire additional employees upon receipt of the proceeds from this Offering. We also have minimal operational infrastructure and no prior operating history. We intend to rely on our management team, our advisors, third-party consultants, third-party developers, service providers, technology partners, outside attorneys, advisors, accountants, auditors, and other administrators. The loss of services of any of such personnel may have a material adverse effect on our business and operations and there can be no assurance that if any or all of such personnel were to become unavailable, that qualified successors can be found, on acceptable terms.

LIMITATION ON REMEDIES; INDEMNIFICATION

Our Certificate of Incorporation, as amended from time to time, provides that officers, directors, employees and other agents and their affiliates shall only be liable to the Company and its shareholders for losses, judgments, liabilities and expenses that result from the fraud or other breach of fiduciary obligations. Additionally, we intend to enter into corporate indemnification agreements with each of our officers and directors consistent with industry practice. Thus, certain alleged errors or omissions might not be actionable by the Company. Our governing instruments also provide that, under the broadest circumstances allowed under law, we must indemnify its officers, directors, employees and other agents and their affiliates for losses, judgments, liabilities, expenses and amounts paid in settlement of any claims sustained by them in connection with the Company, including liabilities under applicable securities laws.

FORCE MAJEURE

Our business is uniquely susceptible to unforeseen delays or failures that are caused by forces of nature and related circumstances. These factors are outside and beyond our control. The delay or failure to complete the development and testing of our XP Platform or XT Pickup and the commercial release of related services may be due to any act of God, fire, war, terrorism, flood, strike, labor dispute, disaster, transportation or laboratory difficulties or any similar or dissimilar event beyond our control. We will not be held liable to any shareholder in the event of any such failure. However, a court of competent jurisdiction may determine that we are still liable to shareholders for catastrophic failures proximately caused by forces of nature outside of our control. If such a court so decides, Atlis may have significant shareholder liability exposure.

COVID-19 GLOBAL PANDEMIC

Similar to force majeure, our company is susceptible to the effects of the COVID-19 pandemic. As a result of the pandemic, our workforce may have to work remotely for an extended period of time. Being forced to work remotely may cause unforeseen delays in development. In particular, our engineering teams often rely heavily on hands-on collaboration. Extended pandemic concerns will likely result in decreased productivity and efficiency throughout the Company,

Additionally, an extended pandemic may wreak havoc on international automotive supply chains. If the pandemic makes it difficult for us to source components from suppliers, we may be forced to develop and manufacture certain components ourselves, which would likely result in further delays and cost overruns. We will not be held liable to any shareholder in the event of any delays or catastrophic failures proximately caused by the COVID-19 pandemic. However, a court of competent jurisdiction may determine that we are still liable to shareholders for catastrophic failures proximately caused by the COVID-19 pandemic. If such a court so decides, Atlis may have significant shareholder liability exposure.

RISKS ASSOCIATED WITH THIS OFFERING

THERE IS NO FIRM COMMITMENT TO PURCHASE THE CLASS A SHARES OF CLASS A COMMON STOCK BEING OFFERED, AND AS A RESULT INITIAL INVESTORS ASSUME ADDITIONAL RISK.

This is a best effort, no minimum offering of Class A shares of our Class A common stock being conducted solely by certain members of our management. There is no commitment by anyone to purchase any of the Class A shares being offered. We cannot give any assurance that any or all of the Class A shares will be sold. There is no minimum and we will retain any amount of proceeds received from the sale of the Class A shares. Moreover, there is no assurance that our estimate of our liquidity needs is accurate or that new business development or other unforeseen events will not occur, resulting in the need to raise additional funds. As this offering is a best efforts financing, there is no assurance that this financing will be completed or that any future financing will be affected. Initial investors assume additional risk on whether the offering will be fully subscribed and how the Company will utilize the proceeds.

THE SECURITIES BEING OFFERED ARE RESTRICTED CLASS A SHARES OF OUR CLASS A COMMON STOCK AND AN INVESTMENT IN OUR CLASS A COMMON STOCK WILL BE ILLIQUID.

We are offering Class A shares of our Class A common stock pursuant to an exemption from registration under the Securities Act which imposes substantial restrictions on the transfer of such securities. All certificates which evidence the Class A shares will be inscribed with a printed legend which clearly describes the applicable restrictions on transfer or resale by the owner thereof. Accordingly, each investor should be aware of the long-term illiquid nature of his investment. In no event may such securities be sold, pledged, hypothecated, assigned or otherwise transferred unless such securities are registered under the Securities Act and applicable state securities laws or we received an opinion of counsel that an exemption from registration is available with respect thereto. Rule 144, the primary exemption for resales of restricted securities is only available for securities of issuers providing current information to the public. While we will be required to make such information available should we conduct an initial public offering, and assuming such public offering is in fact successfully carried out, we do not currently make such information available precluding reliance on Rule 144. Thus, each investor should be prepared to bear the risk of such investment for an indefinite period of time. See the sections entitled “Description of Securities” and “Placement of the Offering”.

THERE IS CURRENTLY NO MARKET FOR OUR CLASS A COMMON STOCK, AND WE DO NOT EXPECT THAT A MARKET WILL DEVELOP IN THE FORESEEABLE FUTURE MAKING AN INVESTMENT IN OUR CLASS A COMMON STOCK ILLIQUID.

Prior to this Offering, there has been no public market for our Class A common stock. We cannot predict the extent to which an active market for our Class A common stock will develop or be sustained after this Offering, or how the development of such a market might affect the market price of our Class A common stock. The initial offering price of our Class A common stock in this offering is based on a number of factors, including market conditions in effect at the time of the offering, and it may not be in any way indicative of the price at which our shares will trade following the completion of this offering.

We anticipate that we will apply for quoting of our Class A common stock on the OTC Markets or an approved secondary marketplace upon the qualification of the offering statement of which this Offering Circular forms a part. However, there can be no assurance that our Class A common stock shares will be quoted. If no active trading market for our Class A common stock develops or is sustained following this Offering, you may be unable to sell your shares when you wish to sell them or at a price that you consider attractive or satisfactory. The lack of an active market may also adversely affect our ability to raise capital by selling securities in the future, or impair our ability to license or acquire other product candidates, businesses or technologies using our shares as consideration.

Investors may not be able to resell their shares at or above the initial offering price. We do not expect that a market for our stock will develop at any time in the foreseeable future. The lack of a market may impair the ability to sell Class A shares at the time investors wish to sell them or at a price considered to be reasonable. As such, Atlis investors should not expect to have the ability to liquidate their positions in Atlis any time in the near future.

EVEN IF A MARKET DEVELOPS FOR OUR CLASS A SHARES, OUR CLASS A SHARES MAY BE THINLY TRADED WITH WIDE SHARE PRICE FLUCTUATIONS, LOW SHARE PRICES AND MINIMAL LIQUIDITY. WE MAY UTILIZE AN ALTERNATIVE TRADING SYSTEM.

If a market for our Class A shares develops, the share price may be volatile with wide fluctuations in response to several factors, including:

· Potential investors' anticipated feeling regarding our results of operations;
· Iincreased competition;
· Our ability or inability to generate future revenues; and
· Market perception of the future of development of electric vehicles.

Our Class A common stock may not be freely quoted for trading on any stock exchange or through any other traditional trading platform. Our common stock may be issued, available for purchase and may be traded exclusively on a specific trading system that is registered with the SEC as an alternative trading system (an "**ATS**"). We do not currently have any plans to trade our common stock on a specific ATS. Any disruption to the operations of an ATS or a broker-dealer's customer interface with an ATS would materially disrupt trading in, or potentially result in a complete halt in the trading of, our common stock. Because our common stock may be traded exclusively on a closed trading system, it is a possibility that there will be a limited number of holders of our common stock. In addition, an ATS is likely to experience limited trading volume with a relatively small number of securities trading on the ATS platform as compared to securities trading on traditional securities exchanges or trading platforms. As a result, this novel trading system may have limited liquidity, resulting in a lower or higher price or greater volatility than would be the case with greater liquidity. You may not be able to resell your common stock on a timely basis or at all.

While we understand that many ATS platforms have adopted policies and procedures such that security holders are not free to manipulate the trading price of securities contrary to applicable law, and while the risk of market manipulation exists in connection with the trading of any securities, the risk may be greater for our Class A common stock because the ATS we choose may be a closed system that does not have the same breadth of market and liquidity as the national market system. There can be no assurance that the efforts by an ATS to prevent such behavior will be sufficient to prevent such market manipulation.

Unlike the more expansive listing requirements, policies and procedures of the Nasdaq Global Market and other trading platforms, there are no minimum price requirements and limited listing requirements for securities to be traded on an ATS. As a result, trades of our Class A common stock on an ATS may not be at prices that represent the national best bid or offer prices of securities that could be considered similar securities.

WE ARBITRARILY DETERMINED THE OFFERING PRICE AND THERE HAS BEEN NO INDEPENDENT VALUATION OF THE STOCK, WHICH MEANS THAT THE STOCK MAY BE WORTH LESS THAN THE PURCHASE PRICE.

The offering price of the Class A shares of Class A common stock has been arbitrarily determined without independent valuation, based on estimates of the price that purchasers of speculative securities, such as our Class A common stock, will be willing to pay considering our nature and capital structure, the experience of the officers and directors and the market conditions for the sale of equity securities in similar companies. The offering price of the Class A shares bears no relationship to our assets, earnings or book value, or any other objective standard of value and thus the Class A shares may have a value significantly less than the offering price and the shares may never obtain a value equal to or greater than the offering price. See the section entitled "Placement of the Offering" elsewhere in this memorandum.

THE MARKET PRICE OF OUR CLASS A CLASS A COMMON STOCK SHARES MAY FLUCTUATE, AND YOU COULD LOSE ALL OR PART OF YOUR INVESTMENT

The offering price for our Class A Class A common stock shares is based on a number of factors. The price of these shares may decline following this Offering. The stock market in general, and the market price of our shares will likely be subject to fluctuation, whether due to, or irrespective of, our operating results, financial condition and prospects. Our financial performance, our industry's overall performance, changing consumer preferences, technologies and advertiser requirements, government regulatory action, tax laws and market conditions in general could have a significant impact on the future market price of our Class A common stock. Some of the other factors that could negatively affect our share price or result in fluctuations in our share price includes:

- actual or anticipated variations in our periodic operating results;
- increases in market interest rates that lead purchasers of our shares to demand a higher yield;
- changes in earnings estimates;
- changes in market valuations of similar companies;

- actions or announcements by our competitors;
- adverse market reaction to any increased indebtedness we may incur in the future;
- additions or departures of key personnel;
- actions by stockholders;
- speculation in the press or investment community; and
- listing our shares on a national securities exchange

YOU WILL INCUR SUBSTANTIAL AND IMMEDIATE DILUTION OF THE PRICE YOU PAY FOR YOUR CLASS A SHARES IN THIS OFFERING.

The offering price of our Class A common stock is substantially higher than the net tangible book value per share of the outstanding Class A common stock issued after this offering. Therefore, if you purchase Class A shares of our Class A common stock in this offering, you will incur substantial immediate dilution in the net tangible book value per share of Class A common stock from the price you pay for such share.

WE DO NOT ANTICIPATE DIVIDENDS TO BE PAID ON OUR CLASS A COMMON STOCK AND INVESTORS MAY LOSE THE ENTIRE AMOUNT OF THEIR INVESTMENT.

A dividend has never been declared or paid in cash on our Class A common stock and we do not anticipate such a declaration or payment for the foreseeable future. We expect to use future earnings, if any, to fund business growth. Therefore, stockholders will not receive any funds absent a sale of their Class A shares. We cannot assure stockholders of a positive return on their investment when they sell their Class A shares nor can we assure that stockholders will not lose the entire amount of their investment. Any payment of dividends on our capital stock will depend on our earnings, financial condition and other business and economic factors affecting us at such a time as the board of directors may consider it relevant. If we do not pay dividends, our Class A common stock may be less valuable because a return on your investment will only occur if the common stock price appreciates.

OUR LACK OF BUSINESS DIVERSIFICATION COULD CAUSE YOU TO LOSE ALL OR SOME OF YOUR INVESTMENT IF WE ARE UNABLE TO GENERATE REVENUES FROM OUR PRIMARY PRODUCTS.

Our business consists of developing and manufacturing electric vehicles and charging infrastructure. We do not have any other lines of business or other sources of revenue if we are unable to compete effectively in the marketplace. This lack of business diversification could cause you to lose all or some of your investment if we are unable to generate revenues since we do not expect to have any other lines of business or alternative revenue sources.

SALES OF OUR CLASS A CLASS A COMMON STOCK UNDER RULE 144 COULD REDUCE THE PRICE OF OUR STOCK

In general, persons holding "*restricted securities*," including affiliates, must hold their shares for a period of at least six (6) months, may not sell more than one percent (1%) of the total issued and outstanding shares in any ninety (90) day period, and must resell the shares in an unsolicited brokerage transaction at the market price.

However, Rule 144 will only be available for resale in the ninety (90) days after the Company files its semi-annual reports on Form 1-SA and annual reports on Form 1-K, unless the Company voluntarily files interim quarterly reports on Form 1-U, which the Company has not yet decided to do. The availability for sale of substantial amounts of Class A common stock under Rule 144 could reduce prevailing market prices for our securities.

WE DO NOT HAVE ANY CORPORATE GOVERNANCE COMMITTEES, SO SHAREHOLDERS WILL HAVE TO RELY ON OUR DIRECTORS, NONE OF WHOM ARE INDEPENDENT, TO PERFORM THESE FUNCTIONS

We do not have an audit committee, compensation committee or any form of corporate governance committees composed of an independent director. The Board performs these functions as a whole and no members of the Board are an independent director. However, until such corporate governance committees and controls are formally established, there is a significant risk that certain members of the Board of Directors, executive management and/or our controlling shareholder could thwart such plans and prevent such committees and controls from being implemented. Thus, there is a potential conflict in that board members who are also part of management will participate in discussions concerning management compensation and audit issues that may affect management decisions.

FAILURE TO MAINTAIN INTERNAL CONTROLS OVER FINANCIAL REPORTING WOULD HAVE AN ADVERSE IMPACT ON US

We are required to establish and maintain appropriate internal controls over financial reporting. Failure to establish those controls, or any failure of those controls once established, could adversely impact our public disclosures regarding our business, financial condition or results of operations. In addition, management's assessment of internal controls over financial reporting may identify weaknesses and conditions that need to be addressed in our internal controls over financial reporting or other matters that may raise concerns for investors. Any actual or perceived weaknesses and conditions that need to be addressed in our internal control over financial reporting, disclosure of management's assessment of our internal controls over financial reporting or disclosure of our public accounting firm's attestation to or report on management's assessment of our internal controls over financial reporting may have an adverse impact on the price of our Class A Class A common stock.

MANAGEMENT HAS ULTIMATE DISCRETION OVER THE ACTUAL USE OF PROCEEDS DERIVED FROM THIS OFFERING

The net proceeds from this Offering will be used for the purposes described under "***Use of Proceeds***." However, we reserve the right to use the funds obtained from this Offering for other similar purposes not presently contemplated which we deem to be in the best interests of the Company and our shareholders in order to address changed circumstances or opportunities. As a result of the foregoing, our success will be substantially dependent upon the discretion and judgment of the Board of Directors with respect to application and allocation of the net proceeds of this Offering. Investors who purchase our Class A common stock will be entrusting their funds to our Board of Directors, upon whose judgment and discretion the investors must depend. The failure of our management to apply these funds effectively could harm our business. Pending their use, we may also invest the net proceeds from this offering in a manner that does not produce income or that loses value.

OUR EXECUTIVE OFFICER AND MAJORITY STOCKHOLDER MAY SIGNIFICANTLY INFLUENCE MATTERS TO BE VOTED ON AND THEIR INTERESTS MAY DIFFER FROM, OR BE ADVERSE TO, THE INTERESTS OF OUR OTHER STOCKHOLDERS.

The Company's executive officer and majority stockholder, Mark Hanchett, controls 84.11 % of our outstanding Class D stock prior to this Offering. As a Majority stockholder, Mark Hanchett controls 84.11% of the voting rights for Atlis Motor Vehicles.

Accordingly, the Company's executive officer and majority stockholder possesses significant influence over the Company on matters submitted to the stockholders for approval, including the election of directors, mergers, consolidations, the sale of all or substantially all of our assets, and also the power to prevent or cause a change in control. This amount of control gives them substantial ability to determine the future of our Company, and as such, they may elect to close the business, change the business plan or make any number of other major business decisions without the approval of shareholders. The interest of our majority stockholders may differ from the interests of our other stockholders and could therefore result in corporate decisions that are adverse to other stockholders.

GENERAL SECURITIES INVESTMENT RISKS

All investments in securities involve the risk of loss of capital. No guarantee or representation is made that an investor will receive a return of its capital. The value of our Class A common stock can be adversely affected by a variety of factors, including development problems, regulatory issues, technical issues, commercial challenges, competition, legislation, government intervention, industry developments and trends, and general business and economic conditions.

MULTIPLE SECURITIES OFFERINGS AND POTENTIAL FOR INTEGRATION OF OUR OFFERINGS

We are currently and will in the future be involved in one or more additional offers of our securities in other unrelated securities offerings. Any two or more securities offerings undertaken by us could be found by the SEC, or a state securities regulator, agency, to be "*integrated*" and therefore constitute a single offering of securities, which finding could lead to a disallowance of certain exemptions from registration for the sale of our securities in such other securities offerings. Such a finding could result in disallowance of one or more of our exemptions from registration, which could give rise to various legal actions on behalf of a federal or state regulatory agency and the Company.

THIS OFFERING WAS NOT REVIEWED BY INDEPENDENT PROFESSIONALS

We have not retained any independent professionals to review or comment on this Offering or otherwise protect the interest of the investors hereunder. Although we have retained our own counsel, neither such counsel nor any other counsel has made, on behalf of the investors, any independent examination of any factual matters represented by management herein. Therefore, for purposes of making a decision to purchase our Class A common stock, you should not rely on our counsel with respect to any matters herein described. Prospective investors are strongly urged to rely on the advice of their own legal counsel and advisors in making a determination to purchase our Class A common stock.

WE HAVE NOT UNDERGONE UNDERWRITING DUE DILIGENCE, AND WE CANNOT GUARANTEE THAT WE WILL SELL ANY SPECIFIC NUMBER OF COMMON STOCK SHARES IN THIS OFFERING

There is no commitment by anyone to purchase all or any part of the Class A Shares offered hereby and, consequently, we can give no assurance that all of the Class A shares in this Offering will be sold. Additionally, there is no underwriter for this Offering; therefore, you will not have the benefit of an underwriter's due diligence efforts that would typically include the underwriter being involved in the preparation of this Offering Circular and the pricing of our Class A common stock shares offered hereunder. Therefore, there can be no assurance that this Offering will be successful or that we will raise enough capital from this Offering to further our development and business activities in a meaningful manner. Finally, prospective investors should be aware that we reserve the right to withdraw, cancel, or modify this Offering at any time without notice, to reject any subscription in whole or in part, or to allot to any prospective purchaser fewer Class A common stock Shares than the number for which he or she subscribed.

INVESTORS IN THIS OFFERING WILL LIKELY EXPERIENCE ADDITIONAL DILUTION

If you purchase our Class A common stock in this Offering, you will experience immediate and substantial dilution because the price you pay will be substantially greater than the net tangible book value per share of the shares you acquire. Since we will require funds in addition to the proceeds of this Offering to conduct our planned business, we will raise such additional funds, to the extent not generated internally from operations, by issuing additional equity and/or debt securities, resulting in further dilution to our existing stockholders (including purchasers of our Class A common stock in this Offering).

WE MAY TERMINATE THIS OFFERING AT ANY TIME

We reserve the right to terminate this Offering at any time, regardless of the number of Class A common stock shares sold. In the event that we terminate this Offering at any time prior to the sale of all of the Class A common stock shares offered hereby, whatever amount of capital that we have raised at that time will have already been utilized by the Company and no funds will be returned to subscribers.

WE MAY BE UNABLE TO MEET OUR CAPITAL REQUIREMENTS

Our capital requirements depend on numerous factors, including but not limited to the rate and success of our research and development efforts, marketing efforts, market acceptance of our products, our ability to establish and maintain our agreements with suppliers, our ability to ramp up production, product demand and other factors. The capital requirements relating to development of our technology and the implementation of our business plan will be significant. We cannot accurately predict the timing and amount of such capital requirements. However, we are dependent on the proceeds of this Offering as well as additional financing that will be required in order to develop our products and fully implement our proposed business plans.

However, in the event that our plans change, our assumptions change or prove to be inaccurate, or if the proceeds of this Offering prove to be insufficient to implement our business plan, we would be required to seek additional financing sooner than currently anticipated. There can be no assurance that any such financing will be available to us on commercially reasonable terms, or at all. Furthermore, any additional equity financing may dilute the equity interests of our existing shareholders (including those purchasing shares pursuant to this Offering), and debt financing, if available, may involve restrictive covenants with respect to dividends, raising future capital and other financial and operational matters. If we are unable to obtain additional financing as and when needed, we may be required to reduce the scope of our operations or our anticipated business plans, which could have a material adverse effect on our business, future operating results and financial condition.

IF WE PURSUE STRATEGIC INVESTMENTS, THEY MAY RESULT IN LOSSES

We may elect periodically to make strategic investments in various public and private companies with businesses or technologies that may complement our business. The market values of these strategic investments may fluctuate due to market conditions and other conditions over which we have no control. Other-than-temporary declines in the market price and valuations of the securities that we hold in other companies would require us to record losses related to our investment. This could result in future charges to our earnings. It is uncertain whether or not we will realize any long-term benefits associated with these strategic investments.

THE MARKET PRICE OF OUR COMMON STOCK MAY FLUCTUATE AND OUR SHAREHOLDERS MAY LOSE ALL OR PART OF THEIR INVESTMENT

If a market for our Class A common stock develops following this Offering, the trading price of our Class A common stock could be subject to wide fluctuations in response to various factors, some of which are beyond our control. The market prices for securities of startup companies have historically been highly volatile, and the market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. The market price of our Class A common stock may fluctuate significantly in response to numerous factors, some of which are beyond our control, such as:

- actual or anticipated adverse results or delays in our research and development efforts;
- our failure to commercialize our XP Platform and XT pickup;
- unanticipated serious safety concerns related to the use of our products;
- adverse regulatory decisions;
- legal disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our intellectual property, government investigations and the results of any proceedings or lawsuits, including patent or stockholder litigation;
- changes in laws or regulations applicable to the electric vehicle industry;
- our dependence on third party suppliers;
- announcements of the introduction of new products by our competitors;
- market conditions in the electric vehicle industry;
- announcements concerning product development results or intellectual property rights of others;
- future issuances of our common stock or other securities;
- the addition or departure of key personnel;
- actual or anticipated variations in quarterly operating results;
- announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by us or our competitors;
- our failure to meet or exceed the estimates and projections of the investment community;
- issuances of debt or equity securities;
- trading volume of our common stock;
- sales of our Class A common stock by us or our stockholders in the future;
- overall performance of the equity markets and other factors that may be unrelated to our operating performance or the operating performance of our competitors, including changes in market valuations of similar companies;
- failure to meet or exceed any financial guidance or expectations regarding development milestones that we may provide to the public;
- ineffectiveness of our internal controls;
- general political and economic conditions;
- effects of natural or man-made catastrophic events;
- scarcity of raw materials necessary for battery production;
- other events or factors, many of which are beyond our control.

Further, price and volume fluctuations may result in volatility in the price of our Class A common stock, which could cause a decline in the value of our stock. Price volatility of our Class A common stock might worsen if the trading volume of our shares is low. The realization of any of the above risks or any of a broad range of other risks, including those described in these "***Risk Factors***," could have a dramatic and material adverse impact on the market price of our Class A common stock.

A SALE OF A SUBSTANTIAL NUMBER OF SHARES OF THE CLASS A COMMON STOCK MAY CAUSE THE SHARE PRICES TO DECLINE

If our stockholders sell, or the market perceives that our stockholders intend to sell for various reasons, substantial amounts of our Class A common stock in the public market, including shares issued in connection with the exercise of outstanding options or warrants, the market price of our shares could fall. Sales of a substantial number of shares of our common stock may make it more difficult for us to sell equity or equity-related securities in the future at a time and price that we deem reasonable or appropriate. We may become involved in securities class action litigation that could divert management's attention and harm our business. The stock markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the common stock of automotive companies. These broad market fluctuations may cause the market price of our common stock to decline. In the past, securities class action litigation has often been brought against a company following a decline in the market price of a company's securities. We may become involved in this type of litigation in the future. Litigation often is expensive and diverts management's attention and resources, which could adversely affect our business.

OUR QUARTERLY OPERATING RESULTS MAY FLUCTUATE

We expect our operating results to be subject to quarterly fluctuations. Our net loss and other operating results will be affected by numerous factors, including:

- variations in the level of expenses related to our development programs;
- any intellectual property infringement lawsuit in which we may become involved;
- regulatory developments affecting our products and related services; and
- our execution of any collaborative, licensing or similar arrangements, and the timing of payments we may make or receive under these arrangements.

If our quarterly operating results fall below the expectations of investors or securities analysts, the price of our Class A common stock could decline substantially. Furthermore, any quarterly fluctuations in our operating results may, in turn, cause the price of our Class A common stock to fluctuate substantially.

OUR DIRECTORS AND OFFICERS HAVE A SUBSTANTIAL AMOUNT OF VOTING POWER

As of the date of this Offering Circular, our directors, executive officers and principal stockholders beneficially owned, in the aggregate, substantially all of our outstanding voting securities. As a result, if some or all of them acted together, they would have the ability to exert significant influence over the election of our board of directors and the outcome of issues requiring approval by our stockholders. This concentration of ownership may also have the effect of delaying or preventing a change in control of our company that may be favored by other stockholders. This could prevent transactions in which stockholders might otherwise recover a premium for their shares over current market prices.

OUR ABILITY TO UTILIZE LOSS CARRY FORWARDS MAY BE LIMITED

Generally, a change of more than fifty percent (50%) in the ownership of a company's stock, by value, over a three-year period constitutes an ownership change for U.S. federal income tax purposes. An ownership change may limit our ability to use our net operating loss carryforwards attributable to the period prior to the change. As a result, if we earn net taxable income, our ability to use our pre-change net operating loss carryforwards to offset U.S. federal taxable income may become subject to limitations, which could potentially result in increased future tax liability for us.

WE MAY BE REQUIRED TO EXPEND FUNDS TO INDEMNIFY OFFICERS AND DIRECTORS

Our Certificate of Incorporation, as amended, Bylaws and applicable Delaware law provide for the indemnification of our directors, officers, employees, and agents, under certain circumstances, against attorney's fees and other expenses incurred by them in any litigation to which they become a party arising from their association with or activities on our behalf. We will also bear the expenses of such litigation for any of our directors, officers, employees, or agents, upon such a person's promise to repay us, therefore if it is ultimately determined that any such person shall not have been entitled to indemnification. This indemnification policy could result in substantial expenditures by us, which we will be unable to recover. Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers and controlling persons of our Company pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer, or controlling person of our Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

THE REQUIREMENTS OF BEING A PUBLIC COMPANY MAY STRAIN OUR RESOURCES AND DIVERT MANAGEMENT'S ATTENTION FROM OPERATIONS

As a public company, we will incur significant legal, accounting and other expenses that we have not incurred as a private company, including costs associated with public company reporting requirements. We also will incur costs associated with the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, the Dodd-Frank Act and related rules implemented or to be implemented by the SEC. The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We expect the rules and regulations associated with being a public company to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. These laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept constraints on policy limits and coverage or incur substantially higher costs to obtain coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our Board, our board committees or as our executive officers and may divert management's attention. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation.

THE PREPARATION OF OUR FINANCIAL STATEMENTS REQUIRES ESTIMATES, JUDGMENTS, AND ASSUMPTIONS THAT ARE INHERENTLY UNCERTAIN

Financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("**GAAP**") typically require the use of estimates, judgments and assumptions that affect the reported amounts. Often, different estimates, judgments and assumptions could reasonably be used that would have a material effect on such financial statements, and changes in these estimates, judgments and assumptions may occur from period to period over time. These estimates, judgments and assumptions are inherently uncertain and, if our estimates were to prove to be wrong, we would face the risk that charges to income or other financial statement changes or adjustments would be required. Any such charges or changes could harm our business, including our financial condition and results of operations and the price of our securities. See "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" for a discussion of the accounting estimates, judgments and assumptions that we believe are the most critical to an understanding of our consolidated financial statements and our business.

UNFAVORABLE SECURITIES INDUSTRY REPORTS COULD HAVE A NEGATIVE EFFECT ON OUR SHARE PRICE

Any trading market for our Class A common stock will be influenced in part by any research reports that securities industry analysts publish about us. We do not currently have and may never obtain research coverage by securities industry analysts. If no securities industry analysts commence coverage of us, the market price and market trading volume of our Class A common stock could be negatively affected. In the event we are covered by analysts, and one or more of such analysts downgrade our securities, or otherwise reports on us unfavorably, or discontinues coverage or us, the market price and market trading volume of our Class A common stock could be negatively affected.

USE OF PROCEEDS

Assuming the sale by us of the Maximum Offering of $25,000,000 and estimated commissions and offering related expenses of $1,250,000, the total net proceeds to us would be $23,750,000 which we currently intend to use as set forth below.

We expect from time to time to evaluate the acquisition of businesses, products and technologies for which a portion of the net proceeds may be used, although we currently are not planning or negotiating any such transactions. As of the date of this Offering Circular, we cannot specify with certainty all of the particular uses for the net proceeds to us from the sale of Class A common stock. Accordingly, we will retain broad discretion over the use of these proceeds, if any. The following table represents management's best estimate of the uses of the net proceeds received from the sale of Class A common stock assuming the sale of, respectively, 100%, 67%, and 33% of the Class A common stock shares offered for sale in this Offering.

% of Offering Sold	**100%**	**67%**	**33%**
Equipment and Machinery	$ 11,900,000	$ 7,973,000	$ 3,927,000
Research and Development [(1)]	$ 7,850,000	$ 5,259,500	$ 2,590,500
Facilities	$ 900,000	$ 603,000	$ 297,000
SG&A Expenses [(2)]	$ 2,900,000	$ 1,943,000	$ 957,000
Other Opex	$ 200,000	$ 134,000	$ 66,000
Commissions & Offering Expenses	$ 1,250,000	$ 837,500	$ 412,500
TOTAL OFFERING SALES	$ 25,000,000	$ 16,750,000	$ 8,250,000

(1) Once research and development has been completed, we will need to invest significant funds to acquire or build a factory, purchase machinery and robotics, and equip it for mass production.

(2) Includes up to $100,000 that will be used to pay salaries and related compensation of executive officers and directors of the Company during 2020-2021, pursuant to employment offer letters and contemplated employment agreements with such persons. See "***Management – Executive Compensation***" elsewhere in this offering Circular. Also includes up to $2,000,000 in marketing & advertising expensesAlso includes up to $2,000,000 in marketing & advertising expenses, assuming we raise the full offering.

The amounts set forth above are estimates, and we cannot be certain that actual costs will not vary from these estimates. Our management has significant flexibility and broad discretion in applying the net proceeds received in this Offering. We cannot assure you that our assumptions, expected costs and expenses and estimates will prove to be accurate or that unforeseen events, problems or delays will not occur that would require us to seek additional debt and/or equity funding, which may not be available on favorable terms, or at all. See "***Risk Factors***."

This expected use of the net proceeds from this Offering represents our intentions based upon our current financial condition, results of operations, business plans and conditions. As of the date of this Offering Circular, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the closing of this Offering or the amounts that we will actually spend on the uses set forth above. The amounts and timing of our actual expenditures may vary significantly depending on numerous factors. As a result, our management will retain broad discretion over the allocation of the net proceeds from this Offering.

We may also use a portion of the net proceeds for the investment in strategic partnerships and possibly the acquisition of complementary businesses, products or technologies, although we have no present commitments or agreements for any specific acquisitions or investments. Pending our use of the net proceeds from this Offering, we intend to invest the net proceeds in a variety of capital preservation investments, including short-term, investment grade, interest bearing instruments and U.S. government securities.

DILUTION

If you purchase shares in this Offering, your ownership interest in our Class A common stock will be diluted immediately, to the extent of the difference between the price to the public charged for each share in this Offering and the net tangible book value per share of our Class A common stock after this Offering.

On December 31, 2019 there were an aggregate of 15,888,514 shares of Class A and Class D common stock issued and outstanding. In addition, between December 2019 and August 28, 2020, we received subscriptions for $1,073,445.35 of our Class A common stock shares from 1194 investors in our Regulation CF campaign and four private investors, that, by their terms, automatically convert into 274,325 shares of our Class A common stock as of the date of this Offering Circular (at a conversion price of $3.91 per share). In addition we have awarded 933,338 shares to employees and contractors. Accordingly, as of August 28, 2020, an aggregate of 17,096,177 shares of our Class A and Class D common stock are issued and outstanding.

Our net tangible book value as of December 31, 2019, was ($33,303) or ($0.002)per then-outstanding share of our common stock, based on 15,888,514 outstanding shares of common stock at December 31, 2019. Net tangible book value per share equals the amount of our total tangible assets less total liabilities, divided by the total number of shares of our Class A and Class D common stock outstanding, all as of the date specified.

If the maximum 3,033,981 shares of Class A common stock in this Offering at the initial public offering price of $8.24 per share, after deducting approximately $1,250,000 in maximum sales commissions and other offering expenses payable by us, our pro forma as adjusted net tangible book value would have been approximately $20,061,950.60 ($0.994 per share) as at December 31, 2019. This amount represents an immediate increase in pro forma net tangible book value of $0.994 per share to our existing stockholders at the date of this Offering Circular, and an immediate dilution in pro forma net tangible book value of approximately $7.24 per share to new investors purchasing shares of Class A common stock in this Offering at a price of $8.24 per share.

The following table illustrates the per share dilution to new investors discussed above, assuming the sale of, respectively, 100%, 67% and 33% of the shares offered for sale in this offering (after our estimated offering expenses of $1,250,000, $837,500, and $412,500 respectively).

The following tables set forth, assuming the sale of, respectively, 100%, 67%, and 33% of the shares offered for sale in this offering (after our estimated offering expenses of $1,250,000, $837,500, and $412,500 respectively), the total number of shares previously sold to existing stockholders, the total consideration paid for the foregoing and the respective percentages applicable to such purchased shares and consideration paid based on an average price of $0.0001 per share paid by existing stockholders and $8.24 per share paid by investors in this Offering.

Funding Level	**$25,000,000**	**$13,400,000**	**$6,600,000**
Offering Price	$ 8.24	$ 8.24	$ 8.24
Pro forma net tangible book value per Class A common stock share before the Offering	$ 0.0036	$ 0.0036	$ 0.0036
Increase per common share attributable to investors in this Offering	$ 8.2364	$ 8.2364	$ 8.2364
Pro forma net tangible book value per Class A common stock share after the Offering	$ 1.180	$ 0.680	$ 0.350
Dilution to investors	$ 7.057	$ 7.557	$ 7.887
Dilution as a percentage of Offering Price	85.64%	91.71%	95.71%

	Shares Purchased		Total Consideration	
	Number	Percentage	Amount	Percentage
Assuming 100% of Shares Sold				
Existing Stockholders	17,096,177	84.93%	$1710	0.01%
New Investors	3,033,981	15.07%	$25,000,000	99.99%
Total	20,130,158	100.00%	$25,001,710	100.00%

	Shares Purchased		Total Consideration	
	Number	Percentage	Amount	Percentage
Assuming 67% of Shares Sold				
Existing Stockholders	17,096,177	84.93%	$1,710	0.01%
New Investors	2,032,767	10.10%	$15,912,500	99.99%
Total	19,128,944	100.00%	$15,914,210	100.00%

	Shares Purchased		Total Consideration	
	Number	Percentage	Amount	Percentage
Assuming 33% of Shares Sold				
Existing Stockholders	17,096,177	84.93%	$1,710	0.02%
New Investors	1,001,214	4.97%	$7,837,500	99.98%
Total	18,097,391	100.00%	$7,839,210	100.00%

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

*You should read the following discussion and analysis of our financial condition and results of our operations together with our consolidated financial statements and the notes thereto appearing elsewhere in this Offering Circular. This discussion contains forward-looking statements reflecting our current expectations, whose actual outcomes involve risks and uncertainties. Actual results and the timing of events may differ materially from those stated in or implied by these forward-looking statements due to a number of factors, including those discussed in the sections entitled "**Risk Factors**," "**Cautionary Statement regarding Forward-Looking Statements**" and elsewhere in this Offering Circular. Please see the notes to our Financial Statements for information about our Significant Accounting Policies and Recent Accounting Pronouncements*

Overview

Atlis Motor Vehicles was incorporated in the State of Delaware on November 9, 2016 and maintains its headquarters in Mesa, Arizona. We have incurred losses from operations and have had negative cash flows from operating activities since our inception. The company's current operating plan indicates that it will continue to incur losses from operations and generate negative cash flows from operating activities given ongoing expenditures related to the completion of its ongoing research and development activities. Atlis is a pre-revenue development stage company purposed to design, develop, and produce electric vehicles. The design and research phases are very protracted. No significant revenues have been generated since inception and no revenues are expected in the 2020 fiscal year.

Operating Results

Year ended December 31, 2019 Compared to Year ended December 31, 2018

The Company generated revenues totaling $2,287 and $0 for the years 2019 and 2018, respectively. Minimal revenues were generated in 2019 due to t-shirt and other merchandise sales that began in 2019. Costs of revenue consist of materials.

Operating expenses consist of salaries, legal & professional fees, general and administrative expenses, research and development costs and, and advertising. Salaries decreased to $182,176 in 2019 from $209,595 in 2018 due a decrease in team size because of a lack of sufficient funds. Legal and professional fees increased by 14.6% from 2018 to 2019 as a result of increasing our use of contractors. The difference in Research & Development costs from $106,720 in 2018 to $50,428 in 2019 are results of the timing and costs of the prototype builds for the battery pack (2018) and XP Platform (2019). The battery cells and pack parts needed are significantly more costly than those for the XP Platform, hence the drastic decrease in expense. General and administrative expenses consist of travel expenses; certain equipment, tooling, and parts. General and administrative expenses totaled $89,021 in 2019 and $30,340 in 2018, an increase of $58,681. This increase was due primarily to the addition in 2019 of computer purchases, engineering CAD software, and travel for fundraising efforts and of remote employees to headquarters. Advertising decreased significantly from $147,355 in 2018 to $34,141 in 2019, a decrease of $113,214. Advertising was necessary to raise the Regulation CF campaign in 2018, but due to our growing social media fan base we did not need to spend so much on advertising to raise our second Regulation CF campaign in 2019.

As a result of the foregoing, our net loss was $470,378 in 2019 compared with $595,862 in 2018.

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Liquidity, Capital Resources and Plan of Operations

Our financial statements appearing elsewhere in this Offering Circular have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Atlis Motor Vehicles' ability to continue as a going concern is contingent upon its ability to raise additional capital as required. Initially, we intend to finance our operations through equity and debt financings, including this offering and private placements of equity securities.

As of December 31, 2019, our cash and cash equivalents (immediately marketable securities) were $5,074. As mentioned above, no significant revenues have been generated since inception and no revenues are expected in the 2020 fiscal year. Unless we receive additional private financing or we receive a minimum of $5,000,000 from the proceeds of this Offering, we will not be able to conduct our planned operations. We estimate that if we receive a minimum of $5,000,000 of private financing or from the proceeds of this Offering, our existing capital resources will permit us to conduct our planned operations for only approximately 180 days following the date of this Offering Circular. Development of an electric vehicle on this scale is a very cash intensive proposition. Accordingly, our business plan is dependent on our raising sufficient proceeds from this Offering. In addition, we may have to raise additional interim capital from other private sources.
The company expenses currently include a staff of 32 employees (mostly engineers, two technicians, 13 interns, a program manager, and company management including CEO, President, and VP of Talent). Expenses include salaries, overhead, and fabrication expenses to support prototype development efforts

Indebtedness

Name of person: Mark Hanchett
Relationship to company: Officer
Nature / amount of interest in the transaction: Mark Hanchett loaned money to Atlis Motor Vehicles to ensure continued operations in the business.
Material terms of transaction: There are no material terms. Loan will be paid back as appropriate to ensure continued operation of the business. As of December 31, 2019, the company owes Mark Hanchett $10,483.49.

Financings and Securities Offerings

We have made the following issuances of securities within the last four years as of March 31, 2020:

Date	*Type of Security*	*Use*	*Shares*	*Final dollar amount sold*	*Offering exemption relied upon*
11/9/2016	*Common Stock*	*Founder Grant*	*10,000,000*		
2/28/2018	*Common Stock*	*Stock Purchase*	*6,897*	*$ 2,000.13*	*Section 4(a)(2)*
2/28/2018	*Common Stock*	*Continued Operations*	*17,225*	*$ 4,995.25*	*Section 4(a)(2)*
4/18/2018	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*182,747*	*$ 48,243.40*	*Regulation CF*
6/5/2018	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*165,870*	*$ 43,787.88*	*Regulation CF*
7/17/2018	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*332,287*	*$ 87,720.44*	*Regulation CF*
9/12/2018	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*454,009*	*$119,853.82*	*Regulation CF*
10/10/2018	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*270,122*	*$ 71,309.34*	*Regulation CF*

11/6/2018	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*294,709*	*$ 77,800.10*	*Regulation CF*
12/6/2018	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*363,398*	*$ 95,933.23*	*Regulation CF*
1/3/2019	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*428,952*	*$ 113,239.05*	*Regulation CF*
1/29/2019	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*693,998*	*$ 183,208.31*	*Regulation CF*
3/6/2019	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*120,820*	*$ 31,895.24*	*Regulation CF*
5/2/2019	*Common Stock*	*Continued Operations*	*21,000*	*$ 58,000.00*	*Section 4(a)(2)*
5/8/2019	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*17,484*	*$ 4,615.61*	*Regulation CF*
7/8/2019	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*15,542*	*$ 4,102.87*	*Regulation CF*
7/8/2019	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*189,401*	*$ 50,000.00*	*Regulation CF*
8/1/2019	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*84,239*	*$ 22,238.11*	*Regulation CF*
9/17/2019	*Common Stock*	*Continued Operations*	*5,173*	*$ 1,500.17*	*Section 4(a)(2)*
9/17/2019	*Common Stock*	*Continued Operations*	*3,449*	*$ 1,000.21*	*Section 4(a)(2)*
9/17/2019	*Common Stock*	*Continued Operations*	*6,897*	*$ 2,000.13*	*Section 4(a)(2)*
9/18/2019	*Common Stock*	*Continued Operations*	*3,794*	*$ 1,100.00*	*Section 4(a)(2)*
9/18/2019	*Common Stock*	*Investment - Private*	*15,518*	*$ 4,500.22*	*Section 4(a)(2)*
9/19/2019	*Common Stock*	*Investment - Private*	*34,483*	*$ 10,000.07*	*Section 4(a)(2)*
9/19/2019	*Common Stock*	*Investment - Private*	*17,242*	*$ 5,000.18*	*Section 4(a)(2)*
9/19/2019	*Common Stock*	*Investment - Private*	*10,345*	*$ 3,000.00*	*Section 4(a)(2)*
10/30/2019	*Common Stock*	*Investment - Private*	*68,965*	*$ 20,000.00*	*Section 4(a)(2)*
12/18/2019	*Common Stock*	*Investment - Private*	*169*	*$ 1,002.17*	*Section 4(a)(2)*
12/18/2019	*Common Stock*	*Investment - Private*	*337*	*$ 2,000.00*	*Section 4(a)(2)*
12/17/2019	*Common Stock*	*Investment - Private*	*500*	*$ 2,965.00*	*Section 4(a)(2)*
12/18/2019	*Common Stock*	*Investment - Private*	*675*	*$ 4,002.75*	*Section 4(a)(2)*
12/18/2019	*Common Stock*	*Investment - Private*	*506*	*$ 3,000.58*	*Section 4(a)(2)*
12/18/2019	*Common Stock*	*Investment - Private*	*422*	*$ 2,502.46*	*Section 4(a)(2)*

12/18/2019	*Common Stock*	*Investment - Private*	*169*	*$ 1,002.17*	*Section 4(a)(2)*
12/31/2019	*Common Stock*	*Employee Awards*	*1,866,674*		
12/31/2019	*Common Stock*	*Consultant Services*	*130,000*		
1/1/2020	*Common Stock*	*Employee Awards*	*619,910*		
1/15/2020	*Common Stock*	*Continued Development of the XT pickup truck*	*171,623*	*$605,592.92*	*Regulation CF*
1/20/2020	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*338*	*$ 2,004.34*	*Section 4(a)(2)*
1/23/2020	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*506*	*$ 3,000.58*	*Section 4(a)(2)*
1/21/2020	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*422*	*$ 2,502.46*	*Section 4(a)(2)*
2/5/2020	*Common Stock*	*Continued Development of the XT pickup truck*	*47,269*	*$220,434.26*	*Regulation CF*
2/15/2020	*Common Stock*	*Lease Co Signer*	*15,000*		
3/1/2020	*Common Stock*	*Employee Awards*	*148,464*		
3/12/2020	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*844*	*$ 5,004.92*	*Section 4(a)(2)*
3/23/2020	*Common Stock*	*Product Development, Facilities and Location, Team Members Seed Funding Campaign, Vehicle interest campaign*	*844*	*$ 5,004.92*	*Section 4(a)(2)*

The Company presently intends to raise additional capital to fund its research, development and operating expenses prior to the commencement of this Offering under Regulation A+, and plans to conduct a private placement of its Common Stock pursuant to Regulation D and/or Regulation S prior to the qualification of this Offering by the SEC. The Company must raise additional equity or debt financing, both now and in the future following this Offering. However, no assurances can be made that the Company will be successful obtaining additional equity or debt financing, or that ultimately the Company will achieve profitable operations and positive cash flow.

Since inception, our principal sources of operating funds have been proceeds from equity financing including Regulation CF crowdfunding equity financing and including the sale of our Common Stock to initial investors known to management and principal shareholders of the Company. We do not expect that our current cash on hand will fund our existing operations. We will need to raise additional capital in order to execute our business plan and growth goals for at least the next twelve-month period thereafter. If Atlis is unable to raise sufficient additional funds, it will have to execute a slower than planned growth path, reduce overhead and scale back its business plan until sufficient additional capital is raised to support further operational expansion and growth. There can be no assurance that such a plan will be successful.

Current Plan of Operations

Our plan of operations is currently focused on the development of our XP platform and XT pickup. We expect to incur substantial expenditures in the foreseeable future for the extended development and testing of our technology and the potential commercialization of the products. At this time, we cannot reliably estimate the nature, timing or aggregate amount of such costs. Our products will require extensive technical evaluation, potential regulatory review and approval, significant marketing efforts and substantial investment before it or any successors could provide us with any revenue. Further, we intend to continue to build our corporate and operational infrastructure and to build interest in our products with the goal of becoming the market leader in electric trucks.

As noted above, the continuation of our current plan of operations requires us to raise significant additional capital immediately. If we are successful in raising capital through the sale of shares offered for sale in this Offering Circular we believe that the Company will have sufficient cash resources to fund its plan of operations for the next twelve months. If we are unable to do so, our ability to continue as a going concern will be in jeopardy, likely causing us to curtail and possibly cease operations.

We continually evaluate our plan of operations discussed above to determine the manner in which we can most effectively utilize our limited cash resources. The timing of completion of any aspect of our plan of operations is highly dependent upon the availability of cash to implement that aspect of the plan and other factors beyond our control. There is no assurance that we will successfully obtain the required capital or revenues, or, if obtained, that the amounts will be sufficient to fund our ongoing operations. The inability to secure additional capital would have a material adverse effect on us, including the possibility that we would have to sell or forego a portion or all of our assets or cease operations. If we discontinue our operations, we will not have sufficient funds to pay any amounts to our stockholders. If in the future we are not able to demonstrate adequate progress in the development of our product, we will not be able to raise the capital we need to continue our then current business operations and business activities, and we will likely not have sufficient liquidity or cash resources to continue operating.

Because our working capital requirements depend upon numerous factors there can be no assurance that our current cash resources will be sufficient to fund our operations. At present, we have no committed external sources of capital, and do not expect any significant product revenues for the foreseeable future. Thus, we will require immediate additional financing to fund future operations. There can be no assurance, however, that we will be able to obtain funds on acceptable terms, if at all.

Capital Expenditures

We will require significant capital expenditures to secure the facilities and equipment necessary to complete development and begin producing our products. Due to the size and scope of the operations, it will be necessary to expand facilities and equipment as production operations ramp. This will require exponentially more capital.

Contractual Obligations, Commitments and Contingencies

Atlis Motor Vehicles has signed a 5 year and 3 month lease agreement with Majestic Mesa Partners, to occupy a 42,828 Sq. Ft industrial facility at 1828 North Higley Road, Suite 100, Mesa AZ , commencing on April 1st, 2020. Base rent obligation for Months 1 through 7 is $14,133, Months 8-12 is $28,266.48 with subsequent annual increase of 3% for Years 2-5. In addition to Base rent, Atlis Motor Vehicles is responsible for Property Taxes, utilities and maintenance costs related to the property, which are estimated at a monthly rate of $7,265 for 2020, are commencing from Month 1 of the lease obligation and will be annually adjusted as needed.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have any off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

In the ordinary course of our business, we are not exposed to market risk of the sort that may arise from changes in interest rates or foreign currency exchange rates, or that may otherwise arise from transactions in derivatives. We do not currently invest in any securities as all capital is being diverted to developing our products.

Contingencies

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. Atlis Motor Vehicles' Management, in consultation with its legal counsel as appropriate, assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against Atlis or unasserted claims that may result in such proceedings, Atlis, in consultation with legal counsel, evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Atlis Motor Vehicles' financial statements. If the assessment indicates a potentially material loss contingency is not probable, but is reasonably possible, or is probable, but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss, if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

Relaxed Ongoing Reporting Requirements

Upon the completion of this Offering, we may elect to become a public reporting company under the Exchange Act. If we elect to do so, we will be required to publicly report on an ongoing basis as an "*emerging growth company*" (as defined in the Jumpstart Our Business Startups Act of 2012, which we refer to as the "**JOBS Act**") under the reporting rules set forth under the Exchange Act. As defined in the JOBS Act, an emerging growth company is defined as a company with less than $1.0 Billion in revenue during its last fiscal year. An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies.

For so long as we remain an "*emerging growth company*," we may take advantage of certain exemptions from various reporting requirements that are applicable to other Exchange Act reporting companies that are not "*emerging growth companies*," including but not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act;
- taking advantage of extensions of time to comply with certain new or revised financial accounting standards;

- being permitted to comply with reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and

- being exempt from the requirement to hold a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

If we are required to publicly report under the Exchange Act as an "*emerging growth company*", we expect to take advantage of these reporting exemptions until we are no longer an emerging growth company. We would remain an "*emerging growth company*" for up to five years, though if the market value of our Common Stock that is held by non-affiliates exceeds $700 million, we would cease to be an "*emerging growth company*".

If we elect not to become a public reporting company under the Exchange Act, we will be required to publicly report on an ongoing basis under the reporting rules set forth in Regulation A for Tier 2 issuers. The ongoing reporting requirements under Regulation A are more relaxed than for "*emerging growth companies*" under the Exchange Act. The differences include, but are not limited to, being required to file only annual and semi-annual reports, rather than annual and quarterly reports. Annual reports are due within one hundred twenty (120) calendar days after the end of the issuer's fiscal year, and semi-annual reports are due within ninety (90) calendar days after the end of the first six (6) months of the issuer's fiscal year

OUR BUSINESS

Overview

ATLIS AND INDUSTRY BACKGROUND Atlis Motor Vehicles is a technology development company currently developing a Vehicle as a Service platform for electric heavy duty and light duty work vehicles. The company is in the process of developing electrified vehicle, infrastructure, and software platforms for work fleets. At the core of Atlis Motor Vehicles' hardware platform will be a proprietary battery technology capable of charging a full-size pickup truck in 15 minutes, and a modular system architecture capable of scaling to meet the specific vehicle or equipment application needs. We want to build a truck with unprecedented capabilities at a reasonable price. We also want to change the customer experience from sales, ordering, financing, and delivery to maintenance and service.

Principal Product and its market

Atlis Motor Vehicles has several pillars of product focus for our business. These pillars are:

- **Battery technology.** Our goal is to offer a superior battery technology solution that offers unparalleled performance in charging as well as inclement weather and output performance.
- **XP Platform and connected vehicle technology.** As we look to the future of electrification, Atlis Motor Vehicles XP Platform aims to provide a scalable technology solution with a connected cloud, mobile, service, and charging ecosystem that will provide unprecedented workflows and customer experiences moving forward. This platform of technology will be leveraged to develop new vehicle solutions quickly while minimizing costs and time The XP technology platform will allow Atlis Motor Vehicles to work quickly with strategic partners looking to develop new vehicle solutions for niche and mass-market opportunities while leveraging the vast network of capabilities we look to provide.

- **Advanced charging stations.** The Atlis Motor Vehicles Advanced Charging Station, or AAC, is being designed to boast the highest power solution to enter the market, a 1.5MW charging station, that's as simple to operate as filling up your gas vehicle today or plugging in a Tesla vehicle.
- **The XT Pickup truck.** The XT Pickup truck will be our flagship vehicle product offering. The XT Pickup truck aims to represent every key piece of technology Atlis Motor Vehicles is developing and how this technology can be utilized to bring capable, non-compromising vehicle solutions through electrification. The XT Pickup truck will be our market entry solution into the world of work, and is intended to be just the beginning of a long line of vehicle solutions built on our XP Platform.

Product Development

From its incorporation in 2016 through early 2018, Atlis Motor Vehicles was focused purely on research and development. The business strategy, battery intellectual property, and initial truck design were created by the founding team. In March 2018 Atlis Motor Vehicles launched its first Regulation CF campaign to fund further development of the battery technology and hire the concept team to develop the XP Platform and XT Truck designs. In October 2018 Atlis Motor Vehicles completed a proof of concept prototype battery pack that demonstrated a full charge in less than 15 minutes. In 2019 Atlis Motor Vehicles completed a proof of concept prototype build of the XP Platform. Progress slowed due to lapses in available funding until Atlis was able to launch a second Regulation CF campaign in December 2019 to fund an initial production facility and hiring the engineering team that is now working to finalize design of the XT Truck and XP Platform. Atlis Motor Vehicles is currently in the process of finalizing engineering designs for the XP Platform and XT Pickup Truck and is tracking for completion of the design phase in Q4 of 2020, resulting in functional, production-level prototypes. Once design phase is complete the XP Platform and XT Pickup Truck prototypes will complete a thorough validation and testing phase before entering production in 2021. Product safety and validation testing will be very thorough and will likely require design changes in order to meet necessary requirements. These changes are an anticipated hurdle of the test phase.

How We Will Generate Revenue

Atlis Motor Vehicles does not currently generate sales for our software and hardware services. Atlis Motor Vehicles is in the early stages of the product and company development. Atlis Motor Vehicles' expects to begin generating sales by late 2021. Atlis Motor Vehicles is still in the research and development stage and does not currently produce a product for sale. Atlis will soon exit the early stages of product and company development, whereupon it will produce a working prototype. Atlis Motor Vehicles has demonstrated physical proof of concept prototypes for the battery technology and XP Platform and renderings for the XT Truck. Following proof of concept prototypes, Atlis Motor Vehicles will finalize the design of all components and parts, order initial parts, and build the first working prototypes with production-quality parts. From there the production-level prototypes will go through thorough testing and once testing has passed all requirements the final designs will be locked and production parts will be ordered and built in our initial production runs. Atlis will soon exit the early stages of product and company development, whereupon it will produce a working prototype. Atlis has not yet generated any sales of the XT Pickup truck or XP Platform to date. The Company is still in the development stage, and will be for at least 12-18 more months. We expect to finalize development of the production model and begin producing trucks for delivery and sale by the end of calendar year 2021.

Original forecasts projected sales beginning in 2020. However, insufficient funding and the COVID19 global pandemic have slowed our development. In 2019, the Company had very limited funds and postponed hiring and relocating to a production facility for approximately eight months until additional funding was raised through a Regulation CF campaign in December of 2019. In March 2020 the company transitioned to a fully remote work schedule to prioritize employee safety during the COVID19 pandemic. While most work can be completed remotely without effecting schedule, certain prototype builds have taken longer than originally planned. Current projections of generating revenue by late 2021 are based upon the Company's plans to operate under new safety procedures that minimize risk of COVID19 to the Company.

Atlis Motor Vehicles has received over $1.5 billion in projected reservation interest for our XT Pickup Truck and XP Platform. This projection is based on a predicted average sales price of Atlis XT Truck of $59,968 and average sales price of Atlis XP Platform of $27,000, using electronic reservations made on the Company's website. These reservations are non-deposit and require no down payment to place. Atlis Motor Vehicles has chosen to forego the requirement for a refundable deposit in favor of allowing reservation holders to become a potential investor in Atlis Motor Vehicles through our Regulation CF offering. There can be no assurance or guarantee that the $1.5 billion in projected reservation interest will result in sales of our XT Pickup Truck and XP Platform, which are both still in the prototype stage of development.

Atlis Motor Vehicles is actively engaging in contact development with potential customers for interest for the XP Platform. Expressed interest for the XP Platform is in relation to conversations currently underway with potential customers who have expressed interest in development of a specialized vehicle using our XP Platform. This expressed interest should not be taken as a guarantee of sale. Customer interest here is anonymous until further public disclosure agreements have been put in place.

Distribution Channels

Our hardware and services will be conducted online via our website. Fleet and consumer customers will be able to purchase the Atlis XP Platform, Atlis XT Pickup Truck, and Atlis advanced charging solutions online.

Our advanced charging infrastructure will require users to be able to purchase electricity at our charging stations. This purchase will be conducted through our cloud-based mobile application and website**.**

Growth Strategy

Our strategy for growth is to focus on execution. We are completing the design work to deliver our production prototype in the second half of 2020. From there, we will stand up production and begin building products. Once we have started production, we plan to leverage influencer marketing and customer word of mouth to generate additional interest in our products. We will develop a dedicated sales team pursuing larger fleet customers.

Need for Government Approval of Principal Products or Services

As we progress, we may need to obtain government approval for meeting federal transportation safety guidelines.

Our Team Members

- Mark Hanchett, Chief Executive Officer - Mark Hanchett has over ten years of product development experience with 16 successful electromechanical and software product launches. Mark Hanchett brings a passion for solving hard problems in product strategy, design, manufacturing, and business operations, while continuously driving a focus on the best possible customer experience. Mark has served as Founder, Director, and CEO of Atlis Motor Vehicles since inception in 2016. Before starting Atlis Motor Vehicles, Mark was a director at Axon Enterprise Inc from 2012 to 2017, leading teams in the development of innovative hardware and software products for law enforcement. From 2007 to 2012 he served as a senior mechanical engineer and project manager leading cross-functional teams through design and development of innovative conductive electrical weapons at Axon Enterprise inc. He lives in Mesa, Arizona with his wife and two kids. Mark is full time with Atlis.

- Annie Pratt, President - Annie is a creative problem solver with a background in product management, design, and business. After studying Product Design at Stanford's design school, she kicked off her career as a Product Manager at Axon Enterprise, launching in-car video solutions for law enforcement. Most recently she served as the Director of Consumer Products at Axon, where she built an independent business unit and doubled both revenue and profit in three years. She has brought a passion for design thinking, user experience, and business strategy to Atlis.

- Tamica Sears, Vice President of Talent - Tamica has over 20 years of experience in Human Resources in a myriad of industries and Fortune 500 companies. She has
guided organizations through mergers and acquisitions, organizational restructures, strategy sessions, succession planning, and creating and implementing leadership development programs. She is passionate about helping leaders gain a better understanding of who they are, their strengths and development opportunities, so that they can move forward with authenticity. She loves transforming the culture of organizations to be more innovative and inclusive, enabling teams to be more responsive to changes in the environment, more engaged, and more productive. She will use her experience working with organizations in VUCA environments to attract and retain top talent for Atlis.

- Huda Almashhadany, Lead Electrical Engineer - Huda brings extensive experience with electric vehicles and battery technology from her most recent roles at Byton and Faraday Future

- Will Rudolphi, Director of Investor Relations - Will has an extensive background in business development and has taken on our fundraising efforts.

- Tiff Geary, Program Manager - Tiffany spent the last four years at Faraday Future as a Vehicle Systems Engineer, where she worked across software and hardware teams to integrate software systems. Her experience with electric vehicle systems brings value to ATLIS as she takes on Program Management for R&D programs.

- Ross Compton, Lead Vehicle Designer - Ross is an independently contracted award winning designer with a varied background within automotive design. After completing the famous Coventry University Automotive and Transport design course he went straight to Turin, Italy where he was lucky enough to work on the interior to the Willys AW380 show car shown in Bologna 2014. From there Ross has been on many smaller scale projects for new and developing brands, designing everything from supercars to trucks. Perhaps the most notable experience is his work at Bollinger Motors where Ross, alongside the owner, designed the Bollinger B1. His growing collection of works can be found on his own site www.macchinadesign.com.

- Derek Duff, Vehicle Dynamics Engineer - Derek’s love for the automotive industry started with his first truck – since he can remember, he's been researching trucks and imagining ways to design and modify them. After graduating with a degree in Mechanical Engineering from the University of Maine, he moved to Michigan to work with IAV Automotive Engineering at the Chrysler Proving Grounds. A truck guy through-and-through, Derek spends most of his personal time designing and implementing his ideas into truck builds. He is currently designing, testing and validating the suspension and chassis designs for the Atlis Motor Vehicles XT and XP.

- Matthew Wilkins, Mechanical Design Engineer - Matt has an experienced background in a wide variety of fields. While pursuing his Mechanical Engineering degree, he competed in the SAE Super mileage competition as a body design team lead. Matt then pursued his creative side and achieved his Masters in Design, New Product Innovation with Arizona State University. He has worked at TASER International as an industrial designer, performed consumer research, prototyping, and UI design at Nautilus Fitness, and has done freelance design. Matt is our swiss-army-knife here at Atlis, able to grind out CAD work on our platform and body for weeks on end, and then switch gears into creative UI, graphics, and video work at a moment's notice. In his spare time, Matt is a competitive cyclist and ultramarathoner.

- Liam Burke, Senior Engineer - Liam has a passion for emerging technologies, innovative ideas, and scrappy teams. A mechanical engineer by education, he has worked across a broad range of fields, from manufacturing technologies, to aerospace hardware, to consumer products. Before Atlis, Liam led the consumer engineering team at Axon/Taser, where he planned and developed mechanical, electrical, and software systems. Growing up between Montana and Washington, Liam loves the outdoors and believes a great product should be much like nature: inspiring, durable, sustainable, and simple, yet full of detail.

- Abel Saucedo, Senior Electrical Engineer - An Electrification enthusiast, Abel has been involved in the EV scene for over 15 years. Throughout his career, he’s designed products across a range of fields, from aerospace hardware, to utility power and consumer products. He also founded his own portable energy company. A home-grown Arizonan, Abel enjoys running, rock climbing and crossfit with his daughter and pups.

Current Roles Being Filled as part of this offering.

VP of Engineering
Atlis Motor Vehicles is seeking and talking with a talented individual with at minimum 10 years of experience in automotive development programs. A preference for electric vehicle development is desired for this position. Startup mindset and a focus on frugal spending will be key. We are primarily seeking individuals who may currently be, or who are currently exiting existing EV startups such as, but not limited to, Faraday Future, Lucid Motors, Tesla, Rivian, and Byton.

VP of Operations
Atlis Motor Vehicles is seeking and talking with talented individuals with a minimum of 10 years of experience in automotive development and manufacturing programs. A key indicator is an individual with automotive startup experience. This individual must possess key talents in supplier development, operational excellence, and lean startup processes. We are primarily seeking individuals who may currently be, or who are currently exiting existing EV startups such as, but not limited to, Faraday Future, Lucid Motors, Tesla, Rivian, and Byton.

Core Engineering and Technical talent.
Atlis Motor Vehicles currently hiring over 65 engineers with automotive experience or significant talents that will allow them to tackle key technical areas of expertise. Our core focus is on battery, drive systems, vehicle dynamics, vehicle structures, and electronic systems.

Product and Program Management
Atlis Motor Vehicles is currently hiring key leadership roles in program management and product management to lead our technical teams in development of hardware, software, and firmware systems. Each program is divided based on technical and product expertise. These individuals will be key factors in managing expectations, schedules, budgets, and team coordination efforts.

Significant Purchases of Plant and Equipment

Category	**Purchase Price**
Mechanical Fabrication Equipment (CNCs, Lathes, Laser Cutters, Lifts, Welders, etc.)	$1,620,451
Power Tools	$573
Electrical Equipment (Meters, ESD Tables, Power Supplies, etc.)	$5,128
Battery Fabrication Equipment (Welders, Testers, Safety Equipment, Storage)	$65,352
Quality & Validation Test Equipment	$69,499
Office Equipment (Desks, Conference Rooms, Computers, etc.)	$100,773
Paint Booth	$31,000
TOTAL	**$1,892,776**

Liquidity & Capital Resources

As of June 1, 2020, Atlis Motor Vehicles had a balance of $129,638.27 in cash available. As of June 1, 2020 Atlis Motor Vehicles does not have available revolving credit.

PROPERTY

Atlis has occupied 1828 Higley Road, Mesa AZ, for all its operations. The 42,828 Sq. Ft industrial facility is occupied solely by Atlis Motor Vehicles. The facility includes both office space and warehouse space.

LEGAL PROCEEDINGS

No active legal proceedings are currently pending to which the Company or any of its property are subject.

MANAGEMENT

Executive Officer and Director

Our executive officers and directors, and their ages and positions as of the date of this memorandum, are as follows:

Executive Officers	**Position**	**Age**	**Term of Office**	**Approximate hours/week**
Mark Hanchett	Chief Executive Officer, Director	39	November 9, 2016 - Present	full-time
Annie Pratt	President	28	November 1, 2019 - Present	full-time
Tamica Sears	Vice President of Talent	41	March 1, 2020 - Present	full-time
Michael Konstas	Chief Financial Officer	51	January 1, 2020- April 8, 2020	full-time
Glenn Reese	Executive Vice President of Business Operations	32	February 15, 2019 - February 28, 2020	full-time
Greg Hassler	Executive Vice President of Business Operations	42	July 1 2018 - May 30, 2019	full-time

EXECUTIVE COMPENSATION

2020 projections for the total executive compensation for the three current executive officers and directors at the end of calendar year 2020 is as follows:

Name	Capacities in which compensation was received	Cash compensation ($)	Other compensation ($)	Total compensation ($)
Mark Hanchett	Chief Executive Officer	$200,000	$0	$200,000
Annie Pratt	President	$200,000	$0	$200,000
Tamica Sears	VP of Talent	$120,000	$0	$120,000

As of June 1, 2020, the executive compensation for the five executive officers and directors during 2020 is as follows:

Name	Capacities in which compensation was received	Cash compensation ($)	Other compensation ($)	Total compensation ($)
Mark Hanchett	Chief Executive Officer	$63,461.80	$0	$63,461.80
Annie Pratt	Chief of Staff	$43,253.48	$0	$43,253.48
Tamica Sears	Vice President of Talent	$25,000	$0	$25,000
Michael Konstas	Chief Financial Officer	$36,806.57	$0	$36,806.57
Glenn Reese	Executive Vice President - Business Development	$133,333.32	$0	$133,333.32

At the end of calendar year 2019, the executive compensation for the four executive officers and directors during 2019 was as follows:

Name	Capacities in which compensation was received	Cash compensation ($)	Other compensation ($)	Total compensation ($)
Mark Hanchett	Chief Executive Officer	$25,000.00	$0	$25,000.00
Annie Pratt	Chief of Staff	$3,424.35	$0	$3,424.35
Glenn Reese	Executive Vice President - Business Development	$4000.00	$0	$4000.00
Greg Hassler	Executive Vice President - Business Operations	$26,636.61	$0	$26,636.61

Total cumulative compensation to all employees in 2019 was $182,176.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information about the current beneficial ownership of the Company as of April 20, 2020.

Title of Class	**Name and address of beneficial owner**	**Amount and nature of beneficial ownership**	**Amount and nature of beneficial ownership acquirable**	**Percent of class**
Class D stock	Mark Hanchett [(1)]	10,000,000 shares	0	84.1%
Class D stock	Annie Pratt [(1)]	1,269,626 shares	1,454,640 shares	10.7%

There is no holder of Class A common stock who owns more than 10% of the Class A common stock.

[(1)] Address for Mark Hanchett is 7259 E Posada Avenue, Mesa, AZ 85212. Address for Annie Pratt is 7433 E Princeton Avenue, Scottsdale, AZ 85257.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Name of Entity: Mark Hanchett
Relationship to Company: Officer
Nature/amount of interest in the transaction: Mark Hanchett loaned money to Atlis Motor Vehicles to ensure continued operations in the business.
Material Terms: There are no material terms. Loan will be paid back as appropriate to ensure continued operation of the business. As of June 1, 2020 the company owes Mark Hanchett $10,483.49.

DESCRIPTION OF SECURITIES

We have authorized capital stock consisting of 60,000,000 shares of common stock, $0.0001 par value per share. Atlis Motor Vehicles has several classes of common stock shares.

Class A
Class A common stock has 1 vote per share. As of August 28, 2020. Atlis Motor Vehicles has issued 4,871,129 Class A shares outstanding.

Class B
Class B common stock has no voting power. This Class B classification is reserved for future issues of common stock.

As of August 28, 2020. Atlis Motor Vehicles has 0 Class B shares outstanding.

Class C
Class C common stock is Non-participating Preferred Class A common stock. This Class C Class A common stock has 1 vote per share. Class C stock receives non-participating preferred liquidation preference. Upon a sale or transfer of Class C stock, Class C stock shall be converted to Class A stock. Holder of Class C stock has the right to a board seat.

As of August 28, 2020. Atlis Motor Vehicles has 0 Class C shares outstanding.

Class D
Class D classification of common stock has 10 votes per share. This Class D classification may be used for future issues of common stock. Upon termination or resignation of employment all Class D stock vested to employee shall convert to the same number of shares of Class A stock.

As of August 28, 2020. Atlis Motor Vehicles had 12,225,048 Class D shares outstanding.

PENNY STOCK REGULATION

The SEC has adopted regulations which generally define "*penny stock*" to be any equity security that has a market price of less than Five Dollars ($5.00) per share or an exercise price of less than Five Dollars ($5.00) per share. Such securities are subject to rules that impose additional sales practice requirements on broker-dealers who sell them. For transactions covered by these rules, the broker-dealer must make a special suitability determination for the purchaser of such securities and have received the purchaser's written consent to the transaction prior to the purchase. Additionally, for any transaction involving a penny stock, unless exempt, the rules require the delivery, prior to the transaction, of a disclosure schedule prepared by the SEC relating to the penny stock market. The broker-dealer also must disclose the commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and, if the broker-dealer is the sole market-maker, the broker-dealer must disclose this fact and the broker-dealer's presumed control over the market. Finally, among other requirements, monthly statements must be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks. As our Common Stock immediately following this Offering may be subject to such penny stock rules, purchasers in this Offering will in all likelihood find it more difficult to sell their Common Stock shares in the secondary market

DIVIDEND POLICY

We have never declared or paid cash dividends. We intend to retain earnings, if any, to support the development of the business and therefore, do not anticipate paying cash dividends for the foreseeable future. Payment of future dividends, if any, will be at the discretion of our board of directors after taking into account various factors, including current financial condition, operating results and current and anticipated cash needs.

JURY TRIAL WAIVER

IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

Note that this waiver pertains to any and all claims, including those derived from federal securities laws. Such a waiver may result in risks to investors such as increased costs to bring a claim, limited access to information, and other imbalances of resources between the Company and Shareholders. This waiver may discourage claims or limit shareholders' ability to bring a claim in a judicial forum that they find favorable, and there is uncertainty as to whether a court of competent jurisdiction would enforce the provision. Investors cannot waive compliance with the federal securities laws and their rules and regulations.

PLAN OF DISTRIBUTION

The shares are being offered by us on a "*best-efforts*" basis by our officers, directors and employees, with the assistance of independent consultants, and through registered broker-dealers who are members of the Financial Industry Regulatory Authority ("**FINRA**"). As of the date of this Offering Circular, unless otherwise permitted by applicable law, we do not intend to accept subscriptions from investors in this Offering who reside in certain states, unless the Company's FINRA-member broker-dealer is approved consummate and process sales to investors in such states. We reserve the right to temporarily suspend and/or modify this Offering and Offering Circular in the future, during the Offering Period, in order to take such actions necessary to enable the Company to accept subscriptions in this Offering from investors residing in such states identified above.

There is no aggregate minimum to be raised in order for the Offering to become effective and therefore the Offering will be conducted on a "*rolling basis*." This means we will be entitled to begin applying "*dollar one*" of the proceeds from the Offering towards our business strategy, offering expenses, reimbursements, and other uses as more specifically set forth in the "***Use of Proceeds***" contained elsewhere in this Offering Circular.

We have retained Jumpstart Securities, LLC as a FINRA registered broker-dealer for its services in this transaction. Participating broker-dealers, if any, and others may be indemnified by us with respect to this offering and the disclosures made in this Offering Circular. These provisions apply to all FINRA members participating in this offering, including, but not limited to, Jumpstart Securities, LLC. JumpStart Securities will receive a fee an advisory fee of $10,000, a commission/fee of 1.5% of the aggregate amount of gross proceeds from the offering, plus administrative transaction fees of between $2-$150 for each subscription depending on the type of investor and any added servicing work used to process the subscription not to exceed 2.16% of the aggregate amount of gross proceeds from the offering. In addition to these fees, JumpStart Securities may also receive expense reimbursements up to $2,500. Additionally, escrow and technology fees will be paid to Prime Trust LLC for its work as Escrow Agent, which is expected to equal 3% assuming the offering is completely fulfilled. The maximum amounts of all items of underwriting compensation in connection with this offering are disclosed, pursuant to FINRA rule 5110(c)(2)(C).

In return for the aforementioned compensation, JumpStart will provide the company: advisory services, marketing, data analytics, background checks, investor accreditation, subscription agreement review, investment limit review, registered agency, data transmission, and back-office activities,

A maximum of five percent (5%) of the gross proceeds of this Offering Sales commissions is to be paid to any participating underwriter. Notwithstanding the services of JumpStart Securities as noted above, we may pay selling commissions to other participating broker-dealers who are members of FINRA for shares sold by them, equal to a percentage of the purchase price of the Class A common stock shares that they sell. We may pay finder's fees to persons who refer investors to us. We may also pay consulting fees to consultants who assist us with the Offering, based on invoices submitted by them for advisory services rendered. As of the date of this Offering Circular, the Company has not retained or engaged with any other broker-dealers, consultants, or finders. Consulting compensation, finder's fees and brokerage commissions may be paid in cash, Class A common stock or warrants to purchase our Class A common stock. We may also issue shares and grant stock options or warrants to purchase our Class A common stock to broker-dealers for sales of shares attributable to them, and to finders and consultants, and reimburse them for due diligence and marketing costs on an accountable or non-accountable basis.

This offering will terminate on the earlier of (i) January 15, 2021, subject to extension for up to one hundred-eighty (180) days in the sole discretion of the Company; or (ii) the date on which the Maximum Offering is sold; or (iii) when our board of directors elects to terminate the Offering

ADDITIONAL INFORMATION ABOUT THE OFFERING

Investment Limitations

Generally, no sale may be made to you in this Offering if the aggregate purchase price you pay is more than ten percent (10%) of the greater of your annual income or net worth (please see below on how to calculate your net worth). Different rules apply to accredited investors and non-natural persons. Before making any representation that your investment does not exceed applicable thresholds, we encourage you to review Rule 251(d)(2)(i)(C) of Regulation A. For general information on investing, we encourage you to refer to *www.investor.gov*.

Because this is a Tier 2, Regulation A offering, most investors must comply with the ten percent (10%) limitation on investment in the Offering. The only investor in this Offering exempt from this limitation is an "***accredited investor***" as defined under Rule 501 of Regulation D under the Securities Act (an "**Accredited Investor**"). If you meet one of the following tests you should qualify as an Accredited Investor:

(i) You are a natural person who has had individual income in excess of $200,000 in each of the two (2) most recent years, or joint income with your spouse in excess of $300,000 in each of these years, and have a reasonable expectation of reaching the same income level in the current year;

(ii) You are a natural person and your individual net worth, or joint net worth with your spouse, exceeds $1,000,000 at the time you purchase Shares (please see below on how to calculate your net worth);

(iii) You are an executive officer or general partner of the issuer or a manager or executive officer of the general partner of the issuer;

(iv) You are an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the Code, a corporation, a Massachusetts or similar business trust or a partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of $5,000,000;

(v) You are a bank or a savings and loan association or other institution as defined in the Securities Act, a broker or dealer registered pursuant to Section 15 of the Exchange Act, an insurance company as defined by the Securities Act, an investment company registered under the Investment Company Act of 1940 (the "**Investment Company Act**"), or a business development company as defined in that act, any Small Business Investment Company licensed by the Small Business Investment Act of 1958 or a private business development company as defined in the Investment Advisers Act of 1940;

(vi) You are an entity (including an Individual Retirement Account trust) in which each equity owner is an accredited investor;

(vii) You are a trust with total assets in excess of $5,000,000, your purchase of Shares is directed by a person who either alone or with his purchaser representative(s) (as defined in Regulation D promulgated under the Securities Act) has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment, and you were not formed for the specific purpose of investing in the Shares; or

(viii) You are a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has assets in excess of $5,000,000.

Offering Period and Expiration Date

This Offering will start on or immediately prior to the date on which the SEC initially qualifies this Offering Statement (the "**Qualification Date**") and will terminate on the Termination Date (the "**Offering Period**").

Procedures for Subscribing

If you decide to subscribe for our Class A common stock shares in this Offering, you should:

1. Electronically receive, review, execute and deliver to us a subscription agreement; and

2. Deliver funds directly by wire or electronic funds transfer via ACH to the Company's bank account designated in the Company's subscription agreement.

Any potential investor will have ample time to review the subscription agreement, along with their counsel, prior to making any final investment decision. We shall only deliver such subscription agreement upon request after a potential investor has had ample opportunity to review this Offering Circular.

Right to Reject Subscriptions

After we receive your complete, executed subscription agreement and the funds required under the subscription agreement have been transferred to our designated account, we have the right to review and accept or reject your subscription in whole or in part, for any reason or for no reason. We will return all monies from rejected subscriptions immediately to you, without interest or deduction.

Acceptance of Subscriptions

Upon our acceptance of a subscription agreement, we will countersign the subscription agreement and issue the shares subscribed at closing. Once you submit the subscription agreement and it is accepted, you may not revoke or change your subscription or request your subscription funds. All accepted subscription agreements are irrevocable.

Under Rule 251 of Regulation A, non-accredited, non-natural investors are subject to the investment limitation and may only invest funds which do not exceed ten percent (10%) of the greater of the purchaser's revenue or net assets (as of the purchaser's most recent fiscal year end). A non-accredited, natural person may only invest funds which do not exceed ten percent (10%) of the greater of the purchaser's annual income or net worth (please see below on how to calculate your net worth).

NOTE: For the purposes of calculating your net worth, it is defined as the difference between total assets and total liabilities. This calculation must exclude the value of your primary residence and may exclude any indebtedness secured by your primary residence (up to an amount equal to the value of your primary residence). In the case of fiduciary accounts, net worth and/or income suitability requirements may be satisfied by the beneficiary of the account or by the fiduciary, if the fiduciary directly or indirectly provides funds for the purchase of the Shares.

In order to purchase our Class A common stock shares and prior to the acceptance of any funds from an investor, an investor will be required to represent, to the Company's satisfaction, that he is either an accredited investor or is in compliance with the ten percent (10%) of net worth or annual income limitation on investment in this Offering.

EXPERTS

The financial statements of the Atlis appearing elsewhere in this Offering Circular have been included herein in reliance upon the report, which includes an explanatory paragraph as to the Company's ability to continue as a going concern, of LLC, an independent certified public accounting firm, appearing elsewhere herein, and upon the authority of that firm as experts in accounting and auditing. Our independent auditor is Jason M. Tyra, CPA, MBA of Jason M. Tyra, CPA, PLLC. Counsel providing the legality opinion provided as an exhibit to the offering is Jordan Christensen of WCAZ Law, PLLC.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a Regulation A Offering Statement on Form 1-A under the Securities Act of 1993, as amended, with respect to the shares of Class A common stock offered hereby. This Offering Circular, which constitutes a part of the Offering Statement, does not contain all of the information set forth in the Offering Statement or the exhibits and schedules filed therewith. For further information about us and the Class A common stock offered hereby, we refer you to the Offering Statement and the exhibits and schedules filed therewith. Statements contained in this Offering Circular regarding the contents of any contract or other document that is filed as an exhibit to the Offering Statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the Offering Statement. Upon the completion of this Offering, we will be required to file periodic reports, proxy statements, and other information with the SEC pursuant to the Securities Exchange Act of 1934. You may read and copy this information at the SEC's Public Reference Room, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet website that contains reports, proxy statements and other information about issuers, including us, that file electronically with the SEC. The address of this site is *www.sec.gov*.

ATLIS MOTOR VEHICLES, INC.

Audited Financial Statements For The Years Ended December 31, 2019 and 2018

Independent Auditor's Report

To Management
Atlis Motor Vehicles, Inc.
Mesa, AZ

We have audited the accompanying balance sheets of Atlis Motor Vehicles, Inc. as of December 31, 2018 and 2019 and the related Income Statement, Statement of Changes in Shareholders' Equity, Statement of Cash Flows for the years ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Atlis Motor Vehicles, Inc. as of December 31, 2018 and 2019, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note B, certain conditions raise an uncertainty about the Company's ability to connue as a going concern. Management's plans in regard to these matters are also described in Note B. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

/s Jason Tyra
Jason M. Tyra, CPA, PLLC
Dallas, TX
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Atlis Motor Vehicles, Inc.
Balance Sheet
December 31, 2019 and 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash	$ 5,074	$ (1,500)
TOTAL CURRENT ASSETS	5,074	(1,500)
NON-CURRENT ASSETS		
Fixed Assets	20,648	20,648
Accumulated Depreciation	(8,260)	(4,130)
TOTAL NON-CURRENT ASSETS	12,388	16,518
TOTAL ASSETS	17,462	15,018
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	-	2,988
Accrued Taxes Payable	32,545	41,531
TOTAL CURRENT LIABILITIES	32,545	44,519
NON-CURRENT LIABILITIES		
Related Party Loan	10,483	24,124
Loans Payable	7,737	41,174
TOTAL LIABILITIES	50,765	109,817
SHAREHOLDERS' EQUITY		
Common Stock (17,857,143 shares authorized; 16,055,117 issued; $0.0001 par value)	1,589	1,209
Additional Paid in Capital - Awarded Stock Compensation	1,698,568	-
Additional Paid in Capital	1,081,929	550,435
Retained Earnings (Deficit)	(2,815,389)	(646,443)
TOTAL SHAREHOLDERS' EQUITY	(33,303)	(94,799)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 17,462	$ 15,018

Audited- See accompanying notes.

Atlis Motor Vehicles, Inc.
Income Statement
December 31, 2019 and 2018

	2019	2018
Operating Income		
Sales	$ 2,287	$ -
	2,275	
Gross Profit	12	-
Operating Expense		
Stock Compensation Expense	1,698,568	-
Salaries	182,176	209,595
Legal & Professional	89,159	77,806
General & Administrative	89,021	30,340
Research & Development	50,428	106,720
Advertising	34,141	147,355
Payroll Taxes	14,486	14,563
Depreciation	4,130	4,130
Rent	630	-
	2,162,739	590,508
Net Income from Operations	(2,162,727)	(590,508)
Other Income (Expense)		
Interest Expense	(6,219)	(5,354)
Net Income	$ (2,168,946)	$ (595,862)
Net Loss Per Share	$ (0.14)	$ (0.06)

Audited- See accompanying notes.

Atlis Motor Vehicles, Inc.
Statement of Cash Flows
December 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities		
Net Income (Loss) For The Period	$ (2,168,946)	$ (595,862)
Change in Accrued Payroll Tax Payable	(8,987)	41,531
Change in Accounts Payable	(2,988)	2,988
Change in Payroll Corrections	11	-
Depreciation	4,130	4,130
Net Cash Flows From Operating Activities	(2,176,780)	(547,214)
Cash Flows From Investing Activities		
Purchase of Fixed Assets	-	(20,648)
Net Cash Flows From Investing Activities	-	(20,648)
Cash Flows From Financing Activities		
Payment toward Related Party Loan	(13,641)	(27,956)
Payment toward Loan Payable	(33,452)	41,174
Issuance of Common Stock	380	1,208
Increase in Additional Paid In Capital	531,494	550,435
Issuance of Unearned Stock Compensation	1,698,568	-
Net Cash Flows From Financing Activities	2,183,349	564,861
Cash at Beginning of Period	(1,500)	1,500
Net Increase (Decrease) In Cash	6,569	(3,001)
Cash at End of Period	$ 5,074	$ (1,500)

Audited- See accompanying notes.

Atlis Motor Vehicles, Inc.
Statement of Changes in Shareholders' Equity
December 31, 2019 and 2018

	Common Stock		Additional Paid		Total Stockholders'
	Number	Amount	in Capital, Net Contributions	Retained Earnings	Equity
Balance at December 31, 2017	10,000,000	1000	$ -	$ (50,581)	$ (49,581)
Issuance of Stock	2,086,264	208	550,435		550,643
Net Income				(595,862)	(595,862)
Balance at December 31, 2018	12,086,264	$ 1,208	$ 550,435	$ (646,443)	$ (94,801)
Issuance of Common Stock	1,805,576	181	531,494		531,675
Issuance of Awarded Common Stock	1,996,674	200			200
Awarded Stock Compensation			1,698,568		1,698,568
Net Income				(2,168,946)	(2,168,946)
Balance at December 31, 2019	15,888,514	$ 1,588	$ 2,780,497	$ (2,815,389)	$ (33,305)

Audited- See accompanying notes.

NOTE A- ORGANIZATION AND NATURE OF ACTIVITIES

Atlis Motor Vehicles, Inc. (“the Company”) is a corporation organized under the laws of Delaware and domiciled in Arizona. The Company intends to develop and manufacture electric vehicles and other energy sustainable products.

NOTE B- GOING CONCERN MATTERS

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operation for the foreseeable future. However, management has identified the following conditions and events that created an uncertainty about the ability of the Company to continue as a going concern. The company sustained net losses of $2,168,946 in 2019 and $595,862 in and had no cash available as of December 31, 2018.

The following describes management's plans that are intended to mitigate the conditions and events that raise substantial doubt about the Company's ability to continue as a going concern. The Company plans to raise additional funds to meet obligations and further operations through a Reg A+ campaign. The Company's ability to meet its obligations as they become due is dependent upon the success of management's plans, as described above.

These conditions and events create an uncertainty about the ability of the Company to continue as a going concern through April 21, 2021 (one year after the date that the financial statements are available to be issued). The financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

NOTE C- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). The Company’s fiscal year runs through December 31.

Significant Risks and Uncertainties

The Company is subject to customary risks and uncertainties associated with development of new technology including, but not limited to, the need for protection of proprietary technology, dependence on key personnel, costs of services provided by third parties, passing regulatory testing, meeting manufacturing and environmental requirements, the need to obtain additional financing, and limited operating history.

The Company currently has no developed products for commercialization and there can be no assurance that the Company’s research and development will be successfully commercialized. Developing and commercializing a product requires significant capital, and based on the current operating plan, the Company expects to continue to incur operating losses as well as cash outflows from operations in the near term.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Stockholders' Equity

During 2019 and 2018, the company issued 3,802,250 and 2,086,264 shares of common stock at Par Value $0.0001 respectively.

Fixed Assets

The Company capitalizes assets with an expected useful life of one year or more, and an original purchase price of $1,000 or more. Depreciation is calculated on a straight-line basis over management's estimate of each asset's useful life.

Revenue

Revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

Current revenue is earned by the sale of small merchandise.

Advertising

The Company records advertising expenses in the year incurred.

Accrued Taxes Payable

During 2019 the company accrued $32,545 in payroll taxes payable.

Rent

The company leases a storage space on a month-to-month basis.

Income Taxes

The Company applies ASC 740 Income Taxes ("ASC 740"). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities. ASC 740 also provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax positions. A tax benefit from an uncertain position is recognized only if it is "more likely than not" that the position is sustainable upon examination by the relevant taxing authority based on its technical merit.

The Company is subject to tax filing requirements as a corporation in the federal jurisdiction of the United States. The Company sustained net operating losses during fiscal years 2019 and 2018. Net operating losses will be carried forward to reduce taxable income in future years. Due to management's uncertainty as to the timing and valuation of any benefits associated with the net operating loss carryforwards, the Company has elected to recognize an allowance to account for them in the financial statements, but has fully reserved it. Under current law, net operating losses may be carried forward indefinitely.

The Company is subject to franchise and income tax filing requirements in the State of Delaware and Arizona.

Recently Adopted Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In November 2015, the FASB issued ASU (Accounting Standards Update) 2015-17, Balance Sheet Classification of Deferred Taxes, or ASU 2015-17. The guidance requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. For all entities other than public business entities, the guidance becomes effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for all entities as of the beginning of an interim or annual reporting period. The adoption of ASU 2015-17 had no material impact on the Company's financial statements and related disclosures.

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows (Topic 230), Restricted Cash, or ASU 2016-18. The amendments of ASU 2016-18 were issued to address the diversity in classification and presentation of changes in restricted cash and restricted cash equivalents on the statement of cash flows which is currently not addressed under Topic 230. ASU 2016-18 would require an entity to include amounts generally described as restricted cash and restricted cash equivalents with cash and cash equivalents when reconciling the beginning of period and end of period total amounts on the statement of cash flows. This guidance is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2018 for non-public entities. Early adoption is permitted, and the standard must be applied retrospectively. The adoption of ASU 2016-18 had no material impact on the Company's financial statements and related disclosures.

In May 2014, the FASB issued ASU, 2014-09—Revenue from Contracts with Customers (Topic 606), or ASU 2014-09, and further updated through ASU 2016-12, or ASU 2016-12, which amends the existing accounting standards for revenue recognition. ASU 2014-09 is based on principles that govern the recognition of revenue at an amount to which an entity expects to be entitled to when products are transferred to customers. This guidance is effective for annual reporting periods, and interim periods within those years, beginning December 15, 2018 for non-public entities. The new revenue standard may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of adoption. The adoption of ASU 2014-09 had no material impact on the Company's financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), or ASU 2016-02, which supersedes the guidance in ASC 840, Leases. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. This guidance is effective for annual reporting periods beginning after December 15, 2019 for non-public entities. The adoption of ASU 2016-02 had no material impact on the Company's financial statements and related disclosures.

In March 2016, the FASB issued ASU 2016-09, Improvements to Employee Share-based Payment Accounting, or ASU 2016-09. ASU 2016-09 simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. Some of the areas of simplification apply only to non-public companies. This guidance was effective on December 31, 2016 for public entities. For entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for an entity in any interim or annual period for which financial statements have not been issued or made available for issuance. An entity that elects early adoption must adopt all amendments in the same period. The adoption of ASU 2016-09 had no material impact on the Company's financial statements and related disclosures.

In May 2017, the FASB issued ASU 2017-09, Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting, or ASU 2017-09, which clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. Under the new guidance, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award (as equity or liability) changes as a result of the change in terms or conditions. This guidance is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2017, for both public entities and non-public entities. Early adoption is permitted. The adoption of ASU 2017-09 had no material impact on the Company's financial statements and related disclosures.

NOTE D- EQUITY

The Company has authorized the issuance of up to 17,857,143 shares of $0.0001 par value Common Stock, which is the Company's sole class of equity outstanding. Common shareholders have the right to vote on certain items of Company business at the rate of one vote per share of stock.

Net Income Per Share

Net earnings or loss per share is computed by dividing net income or loss by the weighted-average number of common shares outstanding during the period, excluding shares subject to redemption or forfeiture. The Company presents basic and diluted net earnings or loss per share. Diluted net earnings or loss per share reflect the actual weighted average of common shares issued and outstanding during the period, adjusted for potentially dilutive securities outstanding. Potentially dilutive securities are excluded from the computation of the diluted net loss per share if their inclusion would be anti-dilutive.

The Company recorded a net loss per share of $.14 and $.06 in the years ended December 31, 2019 and 2018, respectively. The Company had no potentially dilutive securities outstanding during 2019 or 2018.

NOTE E- EQUITY BASED COMPENSATION

The Company accounts for stock issued to employees under ASC 718 (Stock Compensation). Under ASC 718, share-based compensation cost to employees is measured at the grant date, based on the estimated fair value of the award, and is recognized as an item of expense ratably over the grantee's requisite vesting period.

The Company measures compensation expense for its non-employee stock-based compensation under ASC 718. The fair value of the stock issued or committed to be issued is used to measure the transaction, as this is more reliable than the fair value of the services received. The fair value is measured at the value of the Company's common stock on the date that the commitment for performance by the counterparty has been reached or the counterparty's performance is complete. The fair value of the stock is charged directly to expense and credited to additional paid-in capital.

The Company does not have a formal equity compensation program. Awards of equity are authorized on a case by case basis by the Company's board of directors. During 2019, the Company granted 5,857,131 shares of stock to various advisors and employees. Shares granted as compensation have vesting periods ranging from immediate to three years. As of December 31, 2019, the full balance of authorized, unissued stock was available for distribution as compensation. The Company does not estimate future share forfeitures because the board of directors believes that forfeitures of unvested shares of stock are likely to be infrequent and not reasonably estimable.

Total compensation costs for share based payment arrangements totaled $1,698,568 for 2019 The Company uses an average of the terminal valuation based on a 5-year projection using price-per-earnings ratio of 7.93 which is commonly used within the automotive industry. A summary of the Company's stock compensation activity is as follows:

NOTE F- DEBT

In 2017, the company issued a note to a related party in exchange for cash for the purpose of funding continuing operations ("the Related Party Note Payable"). The note does not accrue interest and is payable at a future date to be determined by management. During 2019 and 2018, the Company capitalized no interest related to the note.

In 2018, the company issued a loan payable in exchange for cash for the purpose of funding continuing operations ("the Note Payable"). The note incurs an annual interest rate of 35.6% on any remaining monthly balance. This interest is paid each month on the remaining loan balance. Minimum monthly payments are equal to $4,872.

NOTE G- FAIR VALUE MEASUREMENTS

Fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based on the highest and best use of the asset or liability. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. The Company uses valuation techniques to measure fair value that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

Level 1 - Observable inputs, such as quoted prices for identical assets or liabilities in active markets;

Level 2 - Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly, such as quoted prices for similar assets or liabilities, or market-corroborated inputs; and

Level 3 - Unobservable inputs for which there is little or no market data which require the reporting entity to develop its own assumptions about how market participants would price the assets or liabilities.

The valuation techniques that may be used to measure fair value are as follows:

Market approach - Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Income approach - Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about those future amounts, including present value techniques, option-pricing models, and excess earnings method.

Cost approach - Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost).

NOTE H- CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and cash equivalents with a limited number of high-quality financial institutions and at times may exceed the amount of insurance provided on such deposits.

NOTE I- SUBSEQUENT EVENTS

Management considered events subsequent to the end of the period but before April 21, 2021, the date that the financial statements were available to be issued.

PART III
EXHIBIT INDEX

Exhibit Number	Description
EX1A-1	UNDERWRITING AGREEMENT
EX1A-2A	ARTICLES OF INCORPORATION
EX1A-2B	BYLAWS
EX1A-3A	AMENDMENTS TO BYLAWS
EX1A-3B	BOARD RESOLUTION
EX1A-4	SUBSCRIPTION AGREEMENT
EX1A-6A	EMPLOYEE AGREEMENTS
EX1A-6B	LEASE AGREEMENT
EX1A-9	INDEPENDENT AUDITOR'S REPORT
EX1A-12	OPINION RE LEGALITY
EX1A-13	TESTING THE WATERS
EX1A-15	FINRA NO OBJECTION LETTER

SIGNATURES

Pursuant to all the requirements of Regulation A, the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Firm 1-A and has duly caused this offering statement to be signed on behalf by the undersigned, thereunto duly authorized in Mesa, State of Arizona, on August 28, 2020.

Atlis Motor Vehicles, Inc.

By: /s/ Mark Hanchett
Name: Mark Hanchett
Title: Chief Executive Officer, Director

This offering statement has been signed by the following persons in the capacities and on the date indicated.

Signature	Name	Title	Date
/s/ Mark Hanchett	Mark Hanchett	Chief Executive Officer & Director	8/28/20
/s/ Annie Pratt	Annie Pratt	President & Director	8/28/20
/s/ Annie Pratt	Annie Pratt	Principal Accounting Officer	8/28/20
/s/ Annie Pratt	Annie Pratt	Principal Financial Officer	8/28/20

Jumpstart SECURITIES

BROKER-DEALER SERVICES AGREEMENT

This Broker-Dealer Service Agreement ("Agreement") is made and entered into as of MARCH 31, 2020 by and between JumpStart Securities, LLC ("Jumpstart", "us, "our", or "we") and ATLIS MOTOR VEHICLES, a DELAWARE CORPORATION ("Issuer", "you" or "your").

Whereas, Jumpstart is a broker-dealer registered with the Securities and Exchange Commission and a member of the Financial Industry Regulatory Authority ("FINRA") providing capital markets compliance and other services for market participants, including issuers conducting offerings of securities pursuant to exemptions from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), including Regulation A, as amended. In servicing this market, Jumpstart has created and maintains proprietary tools and technology, negotiated third-party integrations, and has developed operational services, including limited customer service and compliance, to provide certain back-end tools and specific compliance services to issuers raising capital; and,

Whereas, Issuer is undertaking a capital raising effort pursuant to the exemption from registration (the "Offering"); and,

Whereas Issuer recognizes the benefit of having Jumpstart, as a regulated market participant, provide certain support services as described herein for proposed investors in its Offering, and therefore Issuer desires to retain Jumpstart and Jumpstart desires to be retained by Issuer pursuant to the terms and conditions set forth herein.

Now, therefore, in consideration of the mutual promises and covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Retention:

a. Issuer hereby retains Jumpstart to provide the services set forth in Section 2 below (the "Services") during the Offering period, commencing on the date hereof and until the earlier of the completion or cancellation of the Offering or the termination of this Agreement as provided in Section 8 hereof.

b. Jumpstart shall serve as the back-office service provider for all potential investors in the Offering as requested by the Issuer. However, Jumpstart will not provide services for any investors who are introduced to the Offering by a registered broker-dealer that entered into a selling agreement with Issuer.

c. Issuer agrees to provide Jumpstart with due diligence information and materials as it reasonably requests and undertakes to update such information and materials throughout the Offering as may be necessary for accuracy.

d. Jumpstart will not advise Issuer or any prospective investor with respect to the Offering, or the terms and structure thereof, which will be determined solely and exclusively by Issuer and its advisers in

meeting its capital needs, but will assist in advising concerning marketing and distribution. Issuer will provide Jumpstart with copies of the Offering materials and disclosures, including the investor subscription agreement and the offering circular (collectively, the "Offering Circular"). Under no circumstances shall any communication, whether oral or written, be construed or relied on by Issuer as advice from Jumpstart. Issuer acknowledges that Jumpstart is not acting as a placement agent or underwriter for the Offering and has not and will not at any time provide any securities, financing, legal or accounting advice to Issuer. Issuer represents that it will only rely on the advice of its securities counsel, accountants and/or auditors, and any placement agent or underwriter. Further, Issuer acknowledges and understands that Jumpstart will not have any direct communication with investors other than unsolicited contact that will be redirected to Issuer or Issuer's designees.

2. Services:

a. JumpStart Securities Responsibilities — JumpStart agrees to:

i. Phase one:

A. Advisory services, covering in-depth analysis and assessment activities on the offering, business feasibility, business analysis, marketing approach, management experience with offerings, and certain out-of-pocket expenses for other analysis work/activities, such as legal work, diligence, etc.

ii. Phase two:

A. As part of a fee selection in Section 3c, JumpStart Securities may Market the offering to its previous investors, potential investors, and solicit interest from investors that meet the suitability, sophistication, and purchase criteria for the Offering;

B. Accept investor data from Issuer, generally via any software system used to capture investors, but also via other means as may be established by mutual agreement of the Parties;

C. Review and process information from potential investors, including but not limited to running reasonable background checks for anti-money laundering ("AML"), IRS tax fraud identification and USA PATRIOT Act purposes, and gather and review responses to customer identification information;

D. Verification of accredited investor status of each investor, as applicable in Regulation D, Rule 506c offerings;

E. Review subscription agreements received from prospective investors to confirm they are complete;

F. Contact Issuer and/or Issuer's designees, if needed, to gather additional information or clarification from prospective investors;

G. Advise Issuer as to permitted investment limits for investors pursuant to Regulation D, Rule 506(c);

H. Provide Issuer with prompt notice about inconsistent, incorrect or otherwise flagged (e.g. for underage or AML reasons) subscriptions;

I. Serve as registered agent where required for state blue sky requirements, but in no circumstance will Jumpstart solicit a securities transaction, recommend the Issuer's securities or provide investment advice to any prospective investor;

J. Transmit data to transfer agent as book-entry data for maintaining Issuer's responsibilities for managing investors (investor relationship management, aka "CRM") and for maintaining future good-delivery and recordkeeping;

K. Transmit any checks received from subscribers promptly upon settlement.

b. Issuer Responsibilities — Issuer agrees to:

i. Refer investor data, at its sole and arbitrary discretion, to Jumpstart Securities;

ii. Ensure investors understand they are making a "self-directed" decision, and provide Jumpstart with all information and data required to ascertain whether the investor is eligible to invest in the Offering and the investment threshold, if applicable;

iii. Immediately, but not later than within 24 hours, notify Jumpstart with details of any notices, requests, complaints or actions of or by any regulators, law enforcement, investors, trade associations or legal counsel regarding the Offering;

iv. Comply with state and federal laws and rules; and

v. Not compensate any unregistered person directly or indirectly with any fees, commissions or other consideration based upon the amount, sale of securities or success of an Offering.

c. **Marketing of Offering** - Issuer represents that it will ensure the marketing and promotional activities it engages in, as related to the Offering, are not materially misleading and in compliance with all SEC rules and regulatory guidance, as well as industry best practices. Issuer will not compensate any person for directly selling securities unless such person is associated with a FINRA member broker-dealer and is appropriately registered with both the SEC and the state(s) in which the investors reside. Issuer may use Jumpstart's name but only to extent set forth in Section 6 of this Agreement.

3. Compensation: For services provided under this Agreement, the terms and payments shall be:

a. **Advisory Service Fee**. We will pay Jumpstart Securities, LLC a $10,000 advisory fee for providing initial analysis work in the first phase of services.

b. **Administrative Service Fees**: During the second phase of services, additionally, we will pay Jumpstart Securities, LLC the following administrative service fee: (i) fee per AML check executed,

below, (2) fee per AML exception, as described in the fees below, and (3) accredited investor verification fee. Administrative service fees will be charged to Issuer at the time of the subscription.

i. US Individual $2

ii. US Entity $5

iii. CA/UK Individual $5

iv. CA/UK Entity $75

v. International Individual $60

vi. International Entity $75

vii. AML Exceptions $ 150/investor owed upon exception

viii. Investor verification $45/verification owed upon subscription

c. **Broker-Dealer Close Fees:** During the second phase of services, a broker-dealer fee will be as selected below. Please select one.

☐ Marketing fee, including broker of record service fee of 3.25% (three and one quarter percent) of the aggregate amount of gross Offering proceeds received, and that are accepted, by the Issuer for use of Jumpstart's marketing services in state notice filings required for the Offering and review of subscription information for accuracy, completeness, and compliance with Regulation D guidelines. Such fee shall not apply for any investor purchasing directly through Issuer wherein such investor is a contact of Issuer, and shall not apply to any investor referred by any other broker-dealer to Issuer.

☑ Broker of record fee of 1.50% (one and one half percent) of the aggregate amount of gross Offering proceeds received, and that are accepted by the Issuer.

Fees may be reduced on a case-by-case basis, or as required in compliance with FINRA rules. For these purposes, an email from Jumpstart to Issuer will constitute sufficient evidence of an alteration of the fees contained in this Agreement. Any alteration to the fees shall not be interpreted to be, or constitute an amendment or general waiver of other terms of this Agreement unless specifically set forth by Jumpstart in writing.

d. **Expenses:** Issuer will be responsible for and pay directly (i) fees due to FINRA for filings made with respect to the Offering, if necessary. Pre-approved Travel and Offering expense reimbursements may also be paid to Jumpstart Securities for out-of-pocket expenses (not to exceed $2,500). If expenses are expected to exceed $2,500 they will be pre approved. Receipts would be presented with the requested reimbursements.

e. **Payment Terms:** Jumpstart will charge Administrative service fees directly to Issuer via ACH-debit and Issuer hereby authorizes such payment. Brokerage service fees are due upon the sale of securities to investors and Issuer agrees and directs that they will be paid from the flow of funds upon

the acceptance by the Issuer of any investor, with such acceptance being conditional on the terms of the Offering. Once the Issuer countersigns the investor subscription the investors are accepted. The parties shall have the reasonable right to obtain documentation concerning the details of the payments due.

4. **Warranties and Representations:** The Issuer and Jumpstart represent and warrant that each has all requisite power and authority to enter into and carry out the terms and provisions of this Agreement and the execution, delivery and performance of this Agreement does not breach or conflict with any agreement, document or instrument to which it is a party or bound, and further:

a. Jumpstart warrants and represents to the Issuer that:

i. It is an SEC registered, FINRA member, SIPC insured firm in good standing and licensed to conduct securities business;

ii. It is duly registered in states where investors reside;

iii. Its personnel who provide services to the Issuer are licensed securities representatives and/or principals, as required by regulations for the business being conducted;

iv. It will not compensate any unregistered person with any fees based upon the amount or success of any investment in the Offering;

v. It will not solicit or sell investors any other services or investment products; and

vi. It will not provide any investment advice nor any investment solicitation or recommendations to any investor.

b. Issuer warrants and represents to Jumpstart that:

i. The offering materials will be complete and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

ii. It will duly comply with all applicable state and Federal laws, rules and regulations and make all filings as required.

5. **Non-Exclusivity, No Underwriting:** This Agreement is non-exclusive and shall not be construed to prevent either party from engaging in any business activities.

6. **Limited License of Trademarks**. During the term of this Agreement, Issuer may request to use Jumpstart's name, logo and trademarks on its website and other marketing materials, but Jumpstart must approve in advance the specific uses intended by Issuer. Generally, the use of Jumpstart's name, logo or trademarks is not used in a manner that implies the Offering is endorsed, recommended, or vetted by Jumpstart, or that Issuer or its agents are authorized to act as a securities agent or a representative of Jumpstart. Furthermore, it is agreed that Jumpstart and Issuer each, in perpetuity,

have the option to use the name and logo of one another in disclosing the existence of this business relationship.

7. Independent Contractor: It is agreed that Jumpstart and Issuer are independent contractors for the business and services provided hereunder. Under no circumstances shall this Agreement be deemed to imply or infer that Issuer and Jumpstart have anything other than an arm's length and independent relationship. Both Jumpstart and Issuer shall be individually responsible and liable for their own respective federal, state, local and other taxes or fees, as well as all costs associated with their businesses. Jumpstart is not a fiduciary of the Issuer or its management or board of directors in regard to any of the Services provided under this Agreement.

8. Term and Termination: This Agreement is effective beginning on the date set forth above through the completion or cancellation of the Offering unless terminated by either Party pursuant to this Section 8.

a. Either Party may terminate their participation in this Agreement without cause by giving 10 days' notice via email to the other at any time. Such termination shall only affect future business and not apply to transactions or other business conducted prior to the date of termination.

b. Either Party may terminate their participation in this Agreement for a material breach of this Agreement immediately by giving notice via email to the other at any time. Such termination shall only affect future business and not apply to transactions or other business conducted prior to the date of termination. The non-breaching Party has the sole discretion to grant a period to cure by giving notice via email of the time period for such cure. However, the grant of a cure period does not waive any indemnification or rights of the non-breaching Party to pursue all remedies.

c. In the event of any termination, the responsibilities of each party detailed in Section 2 shall cease.

d. If the agreement is terminated by Issuer, Issuer will reimburse Jumpstart for its actual, documented out-of-pocket expenses up to an aggregate cap of $10,000 (except if termination is for breach of the Agreement by Jumpstart).

9. Mutual Indemnification: The Parties hereby agree as follows:

a. To the extent permitted by law, the Issuer will indemnify Jumpstart and its affiliates, stockholders, directors, officers, employees and controlling persons (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) against all losses, claims, damages, expenses and liabilities, as the same are incurred (including the reasonable fees and expenses of counsel), relating to or arising out of its activities hereunder or pursuant to this engagement letter, except to the extent that any losses, claims, damages, expenses or liabilities (or actions in respect thereof) are found in a final judgment (not subject to appeal) by a court of law to have resulted primarily and directly from Jumpstart's willful misconduct or gross negligence in performing the services described herein.

b. Promptly after receipt by Jumpstart of notice of any claim or the commencement of any action or proceeding with respect to which Jumpstart is entitled to indemnity hereunder, Jumpstart will notify the Issuer in writing of such claim or of the commencement of such action or proceeding, and the Issuer will assume the defense of such action or proceeding and will employ counsel reasonably satisfactory to Jumpstart and will pay the fees and expenses of such counsel. Notwithstanding the preceding sentence, Jumpstart will be entitled to employ counsel separate from counsel for the Issuer and from any other party in such action if counsel for Jumpstart reasonably determines that it would be inappropriate under the applicable rules of professional responsibility for the same counsel to represent both the Issuer and Jumpstart. In such event, the reasonable fees and disbursements of no more than one such separate counsel will be paid by the Issuer, in addition to local counsel. The Issuer will have the exclusive right to settle the claim or proceeding provided that the Issuer will not settle any such claim, action or proceeding without the prior written consent of Jumpstart, which will not be unreasonably withheld.

c. The Issuer agrees to notify Jumpstart promptly of the assertion against it or any other person of any claim or the commencement of any action or proceeding relating to a transaction contemplated by this engagement letter.

d. If for any reason the foregoing indemnity is unavailable to Jumpstart or insufficient to hold Jumpstart harmless, then the Issuer shall contribute to the amount paid or payable by Jumpstart as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by the Issuer on the one hand and Jumpstart on the other, but also the relative fault of the Issuer on the one hand and Jumpstart on the other that resulted in such losses, claims, damages or liabilities, as well as any relevant equitable considerations. The amounts paid or payable by a party in respect of losses, claims, damages and liabilities referred to above shall be deemed to include any legal or other fees and expenses incurred in defending any litigation, proceeding or other action or claim. Notwithstanding the provisions hereof, Jumpstart's share of the liability hereunder shall not be in excess of the amount of fees actually received, or to be received, by Jumps tart under this engagement letter (excluding any amounts received as reimbursement of expenses incurred by Jumpstart).

10. Certain Placement Procedures. On or prior to the date the securities are made available for purchase by subscribers for the purchase and sale of the securities to subscribers in the Offering (the "Closing Date"), Jumpstart shall have obtained from the Company the following:

a. Officers' Certificate signed by the Chairman of the Board or the Chief Executive Officer and the Secretary of the Company (in their capacities as such) to the effect that the Company has performed all covenants and complied with all conditions required by this Agreement to be performed or complied with by the Company, that the representations and warranties of the Company set forth herein and the disclosure provided in the offering materials are true and correct.

b. Secretary's Certificate signed by the Secretary or Assistant Secretary of the Company, respectively, certifying (i) that the Certificate of Incorporation and Bylaws, as amended of the Company are true and complete, have not been modified and are in full force and effect, (iii) that the resolutions of the Company's Board of Directors relating to the public offering contemplated by this Agreement are

in full force and effect and have not been modified, (iii) as to the accuracy and completeness of all correspondence between the Company or its counsel and the Commission, and (iv) as to the incumbency of the officers of the Company. The documents referred to in such certificate shall be attached to such certificate.

c. Legal Opinion of Company Counsel and negative assurance statement with respect to offering customarily provided in public offerings addressed to Jumpstart Securities in form and substance satisfactory to Jumpstart Securities.

11. **Confidentiality and Mutual Non-Disclosure**: It is acknowledged that in the performance of this Agreement each party may become aware of and/or in possession of confidential, non-public information of the other party. Except as necessary in this Agreement's performance, or as authorized in writing by a Party or by law, the Parties (and their affiliated persons) shall not disclose or make use of such non-public information. Nothing contained herein shall be construed to prohibit the SEC, FINRA, or other government official or entities from obtaining, reviewing, and auditing any information, records, or data. Issuer acknowledges that regulatory record-keeping requirements, as well as securities industry best practices, require Jumpstart to maintain copies of practically all data, including communications and Offering materials, regardless of any termination of this Agreement. Notwithstanding the foregoing, information which is, or was, in the public domain (including having been published on the internet) is not subject to this section.

12. **Notices:** All notices given pursuant to this Agreement shall be in writing and sent via email to:

- Jumpstart Securities, LLC: jonathan@jumpstartsecurities.com
- Issuer: Annie C. Pratt (name) annie@atlasmotorsports.com (add email)

13. **Binding Arbitration, Applicable Law and Venue, Attorneys Fees:** This Agreement is governed by, and will be interpreted and enforced in accordance with the regulations of the SEC and FIN RA, and laws of the State of New York, without regard to principles of conflict of laws. Any claim or dispute arising under this Agreement may only be brought in arbitration, pursuant to the rules of the Financial Industry Regulatory Authority ("FINRA"), with venue in New York City, New York. Each of the parties hereby consents to this method of dispute resolution, as well as jurisdiction, and waives any right it may have to object to either the method, venue or jurisdiction for such claim or dispute. Any award an arbitrator makes will be final and binding on all parties and judgment on it may be entered in any court having jurisdiction. Furthermore, the prevailing party shall be entitled to recover damages plus reasonable attorney's fees.

14. **Entire Agreement, Amendment, Severability and Force Majeure:** This Agreement contains the entire agreement between Issuer and Jumpstart regarding this Agreement. If any provision of this Agreement is held invalid, the remainder of this Agreement shall continue in full force and effect. Furthermore, no party shall be responsible for any failure to perform due to acts beyond its reasonable control, including acts of regulators, acts of God, terrorism, shortage of supply, labor difficulties (including strikes), war, civil unrest, fire, floods, electrical outages, equipment or transmission failures, internet interruptions, vendor failures (including information technology providers), or other similar

causes. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement must be amended in writing.

15. Counterparts; Facsimile. This Agreement may be executed in counterparts, each of which will be deemed an original and all of which, taken together, will constitute one and the same instrument, binding on each signatory thereto. This Agreement may be executed by signatures, electronically or otherwise, delivered by facsimile or email, and a copy hereof that is properly executed and delivered by a party will be binding upon that party to the same extent as an original executed version hereof.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date set forth above.

ATLIS MOTOR VEHICLES.,
Issuer, by

Name: ANNIE PRATT
Email : ANNIE@ATLISMOTORVEHICLES.COM
Title: CHIEF OF STAFF

JumpStart Securities, LLC

Name Jonathan Self
Email jonathan@jumpstartsecurities.com
Title CEO

State of Delaware
Secretary of State
Division of Corporations
Delivered 12:24 PM 11/09/2016
FILED 12:24 PM 11/09/2016
SR 20166560368 - File Number 6208650

CERTIFICATE OF INCORPORATION
OF
Atlis Motor Vehicles Inc.

FIRST: The name of the corporation is: Atlis Motor Vehicles Inc.

SECOND: Its registered office in the State of Delaware is located at 16192 Coastal Highway, Lewes, Delaware 19958, County of Sussex. The registered agent in charge thereof is Harvard Business Services, Inc.

THIRD: The purpose of the corporation is to engage in any lawful activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of stock which the corporation is authorized to issue is 10,000,000 shares having a par value of $0.000100 per share.

FIFTH: The business and affairs of the corporation shall be managed by or under the direction of the board of directors, and the directors need not be elected by ballot unless required by the bylaws of the corporation.

SIXTH: This corporation shall be perpetual unless otherwise decided by a majority of the Board of Directors.

SEVENTH: In furtherance and not in limitation of the powers conferred by the laws of Delaware, the board of directors is authorized to amend or repeal the bylaws.

EIGHTH: The corporation reserves the right to amend or repeal any provision in this Certificate of Incorporation in the manner prescribed by the laws of Delaware.

NINTH: The incorporator is Harvard Business Services, Inc., whose mailing address is 16192 Coastal Highway, Lewes, DE 19958.

TENTH: To the fullest extent permitted by the Delaware General Corporation Law a director of this corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

I, the undersigned, for the purpose of forming a corporation under the laws of the State of Delaware do make and file this certificate, and do certify that the facts herein stated are true; and have accordingly signed below, this November 09, 2016.

Signed and Attested to by: Richard H. Bell II

Harvard Business Services, Inc., Incorporator
By: Richard H. Bell, II, President

STATEMENT OF INCORPORATOR

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IN LIEU OF ORGANIZATIONAL MEETING
FOR
Atlis Motor Vehicles Inc.
November 9, 2016

We, Harvard Business Services, Inc., the incorporator of Atlis Motor Vehicles Inc. -- a Delaware Corporation -- hereby adopt the following resolution pursuant to Section 108 of the General Corporation Law of Delaware:

Resolved: That the certificate of incorporation of Atlis Motor Vehicles Inc. was filed with the Secretary of State of Delaware on November 9, 2016.

Resolved: That on November 9, 2016 the following persons were appointed as the initial Directors of the Corporation until their successors are elected and qualify:

Mark A Hanchett

Resolved: That the bylaws included with this resolution are the initial bylaws approved by the incorporator.

Resolved: That the Secretary of the Company is hereby authorized and directed to execute a certificate of adoption of the bylaws or repeal the initial bylaws and create a custom set of bylaws to be adopted and approved by the directors.

Resolved: The powers of this incorporator are hereby terminated, and said incorporator shall no longer be considered a part of the body corporate of the above named corporation.

This resolution shall be filed in the minute book of the company.

HARVARD BUSINESS SERVICES, INC., Incorporator
By: Richard H. Bell, President

*** This document is not part of the public record. Keep it in a safe place. ***

BY-LAWS
OF Atlis Motor Vehicles Inc.

A DELAWARE CORPORATION

ARTICLE I - REGISTERED AGENT AND REGISTERED OFFICE

Section 1. The registered office of the corporation in the State of Delaware shall be 16192 Coastal Highway, in the city of Lewes, County of Sussex. The registered agent in charge thereof shall be Harvard Business Services, Inc.

Section 2. The corporation may also have offices at such other places as the Board of Directors may from time to time designate, in any State or Country around the world.

ARTICLE II - SEAL

Section 1. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Delaware" or "Seal Delaware".

ARTICLE III - STOCKHOLDERS MEETINGS

Section 1. Meetings of stockholders may be held at any place, either within or without the State of Delaware and the USA, as may be selected from time to time by the Board of Directors.

Section 2. Regular Meetings: Regular meetings of the stockholders shall be held without notice according to the schedule of the regular meetings of the stockholders which shall be distributed to each stockholder at the first meeting each year. The regular meetings shall be held at such place as shall be determined by the Board. Regular meetings shall not be required if deemed unnecessary by the Board.

Section 3. Election of Directors: Elections of the Directors of the corporation need not be by written ballot, in accordance with the Delaware General Corporation Law (DGCL).

Section 4. Special Meetings: Special meetings of the stockholders may be called at any time by the president, or the Board of Directors, or stockholders entitled to cast at least one-fifth of the votes which all stockholders are entitled to cast at the particular meeting. Upon written request of any person or persons who have duly called a special meeting, it shall be the duty of the secretary to fix the date, place and time of the meeting, to be held not more than thirty days after the receipt of the request, and to give due notice thereof to all the persons entitled to vote at the meeting.

Business at all special meetings shall be confined to the objects stated in the call and the matters germane thereto, unless all stockholders entitled to vote are present and consent.

Written notice of a special meeting of stockholders stating the time and place of the meeting, and the object thereof, shall be given to each stockholder entitled to vote at least 15 days prior, unless a greater period of notice is required by statute in a particular case.

Section 5. Quorum: A majority of the outstanding shares of the corporation entitled to vote, represented in a person or by proxy, shall constitute a quorum at a meeting of stockholders. If less than a majority of the outstanding shares entitled to vote is represented at a meeting, a majority of the shares so represented, may adjourn the meeting at anytime without further notice. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 6. Proxies: Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after one year from its date, unless the proxy provides for a longer period, as allowable by law.

A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the corporation generally. All proxies shall be filed with the Secretary of the meeting before being voted upon.

Section 7. Notice of Meetings: Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and

hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

Unless otherwise provided by law, written notice of any meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting.

Section 8. Consent In Lieu of Meetings: Any action required to be taken at any annual or special meeting of stockholders of a corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 9. List of Stockholders: The officer who has charge of the stock ledger of the corporation shall prepare and make, at least ten days before every meeting arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. No share of stock of which any installment is due and unpaid shall be voted at any meeting. The list shall not be open to the examination of any stockholder, for any purpose, except as required by Delaware law. The list shall be kept either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

ARTICLE IV - DIRECTORS

Section 1. The business and affairs of this corporation shall be managed by its Board of Directors. Each director shall be elected for a term of one year, and until his successor shall qualify or until his earlier resignation or removal.

Section 2. Regular Meetings: Regular meetings of the Board of Directors shall be held without notice according to the schedule of the regular meetings of the Board of Directors which shall be distributed to each Board member at the first meeting each year. The regular meetings shall be held at such place as shall be determined by the Board. Regular meetings, in excess of the one Annual meeting (Art. III Sec. 2) shall not be required if deemed unnecessary by the Board.

Section 3. Special Meetings: Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors on 5 days notice to all directors, either personally or by mail, courier service, E-Mail or telecopy; special meetings may be called by the President or Secretary in like manner and on like notice by written request to the Chairman of the Board of Directors.

Section 4. Quorum: A majority of the total number of directors shall constitute a quorum of any regular or special meetings of the Directors for the transaction of business.

Section 5. Consent In Lieu of Meeting: Any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee. The Board of Directors may hold its meetings, and have an office or offices anywhere in the world, within or outside of the state of Delaware.

Section 6. Conference Telephone: Directors may participate in a meeting of the Board, of a committee of the Board or of the stockholders, by means of voice conference telephone or video conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in this manner shall constitute presence in person at such meeting.

Section 7. Compensation: Directors as such shall not receive any stated salary for their services, but by resolution of the Board, a fixed sum per meeting and any expenses of attendance, may be allowed for attendance at each regular or special meeting of the Board. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

stockholder. The demand under oath shall be directed to the corporation at its registered office or at its principal place of business.

ARTICLE VIII - STOCK CERTIFICATES, DIVIDENDS, ETC.

Section 1. The stock certificates of the corporation shall be numbered and registered in the Stock Transfer Ledger and transfer books of the corporation as they are issued. They shall bear the corporate seal and shall be signed by the President and the Secretary.

Section 2. Transfers: Transfers of the shares shall be made on the books of the corporation upon surrender of the certificates therefore, endorsed by the person named in the certificate or by attorney, lawfully constituted in writing. No transfer shall be made which is inconsistent with applicable law.

Section 3. Lost Certificate: The corporation may issue a new stock certificate in place of any certificate theretofore signed by it, alleged to have been lost, stolen, or destroyed.

Section 4. Record Date: In order that the corporation may determine stockholders entitled to notice of or to vote at any meeting of stockholders on any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty days prior to any other action.

If no record date is fixed:

(a)The record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if the notice is waived, at the close of the business on the day next preceding the day on which the meeting is held.

(b)The record date for which determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is expressed.

(c)The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(d)A determination of stockholders of record entitled to notice of or vote at a meeting of stockholders shall apply to any adjournment of the meeting: provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 5. Dividends: The Board of Directors may declare and pay dividends upon the outstanding shares of the corporation from time to time and to such extent as they deem advisable, in the manner and upon the terms and conditions provided by statute and the Certificate of Incorporation.

Section 6. Reserves: Before payment of any dividend there may be set aside out of the net profits of the corporation such sum or sums as the directors, from time to time, in their absolute discretion, think proper as a reserve fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining the property of the corporation, or for such other purpose as the directors shall think conducive to the interests of the corporation, and the directors may abolish any such reserve in the manner in which it was created.

ARTICLE IX - MISCELLANEOUS PROVISIONS

Section 1. Checks: All checks or demands for money and notes of the corporation shall be signed by such officer or officers as the Board of Directors may from time to time designate.

Section 2. Fiscal Year: The fiscal year shall begin on the first day of January of every year, unless this section is amended according to Delaware Law.

Section 3. Notice: Whenever written notice is required to be given to any person, it may be given to such a person, either personally or by sending a copy thereof through the mail, or by telecopy (FAX), or by telegram, charges prepaid, to his address appearing on the books of the corporation of the corporation, or supplied by him to the corporation to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office for transmission to such person. Such notice shall specify the place, day and hour of meeting and, in the case of a special meeting of stockholders, the general nature of business to be transacted.

Section 4. Waiver of Notice: Whenever any written notice is required by statue, or by Certificate or the by-laws of this corporation a waiver thereof in writing, signed by the person or persons entitled to such a notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except in the case of a special meeting of stockholders, neither the business to be transacted nor the purpose of the meeting need be specified in the waiver of notice of such meeting. Attendance of a person either in person or by proxy at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was unlawfully convened.

Section 5. Disallowed Compensation: Any payments made to an officer or employee of the corporation such as a salary, commission, bonus, interest, rent, travel or entertainment expense incurred by him, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer or employee to the corporation to the full extent of such disallowance. It shall be the duty of the directors, as a Board, to enforce payment of each amount disallowed in lieu of payment by the officer or employee, subject to the determination of the directors, proportionate amounts may be withheld from his future compensation payments until the amount owed to the corporation has been recovered.

Section 6. Resignations: Any director or other officer may resign at any time, such resignation to be in writing, and to take effect from the time of its receipt by the corporation, unless some time to be fixed in the resignation and then from that date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE X - LIABILITY

Section 1. Stockholder liability is limited to the stock held in the corporation.

Section 2. No director shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law, (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article Eighth shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment.

ARTICLE XI - AMENDMENTS

Section 1. These bylaws may be amended or repealed by the vote of stockholders entitled to cast at least a majority of the votes which all stockholders are entitled to cast thereon, at any regular or special meeting of the stockholders, duly convened after notice to the stockholders of that purpose.

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BYLAWS

OF

Atlis Motor Vehicles Inc,
a Delaware Corporation

ARTICLE I

Stockholders

Section 1.1. **Annual Meetings.** An annual meeting of stockholders of Atlis Motor Vehicles Inc (the "Corporation") shall be held for the election of directors on a date and at a time and place either within or without the state of Delaware fixed by resolution of the Board of Directors. Any other proper business may be transacted at the annual meeting.

Section 1.2. **Special Meetings.** Special meetings of the stockholders may be called at any time by the Board of Directors, the Chairman of the Board of Directors or the holders of shares entitled to cast not less than ten percent of the votes at the meeting, such meeting to be held on a date and at a time and place either within or without the state of Delaware as may be stated in the notice of the meeting. Business transacted at any special meeting of the stockholders shall be limited to the purposes stated in the notice.

Section 1.3. **Notice of Meetings.** Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote thereat. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation. Such notice shall state the place, date and hour of the meeting, and in the case of a special meeting, the general purpose for which the meeting is called.

Section 1.4. **Adjournments.** Any meeting of stockholders may be adjourned from time to time, to reconvene at the same or some other place. Notice need not be given of any such adjourned meeting if the date, time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5. **Quorum**. At each meeting of stockholders, except where otherwise provided by law or the certificate of incorporation or these bylaws, the holders of a majority of the outstanding shares of stock entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the stockholders. In the absence of a quorum, any meeting of stockholders may be adjourned from time to time by the vote of a majority of the shares represented either in person or by proxy until a quorum is present or represented. Shares of its own capital stock belonging to the Corporation or to another Corporation where the majority of the voting power is held by the Corporation shall nether be entitled to vote nor counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity

Section 1.6. **Organization**. Meetings of stockholders shall be presided over by the Chairman of the Board of Directors, if any, or in the absence of the Chairman of the Board of Directors by the Vice Chairman of the Board of Directors, if any, or in the absence of the Vice Chairman of the Board of Directors by the President, or in the absence of the foregoing persons by a chairman designated by the Board of Directors, or in the absence of such designation by a chairman chosen at the meeting. The Secretary, or in the absence of the Secretary, an Assistant Secretary, shall act as secretary of the meeting, or in their absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7 **Voting**. Unless otherwise provided in the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share held by such stockholder which has voting power upon the matter in questions. Directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. In all other matters, unless otherwise provided by law or by the certificate of incorporation or these bylaws, the affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote on the subject matter at a meeting in which a quorum is present shall be the act of the stockholders. Where a separate vote by class or classes is required, the affirmative vote of the holders of a majority of the shares of such class or classes present in person or represented by proxy shall be the act of such class or classes, except as otherwise provided by law or by the certificate of incorporation or these bylaws.

Section 1.8. **Stockholder's Proxies**. Every person entitled to vote or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act by proxy with respect to such shares. No proxy shall be voted or acted on after three years from its date, unless the proxy provides for a longer period. Every proxy continues in full force and effect until revoked by the person executing it. Such revocation may be effected by a writing delivered to the Corporation stating that the proxy is revoked or by a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or as to any meeting by attendance at such meeting and voting in person by the person executing the proxy

Section 1.9. **Fixing Date for Determination of Stockholders of Record**. In order that the Corporation may determine the stockholders entitled to notice of any meeting, the Board of Directors may fix a record date, which shall not be more than sixty nor less than ten days prior to the date of such meeting, nor shall the record date precede the date upon which the resolution fixing the record date is adopted by the Board of Directors. In order that the Corporation may determine the stockholders entitled to consent to corporate action without a meeting, the Board of Directors may fix a record date, which shall not precede, or be more than 10 days after, the date upon which the resolution fixing the record date is adopted by the Board of Directors. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or of any other lawful action, the Board of Directors may fix a record date, which shall not be more than sixty days prior to such action.

If no record date is fixed: (1) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held, (2) the record date for determining stockholders entitled to give consent to corporate action in writing without a meeting, when no prior action by the Board of Directors has been taken, shall be the day on which the first written consent is given; if prior action by the Board of Directors is required, then the record date shall be the close of business on the date the Board of Directors adopts the resolution taking such prior action, and (3) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto, unless the Board of Directors sets a new record date.

Section 1.10. **Consent of Stockholders in Lieu of Meeting**. Except as otherwise provided in the certificate of incorporation, any action which may be taken at any annual or special meeting of the stockholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, and shall be delivered to the Corporation. Every written consent shall bear the date of signature of each stockholder who signs the consent, and no written consent shall be effective unless, within 60 days of the earliest consent, written consents signed by a sufficient number of holders have been delivered to the Corporation.

Unless all stockholders entitled to vote consent in writing, prompt notice of any stockholder approval without a meeting shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that sufficient consents were delivered to the Corporation.

ARTICLE II

Board of Directors

Section 2.1. **Powers; Number; Qualifications.** The business and affairs of the Corporation shall be managed by, and all corporate powers shall be exercised by or under, the direction of the Board of Directors, except as otherwise provided by laws or in the certificate of incorporation. The Board of Directors shall consist of one or more members, the number thereof to be determined from time to time by the Board of Directors.

Section 2.2. **Election; Term of Office; Resignation; Removal; Vacancies.** Each director shall hold office until a successor has been elected and qualified or until his or her earlier resignation or removal. Any director may resign effective upon giving written notice to the Chairman of the Board of Directors, the President or the Secretary of the Corporation. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein no acceptance of such resignation shall be necessary to make it effective. Any or all of the directors may be removed, with or without cause if such removal is approved by a majority of the outstanding voting shares then entitled to vote on the election of directors. Unless otherwise provided in the certificate of incorporation or in these bylaws, vacancies and newly-created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, although less than a quorum, or by the sole remaining director.

Section 2.3. **Regular Meetings.** Regular meetings of the Board of Directors may be held without notice at such places within or without the state of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined notice thereof need not be given.

Section 2.4. **Special Meetings; Notice of Meetings; Waiver of Notice.** Special meetings of the Board of Directors may be held at any time or place within or without the state of Delaware whenever called by the Chairman of the Board of Directors, by the Vice Chairman of the Board of Directors, if any, or by any two directors. Reasonable notice shall be given by the person or persons calling the meeting unless a director signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting the lack of notice prior to the meeting or at its commencement.

Section 2.5. **Participation in Meetings by Conference Telephone Permitted.** Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or of such committee, as the case may be, through the use of conference telephone or similar communications equipment by means of which all members participating in such meeting can hear one another, and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Section 2.6. **Quorum; Adjournment; Vote Required for Action.** At all meetings of the Board of Directors a majority of the authorized number of directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at a meeting at which a quorum is present shall be shall be the act of the Board of Directors unless the certificate of incorporation or these bylaws shall require a vote of a greater number.

Section 2.7 **Organization.** Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors, or in the absence of the Chairman of the Board of Directors by the Vice Chairman of the Board of Directors, if any, or in their absence by a chairman chosen at the meeting. The Secretary, or in the absence of the Secretary an Assistant Secretary, shall act as secretary of the meeting, but in the absence of the Secretary and any Assistant Secretary the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. **Action by Directors Without a Meeting.** Any action required or permitted to be taken by the Board of Directors, or any committee thereof, may be taken without a meeting if all members of the Board of Directors or of such committee, as the case may be, consent in writing to such action and such consent is filed with the minutes of the proceedings of the Board of Directors.

Section 2.9. **Compensation of Directors.** The Board of Directors shall have the authority to fix the compensation of directors for services in any capacity

ARTICLE III

Committees

Section 3.1. **Committees of Directors.** The Board of Directors may designate one or more committees, each consisting of one or more directors. Any committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors, except that no such committee shall have power or authority with respect to the following matters:

a) Approving or adopting, or recommending to the stockholders, any action or matter expressly required by Delaware Corporation Law to be submitted to the stockholders for approval, or

b) The amendment or repeal of the bylaws, or the adoption of new bylaws.

Section 3.2. **Committee Rules.** Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may adopt, amend and repeal rules for the conduct of its business. In the absence of a provision by the Board of Directors or a provision in the rules of such committee to the contrary, each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws.

ARTICLE IV

Officers

Section 4.1. **Officers; Election.** As soon as practicable after the annual meeting of stockholders in each year, the Board of Directors shall elect a President and a Secretary, and if it so determines, elect from among its members a Chairman of the Board of Directors and a Vice Chairman of the Board of Directors. The Board of Directors may also elect one or more Vice Presidents, one or more Assistant Secretaries, and such other officers as the Board of Directors may deem desirable or appropriate and may give any of them such further designations or alternate titles, as it considers desirable.

Section 4.2. **Term of Office; Resignation; Removal; Vacancies.** Except as otherwise provided in the resolution of the Board of Directors electing any officer, each officer shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal. Any officer may resign at any time upon written notice to the Board of Directors or to the Chairman of the Board of Directors or the Secretary of the Corporation. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein no acceptance of such resignation shall be necessary to make it effective. The Board of Directors may remove any officer with or without cause at any time. Any such removal shall be without prejudice to the contractual rights of such officer, if any, with the Corporation, but the election of an officer shall not of itself create contractual rights. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise may be filled by the Board of Directors at any regular or special meeting.

Section 4.3. **Powers and Duties.** The officers of the Corporation shall have such powers and duties in the management of the Corporation as shall be stated in these bylaws or in a resolution of the Board of Directors which is not inconsistent with these bylaws and, to the extent not so stated, as generally pertain to their respective offices, subject to the control of the Board of Directors. The Secretary shall have the duty to record the proceedings of the meetings of the stockholders, the Board of Directors and any committees in a book to be kept for that purpose. The Board of Directors may require any officer, agent or employee to give security for the faithful performance of his or her duties.

ARTICLE V

Forms of Certificates; Loss and Transfer of Shares

Section 5.1. **Forms of Certificates**. A holder of shares in the Corporation may receive a certificate signed in the name of the Corporation by (1) the President, any Vice President, Chairman of the Board of Directors or Vice Chairman, and (2) by the Chief Financial Officer, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary Each certificate shall state the number of shares and the class or series of shares owned by such stockholder. If such certificate is manually signed by one officer or manually countersigned by a transfer agent or by a registrar, any other signature on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

If the Corporation is authorized to issue more than one class of stock or more than one series of any class, the powers, designations, preferences, relative or other special rights, qualifications, restrictions and limitations of each class or series shall be set forth in full or summarized on the face or back of the certificate representing such class or series of stock, provided that in lieu of the foregoing, there may be set forth on the back or face of the certificate a statement that the Corporation will furnish without charge to each stockholder who requests the powers, designations, preferences, relative or other special rights, qualifications, restrictions and limitations of such class or series.

Section 5.2. **Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates**. The Corporation may issue a new share certificate or a new certificate for any other security in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it (including any expense or liability) on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 5.3. **Issuance of non-certified book-entry shares.** The Corporation may by resolution provide for the issuance of shares of its capital stock in book-entry (uncertificated) form. In such event, all references in these Bylaws to the delivery of stock certificates shall be inapplicable. The Corporations Transfer Agent shall keep appropriate records indicating the number of shares of capital stock owned by each person to whom shares are issued, any restrictions applicable to such shares of capital stock and the duration thereof, and other relevant information. Upon expiration of any applicable restrictions for any reason, the Transfer Agent

Section 7.6. **Amendment of Bylaws**. These bylaws may be amended or repealed, and new bylaws adopted, by the Board of Directors. The stockholders entitled to vote, however, retain the right to adopt additional bylaws and may amend or repeal any bylaw whether or not adopted by them.

[Remainder Intentionally Left Blank.]

ARTICLE VI

Records

Section 6.1. **Records**. The Corporation shall keep a stock ledger, a list of stockholders and other books and records as may be required to run the Corporation. The Secretary shall have the duty to record the proceedings of the meetings of the stockholders, the Board of Directors and any committees in a book to be kept for that purpose.

Section 6.2. **Form of Records**. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be kept on, or be in the form of, computer discs, magnetic tape, photographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect the same.

ARTICLE VII

Miscellaneous

Section 7.1. **Fiscal Year**. The fiscal year of the Corporation shall be determined by the Board of Directors.

Section 7.2. **Seal**. The Corporation may have a corporate seal which shall have the name of the Corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors. The corporate seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

Section 7.3. **Waiver of Notice of Meetings of Stockholders, Directors and Committees**. Whenever notice is required to be given by law or under any provision of the certificate of incorporation or these bylaws, a written waiver thereof, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent of notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any written waiver of notice unless required in the certificate of incorporation or these bylaws.

Section 7.4. **Interested Directors; Quorum.** No contract or transaction between the Corporation and one or more of its directors or between the Corporation and any other Corporation, firm or association in which one or more of its directors are directors, or have a financial interest, shall be void or voidable solely for this reason, or solely because such director or directors are present at the meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies the contract or transaction, or solely because his or her or their votes are counted for such purpose, if: (1) the material facts as to his or her relationship or interest and as to the contract or transaction are fully disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee authorizes, approves or ratifies the contract or transaction in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum, or (2) the material facts as to his or her relationship or interest and as to the contract or transaction are fully disclosed or are known to the stockholders and such contract or transaction is specifically approved by the stockholders in good faith by vote of the stockholders; or (3) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 7.5. **Indemnification.** The Corporation shall have the power to indemnify to the full extent permitted by law any person made or threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person or such person's testator or instate is or was a director, officer or employee of the Corporation serves or served at the request of the Corporation as a director, officer, employee or agent of another enterprise. Expenses, including attorneys' fees, incurred by any such person in defending against such action, suit or proceeding may be paid in advance of the final disposition of such action, suit or proceeding by the Corporation upon receipt by it of an undertaking of such person to repay such expenses if it shall be ultimately determined that such person is not entitled to be indemnified by the Corporation. For purposes of this Section, the term "Corporation" shall include any predecessor of the Corporation and any constituent Corporation absorbed by the Corporation in consolidation or merger; the term "other enterprise" shall include any corporation, partnership, joint venture, trust or employee benefit plan; service "at the request of the Corporation" shall include services as a director, officer or employee of the Corporation which imposes duties on, or involves services by, such director, officer or employee with respect to an employee benefit plan, its participants or beneficiaries; any excise taxes assessed on a person with respect to an employee benefit plan shall be deemed to be indemnifiable expenses; and action by a person with respect to an employee benefit plan which such person reasonable believes to be in the interest of the participants and beneficiaries of such plan shall be deemed to be action not opposed to the best interests of the Corporation.

ADOPTION OF BYLAWS BY SOLE INCORPORATOR

OF

Atlis Motor Vehicles Inc

The undersigned, as sole incorporator of Atlis Motor Vehicles Inc, a Delaware corporation (the "Corporation"), hereby adopts the attached bylaws as the bylaws of the Corporation.

Executed as of December 6, 2017

By: Mark Hanchett, Sole Incorporator

CERTIFICATE BY SECRETARY OF ADOPTION
OF BYLAWS BY SOLE INCORPORATOR

OF

Atlis Motor Vehicles Inc

The undersigned, Mark Hanchett, as Secretary of Atlis Motor Vehicles Inc, a Delaware corporation (the "Corporation"), hereby certifies the attached document is a true and complete copy of the bylaws of the Corporation and that such bylaws were duly adopted by the person appointed in the Certificate of Incorporation to act as the sole incorporator of the Corporation on the date set forth below

IN WITNESS WHEREOF, the undersigned has executed this certificate as of December 6, 2017

Mark Hanchett
Secretary

ACTION BY UNANIMOUS WRITTEN CONSENT IN LIEU OF ORGANIZATIONAL MEETING BY THE BOARD OF DIRECTORS OF

Atlis Motor Vehicles Inc,
a Delaware Corporation

The undersigned, constituting all of the members of the board of directors (the "Board") of Atlis Motor Vehicles Inc, a Delaware corporation (the Corporation), in lieu of holding a meeting of the Board, hereby consent to the taking of the actions set forth herein, and the approval and adoption of the following resolutions by this unanimous written consent ("Written Consent") pursuant to Section 141 of the Delaware General Corporation Law and the Bylaws of the Corporation:

Certificate of Incorporation

RESOLVED, that the Certificate of Incorporation of the Corporation filed with the Delaware Secretary of State hereby is adopted, ratified and affirmed in all respects.

RESOLVED FURTHER, that the Secretary of the Corporation is authorized and directed to insert a certified copy of the Certificate of Incorporation in the Corporation's minute book.

Stock Issuance

RESOLVED, that the officers of the Corporation are hereby authorized to issue and sell shares of common stock of the Corporation, $0.001 par value (the "Shares"), which the Board hereby determines to be the fair market value of the Corporation's common stock as of the date hereof, to each person named below (the "Stockholder"), in the amounts specified opposite each name in exchange for cash or contributed property as follows:

Name of Stockholder	Number of Shares	Total Purchase Price($)
Mark Hanchett	10,000,000	$10,000.00

RESOLVED FURTHER, that the Board hereby determines that the consideration to be received for the above-mentioned Shares is adequate for the Corporation's purposes, and that the sale and issuance of the Shares to each of the above-named persons shall be conditioned upon receipt by the Corporation of the purchase price of said Shares and final copies of all appropriate documentation required by Corporation.

RESOLVED FURTHER, that upon the issuance and sale in accordance with the foregoing resolutions, such Shares shall be validly issued, fully paid and non-assessable shares of common stock of the Corporation.

RESOLVED FURTHER, that the officers of the Corporation are hereby authorized and directed, for and on behalf of the Corporation, (i) to take all actions necessary to comply with applicable laws with respect to the sale and issuance of the Shares, (ii) to thereafter execute and deliver on behalf of the Corporation, pursuant to the authorization above, share certificates representing the Shares set forth above, and (iii) to take any such other action as they may deem necessary or appropriate to carry out the issuance of the Shares and intent of these resolutions.

Election of Officers

RESOLVED, that the following individuals are hereby elected to serve in the offices of the Corporation set forth opposite their names until their successors are duly elected and qualified, or their earlier death, resignation or removal:

President: Mark Hanchett
Treasurer: Mark Hanchett
Secretary: Mark Hanchett
Chief Executive Officer: Mark Hanchett

Corporate Records and Minute Book

RESOLVED, that the officers of the Corporation are hereby authorized and directed to procure all corporate books, books of account and stock books that may be required by the laws of Delaware or of any foreign jurisdiction in which the Corporation may do business or which may be necessary or appropriate in connection with the business of the Corporation.

RESOLVED FURTHER, that the officers of the Corporation are authorized and directed to maintain a minute book containing the Certificate of Incorporation, as filed with and certified by the office of the Delaware Secretary of State and as may be amended from time to time, its Bylaws and any amendments thereto, and the minutes of any and all meetings and actions of the Board, Board committees and the Corporation's stockholders, together with such other documents, including this Written Consent, as the Corporation, the Board or the Corporation's stockholders shall from time to time direct and to ensure that an up to date copy is also kept at the principal executive office of the Corporation (as designated below).

Ratification of Actions by Incorporator

RESOLVED, that the Action by Written Consent of the Sole Incorporator dated December 6, 2017 and all actions taken by the Corporation's sole incorporator, LegalZoom.com, Inc. and its agents, in connection with the formation of the Corporation are hereby in all respects approved, ratified and affirmed for and on behalf of the Corporation.

Annual Accounting Period

RESOLVED, that until otherwise determined by the Board the fiscal year of the Corporation shall end on December 31.

Principal Executive Office

RESOLVED, that the principal executive office of the Corporation shall initially be located at 7259 East Posada Ave., Mesa Arizona 85212.

Bank Accounts

RESOLVED, that the officers of the Corporation are hereby authorized and directed to establish, maintain and close one or more accounts in the name of the Corporation for the funds of the Corporation with any federally insured bank or similar depository; to cause to be deposited, from time to time, in such accounts, such funds of the Corporation as such officer deems necessary or advisable, and to designate, change or revoke the designation, from time to time, of the officer or officers or agent or agents of the Corporation authorized to make such deposits and to sign or countersign checks, drafts or other orders for the payment of money issued in the name of the Corporation against any funds deposited in any of such accounts; and to make such rules and regulations with respect to such accounts as such officers may deem necessary or advisable, and to complete, execute and deliver any documents as banks and similar financial institutions customarily require to establish any such account and to exercise the authority granted by this resolution including, but not limited to, customary signature card forms and form banking resolutions.

RESOLVED FURTHER, that all form resolutions required by any such depository, if any, are adopted in such form used by such depository by this Board, and that the Secretary is authorized to certify such resolutions as having been adopted by the Board and directed to insert a copy of any such form resolutions in the minute book of the Corporation.

RESOLVED FURTHER, that any such depository to which a certified copy of these resolutions has been delivered by the Secretary of the Corporation is entitled to rely upon such resolutions for all purposes until it shall have received written notice of the revocation or amendment of these resolutions, as adopted by the Board.

Qualification to do Business

RESOLVED, that the officers of the Corporation are hereby authorized and directed for and on behalf of the Corporation to take such action as they may deem necessary or advisable to effect the qualification of the Corporation to do business as a foreign corporation in each state that the officers may determine to be necessary or appropriate, or to withdraw from or terminate the Corporation's qualification to do business in any such state.

RESOLVED FURTHER, that any resolutions which in connection with the foregoing shall be certified by the Secretary of the Corporation as having been adopted by the Board pursuant to this Written Consent shall be deemed adopted pursuant to this Written Consent with the same force and effect as if presented to the Board and adopted thereby on the date of this Written Consent, and shall be included in the minute book of the Corporation.

Payment of Expenses

RESOLVED, that the officers of the Corporation are hereby authorized and directed to pay all expenses of the incorporation and organization of the Corporation, including reimbursing any person for such person's verifiable expenses therefor.

Agent for Service of Process in Delaware

RESOLVED, that HARVARD BUSINESS SERVICES, INC. shall be appointed the Corporation's agent for service of process in Delaware.

Subchapter S Election

RESOLVED, that the Corporation shall elect to be treated as a "small business corporation" for income tax purposes under Subchapter S of Chapter 1 of the Internal Revenue Code of 1986,and under the parallel provisions of the laws of the state of Delaware and that the officers of the Corporation are hereby authorized and directed to complete and file or cause to be filed an Election by a Small Business Corporation with the Internal Revenue Service pursuant to Section 1362(a) of the Internal Revenue Code and obtain the written consent of each stockholder of the Corporation to such Subchapter S election and file such consent at the same time as the Election by a Small Business Corporation, or within an extended period of time as may be granted by the Internal Revenue Service.

Authorization of Further Actions

RESOLVED, that the officers of the Corporation are, and each of them hereby is, authorized, empowered and directed, for and on behalf of the Corporation, to execute all documents and to take all further actions they may deem necessary, appropriate or advisable to effect the purposes of each of the foregoing resolutions.

RESOLVED, that any and all actions taken by any officer of the Corporation in connection with the matters contemplated by the foregoing resolutions are hereby approved, ratified and confirmed in all respects as fully as if such actions had been presented to the Board for approval prior to such actions being taken.

IN WITNESS WHEREOF, each of the undersigned, being all the directors of the Corporation, has executed this Written Consent as of the date set forth below

Date: December 6, 2017

Directors:

Mark Hanchett

EXHIBIT B
FORM OF STOCK CERTIFICATE

ATLIS MOTOR VEHICLES

STOCK CERTIFICATE

This is to certify that

_____

IS THE OWNER OF _____ SHARES OF COMMON STOCK OF

ATLIS MOTOR VEHICLES INC.

ON THIS DAY OF _____ DAY OF _____ IN THE YEAR _____.

_____
SIGNATURE

_____
PRINT NAME

Authorized By

_____
SIGNATURE

_____
PRINT NAME

_____
TITLE

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "ATLIS MOTOR VEHICLES INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FIRST DAY OF APRIL, A.D. 2020.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "ATLIS MOTOR VEHICLES INC." WAS INCORPORATED ON THE NINTH DAY OF NOVEMBER, A.D. 2016.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

6208650 8300

SR# 20203006111

You may verify this certificate online at corp.delaware.gov/authver.shtml

Authentication: 202800408

Date: 04-21-20

CERTIFICATE OF AMENDMENT
OF THE BYLAWS
OF
Atlis Motor Vehicles

The undersigned, who is the [duly elected and/or acting] Secretary of Atlis Motor Vehicles, a Delaware corporation (the "Company"), does hereby certify, as follows:

1. Section 5.1 of Article V of the Bylaws of the Company was amended, by unanimous written consent of the Board, on December 12, 2017, to read in its entirety, as follows:

"Section Certificate of Shares. Shares of the corporation's stock may be certified or uncertified, as provided under Delaware law, and shall be entered in the books of the corporation and registered as they are issued. Certificates representing shares of the corporation's stock shall be signed in the name of the corporation by the chairman of the board or vice chairman of the board or the chief executive officer or president or vice president and by the chief financial officer or an assistant treasurer or the secretary or any assistant secretary, certifying the number of shares and the class or series of shares owned by the shareholder Any or all of the signatures on the certificate may be facsimile. In the event that any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed on the certificate shall have ceased to be that officer, transfer agent, or registrar before that certificate is issued, it may be issued by the corporation with the same effect as if that person were an officer, transfer agent, or registrar at the date of issue.

Within a reasonable time after the issuance or transfer of uncertified shares, the corporation shall send to the registered owner thereof a written notice that shall set forth the name of the corporation, that the corporation is organized under the laws of the State of Delaware, the name of the shareholder, the number and class (and the designation of the series, if any) of the shares represented, and any restrictions on the transfer or registration of such shares imposed by the corporation's certificate of incorporation, these by-laws, any agreement among shareholders or any agreement between shareholders and the corporation."

2. Section 5.1 of Article V of the Bylaws of the Company was amended, by unanimous written consent of the Board, on DECEMBER 12, 2017, to read in its entirety, as follows:

"Section 5.2. Lost Certificates. Except as provided in this Section 5.2, no new certificates for shares or uncertified shares shall be issued to replace an old certificate unless the latter is surrendered to the corporation and cancelled at the same time. The board of directors may, in case any share certificate or certificate for any other security is lost, stolen, or destroyed, authorize the issuance of a replacement certificate of stock, or uncertified shares in place of a certificate previously issued by it on such terms and conditions as the board may require, including provision for indemnification of the corporation secured by a bond or other adequate security sufficient to protect the corporation against any claim that may be made against it, including any expense or liability on account of the alleged loss, theft, or destruction of the certificate or the issuance of the replacement certificate or uncertified shares."

3. The foregoing amendments to the Bylaws of the Corporation have not been modified, amended, rescinded, or revoked and remain in full force and effect on the date hereof

The undersigned has executed this Certificate as of December 12, 2017

Mark Hanchett
Chief Executive Officer and Director

Name / Title

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That at a meeting of the Board of Directors of ATLIS MOTOR VEHICLES INC. resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "Fourth" so that, as amended, said Article shall be and read as follows:

Article Fourth: The total number of common shares which the corporation shall have the authority to issue is 17,857,143 shares and the par value of each of such shares is $0.29.

SECOND: That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said corporation has caused this certificate to be signed this 29 day of December, 2017.

By: _____
Authorized Officer

Title: President

Name: Mark Hanchett
Print or Type

UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS
OF
Atlis Motor Vehicles
a Delaware Corporation

The undersigned, being all of the directors of Atlis Motor Vehicles a Delaware corporation (the "Company"), pursuant to Del. Code Ann. Title 8 § 141 hereby consent, approve and adopt the following resolutions as if duly adopted at a special meeting of the Board of Directors held for this purpose

WHEREAS, it has been proposed that the Company sell and offer up to $1,035,714 in Common Stock (the "Securities") through [concurrent offerings under Regulation Crowdfunding and Regulation D (the "Concurrent Offerings")] OR [an offering under Regulation Crowdfunding (the "Offering")] under the Securities Act of 1933, as amended (the "Securities Act");

Regulation Crowdfunding Offering

WHEREAS, it has been proposed that the Company sell and offer up to $1,035,714 in Securities through an offering under Regulation Crowdfunding under the Securities Act, (the "Crowdfunding Offering"), pursuant to the terms of a subscription agreement by and among the Company and the investors party thereto (the "Subscription Agreement"), substantially in the form attached hereto as Exhibit A; and an Offering Memorandum on Form C that has been reviewed by the Board (the "Memorandum");

WHEREAS, the Board has been presented with and reviewed the Memorandum, and deems it to be in the best interests of the Company to authorize and approve the Memorandum and for the Company to engage in the Crowdfunding Offering;

WHEREAS, to comply with Regulation Crowdfunding, the Company must file a Form C with the Securities and Exchange Commission (the "SEC"), use an online portal to communicate the Crowdfunding Offering, have an independent certified public accountant conduct a financial review and enter into agreements with a transfer agent and an escrow agent;

NOW, THEREFORE BE IT RESOLVED, that the directors hereby authorize and approve the Memorandum and the Crowdfunding Offering, and the issuance of the Securities pursuant to the terms thereof;

Regulation D Offering

WHEREAS, it has been proposed that the Company sell and offer up to $1,035,714 in Securities through an offering under Regulation D under the Securities Act (the "Regulation D Offering"), pursuant to the terms of a [subscription/purchase] agreement by and among the Company and the investors party thereto (the "Regulation D Agreement"), substantially in the form attached hereto as Exhibit B;

NOW, THEREFORE BE IT RESOLVED, that the directors hereby authorize and approve the Regulation D Offering, and the issuance of Regulation D Securities;

RESOLVED, that the form, terms and provisions of the Regulation D Agreement be, and they hereby are,

in all respects, approved and adopted, and that the transactions contemplated by the Regulation D Agreement, including the issuance of the Regulation D Securities, be, and they hereby are, in all respects approved, and, further, that the Authorized Officers be, and each of them hereby is, authorized and directed in the name and on behalf of the Company, and under its corporate seal or otherwise, to execute and deliver the Regulation D Agreement in substantially such form, with such changes therein as the Authorized Officer executing the same shall, by the execution thereof, approve, and cause the Company to perform its obligations thereunder

Subscription Agreement

RESOLVED, that the form, terms and provisions of the Subscription Agreement by and among the Company and the investors party thereto, a copy of which has been submitted in substantially final form to each director of the Company and is attached hereto as Exhibit A, be, and they hereby are, in all respects, approved and adopted, and that the transactions contemplated by the Subscription Agreement, including the issuance of the Securities for a price of $0.29 per Security payable as set forth in the Subscription Agreement, be, and they hereby are, in all respects approved, and, further, that the officers of the Company (the "Authorized Officers") be, and each of them hereby is, authorized and directed in the name and on behalf of the Company, and under its corporate seal or otherwise, to execute and deliver the Subscription Agreement in substantially such form, with such changes therein as the Authorized Officer executing the same shall, by the execution thereof , approve, and cause the Company to perform its obligations thereunder

Uncertificated Securities

RESOLVED, that the Securities shall be uncertificated and the Authorized Officers shall record the investor name, address and number of Securities held by each purchaser on the Company's books and records (including books and records kept in digital form online). In the event a holder requests a written record of their investment within a reasonable time, the Authorized Officers are authorized to prepare and deliver a written notice setting forth the holder' s name, the amount of Securities held and any restrictions on the transfer or registration of said Securities imposed by the Certificate of Incorporation, the Company's bylaws and the Subscription Agreement or by law or regulation.

Amendments to the Company's Bylaws

WHEREAS, Section 5.1 of the Bylaws of the Company as adopted on December 12 provide that shares of the Company shall be in certificated form and the issuance of certificates is not contemplated in the [Offering] [Concurrent Offerings];

RESOLVED, that the amendments to the Company's Bylaws set out in the Certificate of Amendment attached hereto as Exhibit C, be, and hereby are, authorized and that the Authorized Officers are authorized to effect such amendment.

Filing of the Form C

RESOLVED, that the Authorized Officers are, and each of them acting singly is, authorized, in the name and on behalf of the Company, to cause to be compiled and filed with the SEC such Form C in the form required.

Online Portal

RESOLVED, that Start Engine Capital, LLC (" Start Engine") shall be engaged to provide the online portal required for a Crowdfunding Offering and that the Authorized Officers be, and each of them hereby is, authorized and directed in the name and on behalf of the Company, and under its corporate seal or otherwise, to enter into an agreement with Start Engine in connection with the Crowdfunding Offering and cause the Company to perform its obligations thereunder

Due Diligence

RESOLVED, that CrowdCheck, Inc. shall be retained to assist in the Form C preparation process and to conduct due diligence on the Memorandum, campaign page and other disclosures required for the Crowdfunding Offering and that the Authorized Officers be, and each of them hereby is, authorized and directed in the name and on behalf of the Company, and under its corporate seal or otherwise, to enter into an agreement with CrowdCheck, Inc. in connection with the Crowdfunding Offering and cause the Company to perform its obligations thereunder

Financial Review

RESOLVED, that Jason M Tyra CPA, PLLC ("CPA") shall be retained to conduct the required financial review of the Company's 2016 and 2017 financial statements and that the Authorized Officers be, and each of them hereby is, authorized and directed in the name and on behalf of the Company, and under its corporate seal or otherwise, to enter into an agreement with CPA in connection with Crowdfunding Offering and cause the Company to perform its obligations thereunder

Escrow Agent

RESOLVED, that [Prime Trust] shall be appointed escrow agent and that the Authorized Officers be, and each of them hereby is, authorized and directed in the name and on behalf of the Company, and under its corporate seal or otherwise, to enter into an agreement with said escrow agent in connection with the Crowdfunding Offering and cause the Company to perform its obligations thereunder

Transfer Agent

RESOLVED, that [Fund America Stock Transfer, LLC] shall be appointed transfer agent and that the Authorized Officers be, and each of them hereby is, authorized and directed in the name and on behalf of the Company, and under its corporate seal or otherwise, to enter into an agreement with said transfer agent in connection with the Crowdfunding Offering and cause the Company to perform its obligations thereunder

General Authorization

RESOLVED FURTHER, that the Authorized Officers of the Company are hereby severally authorized and directed to take, or cause to be taken, all actions in the name and on behalf of the Company, that such officers determine are necessary or advisable to consummate the transactions contemplated by, or otherwise to effect the purposes of, the foregoing resolutions, including, but not limited to, signing, certifying to, verifying, acknowledging, delivering, accepting, filing and recording all agreements, instruments and documents related to any of the resolutions.

RESOLVED FURTHER that all acts of the officers of the Company taken before the date hereof in connection with matters referred to in these resolutions are hereby ratified, approved and adopted as acts of the Company.

IN WITNESS WHEREOF, the undersigned have executed this unanimous written consent effective as of December 12, 2017

Name: Mark Hanchett, Chief Executive Officer, Director

EXHIBIT B

REGULATION D AGREEMENT

EXHIBIT A

SUBSCRIPTION AGREEMENT

EXHIBIT C

CERTIFICATE OF AMENDMENT
OF THE BYLAWS
OF
Atlis Motor Vehicles

The undersigned, who is the [duly elected and/or acting] Secretary of Atlis Motor Vehicles, a Delaware corporation (the "Company"), does hereby certify, as follows:

1. Section 5.1 of Article V of the Bylaws of the Company was amended, by unanimous written consent of the Board, on December 12, 2017, to read in its entirety, as follows:

"Section Certificate of Shares. Shares of the corporation's stock may be certified or uncertified, as provided under Delaware law, and shall be entered in the books of the corporation and registered as they are issued. Certificates representing shares of the corporation's stock shall be signed in the name of the corporation by the chairman of the board or vice chairman of the board or the chief executive officer or president or vice president and by the chief financial officer or an assistant treasurer or the secretary or any assistant secretary, certifying the number of shares and the class or series of shares owned by the shareholder Any or all of the signatures on the certificate may be facsimile. In the event that any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed on the certificate shall have ceased to be that officer, transfer agent, or registrar before that certificate is issued, it may be issued by the corporation with the same effect as if that person were an officer, transfer agent, or registrar at the date of issue.

Within a reasonable time after the issuance or transfer of uncertified shares, the corporation shall send to the registered owner thereof a written notice that shall set forth the name of the corporation, that the corporation is organized under the laws of the State of Delaware, the name of the shareholder, the number and class (and the designation of the series, if any) of the shares represented, and any restrictions on the transfer or registration of such shares imposed by the corporation's certificate of incorporation, these by-laws, any agreement among shareholders or any agreement between shareholders and the corporation."

2. Section 5.1 of Article V of the Bylaws of the Company was amended, by unanimous written consent of the Board, on DECEMBER 12, 2017, to read in its entirety, as follows:

"Section 5.2. Lost Certificates. Except as provided in this Section 5.2, no new certificates for shares or uncertified shares shall be issued to replace an old certificate unless the latter is surrendered to the corporation and cancelled at the same time. The board of directors may, in case any share certificate or certificate for any other security is lost, stolen, or destroyed, authorize the issuance of a replacement certificate of stock, or uncertified shares in place of a certificate previously issued by it on such terms and conditions as the board may require, including provision for indemnification of the corporation secured by a bond or other adequate security sufficient to protect the corporation against any claim that may be made against it, including any expense or liability on account of the alleged loss, theft, or destruction of the

certificate or the issuance of the replacement certificate or uncertified shares."

3. The foregoing amendments to the Bylaws of the Corporation have not been modified, amended, rescinded, or revoked and remain in full force and effect on the date hereof

The undersigned has executed this Certificate as of December 12, 2017

Mark Hanchett
Chief Executive Officer and Director

Name / Title

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION

Atlis Motor Vehicles Inc. a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware.

DOES HEREBY CERTIFY:

FIRST: That at a meeting of the Board of Directors of Atlis Motor Vehicles Inc. resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "FOURTH:" so that, as amended said Article shall be and read as follows:

"The total number of shares of stock which the corporation is authorized to issue is 60,000,000 shares of common stock having a par value of $0.0001 per share."

SECOND: That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held, upon notice in accordance with Section 222 of the General Corporation law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Atlis Motor Vehicles Inc. has caused this certificate to be signed by an authorized officer, this 22 day of January, 2020.

BY: _____-Signature

Name: Mark Hanchett -please print

Authorized Officer

citrix
RightSignature
SIGNATURE CERTIFICATE

REFERENCE NUMBER
0238644B-B498-4413-BD84-4B1D2F58A617

TRANSACTION DETAILS	DOCUMENT DETAILS
Reference Number 0238644B-B498-4413-BD84-4B1D2F58A617	**Document Name** Atlis Motor Vehicles Inc - Stock Amendments
Transaction Type Signature Request	**Filename** atlis_motor_vehicles_inc_-_stock_amendments.pdf
Sent At 01/21/2020 14:41 EST	**Pages** 1 page
Executed At 01/22/2020 20:39 EST	**Content Type** application/pdf
Identity Method email	**File Size** 70.6 KB
Distribution Method email	**Original Checksum**
Signed Checksum	
Signer Sequencing Disabled	
Document Passcode Disabled	

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
Name Atlis Motor Vehicles Inc.	**Status** signed	**Viewed At** 01/22/2020 20:39 EST
Email mark@atlismotorvehicles.com	**Multi-factor Digital Fingerprint Checksum**	**Identity Authenticated At** 01/22/2020 20:39 EST
Components 4	**IP Address** 98.165.208.75	**Signed At** 01/22/2020 20:39 EST
	Device Chrome via Windows	
	Drawn Signature	
	Signature Reference ID 142183E1	
	Signature Biometric Count 33	

AUDITS

TIMESTAMP	AUDIT
01/22/2020 20:39 EST	Atlis Motor Vehicles Inc. (mark@atlismotorvehicles.com) signed the document on Chrome via Windows from 98.165.208.75.
01/22/2020 20:39 EST	Atlis Motor Vehicles Inc. (mark@atlismotorvehicles.com) authenticated via email on Chrome via Windows from 98.165.208.75.
01/22/2020 20:39 EST	Atlis Motor Vehicles Inc. (mark@atlismotorvehicles.com) viewed the document on Chrome via Windows from 98.165.208.75.
01/21/2020 19:59 EST	Atlis Motor Vehicles Inc. (mark@atlismotorvehicles.com) viewed the document on Mobile Safari via iOS from 174.238.20.4.
01/21/2020 18:13 EST	Atlis Motor Vehicles Inc. (mark@atlismotorvehicles.com) viewed the document on Mobile Safari via iOS from 174.238.6.238.
01/21/2020 14:41 EST	Atlis Motor Vehicles Inc. (mark@atlismotorvehicles.com) was emailed a link to sign.
01/21/2020 14:41 EST	Harvard Filings Team (filings@delawareinc.com) created document 'atlis_motor_vehicles_inc_-_stock_amendments.pdf' on Internet Explorer via Windows from 74.94.220.93.

BOARD RESOLUTION

Whereas *Athis Motor Vehicles, Inc* shall continue to operate in its research and development of an electric motor vehicle;

Whereas authority to create separate and distinct classes of common stock is necessary for *Athis Motor Vehicles, Inc* to continue raising funds for further operations while maintaining voting control.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of *Athis Motor Vehicles, Inc* hereby authorizes the creation of the following classes of common stock:

Class A
Class A common stock has 1 vote per share. This Class A classification shall be applied to all issued common stock unless noted otherwise.

Class B
Class B common stock has no voting power. This Class B classification is reserved for future issues of common stock.

Class C
Class C common stock is Non-participating Preferred Common Stock. This Class C common stock has 1 vote per share. Class C stock receives non-participating preferred liquidation preference. Upon a sale or transfer of Class C stock, Class C stock shall be converted to Class A stock. Holder of Class C stock has the right to a board seat.

Class D
Class D classification of common stock has 10 votes per share. This Class D classification may be used for future issues of common stock. Upon termination or resignation of employment all Class D stock vested to employee shall convert to Class A stock.

Approved: Mark Hanchett / Date: 3-6-2020

Chairman, Director

CERTIFICATION

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of *Arliz Motor Vehicles, Inc*; and
2. That the foregoing constitutes a Resolution of the Board of said corporation, as duly adopted at a meeting of the Board of Directors thereof, held on the 6 day of March, 2020.

IN WITNESS WHEREOF, I have hereunto subscribed by name and affixed the seal of said corporation, this 6 day of March, 2020.

Corporate Secretary,
Arliz Motor Vehicles, Inc

Exhibit 1A-4

FORM OF SUBSCRIPTION AGREEMENT RELATING TO OFFERING CONSUMMATED AUGUST 12, 2020 FOR THE SALE OF COMMON STOCK

Atlis Motor Vehicles, Inc.

A Delaware Corporation

INSTRUCTIONS TO SUBSCRIBERS

IF, AFTER YOU HAVE CAREFULLY REVIEWED THE OFFERING CIRCULAR DATED AUGUST 12, 2020 (THE "OFFERING CIRCULAR") OF ATLIS MOTOR VEHICLES, INC. (THE "COMPANY"), YOU DECIDE TO PURCHASE SHARES (AS DESCRIBED IN THE OFFERING CIRCULAR), PLEASE CAREFULLY OBSERVE THE INSTRUCTIONS BELOW. THE INFORMATION REQUESTED IN THESE SUBSCRIPTION PAPERS IS NECESSARY TO ENSURE EXEMPTION FROM REGISTRATION UNDER SECTION 4(2) AND REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED. SUCH INFORMATION IS CONFIDENTIAL AND WILL NOT BE REVIEWED BY ANYONE OTHER THAN THE COMPANY AND ITS COUNSEL. ALL SUBSCRIPTION PAPERS MUST BE COMPLETED, CORRECTLY SIGNED AND DATED, OR THEY MAY NOT BE ACCEPTED.

CAPITALIZED TERMS USED BUT NOT DEFINED HEREIN SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN THE OFFERING CIRCULAR.

NOTICE TO INVESTORS

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. THIS INVESTMENT IS SUITABLE ONLY FOR PERSONS WHO CAN BEAR THE ECONOMIC RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. FURTHERMORE, INVESTORS MUST UNDERSTAND THAT SUCH INVESTMENT IS ILLIQUID AND IS EXPECTED TO CONTINUE TO BE ILLIQUID FOR AN INDEFINITE PERIOD OF TIME. NO PUBLIC MARKET EXISTS FOR THE SECURITIES.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "*SECURITIES ACT*"), OR ANY STATE SECURITIES OR BLUE SKY LAWS AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND STATE SECURITIES OR BLUE SKY LAWS. ALTHOUGH AN OFFERING STATEMENT HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "*SEC*"), THAT OFFERING STATEMENT DOES NOT INCLUDE THE SAME INFORMATION THAT WOULD BE INCLUDED IN A REGISTRATION STATEMENT UNDER THE ACT. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON THE MERITS OF THIS OFFERING OR THE ADEQUACY OR ACCURACY OF THE SUBSCRIPTION AGREEMENT OR ANY OTHER MATERIALS OR INFORMATION MADE AVAILABLE TO PROSPECTIVE INVESTOR IN CONNECTION WITH THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE SECURITIES CANNOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT. IN ADDITION, THE SECURITIES CANNOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH APPLICABLE STATE SECURITIES OR "*BLUE SKY*" LAWS. INVESTORS WHO ARE NOT "*ACCREDITED INVESTORS*" (AS THAT TERM IS DEFINED IN SECTION 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT) ARE SUBJECT TO LIMITATIONS ON THE AMOUNT THEY MAY INVEST, AS SET OUT IN SECTION 4(g). THE COMPANY IS RELYING ON THE REPRESENTATIONS AND WARRANTIES SET FORTH BY EACH INVESTOR IN THIS SUBSCRIPTION AGREEMENT AND THE OTHER INFORMATION PROVIDED BY INVESTOR IN CONNECTION WITH THIS OFFERING TO DETERMINE THE APPLICABILITY TO THIS OFFERING OF EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PROSPECTIVE INVESTORS MAY NOT TREAT THE CONTENTS OF THE SUBSCRIPTION AGREEMENT, THE OFFERING CIRCULAR OR ANY OF THE OTHER MATERIALS PROVIDED BY THE COMPANY (COLLECTIVELY, THE "*OFFERING MATERIALS*"), OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY OF ITS OFFICERS, EMPLOYEES OR AGENTS (INCLUDING "*TESTING THE WATERS*" MATERIALS) AS INVESTMENT, LEGAL OR TAX ADVICE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND THE RISKS INVOLVED. EACH PROSPECTIVE INVESTOR SHOULD CONSULT THE INVESTOR'S OWN COUNSEL, ACCOUNTANTS AND OTHER PROFESSIONAL ADVISORS AS TO INVESTMENT, LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING THE INVESTOR'S PROPOSED INVESTMENT.

THE OFFERING MATERIALS MAY CONTAIN FORWARD-LOOKING STATEMENTS AND INFORMATION RELATING TO, AMONG OTHER THINGS, THE COMPANY, ITS BUSINESS PLAN AND STRATEGY, AND ITS INDUSTRY. THESE FORWARD-LOOKING STATEMENTS ARE BASED ON THE BELIEFS OF, ASSUMPTIONS MADE BY, AND INFORMATION CURRENTLY AVAILABLE TO THE COMPANY'S MANAGEMENT. WHEN USED IN THE OFFERING MATERIALS, THE WORDS "*ESTIMATE*," "*PROJECT*," "*BELIEVE*," "*ANTICIPATE*," "*INTEND*," "*EXPECT*" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS, WHICH CONSTITUTE FORWARD LOOKING STATEMENTS. THESE STATEMENTS REFLECT MANAGEMENT'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE THE COMPANY'S ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THE FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE ON WHICH THEY ARE MADE. THE COMPANY DOES NOT UNDERTAKE ANY OBLIGATION TO REVISE OR UPDATE THESE FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER SUCH DATE OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

DO NOT SIGN THE SUBSCRIPTION AGREEMENT UNLESS YOU CAN MAKE ALL THE REPRESENTATIONS CONTAINED THEREIN AND IN THE ATTACHED QUALIFIED PURCHASER QUESTIONNAIRE.

(THIS SPACE IS INTENTIONALLY LEFT BLANK)

SUBSCRIPTION AGREEMENT

This subscription agreement (this "**Subscription Agreement**" or the "**Agreement**") is entered into by and between **Atlis Motor Vehicles, Inc.**, a Delaware corporation (hereinafter the "**Company**") and the undersigned (hereinafter the "**Investor**") as of the date set forth on the signature page hereto. Any term used but not defined herein shall have the meaning set forth in the Offering Circular (as defined below).

RECITALS

WHEREAS, the Company desires to offer shares of Class A common stock, par value $0.001 per share (the "**Class A Common Stock**") on a "*best efforts*" basis pursuant to Regulation A of Section 3(6) of the Securities Act of 1933, as amended (the "**Securities Act**"), pursuant to a Tier 2 offerings (the "**Offering"**), of up to 3,033,987 shares of Class A Common Stock of the Company, at a purchase price of $8.24 per share (the **"Per Share Purchase Price**"), for total gross proceeds of up to $25,000,000 (the "**Maximum Offering**"); and

WHEREAS, the Investor desires to acquire that number of shares of Class A Common Stock (the "**Shares**") as set forth on the signature page hereto at the purchase price set forth herein; and

WHEREAS, the Offering will terminate on the first to occur of: (i) January 15, 2021, subject to extension for up to one hundred-eighty (180) days in the sole discretion of the Company; or (ii) the date on which the Maximum Offering is sold; or (iii) when our board of directors elects to terminate the Offering (in either case, the "**Termination Date**").

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereto do hereby agree as follows:

1. Subscription.

(a) The Investor hereby irrevocably subscribes for and agrees to purchase the number of Shares set forth on the signature page hereto at the Per Share Purchase Price, upon the terms and conditions set forth herein. The aggregate purchase price for the Shares with respect to each Investor (the "**Purchase Price**") is payable in the manner provided in ***Section 2(a)*** below..

(b) Investor understands that the Shares are being offered pursuant to the Form 1-A Regulation A Offering Circular dated May 4, 2020 and its exhibits as filed with the Securities and Exchange Commission (the "**SEC**") on May 4, 2020 and the Form 1-A Amended Offering Circular filed with the SEC on June 5, 2020, and the Form 1-A Amended Offering Circular filed with the SEC on June 26, 2020 (collectively, the "**Offering Circular**"). The Investor is also urged to review the Company's Annual Report for its fiscal year ended December 31, 2019, which has been filed or will be filed by the Company with the SEC pursuant to Rule 257(b)(1) of Regulation A and any Form 1-U Current Reports pursuant to Regulation A filed by the Company with the SEC (all such reports, together with the Offering Circular are hereinafter collectively referred to as the "**SEC Reports**"). By subscribing to the Offering, the Investor acknowledges that Investor has received a copy of the SEC Reports and any other information required by Investor to make an investment decision with respect to the Shares. The Company will accept tenders of funds to purchase the Shares. The Company will close on investments on a "*rolling basis*," pursuant to the terms of the Offering Circular. As a result, not all investors will receive their Shares on the same date.

(c) This subscription may be accepted or rejected in whole or in part, for any reason or for no reason, at any time prior to the Termination Date, by the Company at its sole and absolute discretion. In addition, the Company, at its sole and absolute discretion, may allocate to Investor only a portion of the number of the Shares that Investor has subscribed for hereunder. The Company will notify Investor whether this subscription is accepted (whether in whole or in part) or rejected. If Investor's subscription is rejected, Investor's payment (or portion thereof if partially rejected) will be returned to Investor without interest and all of Investor's obligations hereunder shall terminate. In the event of rejection of this subscription in its entirety, or in the event the sale of the Shares (or any portion thereof) to an Investor is not consummated for any reason, this Subscription Agreement shall have no force or effect, except for ***Section 5*** hereof, which shall remain in full force and effect.

(d) The terms of this Subscription Agreement shall be binding upon Investor and its permitted transferees, heirs, successors and assigns (collectively, the "**Transferees**"); provided, however, that for any such transfer to be deemed effective, the Transferee shall have executed and delivered to the Company in advance an instrument in form acceptable to the Company in its sole discretion, pursuant to which the proposed Transferee shall acknowledge and agree to be bound by the representations and warranties of Investor and the terms of this Subscription Agreement. No transfer of this Agreement may be made without the consent of the Company, which may be withheld in its sole and absolute discretion.

2. Payment and Purchase Procedure. The Purchase Price shall be paid simultaneously with Investor's subscription. Investor shall deliver payment for the aggregate purchase price of the Shares by check, credit card, ACH deposit or by wire transfer to an account designated by the Company, or through Company's FINRA certified broker-dealer, as outlined in ***Section 8*** below. The Investor acknowledges that, in order to subscribe for Shares, he must fully comply with the purchase procedure requirements set forth in ***Section 8*** below.

3. Representations and Warranties of the Company. The Company represents and warrants to Investor that the following representations and warranties are true and complete in all material respects as of the date of each Closing: (a) the Company is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware. The Company has all requisite power and authority to own and operate its properties and assets, to execute and deliver this Subscription Agreement, the Shares and any other agreements or instruments required hereunder. The Company is duly qualified and is authorized to do business and is in good standing as a foreign corporation in all jurisdictions in which the nature of its activities and of its properties (both owned and leased) makes such qualification necessary, except for those jurisdictions in which failure to do so would not have a material adverse effect on the Company or its business; (b) The issuance, sale and delivery of the Shares in accordance with this Subscription Agreement have been duly authorized by all necessary corporate action on the part of the Company. The Shares, when issued, sold and delivered against payment therefor in accordance with the provisions of this Subscription Agreement, will be duly and validly issued, fully paid and non-assessable; (c) the acceptance by the Company of this Subscription Agreement and the consummation of the transactions contemplated hereby are within the Company's powers and have been duly authorized by all necessary corporate action on the part of the Company. Upon the Company's acceptance of this Subscription Agreement, this Subscription Agreement shall constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and (iii) with respect to provisions relating to indemnification and contribution, as limited by the Company's certificate of incorporation, bylaws and the Delaware General Corporate Law in general.

4. Representations and Warranties of Investor. By subscribing to the Offering, Investor (and, if Investor is purchasing the Shares subscribed for hereby in a fiduciary capacity, the person or persons for whom Investor is so purchasing) represents and warrants, which representations and warranties are true and complete in all material respects, as of the date of each Closing:

(a) ***Requisite Power and Authority***. Investor has all necessary power and authority under all applicable provisions of law to subscribe to the Offering, to execute and deliver this Subscription Agreement and to carry out the provisions thereof. All actions on Investor's part required for the lawful subscription to the offering have been or will be effectively taken prior to the Closing. Upon subscribing to the Offering, this Subscription Agreement will be a valid and binding obligation of Investor, enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights and (ii) as limited by general principles of equity that restrict the availability of equitable remedies.

(b) ***Company Offering Circular and SEC Reports***. Investor acknowledges the public availability of the Company's Offering Circular. This Offering Circular is made available in the Company's offering statement on SEC Form 1-A,on May 4, 2020. Such Offering Circular was amended and restated pursuant to the pre-qualification amendments to the Offering Circular filed with the SEC on June 5, 2020, June 26, 2020, and July 15, 2020. In the Company's Offering Circular it makes clear the terms and conditions of the offering of Shares and the risks associated therewith are described. Investor has had an opportunity to discuss the Company's business, management and financial affairs with directors, officers and management of the Company and has had the opportunity to review the Company's operations and facilities. Investor has also had the opportunity to ask questions of and receive answers from the Company and its management regarding the terms and conditions of this investment. Investor acknowledges that except as set forth herein, no representations or warranties have been made to Investor, or to Investor's advisors or representative, by the Company or others with respect to the business or prospects of the Company or its financial condition.

(c) ***Investment Experience; Investor Determination of Suitability***. Investor has sufficient experience in financial and business matters to be capable of utilizing such information to evaluate the merits and risks of Investor's investment in the Shares, and to make an informed decision relating thereto. Alternatively, the Investor has utilized the services of a purchaser representative and together they have sufficient experience in financial and business matters that they are capable of utilizing such information to evaluate the merits and risks of Investor's investment in the Shares, and to make an informed decision relating thereto. Investor has evaluated the risks of an investment in the Shares, including those described in the section of the Offering Circular entitled "*Risk Factors*," and has determined that the investment is suitable for Investor. Investor has adequate financial resources for an investment of this character. Investor could bear a complete loss of Investor's investment in the Company.

(d) ***No Registration***. Investor understands that the Shares are not being registered under the Securities Act on the ground that the issuance is exempt under Regulation A of Section 3(b) of the Securities Act, and that reliance on such exemption is predicated in part on the truth and accuracy of Investor's representations and warranties, and those of the other purchasers of the Shares, in the offering. Investor further understands that the Company has engaged the services of a broker/dealer who is registered with the Financial Industry Regulatory Authority ("**FINRA**"), JumpStart Securities, LLC. The Company intends to use the broker/dealer to register/qualify the Shares in all states.. In the event that Shares are so registered or qualified, the Company will notify the Investor and all prospective purchasers of the Shares as to those states in which the Company is permitted to offer and sell the Shares. If FINRA approves the compensation of such broker/dealer, then the Shares will no longer be required to be registered under state securities laws on the basis that the issuance thereof is exempt as an offer and sale not involving a registrable public offering in such state, as the Shares will be "*covered securities*" under the National Securities Market Improvement Act of 1996. The Investor covenants not to sell, transfer or otherwise dispose of any Shares unless such Shares have been registered under the applicable state securities laws in which the Shares are sold, or unless exemptions from such registration requirements are otherwise available.

(e) ***Illiquidity and Continued Economic Risk***. Investor acknowledges and agrees that there is no ready public market for the Shares and that there is no guarantee that a market for their resale will ever exist. The Company has no obligation to list any of the Shares on any market or take any steps (including registration under the Securities Act or the Securities Exchange Act of 1934, as amended) with respect to facilitating trading or resale of the Shares. Investor must bear the economic risk of this investment indefinitely and Investor acknowledges that Investor is able to bear the economic risk of losing Investor's entire investment in the Shares.

(f) ***Accredited Investor Status or Investment Limits***. Investor represents that either:

(i) that Investor is an "*accredited investor*" within the meaning of Rule 501 of Regulation D under the Shares Act; or

(ii) that the Purchase Price, together with any other amounts previously used to purchase Shares in this offering, does not exceed Ten Percent (10%) of the greater of Investor's annual income or net worth (or in the case where Investor is a non-natural person, their revenue or net assets for such Investor's most recently completed fiscal year end).

Investor represents that to the extent it has any questions with respect to its status as an accredited investor, or the application of the investment limits, it has sought professional advice.

(g) ***Stockholder Information***. Within five (5) days after receipt of a request from the Company, Investor hereby agrees to provide such information with respect to its status as a stockholder (or potential stockholder) and to execute and deliver such documents as may reasonably be necessary to comply with any and all laws and regulations to which the Company is or may become subject, including, without limitation, the need to determine the accredited investor status of the Company's stockholders. Investor further agrees that in the event it transfers any Shares, it will require the transferee of such Shares to agree to provide such information to the Company as a condition of such transfer.

(h) ***Valuation; Arbitrary Determination of Per Share Purchase Price by the Company***. Investor acknowledges that the Per Share Purchase Price of the Shares to be sold in this offering was set by the Company on the basis of the Company's internal valuation and no warranties are made as to value. Investor further acknowledges that future offerings of securities of the Company may be made at lower valuations, with the result that Investor's investment will bear a lower valuation.

(i) ***Domicile***. Investor maintains Investor's domicile (and is not a transient or temporary resident) at the address provided with Investors subscription.

(j) ***Foreign Investors***. If Investor is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), Investor hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Shares or any use of this Subscription Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Shares, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Shares. Investor's subscription and payment for and continued beneficial ownership of the Shares will not violate any applicable securities or other laws of Investor's jurisdiction.

(k) ***Fiduciary Capacity***. If Investor is purchasing the Shares in a fiduciary capacity for another person or entity, including without limitation a corporation, partnership, trust or any other entity, the Investor has been duly authorized and empowered to execute this Agreement and all other subscription documents. Upon request of the Company, Investor will provide true, complete and current copies of all relevant documents creating the Investor, authorizing its investment in the Company and/or evidencing the satisfaction of the foregoing.

5. Indemnity. The representations, warranties and covenants made by Investor herein shall survive the closing of this Subscription Agreement. Investor agrees to indemnify and hold harmless the Company and its respective officers, directors and affiliates, and each other person, if any, who controls the Company within the meaning of Section 15 of the Securities Act against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all reasonable attorneys' fees, including attorneys' fees on appeal) and expenses reasonably incurred in investigating, preparing or defending against any false representation or warranty or breach of failure by Investor to comply with any covenant or agreement made by Investor herein or in any other document furnished by Investor to any of the foregoing in connection with this transaction

6. Governing Law; Jurisdiction; Waiver of Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of the Offering Circular, including, without limitation, this Subscription Agreement, shall be governed by and construed and enforced in accordance with the internal laws of the State of Arizona, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Subscription Agreement and any documents included within the Offering Circular (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the State of Arizona. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the State of Arizona for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the documents included within the Offering Circular), and hereby irrevocably waives, and agrees not to assert in any action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Subscription Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If any party hereto shall commence an action or proceeding to enforce any provisions of the documents included within the Offering Circular, then the prevailing party in such action or proceeding shall be reimbursed by the non-prevailing party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

Note that this waiver pertains to any and all claims, including those derived from federal securities laws. Such a waiver may result in risks to investors such as increased costs to bring a claim, limited access to information, and other imbalances of resources between the Company and Shareholders. This waiver may discourage claims or limit shareholders' ability to bring a claim in a judicial forum that they find favorable, and there is uncertainty as to whether a court of competent jurisdiction would enforce the provision. Investors cannot waive compliance with the federal securities laws and their rules and regulations.

7. Notices. Notice, requests, demands and other communications relating to this Subscription Agreement and the transactions contemplated herein shall be in writing and shall be deemed to have been duly given if and when (a) delivered personally, on the date of such delivery; or (b) mailed by registered or certified mail, postage prepaid, return receipt requested, in the third day after the posting thereof; or (c) emailed on the date of such delivery to the address of the respective parties as follows, *if to the Company, to* Atlis Motor Vehicles, Inc 1828 N. Higley Rd. Mesa, AZ 85205, Attention: Mark Hanchett, Chief Executive Officer or Annie Pratt, President or via annie@atlismotorvehicles.com. If to Investor, at Investor's address supplied in connection with this subscription, or to such other address as may be specified by written notice from time to time by the party entitled to receive such notice. Any notices, requests, demands or other communications by email shall be confirmed by letter given in accordance with (a) or (b) above.

8. Purchase Procedure. The Investor acknowledges that, in order to subscribe for Shares, he must, and he does hereby, deliver to the Company: (a) a fully completed and executed counterpart of the Signature Page attached to this Subscription Agreement; and (b) payment for the aggregate Purchase Price in the amount set forth on the Signature Page attached to this Agreement. Payment may be made by either check, wire, credit card or ACH deposits using the form provided on invest.atlismotorvehicles.com. This form will be submitted to PrimeTrust, the Company's escrow and payment processing provider.

9. Miscellaneous. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons or entity or entities may require. Other than as set forth herein, this Subscription Agreement is not transferable or assignable by Investor. The representations, warranties and agreements contained herein shall be deemed to be made by and be binding upon Investor and its heirs, executors, administrators and successors and shall inure to the benefit of the Company and its successors and assigns. None of the provisions of this Subscription Agreement may be waived, changed or terminated orally or otherwise, except as specifically set forth herein or except by a writing signed by the Company and Investor. In the event any part of this Subscription Agreement is found to be void or unenforceable, the remaining provisions are intended to be separable and binding with the same effect as if the void or unenforceable part were never the subject of agreement. The invalidity, illegality or unenforceability of one or more of the provisions of this Subscription Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Subscription Agreement in such jurisdiction or the validity, legality or enforceability of this Subscription Agreement, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law. This Subscription Agreement supersedes all prior discussions and agreements between the parties, if any, with respect to the subject matter hereof and contains the sole and entire agreement between the parties hereto with respect to the subject matter hereof. The terms and provisions of this Subscription Agreement are intended solely for the benefit of each party hereto and their respective successors and assigns, and it is not the intention of the parties to confer, and no provision hereof shall confer, third-party beneficiary rights upon any other person. The headings used in this Subscription Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof. In the event that either party hereto shall commence any suit, action or other proceeding to interpret this Subscription Agreement, or determine to enforce any right or obligation created hereby, then such party, if it prevails in such action, shall recover its reasonable costs and expenses incurred in connection therewith, including, but not limited to, reasonable attorney's fees and expenses and costs of appeal, if any. All notices and communications to be given or otherwise made to Investor shall be deemed to be sufficient if sent by e-mail to such address provided by Investor on the signature page of this Subscription Agreement. Unless otherwise specified in this Subscription Agreement, Investor shall send all notices or other communications required to be given hereunder to the Company. Any such notice or communication shall be deemed to have been delivered and received on the first business day following that on which the e-mail has been sent (assuming that there is no error in delivery). As used in this ***Section 9***, the term "*business day*" shall mean any day other than a day on which banking institutions in the State of Arizona are legally closed for business. This Subscription Agreement may be executed in one or more counterparts. No failure or delay by any party in exercising any right, power or privilege under this Subscription Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

10. Consent to Electronic Delivery of Notices, Disclosures and Forms. Investor understands that, to the fullest extent permitted by law, any notices, disclosures, forms, privacy statements, reports or other communications (collectively, "**Communications**") regarding the Company, the Investor's investment in the Company and the shares of Class A Common Stock (including annual and other updates and tax documents) may be delivered by electronic means, such as by e-mail. Investor hereby consents to electronic delivery as described in the preceding sentence. In so consenting, Investor acknowledges that e-mail messages are not secure and may contain computer viruses or other defects, may not be accurately replicated on other systems or may be intercepted, deleted or interfered with, with or without the knowledge of the sender or the intended recipient. The Investor also acknowledges that an e-mail from the Company may be accessed by recipients other than the Investor and may be interfered with, may contain computer viruses or other defects and may not be successfully replicated on other systems. Neither the Company, nor any of its respective officers, directors and affiliates, and each other person, if any, who controls the Company within the meaning of Section 15 of the Securities Act (collectively, the "**Company Parties**"), gives any warranties in relation to these matters. Investor further understands and agrees to each of the following: (a) other than with respect to tax documents in the case of an election to receive paper versions, none of the Company Parties will be under any obligation to provide Investor with paper versions of any Communications; (b) electronic Communications may be provided to Investor via e-mail or a website of a Company Party upon written notice of such website's internet address to such Investor. In order to view and retain the Communications, the Investor's computer hardware and software must, at a minimum, be capable of accessing the Internet, with connectivity to an internet service provider or any other capable communications medium, and with software capable of viewing and printing a portable document format ("**PDF**") file created by Adobe Acrobat. Further, the Investor must have a personal e-mail address capable of sending and receiving e-mail messages to and from the Company Parties. To print the documents, the Investor will need access to a printer compatible with his or her hardware and the required software; (c) if these software or hardware requirements change in the future, a Company Party will notify the Investor through written notification. To facilitate these services, the Investor must provide the Company with his or her current e-mail address and update that information as necessary. Unless otherwise required by law, the Investor will be deemed to have received any electronic Communications that are sent to the most current e-mail address that the Investor has provided to the Company in writing; (d) none of the Company Parties will assume liability for non-receipt of notification of the availability of electronic Communications in the event the Investor's e-mail address on file is invalid; the Investor's e-mail or Internet service provider filters the notification as "*spam*" or "*junk mail*"; there is a malfunction in the Investor's computer, browser, internet service or software; or for other reasons beyond the control of the Company Parties; and (e) solely with respect to the provision of tax documents by a Company Party, the Investor agrees to each of the following: (i) if the Investor does not consent to receive tax documents electronically, a paper copy will be provided, and (ii) the Investor's consent to receive tax documents electronically continues for every tax year of the Company until the Investor withdraws its consent by notifying the Company in writing.

(THIS SPACE IS INTENTIONALLY LEFT BLANK)

INVESTOR CERTIFIES THAT HE/SHE HAS RECEIVED THIS ENTIRE SUBSCRIPTION AGREEMENT AND THAT EVERY STATEMENT MADE BY THE INVESTOR HEREIN IS TRUE AND COMPLETE.

THE COMPANY MAY NOT BE OFFERING THE SECURITIES IN EVERY STATE. THE OFFERING MATERIALS DO NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR JURISDICTION IN WHICH THE SECURITIES ARE NOT BEING OFFERED. THE INFORMATION PRESENTED IN THE OFFERING MATERIALS WAS PREPARED BY THE COMPANY SOLELY FOR THE USE BY PROSPECTIVE INVESTORS IN CONNECTION WITH THIS OFFERING. NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OFFERING MATERIALS, AND NOTHING CONTAINED IN THE OFFERING MATERIALS IS OR SHOULD BE RELIED UPON AS A PROMISE OR REPRESENTATION AS TO THE FUTURE PERFORMANCE OF THE COMPANY.

THE COMPANY RESERVES THE RIGHT IN ITS SOLE DISCRETION AND FOR ANY REASON WHATSOEVER TO MODIFY, AMEND AND/OR WITHDRAW ALL OR A PORTION OF THE OFFERING AND/OR ACCEPT OR REJECT, IN WHOLE OR IN PART, FOR ANY REASON OR FOR NO REASON, ANY PROSPECTIVE INVESTMENT IN THE SECURITIES OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE DOLLAR AMOUNT OF SECURITIES SUCH INVESTOR DESIRES TO PURCHASE. EXCEPT AS OTHERWISE INDICATED, THE OFFERING MATERIALS SPEAK AS OF THEIR DATE. NEITHER THE DELIVERY NOR THE PURCHASE OF THE SECURITIES SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THAT DATE.

IN WITNESS WHEREOF, this Subscription Agreement is executed this _____ day of _____, 2020.

Number of Shares Subscribed For: _____

Total Purchase Price: $_____

Signature of Investor: _____

Name of Investor:_____

Address of Investor:_____

E-Mail Address:_____

Investor's SSN or Tax ID #_____

ACCEPTED BY: ATLIS MOTOR VEHICLES, INC

Signature of Authorized Signatory: _____

Name of Authorized Signatory: Annie Pratt, President

Date of Acceptance: _____, 2020.

Dear Mark,

Atlis Motor Vehicles is pleased to offer you the Full-Time position of CEO starting salary offered for this position is $200,000.00 per year, paid on the 15th and last day of each month. If either the 15th or last day of the month falls on a weekend or holiday, Atlis Motor Vehicles will pay out payroll on the earliest day preceding the intended date which payroll distributes. Direct deposit is available. Your start date with Atlis Motor Vehicles is on November 9, 2016.

You will be granted 10,000,000 shares of common stock shares on your date of hire, November16, 2016.

Atlis Motor Vehicles offers unlimited paid vacation and sick leave. Prior to taking paid vacation and sick leave, please coordinate with your direct manager or supervisor to ensure that all relevant tasks and deliverables are appropriately re-assigned or completed prior to departure for your time off.

Please note that your employment with the Company is for no specified period and constitutes "at will" employment. As a result, you are free to resign at any time, for any reason or for no reason. Similarly, the Company is free to terminate its employment relationship with you at any time, with or without cause.

On your first day of employment, you will be provided with additional information about the objectives and policies, benefit programs, and general employment conditions. To fulfill federal identification requirements, you should bring documentation to support your identity and eligibility to work in the United States.

We are pleased to have you join the Atlis Motor Vehicles team! We look forward to working with you in the future and hope you will find your employment at Atlis Motor Vehicles a rewarding experience.

Mark Hanchett

FRIDAY, DECEMBER 20, 2019

Dear Tamica,

Atlis Motor Vehicles is pleased to offer you the Full-Time position of VP of Talent. The starting salary offered for this position is $120,000.00 per year, paid on the 15th and last day of each month. If either the 15th or last day of the month falls on a weekend or holiday, Atlis Motor Vehicles will pay out payroll on the earliest day preceding the intended date which payroll distributes. Direct deposit is available.

Atlis Motor Vehicles is pleased to also offer the following stock compensation:

- 30,000 common stock shares
- Stock shares will be vested over a period of 3 years
    - March 16, 2021 - 10,000 shares issued
    - March 16, 2022 - 10,000 shares issued
    - March 16, 2023 - 10,000 shares issued

Your start date with Atlis Motor Vehicles is on March 16, 2020 . This offer will expire at 5:00pm on December 24, 2019.

Atlis Motor Vehicles offers unlimited paid vacation and sick leave. Prior to taking paid vacation and sick leave, please coordinate with your direct manager or supervisor to ensure that all relevant tasks and deliverables are appropriately re-assigned or completed prior to departure for your time off.

Atlis Motor Vehicles offers health insurance through Blue Cross Blue Shield Arizona. Atlis Motor Vehicles does not currently have a retirement plan. Atlis Motor Vehicles is expected to begin offering retirement plans in 2020.

Please note that your employment with the Company is for no specified period, and constitutes "at will" employment. As a result, you are free to resign at any time, for any reason or for no reason. Similarly, the Company is free to terminate its employment relationship with you at any time, with or without cause.

On your first day of employment, you will be provided with additional information about the objectives and policies, benefit programs, and general employment conditions. To fulfill federal identification requirements, you should bring documentation to support your identity and eligibility to work in the United States.

We are pleased to have you join the Atlis Motor Vehicles team! If you have any questions, please do not hesitate to contact us at annie@atlismotorvehicles.com . We look forward to working with you in the future, and hope you will find your employment at Atlis Motor Vehicles a rewarding experience.

Offer Letter Acceptance

I have read and accept this offer of employment:

Tamica Sears

Tamica Sears

12/20/2019

Date

Tamica Sears Offer.pdf

Document ID: 6a8e87b4-234d-11ea-9837-bc764e1044f2

Requested:

Dec 19, 2019, 4:31 PM MST (Dec 19, 2019, 11:31 PM UTC)
Annie Pratt (annie@atlismotorvehicles.com)
98.165.208.75

Signed:

Dec 20, 2019, 10:23 AM MST (Dec 20, 2019, 5:23 PM UTC)
Tamica Sears (tamicasears@gmail.com)
2600:8800:1b00:95c9:dece:8dde:e550:754

Dear Annie,

Atlis Motor Vehicles is pleased to offer you the Full-Time position of Chief of Staff starting salary offered for this position is $105,000.00 per year, paid on the 15th and last day of each month. If either the 15th or last day of the month falls on a weekend or holiday, Atlis Motor Vehicles will pay out payroll on the earliest day preceding the intended date which payroll distributes. Direct deposit is available. Your start date with Atlis Motor Vehicles is on December 29, 2019.

Stock Compensation:

- 1,075,674 shares issued January 1, 2020
- 48,488 shares issued monthly for the next 34 months

Atlis Motor Vehicles offers unlimited paid vacation and sick leave. Prior to taking paid vacation and sick leave, please coordinate with your direct manager or supervisor to ensure that all relevant tasks and deliverables are appropriately re-assigned or completed prior to departure for your time off.

Atlis Motor Vehicles offers health insurance through Blue Cross Blue Shield Arizona. Atlis Motor Vehicles does not currently have a retirement plan. Atlis Motor Vehicles is expected to begin offering retirement plans in 2020.

Please note that your employment with the Company is for no specified period, and constitutes "at will" employment. As a result, you are free to resign at any time, for any reason or for no reason. Similarly, the Company is free to terminate its employment relationship with you at any time, with or without cause.

On your first day of employment, you will be provided with additional information about the objectives and policies, benefit programs, and general employment conditions. To fulfill federal identification requirements, you should bring documentation to support your identity and eligibility to work in the United States.

We are pleased to have you join the Atlis Motor Vehicles team! If you have any questions, please do not hesitate to contact us at mark@atlismotorvehicles.com . We look forward to working with you in the future, and hope you will find your employment at Atlis Motor Vehicles a rewarding experience.

Mark Hanchett – CEO

Annie Pratt

Employee Status Change Form

Employee Name: Anne Peabody Pratt **Social Security #:** 615-68-9074

Address: 7433 E Princeton Ave Scottsdale AZ 85257

Location: Atlis HQ **Position:** Chief of Staff

Effective Date: 03/01/2020 **Date of Birth:** 03/03/1992 **E-mail:**

Employee Status

Type of Change: ☐ New Hire ☐ Rehire ☑ Employee Status Change

☑ Regular Full Time (30 hours or more) Hours per week: 40

☐ Regular Part Time (29 hours or less) Hours per week:

☐ Temporary (Short Term) Hours per week:

☐ On Call (As Needed)

Salary Establishment/Change

Type of Change: ☐ New Hire ☐ Merit Increase ☐ Promotion ☐ Other

Current Pay Rate: $ 130,000 ☐ per hour ☑ per year

New Pay Rate: $ 200,000 ☐ per hour ☑ per year

☐ Exempt (Salaried) ☐ Non-Exempt (Hourly)

Status Change

☐ Location Change (Transfer) From To

☐ Position Change From To

☐ Leave of Absence From To

☐ Other

Termination of Employment

Last Working Day: / /

Eligible for rehire? ☐ Yes ☐ No (if no, list reason)

Select ONE reason for separation:

Voluntary:

☐ Dissatisfied w/ job or company ☐ Retirement ☐ School ☐ No Call/No Show ☐ Better job/pay/benefits/hours

☐ Medical-self or family ☐ Relocating ☐ Family issues ☐ Other

Involuntary:

☐ Poor performance ☐ Gross Misconduct ☐ Attendance/Tardiness ☐ Unqualified for job

☐ Violation of company policy/procedure ☐ Unprofessional conduct ☐ Other

Remarks:

Company Signature

Employee Signature Date: 03/10/2020

Employee Status Change Form Template.pdf

Document ID: 9d019e9a-631a-11ea-9608-bc764e101c79

Requested:
Mar 10, 2020, 2:47 PM MST (Mar 10, 2020, 9:47 PM UTC)
Tamica Sears (tamica@atilsmotorvehicles.com)
IP: 2001:579:8118:6d00:b912:9323:b3b0:fc58

Signed:
Mar 10, 2020, 2:69 PM MST (Mar 10, 2020, 9:69 PM UTC)
Mark Hanchett (mark@atilsmotorvehicles.com)
IP: 2001:579:8118:6d00:f97f:ba13:83ae:d657

Signed:
Mar 10, 2020, 3:00 PM MST (Mar 10, 2020, 10:00 PM UTC)
Anne Pratt (annie@atilsmotorvehicles.com)
IP: 70.164.260.36

Employee Status Change Form

Employee Name: Anne Peabody Pratt **Social Security #:** 615-68-9074

Address: 7433 E Princeton Ave Scottsdale AZ 85257

Location: Atlis HQ **Position:** President

Effective Date: 04/08/2020 **Date of Birth:** 03/03/1992 **E-mail:**

Employee Status

Type of Change: ☐ New Hire ☐ Rehire ☐ Employee Status Change

☐ Regular Full Time (30 hours or more) Hours per week: _____

☐ Regular Part Time (29 hours or less) Hours per week: _____

☐ Temporary (Short Term) Hours per week: _____

☐ On Call (As Needed)

Salary Establishment/Change

Type of Change: ☐ New Hire ☐ Merit Increase ☐ Promotion ☐ Other _____

Current Pay Rate: $200000 ☐ per hour ☑ per year

New Pay Rate: $_____ ☐ per hour ☐ per year

☐ Exempt (Salaried) ☐ Non-Exempt (Hourly)

Status Change

☐ Location Change (Transfer) From _____ To _____

☐ Position Change From _____ To _____

☐ Leave of Absence From _____ To _____

☐ Other _____

Termination of Employment

Last Working Day: ____/____/____

Eligible for rehire? ☐ Yes ☐ No (if no, list reason) _____

Select ONE reason for separation:

Voluntary:

☐ Dissatisfied w/ job or company ☐ Retirement ☐ School ☐ No Call/No Show ☐ Better job/pay/benefits/hours

☐ Medical-self or family ☐ Relocating ☐ Family issues ☐ Other _____

Involuntary:

☐ Poor performance ☐ Gross Misconduct ☐ Attendance/Tardiness ☐ Unqualified for job

☐ Violation of company policy/procedure ☐ Unprofessional conduct ☐ Other _____

Remarks: _____

Company Signature _____

Employee Signature _____ Date: 04/08/2020

Employee Status Change Form Template.pdf

Document ID: 7fdd953e-79e6-11ea-8c57-0257711ff2b8

Requested:
Apr 8, 2020, 1:40 PM MST (Apr 8, 2020, 8:40 PM UTC)
Tamica Sears (tamica@atilsmotorvehicles.com)
IP: 2600:8800:1b00:28c:f0bd:f23c:fa77:6463

Signed:
Apr 8, 2020, 2:06 PM MST (Apr 8, 2020, 9:06 PM UTC)
Mark Hanchett (mark@atilsmotorvehicles.com)
IP: 2600:8800:2080:2a1a:c45d:78f8:a7cd:1de6

Signed:
Apr 8, 2020, 3:16 PM MST (Apr 8, 2020, 10:16 PM UTC)
Anne Pratt (annie@atilsmotorvehicles.com)
IP: 71.223.140.238

GUARANTY OF LEASE

THIS GUARANTY OF LEASE (this "**Guaranty**") is made as of February 12 2020, by NINO GLOBAL, LLC, a California limited liability company (the "**Guarantor**"), in favor of MAJESTIC MESA PARTNERS, LLC, a Delaware limited liability company ("**Landlord**").

WHEREAS, ATLIS MOTOR VEHICLES INC., a Delaware corporation ("**Tenant**") and Landlord desire to enter into that certain Standard Industrial Real Estate Lease (the "**Lease**") dated February 12, 2020 concerning that approximately 42,828 rentable square foot portion (known as 1828 North Higley Road, Suite ____, Mesa, Arizona) of that approximately 85,554 square foot building located at the NWC E. Higley Road & Ingram Street, Mesa Arizona ("**Property**");

WHEREAS, Guarantor has a financial interest in the Tenant; and

WHEREAS, Landlord would not execute the Lease if Guarantor did not execute and deliver to Landlord this Guaranty.

NOW THEREFORE, for and in consideration of the execution of the foregoing Lease by Landlord and as a material inducement to Landlord to execute said Lease, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the prompt payment by Tenant of all rentals and all other sums payable by Tenant under said Lease and the faithful and prompt performance by Tenant of each and every one of the terms, conditions and covenants of said Lease to be kept and performed by Tenant, and further agrees as follows:

1. It is specifically agreed and understood that the terms, covenants and conditions of the Lease may be altered, affected, modified, amended, compromised, released or otherwise changed by agreement between Landlord and Tenant, or by course of conduct and Guarantor does guaranty and promise to perform all of the obligations of Tenant under the Lease as so altered, affected, modified, amended, compromised, released or changed and the Lease may be assigned by or with the consent of Landlord or any assignee of Landlord without consent or notice to Guarantor and that this Guaranty shall thereupon and thereafter guaranty the performance of said Lease as so changed, modified, amended, compromised, released, altered or assigned.

2. This Guaranty shall not be released, modified or affected by failure or delay on the part of Landlord to enforce any of the rights or remedies of Landlord under the Lease, whether pursuant to the terms thereof or at law or in equity, or by any release of any person liable under the terms of the Lease (including, without limitation, Tenant) or any other guarantor, including without limitation, any other Guarantor named herein, from any liability with respect to Guarantor's obligations hereunder.

3. Guarantor's liability under this Guaranty shall continue until all rents due under the Lease have been paid in full in cash and until all other obligations to Landlord have been satisfied, and shall not be reduced by virtue of any payment by Tenant of any amount due under the Lease. If all or any portion of Tenant's obligations under the Lease is paid or performed by Tenant, the obligations of Guarantor hereunder shall continue and remain in full force and effect in the event that all or any part of such payment(s) or performance(s) is avoided or recovered directly or indirectly from Landlord as a preference, fraudulent transfer or otherwise.

4. Guarantor warrants and represents to Landlord that Guarantor now has and will continue to have full and complete access to any and all information concerning the Lease, the value of the assets owned or to be acquired by Tenant, Tenant's financial status and its ability to pay and perform the obligations owed to Landlord under the Lease. Guarantor further warrants and represents that Guarantor has reviewed and approved copies of the Lease and is fully informed of the remedies Landlord may pursue, with or without notice to Tenant, in the event of default under the Lease. So long as any of Guarantor's obligations hereunder remains

unsatisfied or owing to Landlord, Guarantor shall keep fully informed as to all aspects of Tenant's financial condition and the performance of said obligations.

5. Guarantor hereby covenants and agrees with Landlord that if a default shall at any time occur in the payment of any sums due under the Lease by Tenant or in the performance of any other obligation of Tenant under the Lease, Guarantor shall and will forthwith upon demand pay such sums, and any arrears thereof, to Landlord in legal currency of the United States of America for payment of public and private debts, and take all other actions necessary to cure such default and perform such obligations of Tenant.

6. The liability of Guarantor under this Guaranty is a guaranty of payment and performance and not of collectibility, and is not conditioned or contingent upon the genuineness, validity, regularity or enforceability of the Lease or the pursuit by Landlord of any remedies which it now has or may hereafter have with respect thereto, at law, in equity or otherwise.

7. Guarantor hereby waives and agrees not to assert or take advantage of to the extent permitted by law: (i) all notices to Guarantor, to Tenant, or to any other person, including, but not limited to, notices of the acceptance of this Guaranty or the creation, renewal, extension, assignment, modification or accrual of any of the obligations owed to Landlord under the Lease and, except to the extent set forth in Paragraph 9 hereof, enforcement of any right or remedy with respect thereto, and notice of any other matters relating thereto, (ii) notice of acceptance of this Guaranty; (iii) demand of payment, presentation and protest; (iv) any right to require Landlord to apply to any default any security deposit or other security it may hold under the Lease; (v) any statute of limitations affecting Guarantor's liability hereunder or the enforcement thereof; (vi) any right or defense that may arise by reason of the incapability, lack or authority, death or disability of Tenant or any other person; and (vii) all principles or provisions of law which conflict with the terms of this Guaranty. Guarantor further agrees that Landlord may enforce this Guaranty upon the occurrence of a default under the Lease, notwithstanding any dispute between Landlord and Tenant with respect to the existence of said default or performance of the obligations under the Lease or any counterclaim, set-off or other claim which Tenant may allege against Landlord with respect thereto. Moreover, Guarantor agrees that Guarantor's obligations shall not be affected by any circumstances which constitute a legal or equitable discharge of a guarantor or surety.

8. Guarantor agrees that Landlord may enforce this Guaranty without the necessity of proceeding against Tenant or any other guarantor. Guarantor hereby waives the right to require Landlord to proceed against Tenant, to proceed against any other guarantor, to exercise any right or remedy under the Lease or to pursue any other remedy or to enforce any other right.

9. (a) Guarantor agrees that nothing contained herein shall prevent Landlord from suing on the Lease or from exercising any rights available to it thereunder and that the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of Guarantor. In addition, Guarantor agrees that Landlord (not Tenant) shall have the right to designate the portion of Tenant's obligations under the Lease that is satisfied by a partial payment by Tenant.

(b) Guarantor agrees that Guarantor shall have no right of subrogation against Tenant or any right of contribution against any other guarantor hereunder unless and until all amounts due under the Lease have been paid in full and all other obligations under the Lease have been satisfied. Guarantor further agrees that, to the extent the waiver of Guarantor's rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation Guarantor may have against Tenant shall be junior and subordinate to any rights Landlord may have against Tenant, and any rights of contribution Guarantor may have against any other guarantor shall be junior and subordinate to any rights Landlord may have against such other guarantor.

(c) The obligations of Guarantor under this Guaranty shall not be altered, limited or affected by any case, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of Tenant or any defense which Tenant may have by reason of order,

decree or decision of any court or administrative body resulting from any such case. Landlord shall have the sole right to accept or reject any plan on behalf of Guarantor proposed in such case and to take any other action which Guarantor would be entitled to take, including, without limitation, the decision to file or not file a claim. Guarantor acknowledges and agrees that any payment which accrues with respect to Tenant's obligations under the Lease (including, without limitation, the payment of rent) after the commencement of any such proceeding (or, if any such payment ceases to accrue by operation of law by reason of the commencement of such proceeding, such payment as would have accrued if said proceedings had not been commenced) shall be included in Guarantor's obligations hereunder because it is the intention of the parties that said obligations should be determined without regard to any rule or law or order which may relieve Tenant of any of its obligations under the Lease. Guarantor hereby permits any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person to pay Landlord, or allow the claim of Landlord in respect of, any such payment accruing after the date on which such proceeding is commenced. Guarantor hereby assigns to Landlord Guarantor's right to receive any payments from any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person by way of dividend, adequate protection payment or otherwise.

10. Any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this Guaranty or pursuant to any applicable law or requirement of public authority, shall be in writing (whether or not so stated elsewhere in this Guaranty) and shall be deemed to have been properly given, rendered or made only if hand-delivered or sent by first-class mail, postage pre-paid, addressed to the other party at its respective address set forth below, and shall be deemed to have been given, rendered or made on the day it is hand-delivered or one day after it is mailed, unless it is mailed outside of Maricopa County, Arizona, in which case it shall be deemed to have been given, rendered or made on the third business day after the day it is mailed. By giving notice as provided above, either party may designate a different address for notices, statements, demands, consents, approvals or other communications intended for it.

To Guarantor: Nino Global, LLC
620 Newport Center Drive
Suite 1100
Newport Beach, California 92660

To Landlord: Majestic Mesa Partners, LLC
c/o Majestic Realty Co.
13191 Crossroads Parkway North
Sixth Floor
City of Industry, California 91746

11. Guarantor represents and warrants to Landlord as follows:

(a) No consent of any other person, including, without limitation, any creditors of Guarantor, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration within any governmental authority is required by Guarantor in connection with this Guaranty or the execution, delivery, performance, validity or enforceability of this Guaranty and all obligations required hereunder. This Guaranty has been duly executed and delivered by Guarantor, and constitutes the legally valid and binding obligation of Guarantor enforceable against such Guarantor in accordance with its terms.

(b) The execution, delivery and performance of this Guaranty will not violate any provision of any existing law or regulation binding on Guarantor, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on Guarantor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which Guarantor is a party or by which Guarantor or any of Guarantor's assets may be bound, and will not result in, or require, the creation or imposition of any lien on any of such Guarantor's

property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking.

12. The obligations of Tenant under the Lease to execute and deliver estoppel statements, as therein provided, shall be deemed to also require the Guarantor hereunder to do and provide the same relative to Guarantor.

13. This Guaranty shall be binding upon each Guarantor, such Guarantor's heirs, representatives, administrators, executors, successors and assigns and shall inure to the benefit of and shall be enforceable by Landlord, its successors, endorsees and assigns. Any married person executing this Guaranty agrees that recourse may be had against community assets and against his separate property for the satisfaction of all obligations herein guaranteed. As used herein, the singular shall include the plural, and the masculine shall include the feminine and neuter and vice versa, if the context so requires.

14. The term "Landlord" whenever used herein refers to and means the Landlord specifically named in the Lease and also any assignee of said Landlord, whether by outright assignment or by assignment for security, and also any successor to the interest of said Landlord or of any assignee in the Lease or any part thereof, whether by assignment or otherwise. So long as the Landlord's interest in or to demised premises (as that term is used in the Lease) or the rents, issues and profits therefrom, or in, to or under the Lease, are subject to any mortgage or deed of trust or assignment for security, no acquisition by Guarantor of the Landlord's interest in demised premises or under the Lease shall affect the continuing obligations of Guarantor under this Guaranty, which obligations shall continue in full force and effect for the benefit of the mortgagee, beneficiary, trustee or assignee under such mortgage, deed of trust or assignment, of any purchaser at sale by judicial foreclosure or under private power of sale, and of the successors and assigns of any such mortgagee, beneficiary, trustee, assignee or purchaser.

15. The term "Tenant" whenever used herein refers to and means the Tenant in the Lease specifically named and also any assignee or sublessee of said Lease and also any successor to the interests of said Tenant, assignee or sublessee of such Lease or any part thereof, whether by assignment, sublease or otherwise.

16. In the event of any dispute or litigation regarding the enforcement or validity of this Guaranty, Guarantor shall be obligated to pay all charges, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Landlord, whether or not any action or proceeding is commenced regarding such dispute and whether or not such litigation is prosecuted to judgment.

17. This Guaranty shall be governed by and construed in accordance with the laws of Arizona and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the courts of Arizona.

18. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

19. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.

20. No failure or delay on the part of Landlord to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or an

acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

21. This Guaranty shall constitute the entire agreement between each Guarantor and the Landlord with respect to the subject matter hereof. No provision of this Guaranty or right of Landlord hereunder may be waived nor may Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Landlord.

22. The liability of Guarantor and all rights, powers and remedies of Landlord hereunder and under any other agreement now or at any time hereafter in force between Landlord and Guarantor relating to the Lease shall be cumulative and not alternative and such rights, powers and remedies shall be in addition to all rights, powers and remedies given to Landlord by law.

[Signatures on following page]

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

Executed on 2/12/2020, 2020

NINO GLOBAL, LLC,
a California limited liability company

By: DocuSigned by: _____
Name: David nino
Its: President

STANDARD INDUSTRIAL REAL ESTATE LEASE

MAJESTIC MESA PARTNERS, LLC,
a Delaware limited liability company,

as Landlord,

and

ATLIS MOTOR VEHICLES INC.,
a Delaware corporation,

as Tenant

TABLE OF CONTENTS

EXHIBITS

INDEX OF DEFINED TERMS

STANDARD INDUSTRIAL REAL ESTATE LEASE

(MULTI-TENANT NET LEASE FORM)

ARTICLE ONE BASIC TERMS

This Article One contains the Basic Terms of this Lease between Landlord and Tenant named below. Other Articles, Sections and Paragraphs of this Lease referred to in this Article One explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

Section 1.01 **Date of Lease**: February 12, 2020.

Section 1.02 **Landlord**: Majestic Mesa Partners, LLC, a Delaware limited liability company.

Address of Landlord: c/o Majestic Realty Co.
13191 Crossroads Parkway North, Sixth Floor
City of Industry, California 91746
Attention: Property Management

With a copy of any notice to:

c/o Majestic Realty Co.
2555 Camelback Road, Suite 740
Phoenix, Arizona 85016
Attention: Jack Czerwinski

Section 1.03 **Tenant**: Atlis Motor Vehicles Inc., a Delaware corporation.

Trade Name: Atlis Motor Vehicles

Address of Tenant: 7259 E. Posada Avenue
Mesa, Arizona 85212
Attention: Annie Pratt
Telephone: (916) 239-5776
Email: annie@atlismotorvehicles.com

Section 1.04 **Property**: The "**Property**" is that approximately 42,828 rentable square foot portion (known as 1828 North Higley Road, Suite ____, Mesa, Arizona) of that approximately 85,554 square foot building located at the NWC E. Higley Road & Ingram Street, Mesa, Arizona, and identified on Exhibit "A" attached hereto (the "**Building**"), subject to the non-exclusive use of such area as outlined in green on Exhibit "A." The Building includes the land, the Building, and all other improvements located on the land. The square footage figures for the Building and Property, as recited in this Section 1.04, are approximate. No adjustment will be made to the Base Rent or any other amounts payable by Tenant under this Lease (or to any other provisions of this Lease) if the actual square footage, however measured, is more or less than the square footage recited. The Property does not include any portion of, and Landlord reserves to itself the exterior walls and rooftop of the Building (the "**Reserved Areas**"), and all components of electrical, mechanical, plumbing, heating, and air conditioning systems and facilities located in the Property that are concealed or used in common by tenants of the Building (the "**Common Systems**"). Landlord's reservation includes the right to enter the Reserved Areas to install, maintain, use, repair, alter, and replace thereon equipment that may be unrelated to the operation and use of the building on the Property. Landlord's reservation also includes the right (but not necessarily the obligation) to inspect, maintain, repair, alter and replace the Common Systems and to enter the Property in order to do so.

Section 1.05 **Term**.

(a) **Lease Term**: Five (5) years and three (3) months, plus the Stub Period (defined below), if applicable.

(b) **Lease Commencement Date**: April 1, 2020.

(c) **Lease Expiration Date**: The expiration date of the initial Lease Term shall be the last day of the sixty-third (63rd) Lease Month (defined below).

Section 1.06 **Permitted Uses**: (See Article Five) Only for warehousing, designing, manufacturing testing, storage, packaging and distribution of electric vehicle products, creation of promotional materials, including recording audio and video and for office and administrative uses related thereto.

Section 1.07 **Initial Security Deposit**: (See Section 3.03) $84,799.44.

Section 1.08 **Tenant's Guarantor**: Nino Global, LLC, a California limited liability company.

Section 1.09 **Brokers**: (See Article Thirteen)

Landlord's Broker: JLL
3131 East Camelback Road, Suite 400
Phoenix, Arizona 85016

Tenant's Broker: JLL
3131 East Camelback Road, Suite 400
Phoenix, Arizona 85016

Section 1.10 **Rent and Other Charges Payable by Tenant**:

(a) BASE RENT:

Lease Term	Monthly Installment of Base Rent
Lease Months 1 through 7	$14,133.24 (*subject to Section 3.02)
Lease Months 8 through 12	$28,266.48
Lease Months 13 through 24	$29,114.47
Lease Months 25 through 36	$29,987.91
Lease Months 37 through 48	$30,887.55
Lease Months 49 through 60	$31,814.17
Lease Months 61 through 63	$32,768.60

(b) OTHER PERIODIC PAYMENTS: (i) Real Property Taxes (see Section 4.02 below); (ii) Utilities (see Section 4.03 below); (iii) Insurance Premiums (see Section 4.04 below); (iv) Tenant's initial Pro Rata Share of Common Area Costs (see Section 4.05(d) below); (v) Maintenance Items Costs (see Section 4.05(e); and (vi) Maintenance and Repairs costs (see Sections 6.03 and 6.04).

Section 1.11 **Tenant's Pro Rata Share**:

Building: 50.06%
Property: 100%

ARTICLE TWO LEASE TERM

Section 2.01 **Lease of Property for Lease Term**. Landlord hereby leases to Tenant and Tenant leases from Landlord the Property, as described in Section 1.04 above. The term of this Lease (the "**Lease Term**") shall be as set forth in Section 1.05(a) above, shall commence on the date (the "**Lease Commencement Date**") set forth in Section 1.05(b) above, and shall terminate on the date (the "**Lease Expiration Date**") set forth in Section 1.05(c) above, unless sooner terminated or extended as expressly provided in this Lease. The terms and provisions of this Lease shall be effective as of the date of this Lease, except for the provisions of this Lease relating to the payment of Rent.

Section 2.02 **Delay in Commencement**. Landlord shall not be liable to Tenant if Landlord does not deliver possession of the Property to Tenant on the Lease Commencement Date. Landlord's non-delivery of the Property to Tenant on that date shall not affect this Lease or the obligations of Tenant under this Lease, except that the Lease Commencement Date shall be delayed until Landlord delivers possession of the Property to Tenant (unless such delay is the result of a delay caused by Tenant) and the Lease Term shall be extended for a period equal to the delay in delivery of possession of the Property to Tenant, plus the number of days necessary to end the Lease Term on the last day of a month. If delivery of

possession of the Property to Tenant is delayed, Landlord and Tenant shall, upon such delivery, execute an amendment to this Lease setting forth the actual Lease Commencement Date and Lease Expiration Date, substantially in the form attached as Exhibit "C" to this Lease, which Tenant shall execute and return to Landlord within five (5) days after receipt from Landlord. Failure to execute such amendment shall not affect the actual Lease Commencement Date and Lease Expiration Date. The failure of Tenant to take possession of or to occupy the Property upon delivery by Landlord shall not serve to relieve Tenant of any obligations arising on the Lease Commencement Date, and shall not delay the payment of Rent then due by Tenant.

Section 2.03 **Early Occupancy**. Tenant shall have the right of early occupancy of the Property, subject to (a) full execution of this Lease, (b) Landlord's receipt of all deposits and the initial monthly installment of Base Rent, and (c) all of the terms and conditions of this Lease (including, but not limited to, the insurance provisions of Section 4.04 below), with the exception of the payment of Base Rent. Such early occupancy shall be for the purpose of preparing the Property for Tenant's use, including the installation of equipment and storage of Tenant's products. During such period, Tenant shall assume all risk of loss to Tenant's equipment, products, and other personal property. Tenant's access during this period shall not interfere with construction of Landlord's Work by Landlord's contractor, and in the event Tenant's access does so interfere, Tenant agrees to cease all construction or other activity until Landlord's contractor has completed its work. Tenant's early occupancy of the Property shall not advance the Lease Expiration Date.

Section 2.04 **Holding Over**. The parties recognize and agree that the damage to Landlord resulting from any failure by Tenant to timely surrender possession of the Property upon the expiration or earlier termination of the Lease Term will be substantial, will exceed the amount of the monthly installments of the Base Rent then payable, and will be impossible to accurately measure. Accordingly, Tenant agrees that if possession of the Property is not surrendered to Landlord on or before the expiration or earlier termination of the Lease Term, with or without the express or implied consent of Landlord, such tenancy shall be a tenancy at sufferance only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Base Rent shall be payable at a monthly rate equal to twice the Base Rent applicable immediately before the expiration or earlier termination of the Lease Term. Such tenancy at sufferance shall be subject to every other term, covenant and agreement contained herein, but Tenant shall have no right to notice of or to exercise any extension right, right of first refusal, right of first offer or other similar right. Nothing in this Lease, including this Section 2.04, shall be construed as consent by Landlord to Tenant retaining possession of the Property after the expiration or earlier termination of the Lease Term and no acceptance by Landlord of payments from Tenant after the expiration or earlier termination of the Lease Term shall be deemed to be other than on account of the amount to be paid by Tenant in accordance with the provisions of this Section 2.04, which provisions shall survive the expiration or earlier termination of the Lease Term. The provisions of this Section 2.04 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Property upon the expiration or earlier termination of the Lease Term, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold harmless Landlord (and Landlord's members, managers, partners, and shareholders, as applicable, and the affiliates, employees, agents, and contractors of Landlord and its members, managers, partners, and shareholders, as applicable) from all losses, liabilities, damages, costs and expenses (including attorneys' fees) resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting therefrom.

Section 2.05 **Option to Extend Lease Term.**

(a) **Grant of Option**. Landlord hereby grants to Tenant one (1) option (the "**Option**") to extend the Lease Term for additional term of five (5) years (the "**Extension**"), on the same terms and conditions as set forth in this Lease, but at an adjusted Base Rent as set forth below and without any additional Option other than as granted in this Section 2.05. The Option shall be exercised only by written notice delivered to Landlord not more than two hundred seventy (270) days and not less than one hundred eighty (180) days before the expiration of the initial Lease Term. If Tenant fails to deliver Landlord written notice of the exercise of the Option within the prescribed time period, such Option shall lapse, and there shall be no further right to extend the Lease Term. The Option shall be exercisable by Tenant on the express conditions that (a) at the time of the exercise, and at all times thereafter and prior to the commencement of such Extension, Tenant shall not be in default under any of the provisions of this Lease, (b) Tenant has not been ten (10) or more days late in the payment of rent more than a total of three (3) times during the initial Lease Term, and (c) at the time of the exercise, and at all times thereafter and prior to the commencement of such Extension, there has not been a materially adverse change in Tenant's financial condition (as compared to Tenant's financial condition on the date of this Lease). Following Tenant's timely and valid exercise of the Option, Landlord shall prepare and Tenant shall execute and deliver to Landlord an amendment to this Lease confirming the term of the Extension and the amount of Base Rent payable by Tenant

during such Extension or, at Landlord's sole option, Landlord and Tenant shall execute and deliver a new lease for the Extension based on the standard form of lease agreement then in use by Landlord.

(b) **Personal Options**. The Option is personal to the Tenant named in Section 1.03 of this Lease or any Tenant Affiliate described in Section 9.07 of this Lease. If Tenant subleases any portion of the Property or assigns or otherwise transfers any interest under this Lease to an entity other than a Tenant Affiliate prior to the exercise of the Option (whether with or without Landlord's consent), then such Option shall lapse. If Tenant subleases any portion of the Property or assigns or otherwise transfers any interest of Tenant under this Lease to an entity other than a Tenant Affiliate after the exercise of the Option but prior to the commencement of the Extension (whether with or without Landlord's consent), then such Option shall lapse and the Lease Term shall expire as if such Option were not exercised. If Tenant subleases any portion of the Property or assigns or otherwise transfers any interest of Tenant under this Lease to an entity other than a Tenant Affiliate after the exercise of the Option and after the commencement of the Extension, then the term of this Lease shall expire upon the expiration of the Extension during which such sublease or transfer occurred.

(c) **Effect of an Option**. While an Option is in effect, if Tenant chooses not to exercise it but seeks instead to negotiate with Landlord for an extension of the Lease Term without regard to the terms of this Section 2.05, Tenant acknowledges and agrees that Landlord will only agree to such negotiations if Tenant first waives in writing such Option and any succeeding Options.

(d) **Time of Essence**. Time is of the essence with respect to Tenant's exercise of the Option(s) granted in this Section 2.05.

(e) **Option Rent**. The Base Rent payable by Tenant during the Extension shall commence upon the first (1st) day of the first (1st) month of the Extension (the "**Option Rental Adjustment Date**") and shall be an amount equal to the greater of (i) the Base Rent, including all escalations, being paid by Tenant under this Lease immediately prior to the Extension and (ii) the face or stated rent, including all escalations, being quoted by landlords for non-sublease, non-encumbered space comparable in size, location in Tempe and quality to the Property for a term of five (5) years ("**Fair Market Value**"). In no event shall Landlord be entitled to provide or consider any tenant improvement or other allowances or concessions in connection with the Option Rent. The "**Fair Market Value**" of the Property shall be determined in the following manner:

(i) Not later than one hundred (100) days prior to any applicable FRV Rental Adjustment Date, Landlord and Tenant shall meet to negotiate, in good faith, the fair rental value of the Property as of such FRV Rental Adjustment Date. If Landlord and Tenant have not agreed upon the fair rental value of the Property at least ninety (90) days prior to the applicable FRV Rental Adjustment Date, the fair rental value shall be determined by appraisal, using appraisers (as provided below).

(ii) If Landlord and Tenant are not able to agree upon the fair rental value of the Property within the prescribed time period, then Landlord and Tenant shall attempt to agree in good faith upon a single appraiser not later than seventy-five (75) days prior to the applicable FRV Rental Adjustment Date. If Landlord and Tenant are unable to agree upon a single appraiser within such time period, then Landlord and Tenant shall each appoint one appraiser, not later than sixty-five (65) days prior to the applicable FRV Rental Adjustment Date. Within (10) days thereafter, the two (2) appointed appraisers shall appoint a third (3rd) appraiser. If either Landlord or Tenant fails to appoint its appraiser within the prescribed time period, the single appraiser appointed shall determine the fair rental value of the Property. If both parties fail to appoint appraisers within the prescribed time periods, then the first appraiser thereafter selected by a party shall determine the fair rental value of the Property. Each party shall bear the cost of its own appraiser and the parties shall share equally the cost of the single or third appraiser, if applicable. The appraisers used shall have at least ten (10) years' experience in the sales and leasing of commercial/industrial real property in the area in which the Property is located and shall be members of a professional organization such as the Society of Industrial and Office Realtors, NAIOP, or their equivalent.

(iii) For the purposes of such appraisal, the term "**fair rental value**" shall mean the price that a ready and willing tenant would pay, as of the FRV Rental Adjustment Date, as monthly rent to a ready and willing landlord of property comparable to the Property if such property were exposed for lease on the open market for a reasonable period of time and taking into account all of the purposes for which such property may be used. If a single appraiser is chosen, then such appraiser shall determine the fair rental value of the Property. Otherwise, the fair rental value of the Property shall be the arithmetic average of the two (2) of the three (3) appraisals which are closest in amount, and the third (3rd) appraisal shall be disregarded. In no event, however, shall the Base Rent be reduced below the amount of Base

Rent paid by Tenant under this Lease immediately prior to the FRV Rental Adjustment Date. Landlord and Tenant shall instruct the appraiser(s) to complete their determination of the fair rental value not later than thirty (30) days prior to the FRV Rental Adjustment Date. If the fair rental value is not determined prior to the applicable FRV Rental Adjustment Date, then Tenant shall continue to pay to Landlord the Base Rent applicable to the Property immediately prior to such Extension, until the fair rental value is determined. When the fair rental value of the Property is determined, Landlord shall deliver notice thereof to Tenant, and Tenant shall pay to Landlord, within ten (10) days after receipt of such notice, the difference between the Base Rent actually paid by Tenant to Landlord and the new Base Rent determined hereunder.

(iv) During the Extension, the monthly Base Rent shall be increased on the first (1st) day of each Lease Year in each Extension (each a "**Rental Adjustment Date**") by a factor of three percent (3%) of the monthly Base Rent payable immediately prior to the applicable Rental Adjustment Date.

ARTICLE THREE BASE RENT

Section 3.01 **Time and Manner of Payment**. Upon Tenant's execution of this Lease, Tenant shall pay Landlord monthly Base Rent in the amount stated in Section 1.10(a) above for the first Lease Month for which Base Rent is payable. On the first day of the next Lease Month for which Base Rent is payable and each Lease Month thereafter, Tenant shall pay Landlord monthly Base Rent in the amount stated in Section 1.10(a) above, in advance, without offset, recoupment, deduction or prior demand. The Base Rent shall be payable at Landlord's address or at such other place as Landlord may designate in writing. The term "**Lease Month**" shall mean each consecutive calendar month during the Lease Term, with the first Lease Month commencing on the Lease Commencement Date if the Lease Commencement Date is the first day of a calendar month; otherwise the first Lease Month shall commence on the first day of the first calendar month following the Stub Period. For purposes of this Lease, the term "**Lease Year**" shall mean, with respect to the first Lease Year, the period commencing on the first day of the first Lease Month and ending on the last day of the twelfth (12th) Lease Month, and with respect to subsequent Lease Years, each consecutive twelve (12) month period during the Lease Term following the first Lease Year. If the Lease Commencement Date is a day other than the first day of a calendar month, then (a) the Lease Term shall include the number of months stated (or the number of months included within the number of years stated) in Section 1.05 above, plus the partial month in which the Lease Commencement Date falls (the "**Stub Period**"), and (b) the Base Rent and Additional Rent for the Stub Period shall be prorated based on the number of days in such calendar month and payable on the Lease Commencement Date. Notwithstanding the existence of any Stub Period, the Base Rent abatement period identified in Section 1.10(a) above shall be three (3) full calendar months and shall commence on the first day of the first Lease Month. All Base Rent and Additional Rent (as defined below) shall be paid together with any applicable rental or transaction privilege taxes from the State of Arizona and the City of Tempe without a separate demand or invoice from Landlord.

Section 3.02 **Abatement of Base Rent**. Provided that Tenant is not in default under the terms of this Lease, Tenant shall be entitled to a monthly Base Rent credit (the "**Abated Rent**") in an amount equal to Fourteen Thousand One Hundred Thirty-Three and 24/100 Dollars ($14,133.24) per month, which is attributable to the Base Rent due for the first (1st), second (2nd), and third (3rd) Lease Months. However, if Tenant is in default under this Lease and shall fail to cure such default within the time, if any, permitted for cure pursuant to this Lease, Landlord may, at its option, by notice to Tenant, elect, in addition to any other remedies Landlord may have under this Lease that the unamortized Abated Rent shall immediately become due and payable by Tenant in accordance with the following formula: an amount equal to Forty-Two Thousand Three Hundred Ninety-Nine and 72/100 Dollars ($42,399.72) (representing the aggregate Abated Rent) multiplied by a fraction, the numerator of which shall be the number of Lease Months remaining in the initial Lease Term and the denominator which shall be sixty (60).

Section 3.03 **Security Deposit; Increases**.

(a) Upon Tenant's execution of this Lease, Tenant shall deposit with Landlord a cash Security Deposit in the amount set forth in Section 1.07 above. Landlord may apply all or part of the Security Deposit to any unpaid rent or other charges or amounts due from Tenant or to cure any other defaults of Tenant. If Landlord uses any part of the Security Deposit, Tenant shall restore the Security Deposit to its full amount within ten (10) days after Landlord's written request. Tenant's failure to do so shall be a material default under this Lease. No interest shall be paid on the Security Deposit. Landlord shall not be required to keep the Security Deposit separate from its other accounts and no trust relationship is created with respect to the Security Deposit. Landlord shall refund the portion of the Security Deposit to which Tenant is entitled (if any) within sixty (60) days following the date that Tenant surrenders possession of the Property to Landlord in accordance with the terms and conditions of this Lease.

(b) Each time the Base Rent is increased, Tenant shall deposit additional funds with Landlord sufficient to increase the Security Deposit to an amount which bears the same relationship to the adjusted Base Rent as the initial Security Deposit bore to the initial Base Rent.

Section 3.04 **Application of Payments**. Unless otherwise designated by Landlord in its sole discretion, all payments received by Landlord from Tenant shall be applied to the oldest payment obligation owed by Tenant to Landlord. No designation by Tenant, either in a separate writing or on a check or money order, shall modify this section or have any force or effect.

Section 3.05 **Termination; Advance Payments**. Upon termination of this Lease under Article Seven (Damage or Destruction) of this Lease, or under Article Eight (Condemnation) of this Lease, or any other termination not resulting from Tenant's default, and after Tenant has vacated the Property in the manner required by this Lease, Landlord shall refund or credit to Tenant (or Tenant's successor) any advance rent or other advance payments made by Tenant to Landlord, and any amounts paid for Real Property Taxes (defined below) and insurance which apply to any time periods after termination of this Lease.

ARTICLE FOUR OTHER CHARGES PAYABLE BY TENANT

Section 4.01 **Additional Rent**. All charges payable by Tenant to Landlord under this Lease other than Base Rent are called "**Additional Rent**." Unless this Lease provides otherwise, Tenant shall pay all Additional Rent then due with the next monthly installment of Base Rent. The term "**rent**" or "**Rent**" shall mean Base Rent and Additional Rent. Without limitation on other obligations of Tenant that shall survive the expiration or earlier termination of the Lease Term, the obligation of Tenant to pay any accrued but unpaid Rent shall survive the expiration or earlier termination of the Lease Term. The failure of Landlord to timely furnish Tenant the amount of the Rent shall not preclude Landlord from enforcing its rights to collect such Rent.

Section 4.02 **Property Taxes**.

(a) **Real Property Taxes**. Tenant shall pay all Real Property Taxes on or related to the Property (including any fees, taxes or assessments against, or as a result of, any tenant improvements installed on the Property by or for the benefit of Tenant) during the Lease Term. Landlord will bill Tenant monthly in advance for one-twelfth (1/12) of the estimated amount of such Real Property Taxes for the current tax year and Tenant shall pay Landlord the amount of such Real Property Taxes, as Additional Rent. Landlord will pay such Real Property Taxes on or before their due date, provided Tenant has timely made such payments to Landlord. Any penalty caused by Tenant's failure to timely make such payments shall also be Additional Rent owed by Tenant immediately upon demand.

(b) **Definition of Real Property Taxes**. "**Real Property Taxes**" means: (i) any fee, license fee, license tax, business license fee or business privilege tax, commercial rental tax (including, without limitation, a sales tax on rents paid), levy, charge, assessment, special assessment duty, penalty or tax imposed by any taxing authority against the Property, any improvement thereon, and any leasehold improvement, fixtures, installations, and additions thereto; (ii) any tax on Landlord's right to receive, or the receipt of, rent or income from the Property or against Landlord's business of leasing the Property; (iii) any tax or charge for fire protection, streets, sidewalks, road maintenance, refuse, water, sewer or other services provided to the Property by any governmental agency; (iv) any tax imposed upon this transaction or based upon a re-assessment of the Property due to a change of ownership, as defined by Applicable Law (defined below), or other transfer of all or part of Landlord's interest in the Property; (v) any charge or fee replacing any tax previously included within the definition of Real Property Taxes; and (vi) legal and consulting fees, costs and disbursements incurred in connection with proceedings to contest, determine, or reduce Real Property Taxes, Landlord specifically reserving the right, but not the obligation, to contest by appropriate legal proceedings the amount or validity of any Real Property Taxes. "Real Property Taxes" do not, however, include Landlord's federal or state income, franchise, inheritance or estate taxes.

(c) **Joint Assessment; Tenant's Share**. If the Property is not separately assessed, Real Property Taxes for the Property shall be Tenant's Pro Rata Share of the Real Property Taxes for the parcel containing the Building.

(d) **Personal Property Taxes**.

(i) Tenant shall pay all taxes charged against trade fixtures, furnishings, equipment or any other personal property belonging to Tenant. Tenant shall diligently pursue the separate assessment of such personal property, so that it is taxed separately from the Property.

(ii) If any of Tenant's personal property is taxed with the Property, Tenant shall pay Landlord the taxes for the personal property within fifteen (15) days after Tenant receives a written statement from Landlord for such personal property taxes.

(e) **Use and Occupancy Taxes**. Tenant shall also pay before any penalties or fines are assessed to the appropriate governmental authority any use and occupancy tax in connection with the Property. In the event Landlord is required by law to collect such tax, Tenant shall pay such use and occupancy tax to Landlord as Additional Rent within ten (10) days of demand and Landlord shall remit any amounts so paid to Landlord to the appropriate governmental authority in a timely fashion.

(f) **Rent Tax**. In the event that any governmental authority imposes a tax, charge, assessment or other imposition upon tenants or landlords in general which is based upon the rents payable under this Lease, including any taxes based upon the receipt of rents including gross receipts, sales or value added tax, Tenant shall pay the same before any penalties or fines are assessed to such governmental authority or to Landlord if Landlord is responsible to collect the same, in which case Landlord shall remit the same in a timely manner and, upon request of Tenant, evidence to Tenant such remittance.

Section 4.03 **Utilities**. Tenant shall pay, directly to the appropriate supplier, the cost of all natural gas, heat, light, power, sewer service, telephone, fiber optic, cable or other communications or data delivery services, water, refuse disposal and other utilities and services supplied to the Property. However, if any services or utilities are jointly metered with other property, Landlord shall make a reasonable determination of Tenant's proportionate share of the cost of such utilities and services and Tenant shall pay such share to Landlord with Tenant's next monthly installment of Base Rent, consistent with Section 4.01 above. Tenant acknowledges and agrees that (1) this Lease is entirely separate and distinct from and independent of any and all agreements that Tenant may at any time enter into with any third party for the provision of utility services or any other services, and (2) Landlord has no obligation of any kind concerning the provision of any such services. Landlord shall not be liable for any failure to furnish, stoppage of, or interruption in furnishing any of the services or utilities described in this Section 4.03, when such failure is caused by accident, breakage, repairs, strikes, lockouts, labor disputes, labor disturbances, governmental regulation, civil disturbances, terrorist acts, acts of war, moratorium or other governmental action, or any other cause beyond Landlord's reasonable control, and, in such event, Tenant shall not be entitled to any damages nor shall any failure or interruption abate or suspend Tenant's obligation to pay rent as required under this Lease or constitute or be construed as a constructive or other eviction of Tenant. Further, in the event any governmental authority or public utility promulgates or revises any law, ordinance, rule or regulation, or issues mandatory controls or voluntary controls relating to the use or conservation of energy, water, gas, light or electricity, the reduction of automobile or other emissions, or the provision of any other utility or service, Landlord may take any reasonably appropriate action to comply with such law, ordinance, rule, regulation, mandatory control or voluntary guideline without affecting Tenant's obligations under this Lease. Tenant recognizes that security services, if any, provided by Landlord at the building on the Property are for the protection of Landlord's property and under no circumstances shall Landlord be responsible for, and Tenant waives any rights with respect to, providing security or other protection for Tenant or its employees, invitees or property in or about the Property or the building on the Property.

Section 4.04 **Insurance Policies**.

(a) **Liability Insurance**. During the Lease Term, Tenant, at Tenant's sole cost and expense, shall maintain a policy of commercial general liability insurance (or its equivalent) insuring Tenant against liability for bodily injury, property damage (including loss of use of property) and personal injury arising out of the operation, use or occupancy of the Property. Tenant shall name Landlord (and any affiliate, lender or property manager of Landlord designated by Landlord) as an additional insured under such policy, and Tenant shall provide Landlord with an appropriate "additional insured" endorsement to Tenant's liability insurance policy (in a form acceptable to Landlord) not less than ten (10) business days before the early access to or occupancy of the Property by Tenant or any other member of the Tenant Group (defined below). The initial amount of such insurance shall be not less than Three Million Dollars ($3,000,000.00) per occurrence and shall be subject to periodic increase based upon inflation, increased liability awards, recommendation of Landlord's professional insurance advisors and other relevant factors. The liability insurance obtained by Tenant under this Section 4.04(a): shall (i) be primary to and seek no contribution for all insurance available to Landlord; (ii) contain a "separation of insureds" clause (or equivalent); (iii) include typical contractual liability coverage (without limitation or deletion by endorsement); (iv) provide "occurrence" based coverage; and (v) not have a deductible or self-insured retention amount in excess of Ten Thousand Dollars ($10,000.00). The amount and coverage of such insurance shall not limit Tenant's liability nor relieve Tenant of any other obligation under this Lease. Tenant may satisfy its obligations under this Section through the use of a combination of primary and excess or umbrella coverage. Landlord may also obtain

commercial general liability insurance in an amount and with coverage determined by Landlord, insuring Landlord against liability arising out of ownership, operation, or use of the Property by Landlord. The liability policy obtained by Landlord shall be excess, secondary and non-contributory with respect to Tenant's liability insurance.

(b) **Property and Rental Income Insurance**. During the Lease Term, Landlord shall maintain policies of insurance covering loss of or damage to the Property, the Buildilng and the building improvements owned by Landlord (but expressly excluding any property Tenant is required to insure pursuant to Section 4.04(d)(vi) below) in the full amount of their replacement cost, with such policies providing protection against loss or damage due to fire or other perils covered by the "Causes of Loss—Special Form" policy (or a similar policy containing equivalent coverage) and any other perils which Landlord, Landlord's lender or ground lessor deems reasonably necessary. Landlord shall have the right to obtain terrorism, flood and earthquake insurance and other forms of insurance as required by any lender holding a security interest in the Property or any ground lessor. Tenant acknowledges and agrees that Landlord's property and rental loss insurance required pursuant to Section 4.04(b) of this Lease insures damage to the Property as a result of fire or other casualty and does not extend to damage to the Property as a result of Tenant's and/or Tenant's employees, contractors or agents acts or omissions. For example, fire damage to the Property that is caused by a short in the electrical system is an insured loss, but damage to the Property caused by forklift damage to a support column, dock door or concrete wall is not an insured loss and would be Tenant's responsibility to repair. Landlord shall not obtain insurance for Tenant's fixtures or equipment or building improvements installed by Tenant on the Property. During the Lease Term, Landlord shall also maintain a rental income insurance policy, with loss payable to Landlord, in an amount equal to one year's Base Rent, plus one year's estimated recurring Additional Rent. Notwithstanding Section 4.04(d)(iv) below, Tenant shall be liable for the payment of its Pro Rata Share of any deductible amount under Landlord's insurance policies (which deductible amount shall not exceed $10,000.00) maintained pursuant to this Section 4.04 (b); provided, however, that if the loss or damage is due to an act or omission of Tenant, then Tenant shall be responsible for payment of the entirety of such deductible amount. Tenant shall not do or permit anything to be done which invalidates any such insurance policies.

(c) **Payment of Premiums**. Tenant shall pay all premiums for the insurance policies described in Sections 4.04(a) above and shall reimburse Landlord for Tenant's proportionate share of the cost of the insurance policies described in Section 4.04(b) above, except Landlord shall pay all premiums for non-primary commercial general liability insurance which Landlord elects to obtain as provided in Section 4.04(a) above. With respect to the premiums for the insurance policies described in Section 4.04(b) above, Landlord shall bill Tenant monthly in advance for the estimated amount of Tenant's proportionate share of such premiums, consistent with Section 4.05(d) below, and Tenant shall pay Landlord such amount, as Additional Rent. If insurance policies maintained by Landlord cover improvements on real property other than the Property, Landlord shall deliver to Tenant a statement of the premium showing in reasonable detail how Tenant's share of the premium was computed. If the Lease Term expires before the expiration of an insurance policy maintained by Landlord, Tenant shall be liable only for Tenant's prorated share of the insurance premiums. Subject to the provisions of Section 2.03 above, prior to the Lease Commencement Date, Tenant shall deliver to Landlord (a) either (i) a certificate of insurance (in form acceptable to Landlord) executed by an authorized officer or agent of the insurance company, certifying that the insurance that Tenant is required to maintain under this Section 4.04 is in full force and effect and containing such other information Landlord reasonably requires, or (ii) copies of the required policies of insurance or other satisfactory evidence (on which Landlord can reasonably rely) that the insurance Tenant is required to maintain under this Section 4.04 is in full force and effect, and (b) any endorsements to Tenant's insurance policies required by this Section 4.04. At least thirty (30) days prior to the expiration of any insurance coverage Tenant is required to maintain under this Section 4.04, Tenant shall deliver to Landlord a certificate of insurance (in form acceptable to Landlord) or other satisfactory evidence (on which Landlord can reasonably rely) verifying the timely renewal of such coverage.

(d) **General Insurance Provisions**.

(i) Any insurance that Tenant is required to maintain under this Lease shall include a provision (by endorsement, if necessary) that requires the insurance carrier to give Landlord and Landlord's lender (if requested) not less than thirty (30) days' written notice prior to any cancellation (whether by Tenant or the insurer) or material modification of such coverage, including the cancellation (whether by Tenant or the insurer) or material modification of any required endorsements.

(ii) If Tenant fails to deliver to Landlord or Landlord's lender (if requested) any certificate of insurance or endorsement required under this Lease within the prescribed time period or if any such policy is canceled or modified during the Lease Term without Landlord's consent, Landlord may obtain such insurance for Landlord's sole benefit (but is under no obligation to do so), in which case Tenant shall reimburse Landlord for the cost of such insurance within fifteen (15) days after receipt of a statement that indicates the cost of such insurance. If Tenant fails to carry the

required insurance, such failure shall automatically be deemed to be a covenant by Tenant to self-insure such required coverage, with a full waiver of subrogation in favor of Landlord (in the case of deemed self-insurance of Tenant's required property insurance); provided, however, that such failure shall remain a breach of this Lease unless cured by Tenant and any such deemed covenant to "self-insure" shall not be construed to grant Tenant the right to self-insure any of its insurance obligations under this Lease.

(iii) Tenant shall maintain all insurance required under this Lease with companies duly authorized to issue insurance policies in the State in which the Property is located and holding a Financial Strength Rating of "A" or better, and a Financial Size Category of "XII" or larger, based on the most recent published ratings of the A.M. Best Company. Landlord and Tenant acknowledge the insurance markets are rapidly changing and that insurance in the form and amounts described in this Section 4.04 may not be available in the future. Tenant acknowledges that the insurance described in this Section 4.04 is for the primary benefit of Landlord. If at any time during the Lease Term, Tenant is unable to obtain and maintain the insurance required under this Lease, Tenant shall nevertheless maintain insurance coverage which is (1) customary and commercially reasonable in the insurance industry for Tenant's type of business, as that coverage may change from time to time, and (2) acceptable to Landlord. Landlord makes no representation as to the adequacy of such insurance to protect Landlord's or Tenant's interests. If Tenant believes that any such insurance coverage is inadequate, Tenant shall obtain any such additional property or liability insurance which Tenant deems necessary to protect Landlord and Tenant.

(iv) Notwithstanding anything in this Lease to the contrary, Landlord and Tenant each hereby waives any and all rights of recovery against the other, or against the members, managers, officers, employees, agents or representatives of the other (whether such right of recovery arises from a claim based on negligence or otherwise), for loss of or damage to its property or the property of others under its control, if such loss or damage is covered by any insurance policy in force (whether or not described in this Lease) at the time of such loss or damage. To the extent required under their respective policies of insurance, Landlord and Tenant shall give notice to the insurance carriers of this mutual waiver of claims and confirm that their respective policies of insurance do not prohibit this waiver and include a corresponding waiver of subrogation by the insurer.

(v) Tenant shall not do or permit to be done any act or thing upon the Property or the Building which would (a) jeopardize or be in conflict with the property insurance policies covering the Building or fixtures or property in the Building; (b) increase the rate of property insurance applicable to the Building to an amount higher than it otherwise would be for general office and warehouse use of the Building; or (c) subject Landlord to any liability or responsibility for injury to any person or persons or to property by reason of any business or operation being conducted at the Property.

(vi) Tenant shall, at its sole cost and expense, keep in full force and effect during the Lease Term the following additional coverage: (1) workers' compensation insurance as required by state law; (2) employer's liability insurance, with a limit of not less than Two Million Dollars ($2,000,000), each accident, not less than Two Million Dollars ($2,000,000) policy limit, and not less than Two Million Dollars ($2,000,000) each employee for all persons employed by Tenant who may come onto or occupy the Property; (3) commercial auto liability insurance with a limit of not less than Two Million Dollars ($2,000,000) aggregate limit for bodily injury and property damage, including owned, non-owned, and hired auto liability coverage for such vehicles driven on and around the Property (if Tenant does not own company vehicles, a letter to that effect from an officer or principal of Tenant, in addition to proof of non-owned and hired auto liability coverage is required); and (4) "Causes of Loss – Special Form" (or a similar policy containing equivalent coverage) property insurance on a replacement cost basis, covering (i) Tenant's personal property, whether owned, leased, or rented, including but not limited to trade fixtures, furniture, and equipment, and (ii) any Tenant's Alterations (defined below). Such property insurance policies of Tenant shall contain an agreed amount endorsement in lieu of a co-insurance clause, and shall be written as primary policies, not contributing with and not supplemental to the property insurance coverage that Landlord is required to carry pursuant to Section 4.04(b) above. Tenant may satisfy its liability insurance obligations under this subsection through the use of a combination of primary and excess or umbrella coverage. Tenant shall be solely responsible for payment of the entirety of any self-insured retention or deductible amount under Tenant's insurance policies.

(vii) If Tenant carries any of the liability insurance required hereunder in the form of a policy covering more than one location, any certificate required hereunder shall make specific reference to the Property. In addition, any such policy shall contain a "per location" or "Designated Location (s) General Aggregate" (or comparable) endorsement assuring that any aggregate limit under such liability policy shall apply separately to the Property and that the insurer thereunder shall provide written notice to Landlord if the available portion of such aggregate is reduced to less than

the minimum amounts required under Section 4.04(a) above by either payment of claims or the establishment of reserves for claims (in which case Tenant shall be obligated to take immediate steps to increase the amount of its insurance coverage in order to satisfy the minimum requirements set forth in Section 4.04(a) above).

(viii) Tenant's insurance obligations under this Section 4.04 are separate and independent obligations of Tenant, and are expressly not dependent or conditioned on any other obligations of Tenant under this Lease.

Section 4.05 **Maintenance Services and Costs.**

(a) **Maintenance Services for the Property**. Notwithstanding the provisions of Sections 6.03 and 6.04 and in addition to Section 4.05(c), Landlord shall maintain the following Property and Building maintenance items (collectively, the "**Maintenance Items**") during the Lease Term: (i) routine monthly landscape maintenance; (ii) tree trimming; (iii) minor landscape repairs; (iv) water irrigation charges; (v) association dues; (vi) backflow testing; (vii) parking lot sweeping; (viii) exterior rodent control; (ix) Building fire sprinkler alarm monitoring (including related phone line charges); (x) ESFR pump monitoring and service charges; (xi) exterior building paint; (xii) asphalt slurry seal; and (xiii) roof membrane maintenance, repair and replacement. In connection with Landlord's obligations under this Section 4.05(e), Landlord may enter into a contract with a contractor/maintenance provider of Landlord's choice to provide some (but not necessarily all) of the maintenance services listed above. Tenant shall reimburse Landlord for Tenant's Pro Rata Share of the cost of the Maintenance Items (the "**Maintenance Items Costs**") (prorated for any fractional month) upon written notice from Landlord that such costs are due and payable, and in any event prior to delinquency. Landlord may, at Landlord's election, estimate in advance the annual Maintenance Items Costs for which Tenant is liable under this Section 4.05(e) and require that Tenant pay such Maintenance Items Costs to Landlord, in monthly installments, together with Base Rent. Landlord may adjust such estimates at any time based upon Landlord's experience and reasonable anticipation of costs. Such adjustments shall be effective as of the next rent payment date after notice to Tenant. In connection with the Maintenance Items Costs, Landlord shall collect from Tenant, as Additional Rent, reserves for slurry sealing of the asphalt portions of the truck court, parking lot and driveways (the "**Asphalt Reserve**"). Further and in connection with the Maintenance Items Costs, Landlord shall collect from Tenant during the Extension and/or any extension of the Lease Term beyond the Initial Lease Term, as Additional Rent, reserves for: (i) exterior building painting (the "**Paint Reserve**"), and (ii) roof membrane maintenance, repair and replacement (the "**Roof Reserve**"). The Asphalt Reserve, the Paint Reserve and the Roof Reserve are sometimes collectively referred to herein as the "**Reserves**." In addition, Landlord shall collect from Tenant, as Additional Rent a management fee (the "**Management Fee**") (which such Management Fee shall not exceed five percent (5%) of gross rents of the Building for the calendar year) for managing the Property. Tenant shall pay such Reserves and Management Fee to Landlord in monthly installments together with Base Rent. The provisions of this Section 4.05(e) shall survive the expiration or earlier termination of the Lease Term.

(b) **Reconciliation**. Within one hundred twenty (120) days after the end of each calendar year during the Lease Term, Landlord shall deliver to Tenant a statement prepared in accordance with generally accepted accounting principles setting forth, in reasonable detail, the total Maintenance Items Costs paid or incurred by Landlord during the preceding calendar year. Upon receipt of such statement and except for the Reserves and Management Fee collected by Landlord pursuant to Section 4.05(a) above, which shall be retained by Landlord, there shall be an adjustment between Landlord and Tenant, with payment to or credit given by Landlord (as the case may be) so that Landlord shall receive the entire amount of Maintenance Items Costs due from Tenant for such period.

Section 4.06 **Late Charges**. Tenant's failure to pay rent promptly may cause Landlord to incur unanticipated costs. The exact amount of such costs is impractical or extremely difficult to ascertain. Such costs may include, but are not limited to, processing and accounting charges and late charges which may be imposed on Landlord by any ground lease, mortgage or trust deed encumbering the Property. Therefore, if Landlord does not receive any rent payment within five (5) days after it becomes due, Tenant shall pay Landlord a late charge equal to ten percent (10%) of the overdue amount. The parties agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of such late payment. If Tenant shall be served with a demand for payment of past due rent or any other charge, any payments tendered thereafter to cure any default of Tenant shall be made only by cashier's check, wire transfer, or other immediately available funds.

Section 4.07 **Interest on Past Due Obligations**. In addition to any late charge imposed pursuant to Section 4.06 above, any amount owed by Tenant to Landlord which is not paid within five (5) days after it becomes due shall bear interest at the rate of fifteen percent (15%) per annum from the due date of such amount ("**Interest**"); provided, however, that no interest shall be payable on any late charges imposed on Tenant under this Lease. The payment of interest on such amounts shall not excuse or cure any default by Tenant under this Lease. If the interest rate specified in this Section 4.07,

or any other charge or payment due under this Lease which may be deemed or construed as interest, is higher than the rate permitted by law, such interest rate is hereby decreased to the maximum legal interest rate permitted by law.

ARTICLE FIVE USE OF PROPERTY

Section 5.01 **Permitted Uses**. Tenant may use the Property only for the Permitted Uses set forth in Section 1.06 above and for no other purpose whatsoever; provided that such Permitted Uses (i) do not create any unusual or atypical wear and tear on the building on the Property or decrease the value of the Property; (ii) do not create any risk of Environmental Damages or Hazardous Material contamination on the Property; (iii) do not create obnoxious (as to a reasonable person) odors or noise; (iv) do not include storage of tires, chemicals (other than those permitted under Section 5.03 below) or explosives or other products made with like materials; (v) do not involve fabrication or manufacturing, except as expressly permitted in Section 1.06 above; (vi) do not exceed the load capacity of the floor slab; (vii) do not involve the growing, cultivation, harvesting, separating, use, sale, warehousing, distribution, packing, dispensing, or possession of cannabis, including, without limitation, marijuana, or any related cannabis products; and (viii) is consistent with the use of other tenants of Landlord in the surrounding area

Section 5.02 **Manner of Use**. Tenant shall not cause or permit the Property to be improved, developed, or used in any way which constitutes a violation of any law, statute, ordinance, or governmental regulation or order, or other governmental requirement now in force or which may hereafter be enacted or promulgated, including, without limitation, any "green building" ordinance, law or regulation (collectively, "**Applicable Laws**"), or which unreasonably interferes with the rights of other tenants of Landlord, or which constitutes a nuisance or waste. Tenant shall obtain and pay for all permits required for Tenant's occupancy of the Property, and for all business licenses, and shall promptly take all actions necessary to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements regulating the use by Tenant of the Property, including without limiting to the Occupational Safety and Health Act. Notwithstanding the foregoing, Landlord shall, at Tenant's sole cost and expense, cooperate with Tenant in executing permitting applications and performing other ministerial acts reasonably necessary to enable Tenant to obtain from the applicable governmental authority a High Pile Stock Permit (or comparable permit), if needed. Tenant, at Tenant's sole cost and expense, shall be responsible for the installation of any fire hose valves, draft curtains, smoke venting, exit doors and any additional fire protection systems (including, without limitation, fire extinguishers) that may be required by the fire department or any governmental agency. It shall be considered a Tenant Delay if a delay in obtaining such permit thereby delays or affects Landlord's receipt of governmental permits, approvals or certificates of occupancy.

Tenant shall, at its sole cost and expense, promptly comply with any Applicable Laws regarding the Proprety, including, without limitation those which relate to (or are triggered by) (i) Tenant's use of the Property, and (ii) any alteration or any tenant improvements made by Tenant or at the request of Tenant. Should any standard or regulation now or hereafter be imposed on Tenant by any federal, state or local governmental body charged with the establishment, regulation and enforcement of occupational, health or safety standards, then Tenant agrees, at its sole cost and expense, to comply promptly with such standards or regulations. The judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any Applicable Laws, shall be conclusive of that fact as between Landlord and Tenant. Tenant shall immediately notify Landlord in writing of any water infiltration at the Property. Consistent with the provisions of this Section 5.02, Tenant acknowledges and agrees that it is solely responsible for obtaining any required certificate of occupancy (or its equivalent) from the applicable governmental authorities.

Section 5.03 **Hazardous Materials**.

5.03.1 **Definitions**.

A. "**Hazardous Material**" means any substance, whether solid, liquid or gaseous in nature:

(i) the presence of which requires investigation or remediation under any federal, state or local statute, regulation, ordinance, order, action, policy or common law; or

(ii) which is or becomes defined as a "hazardous waste," "hazardous substance," "pollutant," "contaminant," "hazardous material" or "toxic" under any federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et seq.), the Federal

Water Pollution Control Act (33 U.S.C. section 1251 et seq.), the Clean Air Act (42 U.S.C. section 7401 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. section 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. section 651 et seq.), as these laws have been amended or supplemented; or

(iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous or is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Arizona or any political subdivision thereof; or

(iv) the presence of which on the Property or the Building causes or threatens to cause a nuisance upon the Property or the Building or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Property; or

(v) the presence of which on adjacent properties could constitute a trespass by Tenant; or

(vi) without limitation which contains gasoline, diesel fuel or other petroleum hydrocarbons; or

(vii) without limitation which contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or

(viii) without limitation which contains radon gas.

B. "**Environmental Requirements**" means all applicable present and future:

(i) statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, concessions, franchises, and similar items (including, but not limited to those pertaining to reporting, licensing, permitting, investigation and remediation), of all Governmental Agencies; and

(ii) all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, including, without limitation, all requirements pertaining to emissions, discharges, releases, or threatened releases of Hazardous Materials or chemical substances into the air, surface water, groundwater or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials or chemical substances.

C. "**Environmental Damages**" means all claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability), encumbrances, liens, costs, and expenses (including the expense of investigation and defense of any claim, whether or not such claim is ultimately defeated, or the amount of any good faith settlement or judgment arising from any such claim) of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable (including without limitation reasonable attorneys' fees and disbursements and consultants' fees) any of which are incurred at any time as a result of the existence of Hazardous Material upon, about, or beneath the Property or the Building or migrating or threatening to migrate to or from the Property or the Building, or the existence of a violation of Environmental Requirements pertaining to the Property or the Building and the activities thereon, regardless of whether the existence of such Hazardous Material or the violation of Environmental Requirements arose prior to the present ownership or operation of the Property. Environmental Damages include, without limitation:

(i) damages for personal injury, or injury to property or natural resources occurring upon or off of the Property, including, without limitation, lost profits, consequential damages, the cost of demolition and rebuilding of any improvements on real property, interest, penalties and damages arising from claims brought by or on behalf of employees of Tenant (with respect to which Tenant waives any right to raise as a defense against Landlord any immunity to which it may be entitled under any industrial or worker's compensation laws);

(ii) fees, costs or expenses incurred for the services of attorneys, consultants, contractors, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such Hazardous Materials or violation of such Environmental Requirements, including, but not limited to, the preparation of any feasibility studies or reports or the performance of any cleanup, remediation, removal, response, abatement, containment, closure, restoration or monitoring work required by any Governmental Agency or reasonably necessary to make full economic use of the Property and the Building or any other property in a manner consistent with its current use or otherwise expended in

connection with such conditions, and including, without limitation, any attorneys' fees, costs and expenses incurred in enforcing the provisions of this Lease or collecting any sums due hereunder;

(iii) liability to any third person or Governmental Agency to indemnify such person or Governmental Agency for costs expended in connection with the items referenced in subsection (ii) above; and

(iv) diminution in the fair market value of the Property or the Building including, without limitation, any reduction in fair market rental value or life expectancy of the Property or the Building or the improvements located thereon or the restriction on the use of or adverse impact on the marketing of the Property or the Building or any portion thereof.

D. "**Governmental Agency**" means all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states, counties, cities and political subdivisions thereof.

E. The "**Tenant Group**" means Tenant, Tenant's successors, assignees, guarantors, officers, members, managers, directors, agents, employees, contractors, invitees, permitees or other parties under the supervision or control of Tenant or entering the Property during the Lease Term with the permission or knowledge of Tenant, other than Landlord or Landlord's agents or employees.

5.03.2 **Prohibitions**.

A. Other than (i) normal quantities of general office and cleaning supplies containing de minimis amounts of Hazardous Material, (ii) those Hazardous Materials that may be contained within vehicles, equipment, and machinery operated at the Property (e.g., fuel in a vehicle's tank) or contained in original packaging from manufacturer and temporarily held by Tenant while in transit, so long as such items are handled by Tenant in strict compliance with all Environmental Requirements, and (iii) except as specified on Exhibit "B" attached hereto, Tenant shall not cause, permit or suffer any Hazardous Material to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used upon, about or beneath the Property by the Tenant Group, or any other person without the prior written consent of Landlord. From time to time during the Lease Term, Tenant may request Landlord's approval of Tenant's use of other Hazardous Materials, which approval may be withheld in Landlord's sole discretion. Before the date of Tenant's early access to or occupancy of the Property, Tenant shall provide to Landlord for those Hazardous Materials described on Exhibit "B": (a) a description of handling, storage, use and disposal procedures; and (b) all "community right to know" plans or disclosures and/or emergency response plans which Tenant is required to supply to local Governmental Agencies pursuant to any Environmental Requirements.

B. Tenant shall not cause, permit or suffer the existence or the commission by the Tenant Group, or by any other person, of a violation of any Environmental Requirements upon, about or beneath the Property or the Building.

C. Tenant shall neither create or suffer to exist, nor permit the Tenant Group to create or suffer to exist any lien, security interest or other charge or encumbrance of any kind with respect to the Property or the Building, including without limitation, any lien imposed pursuant to section 107(f) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. section 9607(l)) or any similar state statute.

D. Except as otherwise expressly allowed by Section 5.03.2(A) above, Tenant shall not install, operate or maintain any above or below grade tank, sump, pit, pond, lagoon or other storage or treatment vessel or device on the Property without Landlord's prior written consent, which may be withheld in Landlord's sole and absolute discretion.

5.03.3 **Indemnity**.

A. Tenant, its successors, assigns and guarantors, agree to indemnify, defend, reimburse and hold harmless:

(i) Landlord; and

(ii) any other person who acquires all or a portion of the Property in any manner (including purchase at a foreclosure sale) or who becomes entitled to exercise the rights and remedies of Landlord under this Lease; and

(iii) the directors, officers, shareholders, employees, partners, members, managers, agents, contractors, subcontractors, experts, licensees, affiliates, lessees, mortgagees, trustees, heirs, devisees, successors, assigns and invitees of Landlord and such persons;

from and against any and all Environmental Damages which exist as a result of the activities or negligence of the Tenant Group or which exist as a result of the breach of any warranty or covenant or the inaccuracy of any representation of Tenant contained in this Lease, or by Tenant's remediation of the Property or the Building or failure to meet its obligations contained in this Section 5.03.

B. The obligations contained in this Section 5.03.3 shall include, but not be limited to, the burden and expense of defending all claims, suits and administrative proceedings, even if such claims, suits or proceedings are groundless, false or fraudulent, and conducting all negotiations of any description, and paying and discharging, when and as the same become due, any and all judgments, penalties or other sums due against such indemnified persons. Landlord, at its sole expense, may employ additional counsel of its choice to associate with counsel representing Tenant.

C. Landlord shall have the right but not the obligation to join and participate in, and control, if it so elects, any legal proceedings or actions initiated in connection with Tenant's activities. Landlord may also negotiate, defend, approve and appeal any action taken or issued by any applicable governmental authority with regard to contamination of the Property or the Building by a Hazardous Material.

D. The obligations of Tenant in this Section 5.03.3 shall survive the expiration or termination of this Lease.

E. The obligations of Tenant under this Section 5.03.3 shall not be affected by any investigation by or on behalf of Landlord, or by any information which Landlord may have or obtain with respect thereto.

5.03.4 **Obligation to Remediate**. In addition to the obligation of Tenant to indemnify Landlord pursuant to this Lease, Tenant shall, upon approval and demand of Landlord, at its sole cost and expense and using contractors approved by Landlord, promptly take all actions to remediate the Property and the Building which are required by any Governmental Agency, or which are reasonably necessary to mitigate Environmental Damages or to allow full economic use of the Property and the Building, which remediation is necessitated from the presence upon, about or beneath the Property and the Building, at any time during or upon termination of this Lease (whether discovered during or following the Lease Term), of a Hazardous Material or a violation of Environmental Requirements existing as a result of the activities or negligence of the Tenant Group. Such actions shall include, but not be limited to, the investigation of the environmental condition of the Property and the Building, the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or restoration work, whether on or off the Property, which shall be performed in a manner approved by Landlord. Tenant shall take all actions necessary to restore the Property and the Building to the condition existing prior to the introduction of Hazardous Material upon, about or beneath the Property and the Building, notwithstanding any lesser standard of remediation allowable under Applicable Law or governmental policies.

5.03.5 **Right to Inspect**. Landlord shall have the right in its sole and absolute discretion, but not the duty, to enter and conduct an inspection of the Property, including invasive tests, at any reasonable time to determine whether Tenant is complying with the terms of this Lease, including but not limited to the compliance of the Property and the activities thereon with Environmental Requirements and the existence of Environmental Damages as a result of the condition of the Property or surrounding properties and activities thereon. Landlord shall have the right, but not the duty, to retain any independent professional consultant (the "**Consultant**") to enter the Property to conduct such an inspection or to review any report prepared by or for Tenant concerning such compliance. The cost of the Consultant shall be paid by Landlord unless such investigation discloses a violation of any Environmental Requirement by the Tenant Group or the existence of a Hazardous Material on the Property or any other property caused by the activities or negligence of the Tenant Group (other than Hazardous Materials used in compliance with all Environmental Requirements and previously approved by Landlord), in which case Tenant shall pay the cost of the Consultant. Tenant hereby grants to Landlord, and the agents, employees, consultants and contractors of Landlord the right to enter the Property to perform such tests on the Property as are reasonably necessary to conduct such reviews and investigations. Landlord shall use commercially reasonable efforts to minimize interference with the business of Tenant.

5.03.6 **Notification**. If Tenant shall become aware of or receive notice or other communication concerning any actual, alleged, suspected or threatened violation of Environmental Requirements, or liability of Tenant for

Environmental Damages in connection with the Property or past or present activities of any person thereon, including but not limited to notice or other communication concerning any actual or threatened investigation, inquiry, lawsuit, claim, citation, directive, summons, proceeding, complaint, notice, order, writ, or injunction, relating to same, then Tenant shall deliver to Landlord within ten (10) days of the receipt of such notice or communication by Tenant, a written description of said violation, liability, or actual or threatened event or condition, together with copies of any documents evidencing same. Receipt of such notice shall not be deemed to create any obligation on the part of Landlord to defend or otherwise respond to any such notification.

If requested by Landlord, Tenant shall disclose to Landlord the names and amounts of all Hazardous Materials other than general office and cleaning supplies referred to in Section 5.03.2 of this Lease, which were used, generated, treated, handled, stored or disposed of on the Property or which Tenant intends to use, generate, treat, handle, store or dispose of on the Property. The foregoing in no way shall limit the necessity for Tenant obtaining Landlord's consent pursuant to Section 5.03.2 of this Lease.

5.03.7 **Surrender of Property**. In the ninety (90) days prior to the expiration or termination of the Lease Term, and for up to ninety (90) days after the later to occur of: (i) Tenant's full surrender to Landlord of exclusive possession of the Property; and (ii) the termination of this Lease, Landlord may have an environmental assessment of the Property performed in accordance with Section 5.03.5 of this Lease. Tenant shall perform, at its sole cost and expense, any clean-up or remedial work recommended by the Consultant which is necessary to remove, mitigate or remediate any Hazardous Materials and/or contamination of the Property or the Building caused by the activities or negligence of the Tenant Group.

5.03.8 **Assignment and Subletting**. In the event this Lease provides that Tenant may assign this Lease or sublet the Property subject to Landlord's consent and/or certain other conditions, and if the proposed assignee's or subtenant's activities in or about the Property involve the use, handling, storage or disposal of any Hazardous Materials other than those used by Tenant and in quantities and processes similar to Tenant's uses in compliance with this Lease, (i) it shall be reasonable for Landlord to withhold its consent to such assignment or sublease in light of the risk of contamination posed by such activities and/or (ii) Landlord may, in its sole and absolute discretion, impose an additional condition to such assignment or sublease which requires Tenant to reasonably establish that such assignee's or subtenant's activities pose no materially greater risk of contamination to the Property than do Tenant's permitted activities in view of: (a) the quantities, toxicity and other properties of the Hazardous Materials to be used by such assignee or subtenant; (b) the precautions against a release of Hazardous Materials such assignee or subtenant agrees to implement; (c) such assignee's or subtenant's financial condition as it relates to its ability to fund a major clean-up; and (d) such assignee's or subtenant's policy and historical record respecting its willingness to respond to the clean-up of a release of Hazardous Materials.

5.03.9 **Survival of Hazardous Materials Obligation**. Tenant's breach of any of its covenants or obligations under this Section 5.03 shall constitute a material default under this Lease. The obligations of Tenant under this Section 5.03 shall survive the expiration or earlier termination of this Lease without any limitation, and shall constitute obligations that are independent and severable from Tenant's covenants and obligations to pay rent under this Lease.

Section 5.04 **Auctions and Signs**. Tenant shall not conduct or permit any auctions or sheriff's sales at the Property. Subject to Landlord's prior written approval, and provided all signs are in keeping with the quality, design and style of the business park within which the Property is located, Tenant, at its sole cost and expense, may install an identification sign ("**Sign**") at the Property; provided, however, that (i) the size, color, location, materials and design of the Sign shall be subject to Landlord's prior written approval; (ii) the Sign shall comply with all applicable governmental rules and regulations and the Property's covenants, conditions and restrictions; (iii) the Sign shall not be painted directly on the building on the Property or attached or placed on the roof of the building on the Property; and (iv) Tenant's continuing signage right shall be contingent upon Tenant maintaining the Sign in a first-class condition. Tenant shall be responsible for all costs incurred in connection with the design, construction, installation, repair and maintenance of the Sign. Upon the expiration or earlier termination of this Lease, Tenant shall cause the Sign to be removed and shall repair any damage caused by such removal (including, but not limited to, patching and painting), all at Tenant's sole cost and expense. Except for the Sign, no other sign, notice, logos, picture, names or advertisement may be posted or installed at the Property or Building by or on behalf of or at the request of Tenant without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion. Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been separately approved in writing by Landlord, may be removed by Landlord, without notice to Tenant, at Tenant's sole cost and expense.

Section 5.05 **Indemnity**. To the extent permitted by Applicable Law, Tenant shall indemnify, defend, protect and hold harmless Landlord (and Landlord's members, managers, partners, and shareholders, as applicable, and the affiliates, employees, agents, and contractors of Landlord and its members, managers, partners, and shareholders, as applicable) and Landlord's property manager from any and all costs, claims, loss, damage, expense and liability (including without limitation court costs, litigation expenses, and reasonable attorneys' fees) incurred in connection with or arising from: (a) Tenant's use of the Property and the Common Areas, including, but not limited to, those arising from any accident, incident, injury or damage, however and by whomsoever caused (except to the extent of any claim arising out of Landlord's gross negligence or willful misconduct), to any person or property occurring in or about the Property; (b) the conduct of Tenant's business or anything else done or permitted by Tenant to be done in or about the Property; (c) any breach or default in the performance of Tenant's obligations under this Lease; (d) any misrepresentation or breach of warranty by Tenant under this Lease; or (e) other acts or omissions of Tenant. As used in this Section, the term "**Tenant**" shall include Tenant's employees, agents, contractors and invitees, if applicable. The provisions of this Section 5.05 shall survive the expiration or earlier termination of this Lease with respect to any claims or liability occurring prior to such expiration or earlier termination, and shall constitute obligations that are independent and severable from Tenant's covenants and obligations to pay rent under this Lease.

Section 5.06 **Landlord's Access**. Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant to enter the Property to (i) inspect it; (ii) show the Property to prospective purchasers, mortgagees or tenants, or to the ground or underlying lessors; (iii) post notices of non-responsibility; (iv) alter, improve or repair the Property; or (v) place "For Sale" and "For Lease" signs on the Property. Notwithstanding anything to the contrary contained in this Section 5.06, Landlord may enter the Property at any time to (A) perform services required of Landlord; (B) take possession due to any breach of this Lease, in the manner provided in this Lease, and consistent with Applicable Law; and (C) perform any covenants of Tenant which Tenant fails to perform. Any such entries shall be without the abatement of Rent and shall include the right to take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Property, and any other loss occasioned thereby. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Property. Any entry into the Property in the manner described above shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Property, or an actual or constructive eviction of Tenant from any portion of the Property.

Section 5.07 **Vehicle Parking**. Tenant shall be entitled to use of the unreserved, non-exclusive automobile parking spaces in the Property as shown on Exhibit "A" attached hereto. Tenant's parking shall be on a "first come, first serve" basis and shall be limited to vehicles no larger than standard size automobiles or pickup utility vehicles. Tenant shall not allow large trucks or other large vehicles to be parked within the Building (other than in designated areas) or on the adjacent public streets; provided, however, that the parking or storing of large trucks and other commercial vehicles is allowed in front of, adjacent and perpendicular to Tenant's dock high loading doors at the Property, so as to be on the concrete apron adjacent to such doors, or in other areas specifically designated by Landlord for such purpose. Temporary parking of large delivery vehicles at the Building may be permitted by the rules and regulations established by Landlord. Vehicles shall be parked only in striped parking spaces and not in driveways, loading areas or other locations not specifically designated for parking. Handicapped spaces shall only be used by those legally permitted to use them. If Tenant parks more vehicles in the parking area than as permitted above or parks outside the designated parking area shown on Exhibit "A", then such conduct shall be a material breach of this Lease. In addition to Landlord's other remedies under this Lease, Tenant shall pay a daily charge determined by Landlord for each such additional vehicle.

Section 5.08 **Quiet Possession**. If Tenant pays the rent and observes and performs all other terms, covenants and conditions on Tenant's part to be observed and performed under this Lease, Landlord agrees to defend Tenant's right to quiet enjoyment of the Property for the Lease Term against any party claiming by, through or under Landlord, subject to the provisions of this Lease.

ARTICLE SIX CONDITION OF PROPERTY; MAINTENANCE, REPAIRS AND ALTERATIONS

Section 6.01 **Existing Conditions**. Tenant accepts the Property in its "as-is" condition as of the earlier of Tenant's occupancy of the Property or the Lease Commencement Date, subject to all recorded matters, laws, ordinances, and governmental regulations and orders. Except as expressly provided in this Lease, Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representations or warranties, express or implied, whatsoever with respect to the condition of the Property, the Building, or any buildings or other improvements on or comprising a part of either of same, nor with respect to the fitness or suitability thereof for any particular use or purpose, and Tenant hereby waives any and all such warranties, express or implied, including specifically but without limitation any warranty or

representation of suitability. Tenant represents and warrants that Tenant has made its own inspection of and inquiry regarding the condition of the Property (or has had the opportunity to do so) and is not relying on any representations of Landlord or any Broker with respect thereto.

Section 6.02 **Exemption of Landlord from Liability**. To the extent permitted by Applicable Law, Landlord shall not be liable for (and Tenant assumes the risk of) any damage or injury to the person, business (or any loss of income therefrom), goods, wares, merchandise or other property of Tenant, Tenant's employees, invitees, customers or any other person in or about the Property, whether such damage or injury is caused by or results from: (a) fire, steam, electricity, water, gas or rain; (b) the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or any other cause; (c) conditions arising in or about the Property or upon other portions of the Building, or from other sources or places; (d) criminal acts or entry by unauthorized persons into the Property or the building on the Property; or (e) any act or omission of any other tenant of Landlord. Landlord shall not be liable for any such damage or injury even though the cause of or the means of repairing such damage or injury are not accessible to Tenant. The provisions of this Section 6.02 shall not, however, exempt Landlord from liability to the extent of Landlord's gross negligence or willful misconduct, and are subject to Section 4.04(d)(iv) above.

Section 6.03 **Landlord's Obligations**.

(a) Subject to the provisions of Article Seven (Damage or Destruction) and Article Eight (Condemnation), and except for damage caused by any act or omission of Tenant, or Tenant's employees, agents, contractors or invitees, or as a result of Tenant's alterations, Landlord shall keep the foundation and the structural portions of the (i) roof and (ii) exterior walls of the Property in good order, condition and repair (provided that Tenant maintains such items in accordance with a first class industrial building). The above-referenced items shall be at Landlord's sole cost and expense. Landlord shall, as necessary, (i) maintain, repair and replace the roof membrane; (ii) paint the exterior walls of the building on the Property; and (iii) slurry-seal and stripe the asphalt portion of the truck court and the parking lot. During the Initial Lease Term, Tenant shall reimburse Landlord for (a) all costs paid by Landlord for subsections (i) and (ii) above; and (b) the amount, if any, of the cost of subsection (iii) in excess of the Asphalt Reserve collected by Landlord pursuant to Section 4.05(a). During the Extension and/or any extension of the Lease Term beyond the Initial Lease Term, Tenant shall reimburse Landlord the amount, if any, of the cost of subsections (i), (ii) and/or (iii) above in excess of the Reserves collected by Landlord pursuant to Section 4.05(a) for such item, as applicable. In addition and during the Lease Term, Landlord shall be responsible for any asphalt repairs and/or repaving the paved areas and/or concrete repairs and/or replacements and Tenant shall reimburse Landlord for such costs. All costs required to be paid pursuant to this Section 6.03 shall be paid within ten (10) days of Landlord's written request accompanied by supporting documentation for such cost. Landlord, however, shall not be obligated to maintain or repair floor, windows, doors, plate glass or surfaces of exterior walls. Landlord shall not be obligated to make any repairs under this Section 6.03 until a reasonable time after written receipt from Tenant of the need for such repairs. Tenant waives the benefit of any present or future law which might give Tenant the right to repair the Property at Landlord's expense or to terminate this Lease because of the condition of the Property.

(b) Notwithstanding the foregoing, Landlord shall, at Landlord's expense, cause the warehouse floors to be broom-swept and the existing plumbing, lighting, air conditioning, heating, and ventilating systems, fire sprinkler system, and loading doors in the Property (collectively, the "**Warranted Items**"), to be in good operating condition on the date Tenant first enters the Property. Upon written request from Tenant received within ninety (90) days of the date Tenant first enters the Property, Landlord shall repair any Warranted Items not delivered in good operating condition unless such repairs are required due to the acts or omissions of Tenant or as a result of alterations, additions or improvements to the Property made by Tenant or for Tenant. Landlord shall be deemed to have delivered the Property in the condition required by this Section 6.03 unless Tenant gives Landlord written notice and sets forth with specificity the nature and extent of any items requiring repair, within ninety (90) days after the date Tenant first enters the Property.

Section 6.04 **Tenant's Obligations**.

(a) Except as provided in Section 4.05 (c) above with respect to Landlord's obligations for the performance of certain work at the Property that is the subject of Common Area Costs, Section 6.03 (Landlord's Obligations) above, Article Seven (Damage or Destruction) below, and Article Eight (Condemnation) below, Tenant, at Tenant's sole cost and expense, shall keep all portions of the Property (including nonstructural, interior, exterior, systems and equipment) in good order, condition and repair. If any portion of the Property or any system or equipment in the Property that Tenant is obligated to repair cannot be fully repaired or restored (in Landlord's judgment), Tenant shall promptly replace (subject to Landlord's right to undertake such responsibility) such portion of the Property or system or

equipment in the Property. The cost of such replacement shall be amortized (using a rate of interest reasonably determined by Landlord) over the useful life as reasonably determined by Landlord, and Tenant shall only be liable for that portion of the cost which is applicable to the Lease Term (as it may be extended) (the "**Useful Life Allocation**"), and if the full replacement cost is initially borne by Tenant, Landlord shall reimburse Tenant or provide Tenant with a credit against future Additional Rent obligations in an amount equal to Landlord's share of such total cost. Tenant shall maintain a preventive maintenance service contract providing for the regular inspection and maintenance of the Property's heating and air conditioning systems (the "**HVAC Systems**") by a licensed heating and air conditioning contractor, unless Landlord is obligated to maintain all or a portion of such equipment pursuant to Section 6.03(a) above, or unless Landlord makes the election described in the next succeeding sentence. Landlord shall have the right, upon written notice to Tenant, to undertake the responsibility for preventive maintenance of all or a portion of the HVAC Systems at Tenant's expense, the cost of which shall be paid by Tenant as Additional Rent. Notwithstanding any language to the contrary in this Section 6.04(a), Tenant shall pay the full cost of such repair or replacement of the HVAC Systems and is not entitled to the benefit of the Useful Life Allocation if Tenant has failed to obtain and maintain the preventive maintenance contracts for the HVAC Systems, as required above (and assuming Landlord has not elected to do so). If any part of the Property or the Building is damaged by any act or omission of Tenant (such as damage to the floor slab caused by overloading), Tenant shall pay Landlord the cost of repairing or replacing such damaged property, whether or not Landlord would otherwise be obligated to pay the cost of maintaining or repairing such property and without the benefit of the Useful Life Allocation. It is the intention of Landlord and Tenant that, at all times during the Lease Term, Tenant shall maintain the Property in an attractive, first-class and fully operative condition. Without limiting the generality of the provisions contained above in this Section 6.04(a), Tenant agrees to pay to Landlord the cost to repair any damage caused by the transportation and storage of its products in, on, or about the Property, including, but not limited to any damage to the Property's concrete floor slab, adjoining concrete ramps, adjoining concrete truck apron, and adjoining concrete or asphalt parking and access areas due to the use of forklifts or other equipment or vehicles hauling Tenant's products or otherwise. Ordinary wear and tear on the Property shall not include any damage or deterioration that could have been prevented by good maintenance practice or by Tenant performing all of its obligations under this Lease. Tenant's payment obligation described in the immediately preceding sentence shall include the cost of replacement of any damaged areas of the Property or the Building, if repair is impracticable, so as to restore such areas to the condition existing prior to such damage and in such event Tenant shall not be entitled to the benefit of the Useful Life Allocation.

(b) Tenant shall fulfill all of Tenant's obligations under this Section 6.04 at Tenant's sole cost and expense, except as otherwise expressly provided in this Section 6.04. If Tenant fails to maintain, repair or replace the Property as required by this Section 6.04, Landlord may (but without any obligation to do so), upon ten (10) days' prior notice to Tenant (except that no notice shall be required in the case of an emergency), enter the Property and perform such maintenance or repair (including replacement, as needed) on behalf of Tenant. In such case, Tenant shall reimburse Landlord on demand for all costs incurred in performing such maintenance, repair or replacement, plus an administration fee equal to fifteen percent (15%) of such amount.

Section 6.05 **Alterations, Additions, and Improvements.**

(a) Tenant shall not make any alterations, additions, or improvements to the Property ("**Tenant's Alterations**") without Landlord's prior written consent, except that no consent shall be required for non-structural interior alterations that (i) do not exceed Twenty-five Thousand Dollars ($25,000.00) in cost; (ii) are not visible from the outside of the building on the Property; and (iii) do not alter or penetrate the floor slab or the roof membrane. Landlord may require Tenant to provide demolition and/or lien and completion bonds in form and amount satisfactory to Landlord. Tenant shall promptly remove any Tenant's Alterations constructed in violation of this Section 6.05(a) upon Landlord's written request. All Tenant's Alterations shall be performed in a good and workmanlike manner, in conformity with all Applicable Laws, and all contractors and subcontractors shall be approved by Landlord. Upon completion of any such work, Tenant shall provide Landlord with "as built" plans, copies of all construction contracts, and proof of payment for all labor and materials. Notwithstanding anything to the contrary in this Section, Tenant must obtain Landlord's prior written consent for any Tenant's Alterations that will (or may) be visible from the outside of the building on the Property. Landlord shall have the right, in its sole discretion, to determine the location of any such visible Tenant's Alterations and require the screening of such items at Tenant's sole cost and expense.

(b) Tenant shall pay when due all claims for labor and material furnished to the Property or alleged to have been furnished to or for Tenant at or for use of the Property. Tenant shall give Landlord at least twenty (20) days' prior written notice of the commencement of any work on the Property, regardless of whether Landlord's consent to such work is required. If so provided, Tenant agrees to promptly sign and return the Notice and Acknowledgment to Landlord; provided, however, that Tenant acknowledges and agrees that under no circumstances shall such Notice and

Acknowledgement or the terms of this Section 6.05 be construed as Landlord's consent to or approval of any Tenant's Alterations. Landlord may elect to record and post notices of non-responsibility on the Property.

(c) To the extent Landlord's prior consent is required by this Section 6.05, Landlord may condition its consent to any proposed Tenant's Alterations on such requirements as Landlord, in its sole discretion, deems necessary or desirable, including without limitation: (i) Tenant's submission to Landlord, for Landlord's prior written approval, of all plans and specifications relating to Tenant's Alterations; (ii) Landlord's prior written approval of the time or times when Tenant's Alterations are to be made; (iii) Landlord's prior written approval of the contractors and subcontractors performing Tenant's Alterations; (iv) Tenant's written notice of whether Tenant's Alterations include the use or handling of any Hazardous Materials; (v) Tenant's obtaining, for Landlord's benefit and protection, of such insurance as Landlord may reasonably require (in addition to that required under Section 4.04 of this Lease); (vi) Tenant's obtaining all applicable permits from the governmental authorities and the furnishing of copies of such permits to Landlord before the commencement of work on the subject Tenant's Alterations; and (vii) Tenant's payment to Landlord of all costs and expenses incurred by Landlord because of Tenant's Alterations, including, but not limited to, costs incurred in reviewing the plans and specifications for, and the progress of, Tenant's Alterations, and costs of engaging outside consultants (whether for structural engineering review or otherwise).

(d) Tenant shall have no power or authority to do any act or make any contract which may create or be the basis for any lien upon the interest of Landlord in the Property or the Building, or any portion thereof. Within ten (10) days following the imposition of any mechanics or other lien or stop notice filed with respect to the Property or the Building, or any portion thereof, based upon any act of Tenant or of anyone claiming by, through or under Tenant, or based upon work performed or materials supplied allegedly for Tenant (an "**Imposition**"), Tenant shall either (a) cause such Imposition to be released of record by payment, or (b) in case of a disputed Imposition, cause the posting of a proper bond (pursuant to Applicable Law under which a court issues an order that discharges the lien) or provide other security satisfactory to Landlord. Provided that the Imposition is timely released or bonded over, Tenant shall have the right to contest the validity of the obligation underlying the Imposition, provided that Tenant shall diligently contest such Imposition and indemnify, defend, and hold Landlord harmless from any and all loss, cost, damage, liability and expense (including attorneys' fees) arising from or related to it. Landlord may require Tenant to pay Landlord's attorneys' fees and costs incurred while participating in such action if Landlord shall decide it is in its best interest to so participate. If Tenant fails to take either action within such ten (10)-day period, Landlord, at its election, may pay and satisfy the Imposition, in which case the sum so paid by Landlord, with interest from the date of payment at the rate set forth in Section 4.07 of this Lease, shall be deemed Additional Rent due and payable by Tenant within ten (10) days after Tenant's receipt of Landlord's payment demand. Nothing in this Lease shall be construed as consent on the part of Landlord to subject the interest and estate of Landlord to liability under any applicable lien law for any reason or purpose whatsoever, it being expressly understood that Landlord's interest and estate shall not be subject to such liability and that no person shall have any right to assert any such lien.

(e) Notwithstanding any language to the contrary in this Section 6.05, if the proposed Tenant's Alterations involve or affect in any way one or more of the structural components of the building on the Property, or relate in any way to life safety matters, including, but not limited to, the Property's or Building's fire suppression system (collectively, the "**Structural and Safety Alterations**"), Landlord's prior written consent will be required, regardless of the cost of the proposed Tenant's Alterations. Moreover, Tenant agrees to use contractors and subcontractors selected by Landlord for the construction of any and all permitted Structural and Safety Alterations, and for any work involving possible roof penetrations (so as to ensure that any such work is performed properly and does not render any applicable roof warranty void or voidable).

(f) Tenant acknowledges and agrees that any Tenant's Alterations are wholly optional with Tenant and are not being required by Landlord, either as a condition to the effectiveness of this Lease or otherwise.

(g) All door access system hardware shall be installed such that the door and frame can be restored back to their original condition if door access control hardware components are removed.

Section 6.06 **Condition upon Termination**. Upon the termination of this Lease, Tenant shall surrender the Property to Landlord, broom clean and in the same condition as received (including, without limitation, the removal of all floor striping and the resealing of the floor, but only to the extent such resealing is necessitated by the removal of such floor striping), ordinary wear and tear excepted; provided, however, that (a) "ordinary wear and tear" shall not include any damage or deterioration that would or could have been prevented by good maintenance practice or by Tenant performing all of its obligations under this Lease, and (b) Tenant shall not be obligated to repair any damage which Landlord is required to

repair under Sections 4.05 and 6.03 above or Article Seven (Damage or Destruction) below. In addition, Landlord may require Tenant to remove any Tenant's Alterations (whether or not made with Landlord's consent) prior to the expiration of this Lease and to restore the Property to its prior condition, all at Tenant's expense. All Tenant's Alterations that Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the expiration or earlier termination of this Lease, except that Tenant may remove any of Tenant's machinery, equipment or other personal property that can be removed without material damage to the Property. Tenant shall repair, at Tenant's expense, any damage to the Property caused by the removal of any such machinery, equipment or other personal property (including, without limitation, the complete removal of all studs and bolts that penetrate the walls and filling and patching the holes). In no event, however, shall Tenant remove any of the following materials or equipment (which shall be deemed Landlord's property) without Landlord's prior written consent: any power wiring and power panels; lighting and lighting fixtures; wall coverings; drapes, blinds and other window coverings; carpets and other floor coverings; heaters, air conditioners and any other heating and air conditioning equipment; fencing and security gates; load levelers, dock lights, dock locks and dock seals; and other similar building operating equipment and decorations. Tenant's obligations under this Section 6.06 shall also include its obligations under Section 5.04 with respect to any Sign. If Tenant fails, by the expiration or earlier termination of the Lease Term, to restore the Property to the condition required under this Section 6.06, then Tenant shall pay Landlord on demand an amount equal to the cost of such restoration work, plus an administration fee equal to fifteen percent (15%) of such amount, in addition to any other remedy Landlord may have under this Lease or Applicable Law for such breach. If Tenant fails to surrender the Property to Landlord upon termination of this Lease in the condition required by this Section 6.06, including, without limitation, the completion of any remediation work required under Section 5.03 above, such failure shall constitute a holdover for purposes of Section 2.04 above.

Section 6.07 **Roof Access**. Anything in this Lease to the contrary notwithstanding, Tenant shall not and shall not permit any of its employees, agents, contractors or invitees to enter on or in any way move about on the roof of the building on the Property, for any purposes whatsoever, without the prior written consent of, coordination with, and supervision of Landlord or its selected agents or contractors.

Section 6.08 **Floor Load Limits**. Tenant shall not place a load upon any floor of the Property exceeding the floor load per square foot area which it was designed to carry and which is allowed by law. Landlord reserves the right to prescribe the weight and position of all safes, machinery and mechanical equipment in the building on the Property. Such installations shall be placed and maintained by Tenant, at Tenant's expense, in settings sufficient, in Landlord's judgment, to absorb and prevent vibration, noise and annoyance to other occupants of the Building.

Section 6.09 **Floor Bolts**. Prior to anchoring any racking or equipment to the floor of the Property, Tenant shall drill the holes for any anchor bolts to a depth that is one inch (1") deeper than normally required for such anchoring mechanism. Upon the expiration or earlier termination of this Lease, Tenant shall cut the top of the anchor bolts, pound the remaining bolt into the one inch (1") space described above, and pour epoxy filler into the existing hole so that the epoxy filler is flush with the floor, all at Tenant's sole cost and expense.

ARTICLE SEVEN DAMAGE OR DESTRUCTION

Section 7.01 **Damage or Destruction to the Property**.

(a) Tenant shall notify Landlord in writing ("**Damage Notice**") immediately upon the occurrence of any damage to the Property. Subject to the provisions of Section 7.01(c) and Section 7.01(d) below, if the insurance proceeds received by Landlord from the insurance policies described in Section 4.04(b) above are sufficient to pay for the necessary repairs, this Lease shall remain in effect and Landlord shall repair the damage as soon as reasonably possible. Landlord may elect (but is not required) to repair any damage to Tenant's Alterations or to Tenant's fixtures, machinery, equipment, or other personal property (collectively, "**Tenant's Property**"). In the absence of such an election, Tenant shall be solely responsible for the repair, replacement and restoration of Tenant's Alterations and Tenant's Property and shall promptly commence such work and diligently pursue the same to completion, unless this Lease is terminated as provided in this Article Seven.

(b) If the insurance proceeds received by Landlord are not sufficient to pay the entire cost of repair, or if the cause of the damage is not covered by the insurance policies which Landlord maintains under Section 4.04(b) above, Landlord may elect either to: (i) repair the damage as soon as reasonably possible, in which case this Lease shall remain in full force and effect; or (ii) terminate this Lease as of the date the damage occurred. Landlord shall notify Tenant within thirty (30) days after receipt of the Damage Notice whether Landlord elects to repair the damage or terminate this Lease. If Landlord elects to repair the damage and notwithstanding Section 4.04(d)(iv) above, Tenant shall pay to Landlord

(i) Tenant's Pro Rata Share of the deductible amount under Landlord's insurance policies (which deductible amount shall not exceed $10,000.00), and (ii) if the damage is due to an act or omission of Tenant or Tenant's employees, agents, contractors or invitees, the entirety of any such deductible amount. If Landlord elects to terminate this Lease, Tenant may elect to continue this Lease in full force and effect, in which case Tenant shall repair any damage to the Property and the building on the Property in a manner satisfactory to Landlord to restore the Property and building on the Property to the condition generally existing immediately before the damage or destruction. Tenant shall pay the cost of such repairs, except that upon satisfactory completion of such repairs, Landlord shall deliver to Tenant any insurance proceeds received by Landlord (but expressly excluding any proceeds received by Landlord's lender) for the damage repaired by Tenant. Tenant shall give Landlord written notice of such election within ten (10) days after receiving Landlord's termination notice.

(c) If the repairs to the Property are estimated to require more than one hundred eighty (180) days from Landlord's receipt of insurance proceeds and building permits (the "**Repair Period**") to be Substantially Completed, then either Landlord or Tenant shall have the right to terminate this Lease in a manner consistent with this Section 7.01(c). In the event of damage to the Property, Landlord shall have the right to provide Tenant with a written notice, or Tenant shall have the right, at any time after providing Landlord with a Damage Notice pursuant to Section 7.01(a) above, to request in writing that Landlord deliver to Tenant a written notice (in each case, the "**Contractor Certificate**"), certifying to both Landlord and Tenant, in the reasonable opinion of Landlord's contractor, the amount of time required to Substantially Complete the repair of the Property. If, in the Contractor Certificate, the contractor certifies that the repair of the Property will take a period in excess of the Repair Period to be Substantially Completed, then within five (5) days after the delivery of the Contractor Certificate to Tenant, Tenant or Landlord may terminate this Lease by delivering written notice of such termination to the other party within such five (5) day period, and this Lease shall be terminated as of the date of the other party's receipt of such written notice of termination. Notwithstanding the above, Tenant shall not have any right to terminate this Lease under this Section 7.01 if the damage to the Property was caused by the acts or omissions of Tenant or its agents, employees, contractors, or invitees.

(d) If the damage to the Property occurs during the last one hundred eighty (180) days of the Lease Term and such damage will require more than thirty (30) days to Substantially Complete the repair, then either Landlord or Tenant may elect to terminate this Lease as of the date the damage occurred, regardless of the sufficiency of any insurance proceeds. The party electing to terminate this Lease, pursuant to this Section 7.01(d), shall give written notification to the other party of such election within thirty (30) days after Tenant's Damage Notice.

(e) As used in this Section 7.01, "**Substantial Completion**" or "**Substantially Complete**" (or similar phrase) means such work is completed, except for minor items of work (e.g., pick-up work, etc.) that can be completed with only minor interference with Tenant's conduct of business at the Property.

Section 7.02 **Temporary Reduction of Rent**. If the Property is destroyed or damaged and Landlord or Tenant repairs or restores the Property pursuant to the provisions of this Article Seven, any Base Rent and recurring Additional Rent payable during the period of such damage, repair and/or restoration shall be reduced according to the degree, if any, to which Tenant's use of the Property is impaired. However, the reduction shall not exceed the sum of one year's payment of Base Rent, Real Property Taxes, insurance premiums, Common Area Costs and Maintenance Services Costs. Except for such possible reduction in Base Rent and recurring Additional Rent, Tenant shall not be entitled to any compensation, reduction, or reimbursement from Landlord as a result of any damage, destruction, repair, or restoration of or to the Property. If such destruction or damage was caused by the acts or omissions of Tenant or its agents, employees, contractors, or invitees, there will be no abatement of rent.

Section 7.03 **Waiver**. Tenant waives the protection of any statute, code or judicial decision which may grant to Tenant the right to terminate a lease in the event of the destruction of the Property. Tenant agrees that the provisions of Article Seven above shall govern the rights and obligations of Landlord and Tenant in the event of any destruction of the Property.

ARTICLE EIGHT CONDEMNATION

If all or any portion of the Property is taken under the power of eminent domain or sold under the threat of that power (all of which are called "**Condemnation**"), this Lease shall terminate as to the part taken or sold on the date the condemning authority takes title or possession, whichever occurs first. If more than twenty percent (20%) of the floor area of the building on the Property or such other material portion of either the Property or Common Areas is taken and Tenant cannot reasonably continue to conduct its business at the Property, either Landlord or Tenant may terminate this Lease as of

the date the condemning authority takes title or possession, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes title or possession). If neither Landlord nor Tenant terminates this Lease, this Lease shall remain in effect as to the portion of the Property not taken, except that the Base Rent and Additional Rent shall be reduced in proportion to the reduction in the floor area of the Property. Landlord shall be entitled to receive the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claim does not diminish the award available to Landlord, its ground lessor with respect to the real property or its lender, and such claim is payable separately to Tenant. If this Lease is not terminated, Landlord shall repair any damage to the Property caused by the Condemnation, except that Landlord shall not be obligated to repair any damage for which Tenant has been reimbursed by the condemning authority. If the severance damages received by Landlord are not sufficient to pay for such repair, Landlord shall have the right to either terminate this Lease or make such repair at Landlord's expense.

ARTICLE NINE ASSIGNMENT AND SUBLETTING

Section 9.01 **Transfers**. Except as otherwise provided in Section 9.07 below, Tenant shall not, without the prior written consent of Landlord, assign, mortgage, pledge, encumber or otherwise transfer, this Lease or any interest hereunder, permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, or sublet the Property or any part thereof (all of the foregoing are hereinafter sometimes referred to collectively as "**Transfers**" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "**Transferee**"). To request Landlord's consent to any Transfer requiring such consent under the provisions of this Article Nine, Tenant shall notify Landlord in writing, which notice (the "**Transfer Notice**") shall include (i) the proposed effective date of the Transfer, which shall not be less than forty-five (45) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Property 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 that term is defined in Section 9.03 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, character, 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 requiring but made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a material default by Tenant under this Lease. Whether or not Landlord shall grant consent, Tenant shall pay Landlord's review and processing fees, as well as any reasonable legal fees incurred by Landlord in connection with such review, within thirty (30) days after written request by Landlord.

Section 9.02 **Landlord's Consent**. Landlord shall not unreasonably withhold its consent to any proposed Transfer involving an assignment or subletting of the Subject Space to the Transferee on the terms specified in the Transfer Notice. 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, without limitation as to other reasonable grounds for withholding consent:

9.02.1 The Transferee's character or reputation is significantly less prestigious than that of Tenant;

9.02.2 The Transferee's business or use of the Subject Space is not permitted under this Lease;

9.02.3 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;

9.02.4 The proposed Transfer would cause Landlord to be in violation of another lease or agreement to which Landlord is a party;

9.02.5 The terms of the proposed Transfer will allow the Transferee to exercise a right of renewal, right of expansion, right of first offer, or other similar right held by Tenant (or will allow the Transferee to occupy space leased by Tenant pursuant to any such right);

9.02.6 A default of Tenant under this Lease is then pending;

9.02.7 Landlord or its leasing agent has received a proposal from or made a proposal to the proposed Transferee to lease space in the Building within six (6) months prior to Tenant's Transfer Notice; or

9.02.8 The proposed Transferee or an Affiliate of the proposed Transferee is already a tenant in the Building.

If Landlord consents to any Transfer pursuant to the terms of this Section 9.02 (and does not exercise any recapture rights Landlord may have under Section 9.04 of this Lease), Tenant may within one hundred eighty (180) days after Landlord's consent, but not later than the expiration of such 180-day period, enter into such Transfer of the Property or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 9.01 of this Lease.

Section 9.03 **Transfer Premium**. In the event of a Transfer requiring Landlord's consent, if Landlord consents to such a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any "**Transfer Premium**," as that term is defined in this Section 9.03, received by Tenant from such Transferee. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by such Transferee in excess of the Base Rent and Additional Rent payable by Tenant under this Lease on a per rentable square foot basis if less than all of the Property is transferred. "Transfer Premium" shall also include, but not be limited to, key money and bonus money paid by 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, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer.

Section 9.04 **Landlord's Option as to Subject Space**. Notwithstanding anything to the contrary contained in this Article Nine, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice pertaining to an assignment or subletting, to recapture the Subject Space. Such recapture notice shall cancel and terminate this Lease with respect to the Subject Space as of the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the Transfer Notice. In the event of a recapture by Landlord, if this Lease shall be canceled with respect to less than the entire Property, the Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Property, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. In the event of a recapture, Landlord may, if it elects, enter into a new lease covering the Subject Space with the intended Transferee on such terms as Landlord and such person or entity may agree or enter into a new lease covering the Subject Space with any other person or entity; in such event, Tenant shall not be entitled to any portion of the Transfer Premium, if any, which Landlord may realize on account of such termination and reletting.

Section 9.05 **Effect of Transfer**. 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 a 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, and (v) 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 Tenant's obligations under 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, and if understated by more than ten percent (10%), Landlord shall have the right to cancel this Lease upon thirty (30) days' notice to Tenant.

Section 9.06 **Additional Transfers**. For purposes of this Lease, the term "**Transfer**" shall also include: (i) if Tenant is a partnership, the cumulative withdrawal or change, voluntary, involuntary or by operation of law, of twenty-five percent (25%) or more of the partners, or the cumulative transfer of twenty-five percent (25%) or more of partnership interests, within a twelve (12)-month period, or the dissolution of the partnership without immediate reconstitution thereof; (ii) if Tenant is a closely held corporation (i.e., whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant, (B) the sale or other transfer of

more than an aggregate of twenty-five percent (25%) of the voting shares of Tenant (other than to immediate family members by reason of gift or death), within a twelve (12)-month period, or (C) the sale, mortgage, hypothecation or pledge of more than an aggregate of twenty-five percent (25%) of the value of the unencumbered assets of Tenant within a twelve (12) month period; and (iii) if Tenant is a limited liability company, any cumulative transfer of more than twenty-five percent (25%) of the membership interests. In addition to those types of Transfers specified above in this Article Nine, (i) any change to the form of tenant entity or any use of the Property by an individual or entity other than Tenant, whether pursuant to a license or concession, or otherwise, and (ii) any reduction of twenty-five percent (25%) or more in the tangible net worth of Tenant resulting from a transaction or series of transactions (whether merger, sale, acquisition, financing, leverage buyout, spin-off, or otherwise), whether or not a formal assignment or hypothecation of this Lease or of Tenant's assets occurs, shall be deemed a Transfer requiring Landlord's consent. As used in this Lease, "tangible net worth" means the sum of all of Tenant's assets, less liabilities and intangible assets, as determined by the use of generally accepted accounting principles, and the reduction of Tenant's tangible net worth shall by measured based on Tenant's tangible net worth as represented to Landlord as of the time of execution of this Lease. Notwithstanding any language to the contrary in this Article Nine, Landlord may, in its sole discretion, withhold its consent to any proposed assignment of Tenant's leasehold interest in the Property to a lender as security, whether such proposed assignment is in the form of a leasehold deed of trust, leasehold mortgage, or otherwise.

Section 9.07 **Tenant Affiliate**. Notwithstanding anything to the contrary contained in Section 9.01 of this Lease, a Transfer of all or a portion of the Property to an affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant) (a "**Tenant Affiliate**"), shall not be deemed a Transfer under Article Nine for which (a) consent is required, or (b) any Transfer Premium is payable. The terms of this Section 9.07 are only applicable provided that: (i) Tenant immediately notifies Landlord of any such Transfer; (ii) promptly supplies Landlord with any documents or information requested by Landlord regarding such Transfer; (iii) if requested by Landlord, have an affiliate of the Tenant Affiliate guarantee this Lease using Landlord's standard guaranty form; (iv) if such Transfer is an assignment, Tenant Affiliate assumes in writing all of Tenant's obligations under this Lease; and (v) such Transfer is not a subterfuge by Tenant to avoid its obligations under this Lease or the Transfer restrictions set forth in this Article Nine. "**Control**," as used herein, shall mean the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) of the voting interest in, any person or entity.

Section 9.08 **No Merger**. No merger shall result from Tenant's sublease of the Property under this Article Nine, Tenant's surrender of this Lease or the termination of this Lease in any other manner. In any such event, Landlord may terminate any or all subtenancies or succeed to the interest of Tenant as sublandlord under any or all subtenancies.

Section 9.09 **Tenant's Indemnity**. If Landlord shall withhold its consent to any proposed Transfer requiring Landlord's consent, or if Landlord shall exercise its recapture right in Section 9.04 above, Tenant shall indemnify, defend, and hold harmless Landlord (and Landlord's members, managers, partners, and shareholders, as applicable, and the affiliates, employees, agents, and contractors of Landlord and its members, managers, partners, and shareholders, as applicable) from and against any and all losses, liabilities, damages, costs and expenses (including attorneys' fees) resulting from any claims that may be made against Landlord by the proposed Transferee or by any brokers or other persons claiming a commission or similar compensation in connection with the proposed Transfer.

ARTICLE TEN DEFAULTS; REMEDIES

Section 10.01 **Covenants and Conditions**. Tenant's performance of each of Tenant's obligations under this Lease is a condition as well as a covenant. Tenant's right to continue in possession of the Property is conditioned upon such performance. Time is of the essence in the performance of all covenants and conditions.

Section 10.02 **Defaults**. Tenant shall be in material default under this Lease (an "**Event of Default**"):

(a) If Tenant abandons the Property or if Tenant's vacation of the Property results in the cancellation or modification of any insurance described in Section 4.04 above;

(b) If Tenant fails to pay rent or any other charge when due;

(c) If Tenant fails to perform any of Tenant's non-monetary obligations under this Lease for a period of thirty (30) days after written notice from Landlord; provided that if more than thirty (30) days are required to complete such performance, Tenant shall not be in default if Tenant commences such performance within the thirty (30)

day period and thereafter diligently pursues its completion. However, Landlord shall not be required to give such notice if Tenant's failure to perform constitutes a non-curable breach of this Lease. The notice required by this subsection (c) is (i) intended to satisfy any and all notice requirements imposed by law on Landlord and is not in addition to any such requirement, and (ii) not intended to extend the time for Tenant's performance if a shorter period of time for performance is expressly provided in this Lease.

(d) (i) If Tenant makes a general assignment or general arrangement for the benefit of creditors; (ii) if a bankruptcy petition is filed by or against Tenant and is not dismissed within thirty (30) days; (iii) if a trustee or receiver is appointed to take possession of substantially all of Tenant's assets located at the Property or of Tenant's interest in this Lease and possession is not restored to Tenant within thirty (30) days; or (iv) if substantially all of Tenant's assets located at the Property or of Tenant's interest in this Lease is subjected to attachment, execution or other judicial seizure which is not discharged within thirty (30) days. If a court of competent jurisdiction determines that any of the acts described in this subsection (d) is not a default under this Lease, and a trustee is appointed to take possession (or if Tenant remains a debtor in possession) and such trustee or Tenant transfers Tenant's interest hereunder, then Landlord shall receive, as Additional Rent, the excess, if any, of the rent (or any other consideration) paid in connection with such assignment or sublease over the rent payable by Tenant under this Lease.

(e) If any guarantor of this Lease revokes or otherwise terminates, or purports to revoke or otherwise terminate, any guaranty of all or any portion of Tenant's obligations under this Lease. Unless otherwise expressly provided, no guaranty of this Lease is revocable.

(f) If Tenant fails to deliver an instrument or certificate within the time provided in Section 11.01 or Section 11.02 below, respectively.

(g) If an unauthorized Transfer occurs, as set forth in Article Nine above.

Section 10.03 **Remedies**. On the occurrence of any Event of Default, Landlord may, at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have:

(a) Terminate Tenant's right to possession of the Property by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Property to Landlord. If Tenant shall be served with a demand for the payment of past due rent or any other charge, any payments rendered thereafter to cure any default by Tenant shall be made only by cashier's check, wire transfer, or other immediately available funds. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including (i) the worth at the time of the award of the unpaid Base Rent, Additional Rent and other charges which Landlord had earned at the time of the termination; (ii) the worth at the time of the award of the amount by which the unpaid Base Rent, Additional Rent and other charges which Landlord would have earned after termination until the time of the award exceeds the amount of such rental loss that Tenant proves Landlord could have reasonably avoided; (iii) the worth at the time of the award of the amount by which the unpaid Base Rent, Additional Rent and other charges which Tenant would have paid for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves Landlord could have reasonably avoided; and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, any costs or expenses Landlord incurs in maintaining or preserving the Property after such default, the cost of recovering possession of the Property, expenses of reletting, including necessary renovation or alteration of the Property, Landlord's reasonable attorneys' fees incurred in connection therewith, and any real estate commission paid or payable. As used in subparts (i) and (ii) above, the "worth at the time of the award" is computed by allowing interest on unpaid amounts at the rate of fifteen percent (15%) per annum, or such lesser amount as may then be the maximum lawful rate. As used in subpart (iii) above, the "worth at the time of the award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%). If Tenant has abandoned the Property, Landlord shall have the option of (i) retaking possession of the Property and recovering from Tenant the amount specified in this Section 10.03(a), and/or (ii) proceeding under Section 10.03(b) below;

(b) Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant has abandoned the Property. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due; or

(c) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state in which the Property is located.

Section 10.04 **Termination**. If Landlord elects to terminate this Lease as a result of an Event of Default, Tenant shall be liable to Landlord for all damages resulting therefrom, which shall include, without limitation, all costs, expenses and fees, including reasonable attorneys' fees that Landlord incurs in connection with the filing, commencing, pursuing and/or defending of any action in any bankruptcy court or other court with respect to this Lease; the obtaining of relief from any stay in bankruptcy restraining any action to evict Tenant; or the pursuing of any action with respect to Landlord's right to possession of the Property. All such damages suffered (apart from Base Rent and other Rent payable hereunder) shall constitute pecuniary damages that must be reimbursed to Landlord prior to assumption of this Lease by Tenant or any successor to Tenant in any bankruptcy or other proceeding.

Section 10.05 **Cumulative Remedies**. Landlord's exercise of any right or remedy shall not prevent it from exercising any other right or remedy available at law, in equity, or otherwise.

Section 10.06 **Surrender**. No act or thing done by Landlord or its agents during the Lease Term shall be deemed an acceptance of a surrender of the Property, and no agreement to accept a surrender of the Property shall be valid unless made in writing and signed by Landlord.

Section 10.07 **Removal of Tenant's Property**. All furniture, equipment, and other personal property of Tenant left unattended at the Property upon the vacation or abandonment thereof following an uncured Event by Default by Tenant or upon the termination of this Lease for any cause whatsoever shall conclusively be deemed to have been abandoned by Tenant, and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant and without obligation to account therefore. Tenant shall reimburse Landlord for all reasonable expenses reasonably incurred in connection with the disposition of such personal property. Landlord, upon presentation of evidence of a third party's claim of ownership or security interest in any such property, may turn over such property to the third party claimant without any liability to Tenant.

Section 10.08 **Punitive and Consequential Damages**. Notwithstanding anything to the contrary contained in this Lease, nothing in this Lease shall impose any obligations on Tenant or Landlord to be responsible or liable for, and each hereby releases the other from all liability for, punitive, exemplary, or consequential damages, other than those consequential damages incurred by Landlord in connection with (a) the holdover of the Property by Tenant after the expiration or earlier termination of this Lease, (b) the contamination of the Property or the Building or any other property resulting from the presence or use of Hazardous Materials caused or permitted by the Tenant Group, or (c) any repair, physical construction or improvement work performed by or on behalf of Tenant in the Property.

Section 10.09 **Landlord's Lien**. In addition to any statutory or common law lien protecting Landlord's interests, in consideration of the mutual benefits arising under this Lease, Tenant hereby grants to Landlord a lien and security interest in all of Tenant's property now or hereafter placed in or on the Property to secure payment of all Base Rent and Additional Rent that become due under this Lease. The provisions of this section constitute a security agreement under the Uniform Commercial Code of the State where the Property is located (the "**Code**") so that Landlord has and may enforce a security interest on all of Tenant's inventory, fixtures, machinery, equipment, accessions, furnishings, and other such property now or hereafter placed in or on the Property and all proceeds therefrom (the "**Collateral**"), and such property shall not be removed from the Property without the prior written consent of Landlord until all arrearages in Base Rent and Additional Rent have been paid and Tenant has complied with all other provisions of this Lease. Consistent with the terms of the Code, Tenant authorizes Landlord to file a financing statement describing the Collateral. Upon the occurrence of an Event of Default identified in Section 10.02 of this Lease, Landlord may, in addition to all other remedies provided by law or under this Lease, without notice or demand except as provided below, exercise the rights afforded to a secured party under the Code. To the extent the Code requires Landlord to give to Tenant notice of any act or event and such notice cannot be validly waived before a default occurs, then five (5) days prior written notice thereof shall be reasonable notice of the act or event.

ARTICLE ELEVEN PROTECTION OF LENDERS

Section 11.01 **Subordination**. This Lease is subject and subordinate to all present and future ground or underlying leases of the Building or the Property, and to the lien of any mortgages or deeds of trust, now or hereafter in force against the Building or the Property, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or deeds of trust unless the

holders of such mortgages or deeds of trust, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto. This clause shall be self-operative and no further instrument of subordination shall be required to make the interest of any lessor under any ground or underlying lease or holder of any mortgage, deed of trust or security deed superior to the interest of Tenant hereunder. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed of trust, or if any ground or underlying lease is terminated, to attorn, without any deductions or set-offs whatsoever, to the purchaser upon any such foreclosure sale, or to the lessor of such ground or underlying lease, as the case may be, if so requested by such purchaser or lessor, and to recognize such purchaser or lessor as the landlord under this Lease, provided such lienholder or purchaser or ground lessor shall agree to accept this Lease and not disturb Tenant's occupancy, under the terms and conditions of this Lease, so long as Tenant timely pays the rent and observes and performs all of the terms, covenants and conditions of this Lease to be observed and performed by Tenant. Landlord's interest herein may be assigned as security at any time to any lienholder. Tenant shall, within ten (10) days of request by Landlord, execute such further instruments or assurances in the form as is then required by Landlord's lender to evidence or confirm the subordination or superiority of this Lease to any such mortgages, deeds of trust, ground leases or underlying leases. Tenant hereby irrevocably authorizes Landlord to execute and deliver in the name of Tenant any such instrument or instruments if Tenant fails to do so, provided that such authorization shall in no way relieve Tenant from the obligation of executing such instruments of subordination or superiority. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event of any foreclosure proceeding or sale.

Section 11.02 **Estoppel Certificates**.

(a) Upon Landlord's written request, Tenant shall execute, acknowledge and deliver to Landlord a written statement, in the form as is then required by Landlord's lender or any prospective purchaser, certifying: (i) that none of the terms or provisions of this Lease have been changed (or if they have been changed, stating how they have been changed); (ii) that this Lease has not been cancelled or terminated; (iii) the last date of payment of the Base Rent and other charges and the time period covered by such payment; (iv) that Landlord is not in default under this Lease (or, if Landlord is claimed to be in default, stating why); and (v) such other representations or information with respect to Tenant or this Lease as Landlord may reasonably request or which any prospective purchaser or encumbrancer of the Property may require. Tenant shall deliver such statement to Landlord within ten (10) days after Landlord's request. Landlord may give any such statement by Tenant to any prospective purchaser or encumbrancer of the Property. Such purchaser or encumbrancer may rely conclusively upon such statement as true and correct.

(b) If Tenant does not deliver such statement to Landlord within such ten (10)-day period, Landlord, and any prospective purchaser or encumbrancer, may conclusively presume and rely upon the following facts: (i) that the terms and provisions of this Lease have not been changed except as otherwise represented by Landlord; (ii) that this Lease has not been canceled or terminated except as otherwise represented by Landlord; (iii) that not more than one month's Base Rent or other charges have been paid in advance; and (iv) that Landlord is not in default under this Lease. In such event, Tenant shall be estopped from denying the truth of such facts.

Section 11.03 **Tenant's Financial Condition**. Within ten (10) days after written request from Landlord, Tenant shall deliver to Landlord such financial statements, as Landlord reasonably requires, to verify the net worth of Tenant or any assignee, subtenant, or guarantor of Tenant. In addition, Tenant shall deliver to any lender designated by Landlord any financial statements required by such lender to facilitate the financing or refinancing of the Property. Tenant represents and warrants to Landlord that each such financial statement is a true and accurate statement as of the date of such statement. All financial statements shall be confidential and shall be used only for the purposes set forth in this Lease.

ARTICLE TWELVE LEGAL COSTS

Section 12.01 **Legal Proceedings**. If Tenant or Landlord shall be in breach or default under this Lease, such party (the "**Defaulting Party**") shall reimburse the other party (the "**Non-defaulting Party**") upon demand for any costs or expenses that the Non-defaulting Party incurs in connection with any breach or default of the Defaulting Party under this Lease, whether or not suit is commenced or judgment entered. Such costs shall include legal fees and costs incurred for the negotiation of a settlement, enforcement of rights or otherwise. Furthermore, if any action for breach of or to enforce the provisions of this Lease is commenced, the court in such action shall award to the party in whose favor a judgment is entered, a reasonable sum as attorneys' fees and costs. The losing party in such action shall pay such attorneys' fees and costs. To the extent permitted by Applicable Law, Landlord and Tenant waive the protection of any statute, code or judicial decision that may limit the amount of attorneys' fees otherwise recoverable by either party under the terms of this Lease.

Tenant shall also indemnify Landlord against and hold harmless Landlord (and Landlord's members, managers, partners, and shareholders, as applicable, and the affiliates, employees, agents, and contractors of Landlord and its members, managers, partners, and shareholders, as applicable) from all costs, expenses, demands and liability Landlord may incur if Landlord becomes or is made a party to any claim or action (a) instituted by Tenant against any third party, or by any third party against Tenant, or by or against any person holding any interest under or using the Property by license of or agreement with Tenant (a "**Tenant Licensee**"); (b) for foreclosure of any lien for labor or material furnished to or for Tenant or such Tenant Licensee; (c) otherwise arising out of or resulting from any act or transaction of Tenant or such Tenant Licensee; or (d) necessary to protect Landlord's interest under this Lease in a bankruptcy case, or other proceeding under Title 11 of the United States Code, as amended. Tenant shall defend Landlord against any such claim or action at Tenant's expense with counsel reasonably acceptable to Landlord or, at Landlord's election, Tenant shall reimburse Landlord for any legal fees or costs Landlord incurs in any such claim or action. Without limitation on other obligations of Tenant that shall survive the expiration or earlier termination of the Lease Term, the obligations of Tenant contained in this Section 12.01 shall survive the expiration or earlier termination of this Lease.

Section 12.02 **Landlord's Consent**. Tenant shall pay Landlord's reasonable attorneys' fees incurred in connection with (a) Tenant's request for Landlord's consent under Article Nine (Assignment and Subletting) of this Lease, or in connection with any other act which Tenant proposes to do and which requires Landlord's consent, or (b) any other Landlord action requested by Tenant.

ARTICLE THIRTEEN BROKERS

Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease, excepting only the real estate broker(s) or agent(s) named in Section 1.09 above (the "**Brokers**"). Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent, other than the Broker(s).

ARTICLE FOURTEEN TENANT IMPROVEMENTS

Section 14.01 **Tenant Improvements**. Tenant desires to make certain improvements to the Property, which such improvements shall be mutually agreed to between Landlord and Tenant (collectively, the "**Tenant Improvements**"). Upon mutual agreement as to the scope of the Tenant Improvements and subject to Landlord's review and approval of all plans and specifications for the Tenant Improvements, Tenant shall have the right to construct the Tenant Improvements, provided (i) Tenant obtains all necessary permits, approvals and other entitlements required from the City of Mesa, Arizona, including the final approved inspection card for the Tenant Improvements, a copy of which shall be delivered to Landlord; (ii) all contractors are licensed and in good standing by the Department of Consumer Affairs Contractor State License Board, State of Arizona; (iii) Tenant shall allow Landlord's affiliated company, Commerce Construction Co., L.P., to competitively bid the construction of the Tenant Improvement; (iv) the Tenant Improvements are (a) constructed in good workmanlike manner with first-class materials, and (b) in compliance with all Applicable Laws; (v) Tenant obtains, for Landlord's benefit and protection, such insurance as Landlord may reasonably require (in addition to that required under Section 4.04 of this Lease) with respect to the construction of the Tenant Improvements; and (vi) Tenant delivers to Landlord executed unconditional mechanic's lien releases for any contractor or material supplier of the Tenant Improvements which shall comply with the appropriate statutory provisions, as reasonably determined by Landlord (collectively, the "**Completion Requirements**"). In addition to the foregoing and prior to commencement of construction of the Tenant Improvements, Landlord shall have the right to require that Tenant either: (I) increase the Security Deposit by an amount equal to the cost to complete construction of the Tenant Improvements; or (II) Landlord may require Tenant to provide demolition and/or lien and completion bonds in form and amount satisfactory to Landlord. Upon the completion of Tenant Improvements, the Tenant Improvements shall become Landlord's property and shall be surrendered to Landlord upon the expiration or earlier termination of the Lease, as amended, in such condition as set forth in this Lease, unless Landlord, in its sole discretion, requires removal of such Tenant Improvements, in which case, such Tenant Improvements shall be removed and any damage caused by the installation or removal of such Tenant Improvements shall be repaired. Notwithstanding the foregoing, Tenant may request at the time it seeks Landlord's consent to the Tenant Improvements that Landlord state at the time it grants approval, whether or not removal of any of the Tenant Improvements will be required at the end of the Lease Term. Such request shall specifically cite this Section and Landlord's obligation to make such statement.

Section 14.02 **Tenant Improvement Allowance**. Tenant shall be entitled to a one-time Tenant Improvement allowance (the "**Tenant Improvement Allowance**") in the amount not to exceed Four Hundred Six Thousand Eight Hundred Sixty-Six and 00/100 Dollars ($406,866.00) toward the construction of the Tenant Improvements, as such term is defined in Section 14.01 of this Lease, provided Tenant (a) is not in monetary default beyond applicable notice and cure periods under the Lease, and (b) Tenant has complied with the Completion Requirements, as such term is defined in Section 14.01 of this Lease. The Tenant Improvement Allowance shall only be disbursed by Landlord to reimburse Tenant for costs related to the design and construction of the Tenant Improvements (including but not limited to hard and soft costs and fees of architectural, engineering, and other professionals), and no portion of the Tenant Improvement Allowance, if any, remaining after the completion of the Tenant Improvements shall be available for use by Tenant for any other purpose. The Tenant Improvement Allowance shall be disbursed by Landlord within thirty (30) days of Tenant's completion of the Tenant Improvements and satisfaction of the Completion Requirements and notice from Tenant to Landlord that the Tenant Improvements are complete. Tenant shall have no claim to any Tenant Improvement Allowance not requested by Tenant in writing within one hundred twenty (120) days after the date the construction of the Tenant Improvements are completed.

Section 14.03 **No Other Improvements**. Consistent with Section 6.01 of this Lease, Tenant accepts the Property in its "as is" condition, and Landlord shall have no liability or obligation for making any alterations or improvements of any kind in or about the Property.

ARTICLE FIFTEEN COMMUNICATIONS SERVICES

Section 15.01 **Landlord's Communications Equipment**. Subject to Applicable Law, Landlord reserves to itself and its affiliates the exclusive right to (a) place antennae and related facilities and other equipment for the provision of communications services (the "**Communications Equipment**") on the rooftop or in other portions of the Property, the Building, or on other property owned or controlled by Landlord or an affiliate of Landlord designated by Landlord or such affiliate for such use, and (b) enter into license agreements, leases, or other agreements for the use of such areas by commercial and other providers of communications services (the "**Communications Agreements**"). As used in this Article, "**Communications Services**" shall mean the implementation, provision, facilitation and maintenance of voice, data, video or other communication services (or any combination of the foregoing) including, without limitation: (a) the provision and resale of point-to-point telephone communications (including dedicated long distance service), (b) video communications service, (c) 800-number service, (d) telephone credit or debit card service, (e) audio or video conferencing, paging, voice mail and message centers, (f) data transmission service, (g) access to computer "internet" or other networked computer-based communications, (h) satellite or cable television, (i) wideband digital networks, (j) security services, and (k) provision of telephone, video communication or other communication equipment to consumers of such services; whether now existing or subsequently developed and however provided, including, without limitation, wireless transmission and reception of communication signals. Landlord shall be entitled to any and all fees or other charges payable by any such provider of Communications Services on account of any Communications Agreements.

Section 15.02 **Tenant's Communications Equipment**. Notwithstanding any language to the contrary in this Lease, with Landlord's prior written consent and subject to all applicable provisions of this Lease and Applicable Law, Tenant may, at Tenant's sole cost and expense, install Communications Equipment on the rooftop or in other portions of the Property, but only if such Communications Equipment is solely limited to Tenant's own use in the conduct of its business from the Property ("**Tenant's Communications Equipment**"). Tenant's Communications Equipment shall remain the property of Tenant or its contractor. Tenant shall be solely responsible for all costs and expenses related to the use and maintenance of Tenant's Communications Equipment, and the removal of which upon the expiration or earlier termination of this Lease shall be governed by Section 6.06 of this Lease. Any damage caused by such installation or removal shall be repaired as required in Section 6.06 of this Lease. Landlord agrees to permit Tenant and its contractors reasonable access to the rooftop of the building on the Property and other areas of the Building required to facilitate the installation, use, maintenance, and removal of Tenant's Communications Equipment, so long as other users and occupants of the building and the Building are not disturbed thereby and Tenant complies with Section 6.07 of this Lease. Tenant shall defend, indemnify and hold harmless Landlord (and Landlord's members, managers, partners, and shareholders, as applicable, and the affiliates, employees, agents, and contractors of Landlord and its members, managers, partners, and shareholders, as applicable) from all expenses, costs, damages, loss, claims or other expenses (including reasonable attorneys' fees) arising out of Tenant's installation, use, maintenance, and removal of Tenant's Communications Equipment. Tenant agrees that the use of Tenant's Communications Equipment shall in no way interfere with the operation and maintenance of the Communications Equipment (including any offsite Communications Equipment which may be the subject of a Communications Agreement), the Building, the Property, or any of the systems on the building on the Property. Tenant shall indemnify, defend and hold harmless Landlord (and Landlord's members, managers, partners, and shareholders, as applicable, and the affiliates, employees, agents, and contractors of Landlord and its members, managers,

partners, and shareholders, as applicable) from all expenses, costs, damages, losses, claims or other expenses and liabilities arising from any such interference. If such interference occurs, Tenant agrees to suspend use of Tenant's Communications Equipment until the interference has been corrected to the sole satisfaction of Landlord. Tenant shall be responsible for all costs associated with any tests deemed necessary to resolve any and all interference caused by Tenant's Communications Equipment, or any use that is not permitted by this Article. If such interference has not been corrected within twenty (20) days, Landlord may require Tenant to remove those components of Tenant's Communications Equipment causing such interference, or Landlord will enjoin such interference at Tenant's sole cost and expense. All operations by Tenant pursuant to this Article shall be lawful and in compliance with all rules and regulations of the Federal Communications Commission. Consistent with the terms of Section 6.05 of this Lease, (a) Landlord shall have the right, in its sole discretion, to determine the location of any visible Tenant's Communications Equipment and require its screening at Tenant's sole cost and expense, and (b) the installation the Tenant's Communications Equipment is subject to Landlord's prior approval of the final installation plans, provided that such installation plans do not include any roof penetrations. Also, any rooftop installation of Tenant's Communications Equipment shall be commenced and completed in full and strict compliance with the requirement to use a contractor or subcontractor selected by Landlord for any work involving possible roof penetrations, as set forth in Section 6.05 of this Lease, so as to preserve any applicable roof warranty. Regardless of any roof warranty or any repair obligations of Landlord in this Lease, Tenant shall be solely responsible for the (a) repair of any leaks or other damage to the roof membrane resulting from the installation of any Tenant's Communications Equipment, and (b) all expenses, costs, damages, losses, claims or other expenses and liabilities arising from the voiding of any applicable roof warranty resulting from the acts or omissions of Tenant or its agents, employees or contractors. The obligations of Tenant under this Article shall survive the expiration or earlier termination of this Lease.

ARTICLE SIXTEEN MISCELLANEOUS PROVISIONS

Section 16.01 **Non-Discrimination**. Tenant promises, and it is a condition to the continuance of this Lease, that there will be no discrimination against, or segregation of, any person or group of persons on the basis of race, color, religion, creed, age, sex, disability, national origin, ancestry, ethnicity, sexual orientation, marital status, citizenship status, or veteran status in the leasing, subleasing, transferring, occupancy, tenure or use of the Property or any portion thereof.

Section 16.02 **Landlord's Liability; Certain Duties**.

(a) As used in this Lease, the term "**Landlord**" means only the current owner or owners of the fee title to the Property or the leasehold estate under a ground lease of the Property at the time in question. Each Landlord is obligated to perform the obligations of Landlord under this Lease only during the time such Landlord owns such interest or title. Any Landlord who transfers its title or interest is relieved of all liability with respect to the obligations of Landlord under this Lease to be performed on or after the date of transfer. However, each Landlord shall deliver to its transferee all funds that Tenant previously paid if such funds have not yet been applied under the terms of this Lease.

(b) Tenant shall give written notice of any failure by Landlord to perform any of its obligations under this Lease to Landlord and to any ground lessor, mortgagee or beneficiary under any deed of trust encumbering the Property whose name and address have been furnished to Tenant in writing. Landlord shall not be in default under this Lease unless Landlord (or such ground lessor, mortgagee or beneficiary) fails to cure such non-performance within thirty (30) days after receipt of Tenant's notice. However, if such non-performance reasonably requires more than thirty (30) days to cure, Landlord shall not be in default if such cure is commenced within such thirty (30)-day period and thereafter diligently pursued to completion.

(c) Notwithstanding any term or provision herein to the contrary, the liability of Landlord for the performance of its duties and obligations under this Lease is limited to Landlord's interest in the Property, and neither Landlord nor its partners, members, managers, shareholders, officers or other principals shall have any personal liability under this Lease.

(d) Tenant shall have no right to terminate this Lease based on an uncured default by Landlord in the performance of Landlord's obligations under this Lease; provided, however, that Tenant may seek to recover from Landlord an amount representing appropriate actual, compensatory damages for breach of contract based on any such uncured default of Landlord, but not otherwise. Consistent with Section 10.08 above, in no event shall Tenant be permitted to recover consequential, punitive, or exemplary damages from Landlord based on any such uncured default of Landlord, or otherwise.

(e) With respect to any provision of this Lease which provides (or is held to provide) that Landlord shall not unreasonably withhold any consent or approval, Tenant shall not be entitled to make any claim for, and Tenant hereby expressly waives, any claim for damages, it being acknowledged and agreed that Tenant's sole right and exclusive remedy therefor shall be an action for specific performance.

Section 16.03 **Severability**. A determination by a court of competent jurisdiction that any provision of this Lease or any part thereof is illegal or unenforceable shall not cancel or invalidate the remainder of such provision or this Lease, which shall remain in full force and effect, and it is the intention of the parties that there shall be substituted for such provision as is illegal or unenforceable a provision as similar to such provision as may be possible and yet be legal and enforceable.

Section 16.04 **Interpretation**. The captions of the Articles or Sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Unless the context clearly requires otherwise, (i) the plural and singular numbers will each be deemed to include the other; (ii) the masculine, feminine, and neuter genders will each be deemed to include the others; (iii) "shall," "will," "must," "agrees," and "covenants" are each mandatory; (iv) "may" is permissive; (v) "or" is not exclusive; and (vi) "includes" and "including" are not limiting. In the event of a dispute between Landlord and Tenant over the interpretation of this Lease, both parties shall be deemed to have been the drafter of this Lease, and any Applicable Law that states that contracts are to be construed against the drafter shall not apply. In any provision relating to the conduct, acts or omissions of Tenant, the term "Tenant" shall include Tenant's agents, employees, contractors, invitees, successors or others using the Property with Tenant's express or implied permission.

Section 16.05 **Incorporation of Prior Agreements; Modifications**. This Lease is the only agreement between the parties pertaining to the lease of the Property and no other agreements are effective. All amendments to this Lease shall be in writing and signed by all parties. Any other attempted amendment shall be void. All attached exhibits are hereby expressly incorporated into this Lease by this reference.

Section 16.06 **Notices**. All notices, demands, statements or communications (collectively, "**Notices**") given or required to be given by either party to the other hereunder shall be in writing, shall be sent by United States certified or registered mail, postage prepaid, return receipt requested, nationally-recognized commercial overnight courier, or delivered personally (i) to Tenant at the appropriate address set forth in Section 1.03 above, except that upon Tenant's taking possession of the Property, the Property shall be Tenant's address for notice purposes, or (ii) to Landlord at the addresses set forth in Section 1.02 above. Landlord and Tenant shall have the right to change its respective Notice address upon giving Notice to the other party. Any Notice will be deemed given two (2) business days after the date it is mailed as provided in this Section 16.06, or upon the date delivery is made, if delivered by an approved courier (as provided above) or personally delivered. Consistent with the provisions of Section 16.02(b) above, if Tenant is notified of the identity and address of Landlord's secured lender or ground or underlying lessor, Tenant shall give to such lender or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail or by use of a nationally-recognized commercial overnight courier, and such lender or ground or underlying lessor shall be given the same opportunity to cure such default as is provided Landlord under this Lease (unless such cure period is extended pursuant to the terms of any agreement to which Tenant is a party or to which Tenant consents) prior to Tenant's exercising any remedy available to Tenant. Notices required hereunder may be given by either an agent or attorney acting on behalf of Landlord or Tenant.

Section 16.07 **Waivers**. The failure of Landlord to insist upon the strict performance, in any of one or more instances, of any term, covenant or condition of this Lease shall not be deemed to be a waiver by Landlord of such term, covenant or condition. No waiver by Landlord of any breach by Tenant of any term, provision and covenant contained herein shall be deemed or construed to constitute a waiver of any other or subsequent breach by Tenant of any term, provision or covenant contained herein. Landlord's acceptance of the payment of rent (or portions thereof) or any other payments hereunder after the occurrence of and during the continuance of a default (or with knowledge of a breach of any term or provision of this Lease which with the giving of notice and the passage of time, or both, would constitute a default) shall not be construed as a waiver of such default or any other rights or remedies of Landlord, including any right of Landlord to recover the Property. Moreover, Tenant acknowledges and agrees that Landlord's acceptance of a partial rent payment shall not, under any circumstances (whether or not such partial payment is accompanied by a special endorsement or other statement), constitute an accord and satisfaction. Landlord will accept the check (or other payment means) for payment without prejudice to Landlord's right to recover the balance of such rent or to pursue any other remedy available to Landlord. Forbearance by Landlord to enforce one or more of the remedies herein provided upon the occurrence of a default shall not be deemed or construed to constitute a waiver of such default.

Section 16.08 **No Recordation**. Tenant shall not record this Lease or any assignment or security document pertaining to this Lease. Either Landlord or Tenant may require that a "Short Form" or memorandum of this Lease executed by both parties be recorded. The party requiring such recording shall pay all transfer taxes and recording fees.

Section 16.09 **Binding Effect; Choice of Law**. This Lease binds any party who legally acquires any rights or interest in this Lease from Landlord or Tenant. However, Landlord shall have no obligation to Tenant's successor unless the rights or interests of Tenant's successor are acquired in accordance with the terms of this Lease. The laws of the State in which the Property is located shall govern this Lease, without regard to such State's conflicts of law principles. Tenant hereby knowingly, intentionally, and irrevocably agrees that Landlord may bring any action or claim to enforce or interpret the provisions of this Lease in the State and County where the Property is located, and that Tenant irrevocably consents to personal jurisdiction in such State for the purposes of any such action or claim. Nothing in this Section 16.09 shall be deemed to preclude or prevent Landlord from bringing any action or claim to enforce or interpret the provisions of this Lease in any other appropriate place or forum. Tenant further agrees that any action or claim brought by Tenant to enforce or interpret the provisions of this Lease, or otherwise arising out of or related to this Lease or to Tenant's use and occupancy of the Property, regardless of the theory of relief or recovery and regardless of whether third parties are involved in the action, may only be brought in the State and County where the Property is located, unless otherwise agreed in writing by Landlord prior to the commencement of any such action.

In the interest of obtaining a speedier and less costly adjudication of any dispute, Landlord and Tenant hereby knowingly, intentionally, and irrevocably waive the right to trial by jury in any legal action, proceeding, claim, or counterclaim brought by either of them against the other on all matters arising out of or related to this Lease or the use and occupancy of the Property.

Section 16.10 **Corporate Authority; Partnership Authority; LLC Authority**. If Tenant is a corporation, each person signing this Lease on behalf of Tenant represents and warrants that he has full authority to do so and that this Lease binds the corporation. Within thirty (30) days after this Lease is signed, Tenant shall deliver to Landlord a certified copy of a resolution of Tenant's Board of Directors authorizing the execution of this Lease or other evidence of such authority reasonably acceptable to Landlord. If Tenant is a partnership, each person or entity signing this Lease for Tenant represents and warrants that he or it is a general partner of the partnership, that he or it has full authority to sign for the partnership and that this Lease binds the partnership and all general partners of the partnership. Tenant shall give written notice to Landlord of any general partner's withdrawal or addition. Within thirty (30) days after this Lease is signed, Tenant shall deliver to Landlord a copy of Tenant's recorded statement of partnership or certificate of limited partnership. If Tenant is a limited liability company (LLC), each person or entity signing this Lease for Tenant represents and warrants that he or it is a manager or member of the LLC, that he or it has full authority to sign for the LLC and that this Lease binds the LLC. Within thirty (30) days after this Lease is signed, Tenant shall deliver to Landlord a certified copy of a resolution of Tenant's managers or members authorizing the execution of this Lease, or other evidence of such authority reasonably acceptable to Landlord.

Section 16.11 **Joint and Several Liability**. All parties signing this Lease as Tenant shall be jointly and severally liable for all obligations of Tenant.

Section 16.12 **Force Majeure**. A "**Force Majeure**" event shall occur if Landlord or Tenant cannot perform any of its obligations due to events beyond such party's control (except with respect to the obligations imposed with regard to Base Rent, Additional Rent and other charges to be paid by Tenant pursuant to this Lease), and in such cases the time provided for performing such obligations shall be extended by a period of time equal to the duration of such events. Events beyond Landlord's or Tenant's control include, but are not limited to, acts of God, war, civil commotion, terrorist acts, labor disputes, strikes, fire, flood or other casualty, shortages of labor or material, government regulation or restriction, waiting periods for obtaining governmental permits or approvals or inspections, or weather conditions. No express reference in this Lease to a Force Majeure event shall create any inference that the terms of this Section 16.12 do not apply with equal force in the absence of such an express reference.

Section 16.13 **Counterparts**. This Lease may be executed in counterparts and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument. Receipt of facsimile signatures (regardless of the means of transmission, whether by PDF or other format) shall be as binding on the parties as an original signature.

Section 16.14 **Relationship of Parties**. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any

association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 16.15 **No Warranty**. In executing and delivering this Lease, Tenant has not relied on any representation, including, but not limited to, any representation whatsoever as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto.

Section 16.16 **Waiver of Redemption by Tenant**. Tenant hereby waives, for Tenant and for all those claiming under Tenant, all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Property after any termination of this Lease.

Section 16.17 **Independent Covenants**. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant, to the extent permitted by Applicable Law, hereby expressly waives the benefit of any statute or other law to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord.

Section 16.18 **Confidentiality**. Tenant agrees that the terms of this Lease are confidential and constitute proprietary information of Landlord, and that disclosure of the terms hereof could adversely affect Landlord. Tenant shall keep its partners, members, managers, officers, directors, employees, agents, real estate brokers and sales persons and attorneys, as applicable, from disclosing the terms of this Lease to any other person without Landlord's prior written consent, except to any accountants of Tenant in connection with the preparation of Tenant's financial statements or tax returns, to agents or consultants of Tenant in connection with Tenant's performance of its obligations hereunder, to lenders and appraisers in connection with securing financing, to an assignee of this Lease or subtenant of the Property, or to a person to whom disclosure is required in connection with any action brought to enforce this Lease; provided, however, that Tenant shall inform such persons of the confidentiality of the terms of this Lease and shall obtain their agreement to abide by the confidentiality provisions of this Section prior to such disclosure. In the event Tenant is required to disclose this Lease or any terms thereof to governmental agencies pursuant to Applicable Law, Tenant shall, prior to making such disclosure, submit a written request to the applicable authorities that this Lease be exempt from such disclosure requirements and take other actions reasonably necessary to avoid such disclosure. Tenant shall provide Landlord with a copy of such request and all related documents promptly following the submission thereof to the applicable authorities and shall keep Landlord apprised of the status of such request and all responses thereto. Tenant shall, in any event, provide Landlord with not less than ten (10) days' notice prior to disclosing this Lease or any term thereof to any court or governmental agency.

Section 16.19 **Revenue and Expense Accounting**. Landlord and Tenant agree that for purposes of Section 467 of the Internal Revenue Code rental income will accrue to Landlord and rental expenses will accrue to Tenant in the amounts and as of the dates rent is payable under this Lease.

Section 16.20 **Tenant's Representations and Warranties**. Tenant warrants and represents to Landlord as follows, each of which is material and being relied upon by Landlord:

(a) Tenant and all persons and entities (i) owning (directly or indirectly) an ownership interest in Tenant, (ii) whom or which are an assignee of Tenant's interest in this Lease; or (iii) whom or which are a guarantor of Tenant's obligations under this Lease: (x) are not, and shall not become, a person or entity with whom Landlord is restricted from doing business under regulations of the Office of Foreign Assets Control ("**OFAC**") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated Nationals and Blocked Persons list) or under any statute, executive order (including, but not limited to, 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; (y) are not, and shall not become, a person or entity with whom Landlord is restricted from doing business under the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001 or the regulations or orders thereunder; and (z) are not knowingly engaged in, and shall not knowingly engage in, any dealings or transaction or be otherwise associated with such persons or entities described in clauses (x) or (y), above.

(b) If Tenant is an entity, Tenant is duly organized, validly existing and in good standing under the laws of the State of its organization, and is qualified to do business in the State in which the Property is located, and the persons executing this Lease on behalf of Tenant have the full right and authority to bind Tenant without the consent or approval of any other person or entity. Tenant has full power, capacity, authority and legal right to execute and deliver this Lease and to perform all of its obligations hereunder. This Lease is a legal, valid and binding obligation of Tenant, enforceable in accordance with its terms.

(c) Tenant has not (1) made a general assignment for the benefit of creditors, (2) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by any creditors, (3) suffered the appointment of a receiver to take possession of all or substantially all of its assets, (4) suffered the attachment or other judicial seizure of all or substantially all of its assets, (5) admitted in writing its inability to pay its debts as they come due, or (6) made an offer of settlement, extension or composition to its creditors generally.

Tenant confirms that all of the above representations and warranties are true as of the date of this Lease, and acknowledges and agrees that they (and any other representations and warranties of Tenant contained in this Lease) shall survive the expiration or earlier termination of this Lease.

Section 16.21 **Heirs and Successors**. The covenants and agreements of this Lease shall be binding upon the heirs, legal representatives, successors and permitted assigns of the parties hereto.

Section 16.22 **Reservations**. Landlord reserves to itself the right to grant, from time to time, without the consent or joinder of Tenant, such easements, rights and dedications that Landlord deems necessary, and to cause the recordation of parcel maps (or equivalent) and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Property by Tenant. Tenant agrees to sign any documents reasonably requested by Landlord to effectuate any such easements, rights, dedications, maps or restrictions.

Section 16.23 **Guaranty of Lease**. This Lease is subject to and conditioned upon Tenant delivering to Landlord, concurrently with Tenant's execution and delivery of this Lease, a Guaranty (the "**Guaranty**") in the form attached hereto as Exhibit "D" which Guaranty shall be fully executed by and binding upon Nino Global, LLC, a California limited liability company, as guarantor. Tenant agrees that Landlord (not Tenant) may designate the portion of Tenant's Lease obligation that is satisfied by partial payment by Tenant and Tenant hereby expressly waives any and all benefits under any applicable statute with respect to the Guaranty.

ARTICLE SEVENTEEN DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RECIPROCAL EASEMENTS

Landlord may prepare for eventual recordation against the Property and other adjacent land a Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements (the "**Declaration**"). So long as the provisions of the Declaration do not increase Tenant's obligations in any material way (the performance of ministerial acts shall not be deemed material) and do not have a materially adverse effect on Tenant's conduct of business from the Property, Tenant agrees that the Lease shall be subject and subordinate to the Declaration, and further agrees to execute a recordable instrument (prepared by Landlord at its sole cost and expense) in order to evidence such subordination.

ARTICLE EIGHTEEN NO OPTION OR OFFER

THE SUBMISSION OF THIS LEASE BY LANDLORD, ITS AGENT OR REPRESENTATIVE FOR EXAMINATION OR EXECUTION BY TENANT DOES NOT CONSTITUTE AN OPTION OR OFFER TO LEASE THE PROPERTY UPON THE TERMS AND CONDITIONS CONTAINED HEREIN OR A RESERVATION OF THE PROPERTY IN FAVOR OF TENANT, IT BEING INTENDED HEREBY THAT THIS LEASE SHALL ONLY BECOME EFFECTIVE UPON THE EXECUTION HEREOF BY LANDLORD AND DELIVERY OF A FULLY EXECUTED LEASE TO TENANT, WHETHER SUCH EXECUTION AND DELIVERY IS ACCOMPLISHED BY PHYSICAL DELIVERY OR DELIVERY BY FACSIMILE TRANSMISSION OR OTHER ELECTRONIC MEANS. NEITHER PARTY SHALL HAVE ANY OBLIGATION TO CONTINUE DISCUSSIONS OR NEGOTIATIONS OF THIS LEASE.

(Left intentionally blank – signature page to follow)

Landlord and Tenant have signed this Lease at the place and on the dates specified adjacent to their signatures below.

LANDLORD:

Signed on _____, 2020
at _____.

MAJESTIC MESA PARTNERS, LLC,
a Delaware limited liability company

By: Majestic Realty Co.,
a California corporation,
Manager's Agent

By:_____
Name:_____
Its:_____

By:_____
Name:_____
Its:_____

TENANT:

Signed on 2/12/2020, 2020
at 7259 East Posada Ave, Mesa, AZ 85212

ATLIS MOTOR VEHICLES INC.,
a Delaware corporation

By: DocuSigned by: Mark Hanchett
Printed Name: Mark Hanchett
Its: CEO

EXHIBIT A

DEPICTION OR DESCRIPTION OF THE PROPERTY

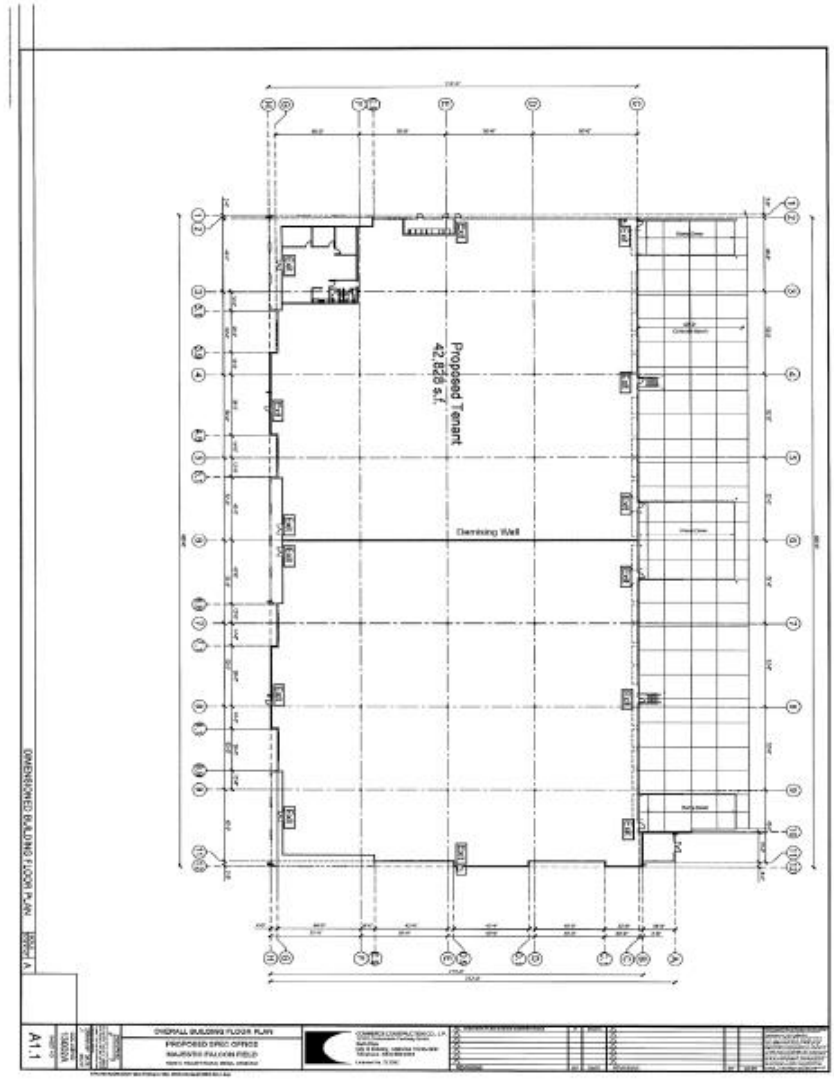

EXHIBIT B

HAZARDOUS MATERIALS

To be attached by Tenant prior to execution, pursuant to Section 5.03.2 of this Lease, and in the absence of such attachment, Tenant acknowledges that Landlord shall not have approved Tenant's introduction of any Hazardous Material to the Property.

EXHIBIT C

CONFIRMATION OF INITIAL LEASE TERM AND AMENDMENT TO LEASE

THIS CONFIRMATION OF INITIAL LEASE TERM AND AMENDMENT TO LEASE ("Confirmation") is made as of the _____ day of _____ 20___ by and between _____, a _____ ("Landlord"), and _____, a _____("Tenant"). Landlord and Tenant agree as follows:

1. Landlord and Tenant have entered into a Standard Industrial Real Estate Lease, dated _____, 20___ (the "**Lease**"), in which Landlord leased to Tenant and Tenant leased from Landlord certain described premises located at _____ (the "**Property**").

2. Consistent with Sections 2.01 and 2.02 of the Lease, Landlord and Tenant hereby confirm the Lease Commencement Date and the Lease Expiration Date of the initial Lease Term (as defined in the Lease), and amend Section 1.05 of the Lease to conform to such dates. The pertinent dates are as follows:

a. _____, 20___ is the Lease Commencement Date; and

b. _____, 20___ is the Lease Expiration Date.

3. Tenant confirms that:

a. It has accepted possession of the Property as provided in the Lease;

b. The Lease has not been modified, altered, or amended, except as provided in this Confirmation and as follows: _____; and

c. The Lease is in full force and effect.

4. The provisions of this Confirmation shall inure to the benefit, or bind, as the case may require, Landlord, Tenant, and their respective permitted successors and assigns.

DATED as of the date first written above.

LANDLORD:	TENANT:
_____	_____
a _____	a _____
By:_____	By:_____
Its:_____	Its:_____

EXHIBIT D

GUARANTY OF LEASE

THIS GUARANTY OF LEASE (this "**Guaranty**") is made as of February 12 2020, by NINO GLOBAL, LLC, a California limited liability company (the "**Guarantor**"), in favor of MAJESTIC MESA PARTNERS, LLC, a Delaware limited liability company ("**Landlord**").

WHEREAS, ATLIS MOTOR VEHICLES INC., a Delaware corporation ("**Tenant**") and Landlord desire to enter into that certain Standard Industrial Real Estate Lease (the "**Lease**") dated February 12, 2020 concerning that approximately 42,828 rentable square foot portion (known as 1828 North Higley Road, Suite ____, Mesa, Arizona) of that approximately 85,554 square foot building located at the NWC E. Higley Road & Ingram Street, Mesa Arizona ("**Property**");

WHEREAS, Guarantor has a financial interest in the Tenant; and

WHEREAS, Landlord would not execute the Lease if Guarantor did not execute and deliver to Landlord this Guaranty.

NOW THEREFORE, for and in consideration of the execution of the foregoing Lease by Landlord and as a material inducement to Landlord to execute said Lease, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the prompt payment by Tenant of all rentals and all other sums payable by Tenant under said Lease and the faithful and prompt performance by Tenant of each and every one of the terms, conditions and covenants of said Lease to be kept and performed by Tenant, and further agrees as follows:

1. It is specifically agreed and understood that the terms, covenants and conditions of the Lease may be altered, affected, modified, amended, compromised, released or otherwise changed by agreement between Landlord and Tenant, or by course of conduct and Guarantor does guaranty and promise to perform all of the obligations of Tenant under the Lease as so altered, affected, modified, amended, compromised, released or changed and the Lease may be assigned by or with the consent of Landlord or any assignee of Landlord without consent or notice to Guarantor and that this Guaranty shall thereupon and thereafter guaranty the performance of said Lease as so changed, modified, amended, compromised, released, altered or assigned.

2. This Guaranty shall not be released, modified or affected by failure or delay on the part of Landlord to enforce any of the rights or remedies of Landlord under the Lease, whether pursuant to the terms thereof or at law or in equity, or by any release of any person liable under the terms of the Lease (including, without limitation, Tenant) or any other guarantor, including without limitation, any other Guarantor named herein, from any liability with respect to Guarantor's obligations hereunder.

3. Guarantor's liability under this Guaranty shall continue until all rents due under the Lease have been paid in full in cash and until all other obligations to Landlord have been satisfied, and shall not be reduced by virtue of any payment by Tenant of any amount due under the Lease. If all or any portion of Tenant's obligations under the Lease is paid or performed by Tenant, the obligations of Guarantor hereunder shall continue and remain in full force and effect in the event that all or any part of such payment(s) or performance(s) is avoided or recovered directly or indirectly from Landlord as a preference, fraudulent transfer or otherwise.

4. Guarantor warrants and represents to Landlord that Guarantor now has and will continue to have full and complete access to any and all information concerning the Lease, the value of the assets owned or to be acquired by Tenant, Tenant's financial status and its ability to pay and perform the obligations owed to Landlord under the Lease. Guarantor further warrants and represents that Guarantor has reviewed and approved

copies of the Lease and is fully informed of the remedies Landlord may pursue, with or without notice to Tenant, in the event of default under the Lease. So long as any of Guarantor's obligations hereunder remains unsatisfied or owing to Landlord, Guarantor shall keep fully informed as to all aspects of Tenant's financial condition and the performance of said obligations.

5. Guarantor hereby covenants and agrees with Landlord that if a default shall at any time occur in the payment of any sums due under the Lease by Tenant or in the performance of any other obligation of Tenant under the Lease, Guarantor shall and will forthwith upon demand pay such sums, and any arrears thereof, to Landlord in legal currency of the United States of America for payment of public and private debts, and take all other actions necessary to cure such default and perform such obligations of Tenant.

6. The liability of Guarantor under this Guaranty is a guaranty of payment and performance and not of collectibility, and is not conditioned or contingent upon the genuineness, validity, regularity or enforceability of the Lease or the pursuit by Landlord of any remedies which it now has or may hereafter have with respect thereto, at law, in equity or otherwise.

7. Guarantor hereby waives and agrees not to assert or take advantage of to the extent permitted by law: (i) all notices to Guarantor, to Tenant, or to any other person, including, but not limited to, notices of the acceptance of this Guaranty or the creation, renewal, extension, assignment, modification or accrual of any of the obligations owed to Landlord under the Lease and, except to the extent set forth in Paragraph 9 hereof, enforcement of any right or remedy with respect thereto, and notice of any other matters relating thereto, (ii) notice of acceptance of this Guaranty; (iii) demand of payment, presentation and protest; (iv) any right to require Landlord to apply to any default any security deposit or other security it may hold under the Lease; (v) any statute of limitations affecting Guarantor's liability hereunder or the enforcement thereof; (vi) any right or defense that may arise by reason of the incapability, lack or authority, death or disability of Tenant or any other person; and (vii) all principles or provisions of law which conflict with the terms of this Guaranty. Guarantor further agrees that Landlord may enforce this Guaranty upon the occurrence of a default under the Lease, notwithstanding any dispute between Landlord and Tenant with respect to the existence of said default or performance of the obligations under the Lease or any counterclaim, set-off or other claim which Tenant may allege against Landlord with respect thereto. Moreover, Guarantor agrees that Guarantor's obligations shall not be affected by any circumstances which constitute a legal or equitable discharge of a guarantor or surety.

8. Guarantor agrees that Landlord may enforce this Guaranty without the necessity of proceeding against Tenant or any other guarantor. Guarantor hereby waives the right to require Landlord to proceed against Tenant, to proceed against any other guarantor, to exercise any right or remedy under the Lease or to pursue any other remedy or to enforce any other right.

9. (a) Guarantor agrees that nothing contained herein shall prevent Landlord from suing on the Lease or from exercising any rights available to it thereunder and that the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of Guarantor. In addition, Guarantor agrees that Landlord (not Tenant) shall have the right to designate the portion of Tenant's obligations under the Lease that is satisfied by a partial payment by Tenant.

(b) Guarantor agrees that Guarantor shall have no right of subrogation against Tenant or any right of contribution against any other guarantor hereunder unless and until all amounts due under the Lease have been paid in full and all other obligations under the Lease have been satisfied. Guarantor further agrees that, to the extent the waiver of Guarantor's rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation Guarantor may have against Tenant shall be junior and subordinate to any rights Landlord may have against Tenant, and any rights of contribution Guarantor may have against any other guarantor shall be junior and subordinate to any rights Landlord may have against such other guarantor.

(c) The obligations of Guarantor under this Guaranty shall not be altered, limited or affected by any case, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of Tenant or any defense which Tenant may have by reason of order, decree or decision of any court or administrative body resulting from any such case. Landlord shall have the sole right to accept or reject any plan on behalf of Guarantor proposed in such case and to take any other action which Guarantor would be entitled to take, including, without limitation, the decision to file or not file a claim. Guarantor acknowledges and agrees that any payment which accrues with respect to Tenant's obligations under the Lease (including, without limitation, the payment of rent) after the commencement of any such proceeding (or, if any such payment ceases to accrue by operation of law by reason of the commencement of such proceeding, such payment as would have accrued if said proceedings had not been commenced) shall be included in Guarantor's obligations hereunder because it is the intention of the parties that said obligations should be determined without regard to any rule or law or order which may relieve Tenant of any of its obligations under the Lease. Guarantor hereby permits any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person to pay Landlord, or allow the claim of Landlord in respect of, any such payment accruing after the date on which such proceeding is commenced. Guarantor hereby assigns to Landlord Guarantor's right to receive any payments from any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person by way of dividend, adequate protection payment or otherwise.

10. Any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this Guaranty or pursuant to any applicable law or requirement of public authority, shall be in writing (whether or not so stated elsewhere in this Guaranty) and shall be deemed to have been properly given, rendered or made only if hand-delivered or sent by first-class mail, postage pre-paid, addressed to the other party at its respective address set forth below, and shall be deemed to have been given, rendered or made on the day it is hand-delivered or one day after it is mailed, unless it is mailed outside of Maricopa County, Arizona, in which case it shall be deemed to have been given, rendered or made on the third business day after the day it is mailed. By giving notice as provided above, either party may designate a different address for notices, statements, demands, consents, approvals or other communications intended for it.

To Guarantor: Nino Global, LLC
620 Newport Center Drive
Suite 1100
Newport Beach, California 92660

To Landlord: Majestic Mesa Partners, LLC
c/o Majestic Realty Co.
13191 Crossroads Parkway North
Sixth Floor
City of Industry, California 91746

11. Guarantor represents and warrants to Landlord as follows:

(a) No consent of any other person, including, without limitation, any creditors of Guarantor, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration within any governmental authority is required by Guarantor in connection with this Guaranty or the execution, delivery, performance, validity or enforceability of this Guaranty and all obligations required hereunder. This Guaranty has been duly executed and delivered by Guarantor, and constitutes the legally valid and binding obligation of Guarantor enforceable against such Guarantor in accordance with its terms.

(b) The execution, delivery and performance of this Guaranty will not violate any provision of any existing law or regulation binding on Guarantor, or any order, judgment, award or decree of any court,

arbitrator or governmental authority binding on Guarantor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which Guarantor is a party or by which Guarantor or any of Guarantor's assets may be bound, and will not result in, or require, the creation or imposition of any lien on any of such Guarantor's property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking.

12. The obligations of Tenant under the Lease to execute and deliver estoppel statements, as therein provided, shall be deemed to also require the Guarantor hereunder to do and provide the same relative to Guarantor.

13. This Guaranty shall be binding upon each Guarantor, such Guarantor's heirs, representatives, administrators, executors, successors and assigns and shall inure to the benefit of and shall be enforceable by Landlord, its successors, endorsees and assigns. Any married person executing this Guaranty agrees that recourse may be had against community assets and against his separate property for the satisfaction of all obligations herein guaranteed. As used herein, the singular shall include the plural, and the masculine shall include the feminine and neuter and vice versa, if the context so requires.

14. The term "Landlord" whenever used herein refers to and means the Landlord specifically named in the Lease and also any assignee of said Landlord, whether by outright assignment or by assignment for security, and also any successor to the interest of said Landlord or of any assignee in the Lease or any part thereof, whether by assignment or otherwise. So long as the Landlord's interest in or to demised premises (as that term is used in the Lease) or the rents, issues and profits therefrom, or in, to or under the Lease, are subject to any mortgage or deed of trust or assignment for security, no acquisition by Guarantor of the Landlord's interest in demised premises or under the Lease shall affect the continuing obligations of Guarantor under this Guaranty, which obligations shall continue in full force and effect for the benefit of the mortgagee, beneficiary, trustee or assignee under such mortgage, deed of trust or assignment, of any purchaser at sale by judicial foreclosure or under private power of sale, and of the successors and assigns of any such mortgagee, beneficiary, trustee, assignee or purchaser.

15. The term "Tenant" whenever used herein refers to and means the Tenant in the Lease specifically named and also any assignee or sublessee of said Lease and also any successor to the interests of said Tenant, assignee or sublessee of such Lease or any part thereof, whether by assignment, sublease or otherwise.

16. In the event of any dispute or litigation regarding the enforcement or validity of this Guaranty, Guarantor shall be obligated to pay all charges, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Landlord, whether or not any action or proceeding is commenced regarding such dispute and whether or not such litigation is prosecuted to judgment.

17. This Guaranty shall be governed by and construed in accordance with the laws of Arizona and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the courts of Arizona.

18. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

19. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.

20. No failure or delay on the part of Landlord to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or an acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

21. This Guaranty shall constitute the entire agreement between each Guarantor and the Landlord with respect to the subject matter hereof. No provision of this Guaranty or right of Landlord hereunder may be waived nor may Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Landlord.

22. The liability of Guarantor and all rights, powers and remedies of Landlord hereunder and under any other agreement now or at any time hereafter in force between Landlord and Guarantor relating to the Lease shall be cumulative and not alternative and such rights, powers and remedies shall be in addition to all rights, powers and remedies given to Landlord by law.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

Executed on 2/12/2020, 2020

NINO GLOBAL, LLC,
a California limited liability company

By: _____
Name: David Nino
Its: President

ATLIS MOTOR VEHICLES, INC.

Audited Financial Statements For The Years Ended December 31, 2019 and 2018

Jason M. Tyra
CPA PLLC

Independent Auditor's Report

To Management
Atlis Motor Vehicles, Inc.
Mesa, AZ

We have audited the accompanying balance sheets of Atlis Motor Vehicles, Inc. as of December 31, 2018 and 2019 and the related Income Statement, Statement of Changes in Shareholders' Equity, Statement of Cash Flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Atlis Motor Vehicles, Inc. as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note B, certain conditions raise an uncertainty about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note B. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

Jason M. Tyra, CPA, PLLC
Dallas, TX
April 21, 2020

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Dallas, TX 75201
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ATLIS MOTOR VEHICLES, INC.
INCOME STATEMENT
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Operating Income		
Sales	$ 2,287	$ -
Cost of Goods Sold	2,275	
Gross Profit	12	-
Operating Expense		
Awarded Stock Compensation Expense	1,698,568	-
Salaries	182,176	209,595
Legal & Professional	89,159	77,806
General & Administrative	89,021	30,340
Research & Development	50,428	106,720
Advertising	34,141	147,355
Payroll Taxes	14,486	14,563
Depreciation	4,130	4,130
Rent	630	-
	2,162,739	590,508
Net Income from Operations	(2,162,727)	(590,508)
Other Income (Expense)		
Interest Expense	(6,219)	(5,354)
Net Income	$ (2,168,946)	$ (595,862)
Net Loss Per Share	$ (0.14)	$ (0.05)

Audited- See accompanying notes.

ATLIS MOTOR VEHICLES, INC.
BALANCE SHEET
DECEMBER 31, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash	$ 5,074	$ (1,500)
TOTAL CURRENT ASSETS	5,074	(1,500)
NON-CURRENT ASSETS		
Fixed Assets	20,648	20,648
Accumulated Depreciation	(8,260)	(4,130)
TOTAL NON-CURRENT ASSETS	12,388	16,518
TOTAL ASSETS	17,462	15,018
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	-	2,988
Accrued Taxes Payable	32,545	41,531
TOTAL CURRENT LIABILITIES	32,545	44,519
NON-CURRENT LIABILITIES		
Related Party Loan	10,483	24,124
Loans Payable	7,737	41,174
TOTAL LIABILITIES	50,765	109,817
SHAREHOLDERS' EQUITY		
Common Stock (17,857,143 shares authorized; 16,055,117 issued; $0.0001 par value)	1,589	1,209
Additional Paid In Capital - Awarded Stock Compensation	1,698,568	-
Additional Paid in Capital	1,081,929	550,435
Retained Earnings (Deficit)	(2,815,389)	(646,443)
TOTAL SHAREHOLDERS' EQUITY	(33,303)	(94,799)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 17,462	$ 15,018

Audited- See accompanying notes.

ATLIS MOTOR VEHICLES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Cash Flows From Operating Activities		
Net Income (Loss) For The Period	$ (2,168,946)	$ (595,862)
Change in Accrued Payroll Tax Payable	(8,987)	41,531
Change in Accounts Payable	(2,988)	2,988
Change in Payroll Corrections	11	-
Depreciation	4,130	4,130
Net Cash Flows From Operating Activities	(2,176,780)	(547,214)
Cash Flows From Investing Activities		
Purchase of Fixed Assets	-	(20,648)
Net Cash Flows From Investing Activities	-	(20,648)
Cash Flows From Financing Activities		
Payment toward Related Party Loan	(13,641)	(27,956)
Payment toward Loan Payable	(33,452)	41,174
Issuance of Common Stock	380	1,208
Increase in Additional Paid In Capital	531,494	550,435
Issuance of Awarded Stock Compensation	1,698,568	-
Net Cash Flows From Financing Activities	2,183,349	564,861
Cash at Beginning of Period	(1,500)	1,500
Net Increase (Decrease) In Cash	6,569	(3,001)
Cash at End of Period	$ 5,074	$ (1,500)

Audited- See accompanying notes.

ATLIS MOTOR VEHICLES, INC.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	Common Stock Number	Common Stock Amount	Additional Paid In Capital	Retained Earnings	Total Stockholders' Equity
Balance at December 31, 2017	10,000,000	1000	$ -	$ (50,581)	$ (49,581)
Issuance of Stock	2,086,264	208	550,435		550,643
Net Income				(595,862)	(595,862)
Balance at December 31, 2018	12,086,264	$ 1,208	$ 550,435	$ (646,443)	$ (94,801)
Issuance of Common Stock	1,805,576	181	531,494		531,675
Issuance of Awarded Common Stock	1,996,674	200			200
Awarded Stock Compensation			1,698,568		1,698,568
Net Income				(2,168,946)	(2,168,946)
Balance at December 31, 2019	15,888,514	$ 1,588	$ 2,780,497	$ (2,815,389)	$ (33,305)

Audited- See accompanying notes.

ATLIS MOTOR VEHICLES, INC.
NOTES TO FINANCIAL STATEMENTS (AUDITED)
DECEMBER 31, 2019 AND 2018

NOTE A- ORGANIZATION AND NATURE OF ACTIVITIES

Atlis Motor Vehicles, Inc. ("the Company") is a corporation organized under the laws of Delaware and domiciled in Arizona. The Company intends to develop and manufacture electric vehicles and other energy sustainable products.

NOTE B- GOING CONCERN MATTERS

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operation for the foreseeable future. However, management has identified the following conditions and events that created an uncertainty about the ability of the Company to continue as a going concern. The company sustained net losses of $2,168,946 in 2019 and $595,862 in and had no cash available as of December 31, 2018.

The following describes management's plans that are intended to mitigate the conditions and events that raise substantial doubt about the Company's ability to continue as a going concern. The Company plans to raise additional funds to meet obligations and further operations through a Reg A+ campaign. The Company's ability to meet its obligations as they become due is dependent upon the success of management's plans, as described above.

These conditions and events create an uncertainty about the ability of the Company to continue as a going concern through April 21, 2021 (one year after the date that the financial statements are available to be issued). The financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

NOTE C- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The Company's fiscal year runs through December 31.

Significant Risks and Uncertainties

The Company is subject to customary risks and uncertainties associated with development of new technology including, but not limited to, the need for protection of proprietary technology, dependence on key personnel, costs of services provided by third parties, passing regulatory testing, meeting manufacturing and environmental requirements, the need to obtain additional financing, and limited operating history.

The Company currently has no developed products for commercialization and there can be no assurance that the Company's research and development will be successfully commercialized. Developing and commercializing a product requires significant capital, and based on the current operating plan, the

Company expects to continue to incur operating losses as well as cash outflows from operations in the near term.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Stockholders' Equity

During 2019 and 2018, the company issued 3,802,250 and 2,086,264 shares of common stock at par value $0.0001, respectively.

Fixed Assets

The Company capitalizes assets with an expected useful life of one year or more, and an original purchase price of $1,000 or more. Depreciation is calculated on a straight-line basis over management's estimate of each asset's useful life.

Revenue

Revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

Current revenue is earned by the sale of small merchandise.

Advertising

The Company records advertising expenses in the year incurred.

Accrued Taxes Payable

During 2019 the company accrued $32,545 in payroll taxes payable.

Rent

The company leases a storage space on a month-to-month basis.

Income Taxes

The Company applies ASC 740 Income Taxes ("ASC 740"). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities. ASC 740 also provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax positions. A tax benefit from an uncertain position is recognized only if it is "more likely than not" that the position is sustainable upon examination by the relevant taxing authority based on its technical merit.

The Company is subject to tax filing requirements as a corporation in the federal jurisdiction of the United States. The Company sustained net operating losses during fiscal years 2019 and 2018. Net operating losses will be carried forward to reduce taxable income in future years. Due to management's uncertainty as to the timing and valuation of any benefits associated with the net operating loss carryforwards, the Company has elected to recognize an allowance to account for them in the financial statements, but has fully reserved it. Under current law, net operating losses may be carried forward indefinitely.

The Company is subject to franchise and income tax filing requirements in the State of Delaware and Arizona.

Recently Adopted Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In November 2015, the FASB issued ASU (Accounting Standards Update) 2015-17, *Balance Sheet Classification of Deferred Taxes*, or ASU 2015-17. The guidance requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. For all entities other than public business entities, the guidance becomes effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for all entities as of the beginning of an interim or annual reporting period. The adoption of ASU 2015-17 had no material impact on the Company's financial statements and related disclosures.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash*, or ASU 2016-18. The amendments of ASU 2016-18 were issued to address the diversity in classification and presentation of changes in restricted cash and restricted cash equivalents on the statement of cash flows which is currently not addressed under Topic 230. ASU 2016-18 would require an entity to include amounts generally described as restricted cash and restricted cash equivalents with cash and cash equivalents when reconciling the beginning of period and end of period total amounts on the statement of cash flows. This guidance is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2018 for non-public entities. Early adoption is permitted, and the

standard must be applied retrospectively. The adoption of ASU 2016-18 had no material impact on the Company's financial statements and related disclosures.

In May 2014, the FASB issued ASU, 2014-09—*Revenue from Contracts with Customers (Topic 606)*, or ASU 2014-09, and further updated through ASU 2016-12, or ASU 2016-12, which amends the existing accounting standards for revenue recognition. ASU 2014-09 is based on principles that govern the recognition of revenue at an amount to which an entity expects to be entitled to when products are transferred to customers. This guidance is effective for annual reporting periods, and interim periods within those years, beginning December 15, 2018 for non-public entities. The new revenue standard may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of adoption. The adoption of ASU 2014-09 had no material impact on the Company's financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, or ASU 2016-02, which supersedes the guidance in ASC 840, *Leases*. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. This guidance is effective for annual reporting periods beginning after December 15, 2019 for non-public entities. The adoption of ASU 2016-02 had no material impact on the Company's financial statements and related disclosures.

In March 2016, the FASB issued ASU 2016-09, *Improvements to Employee Share-based Payment Accounting*, or ASU 2016-09. ASU 2016-09 simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. Some of the areas of simplification apply only to non-public companies. This guidance was effective on December 31, 2016 for public entities. For entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for an entity in any interim or annual period for which financial statements have not been issued or made available for issuance. An entity that elects early adoption must adopt all amendments in the same period. The adoption of ASU 2016-09 had no material impact on the Company's financial statements and related disclosures.

In May 2017, the FASB issued ASU 2017-09, *Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting*, or ASU 2017-09, which clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. Under the new guidance, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award (as equity or liability) changes as a result of the change in terms or conditions. This guidance is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2017, for both public entities and non-public entities. Early adoption is permitted. The adoption of ASU 2017-09 had no material impact on the Company's financial statements and related disclosures.

NOTE D- EQUITY

The Company has authorized the issuance of up to 17,857,143 shares of $0.0001 par value Common Stock, which is the Company's sole class of equity outstanding. Common shareholders have the right to vote on certain items of Company business at the rate of one vote per share of stock.

Net Income Per Share

Net earnings or loss per share is computed by dividing net income or loss by the weighted-average number of common shares outstanding during the period, excluding shares subject to redemption or forfeiture. The Company presents basic and diluted net earnings or loss per share. Diluted net earnings or loss per share reflect the actual weighted average of common shares issued and outstanding during the period, adjusted for potentially dilutive securities outstanding. Potentially dilutive securities are excluded from the computation of the diluted net loss per share if their inclusion would be anti-dilutive.

The Company recorded a net loss per share of $.14 and $.06 in the years ended December 31, 2019 and 2018, respectively. The Company had no potentially dilutive securities outstanding during 2019 or 2018.

NOTE E- EQUITY BASED COMPENSATION

The Company accounts for stock issued to employees under ASC 718 (Stock Compensation). Under ASC 718, share-based compensation cost to employees is measured at the grant date, based on the estimated fair value of the award, and is recognized as an item of expense ratably over the grantee's requisite vesting period.

The Company measures compensation expense for its non-employee stock-based compensation under ASC 718. The fair value of the stock issued or committed to be issued is used to measure the transaction, as this is more reliable than the fair value of the services received. The fair value is measured at the value of the Company's common stock on the date that the commitment for performance by the counterparty has been reached or the counterparty's performance is complete. The fair value of the stock is charged directly to expense and credited to additional paid-in capital.

The Company does not have a formal equity compensation program. Awards of equity are authorized on a case by case basis by the Company's board of directors. During 2019, the Company granted 5,857,131 shares of stock to various advisors and employees. Shares granted as compensation have vesting periods ranging from immediate to three years. As of December 31, 2019, the full balance of authorized, unissued stock was available for distribution as compensation. The Company does not estimate future share forfeitures because the board of directors believes that forfeitures of unvested shares of stock are likely to be infrequent and not reasonably estimable.

Total compensation costs for share based payment arrangements totaled $1,698,568 for 2019 The Company uses an average of the terminal valuation based on a 5-year projection using price-per-earnings ratio of 7.93 which is commonly used within the automotive industry. A summary of the Company's stock compensation activity is as follows:

	Number of Stocks	Weighted Average Fair Value	Weighted Average Grant Date Fair Value of Vested Shares	Total Fair Value of Vested Shares
Expired/Cancelled	0	0	0	0
Outstanding at December 31, 2017	10,000,000	$ 0.0001	$ 0.0001	$ 1,000
Granted	-	-	-	-
Exercised	-	-	-	-
Expired/Cancelled	-	-	-	-
Outstanding at December 31, 2018	10,000,000	$ 0.0001	$ 0.0001	$ 1,000
Granted	5,857,131	$ 0.29	$ 0.29	1,698,568
Exercised	-	-	-	-
Expired/Cancelled	-	-	-	-
Outstanding at December 31, 2019	5,857,131	$ 0.29	$ 0.29	$ 1,698,568

NOTE F- DEBT

In 2017, the company issued a note to a related party in exchange for cash for the purpose of funding continuing operations ("the Related Party Note Payable"). The note does not accrue interest and is payable at a future date to be determined by management. During 2019 and 2018, the Company capitalized no interest related to the note.

In 2018, the company issued a loan payable in exchange for cash for the purpose of funding continuing operations ("the Note Payable"). The note incurs an annual interest rate of 35.6% on any remaining monthly balance. This interest is paid each month on the remaining loan balance. Minimum monthly payments are equal to $4,872.

NOTE G- FAIR VALUE MEASUREMENTS

Fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based on the highest and best use of the asset or liability. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. The Company uses valuation techniques to measure fair value that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

Level 1 - Observable inputs, such as quoted prices for identical assets or liabilities in active markets;
Level 2 - Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly, such as quoted prices for similar assets or liabilities, or market-corroborated inputs; and
Level 3 - Unobservable inputs for which there is little or no market data which require the reporting entity to develop its own assumptions about how market participants would price the assets or liabilities.

The valuation techniques that may be used to measure fair value are as follows:

Market approach - Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
Income approach - Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about those future amounts, including present value techniques, option-pricing models, and excess earnings method.
Cost approach - Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost).

NOTE H- CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and cash equivalents with a limited number of high-quality financial institutions and at times may exceed the amount of insurance provided on such deposits.

NOTE I- SUBSEQUENT EVENTS

Management considered events subsequent to the end of the period but before April 21, 2021, the date that the financial statements were available to be issued.

Exhibit 1A-12

WCAZ Law, PLLC
Jordan Christensen, JD, MBA
2824 N. Power Rd. Ste. 113-253
Mesa, AZ 85215
Cell: (815) 751-0367
JChristensen@wcazlaw.com

Friday, August 28, 2020

Atlis Motor Vehicles, Inc
Attn: Mark Hanchett, Founder and CEO
1828 N. Higley Rd.
Mesa, AZ 85205
Mark@atlismotorvehicles.com

Re: Atlis Motor Vehicles, Inc; Opinion RE Legality

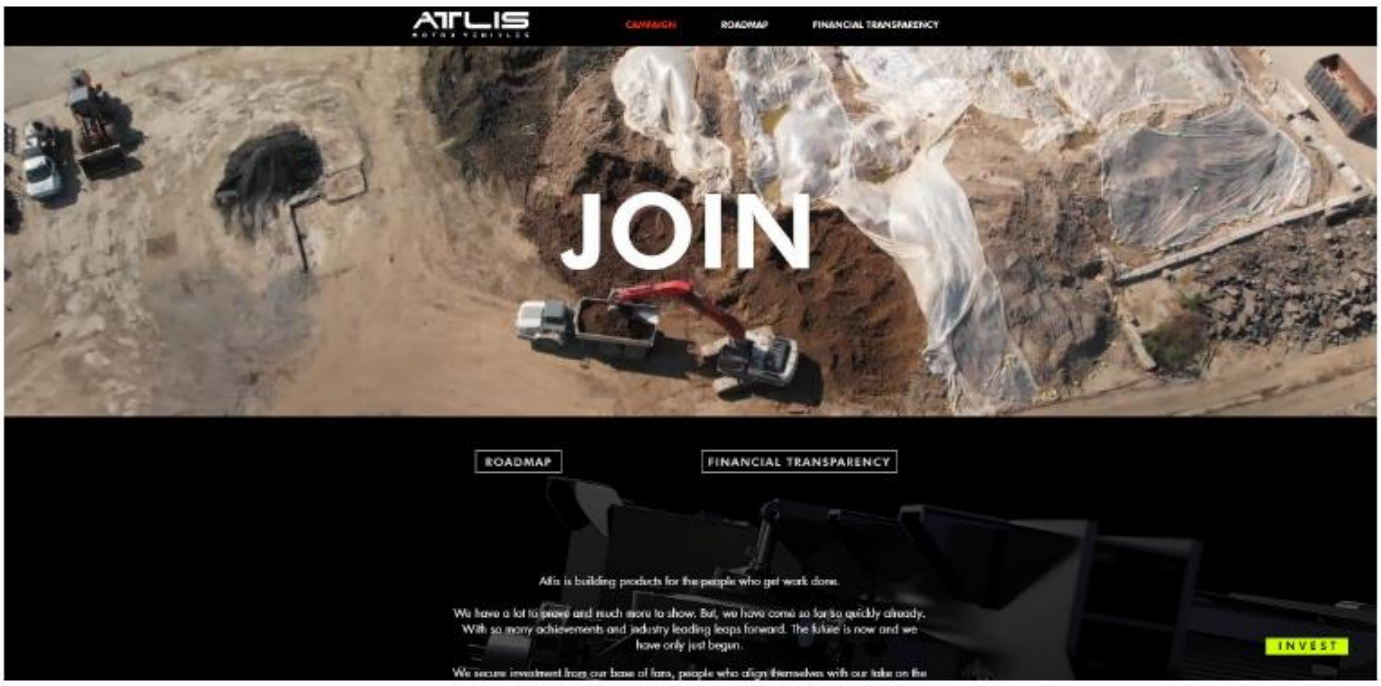
Dear Mr. Hanchett,

In connection with the Regulation A offering circular concerning 3,033,981 Class A shares of common stock for Atlis Motor Vehicles, Inc, ("the Company") filed May 4, 2020, and as amended on June 5, June 26, July 15, August 11, August 26, and August 28, 2020, please accept this letter as my opinion under the laws of the United States of America and the State of Delaware as to the legality of the securities covered by the Offering Circular.

Based upon my review of the Company's financial situation and Offering Circular and pre-qualification amendments, it is my opinion that under the laws of the State of Delaware that the Class A shares of common stock offered will, when sold, be legally issued, fully paid, and non-assessable. I consent to the filing of this legality opinion as an exhibit to the Company's Regulation A offering statement and consent to being named as legal counsel in the Offering Circular.

Sincerely,

Jordan Christensen
WCAZ Law, PLLC


ATLIS
CAMPAIGN
ROADMAP
FINANCIAL TRANSPARENCY
JOIN
ROADMAP
FINANCIAL TRANSPARENCY
Atlis is building products for the people who get work done.
We have a lot to prove and much more to show. But, we have come so far so quickly already. With so many achievements and industry leading leaps forward. The future is now and we have only just begun.
We secure investment from our base of fans, people who align themselves with our take on the
INVEST


We secure investment from our base of fans, people who align themselves with our take on the world, share our philosophies and want a better future.
$1.5
BILLION
IN RESERVATIONS
$25 MILLION TARGET
INVEST

ATLIS MOTOR VEHICLES

CAMPAIGN ROADMAP FINANCIAL TRANSPARENCY

$25 MILLION TARGET

With $2M raised from previous crowdfunding campaigns, we have made significant progress. Now we're opening our Reg A campaign to raise $25M. The allows us to take the next big steps: building our production-ready prototypes of the XP Platform, battery pack, and fast-charging infrastructure. So, why $25M and how are we going to spend it?

54% Equipment & Machinery

33.5% Research & Development

7% SG&A

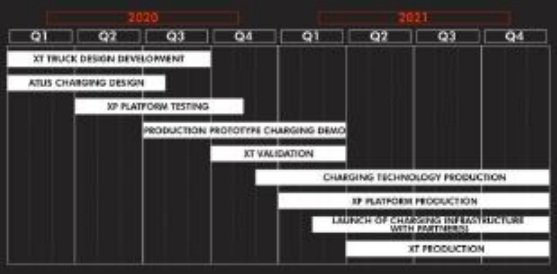
4.5% Facilities

1% Other OpEx

Our current priority is to raise funding to complete our development and testing and take us into the early small-scale manufacturing phase. This includes expanding our facilities, growing our team, deploying charging stations, and more. We have finalized many technical requirements for the vehicle, and will continue to refine these requirements as we develop the full-scale working prototype of the XT pickup truck. This effort will involve many short-term and long-term partnerships with organizations that can assist Atlis Motor Vehicles in bringing our XT pickup truck to prototype and then production. We are hoping to begin a pre-order campaign as we get closer to the start of manufacturing.

INVEST

small-scale manufacturing phase. This includes expanding our facilities, growing our team, deploying charging stations, and more. We have finalized many technical requirements for the vehicle, and will continue to refine these requirements as we develop the full-scale working prototype of the XT pickup truck. This effort will involve many short-term and long-term partnerships with organizations that can assist Atlis Motor Vehicles in bringing our XT pickup truck to prototype and then production. We are hoping to begin a pre-order campaign as we get closer to the start of manufacturing.



FINANCIAL TRANSPARENCY ROADMAP


FOUNDED
November
2016
Atlis Motor Vehciles was officially incorporated.
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
Core77
INVEST


CONCEPT TEAM HIRED
July
2018
We hired our concept development team and began work on the future Atlis product line with testing, prototyping and future development.
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
CORE77
INVEST


12 MIN FAST CHARGE
October
2018
Less than 3 months after the hire of our first concept team, we managed to charge our battery pack prototype from 0-100% in 12:37. This was the building point for our next leap in battery tech.
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
CoreTT
INVEST

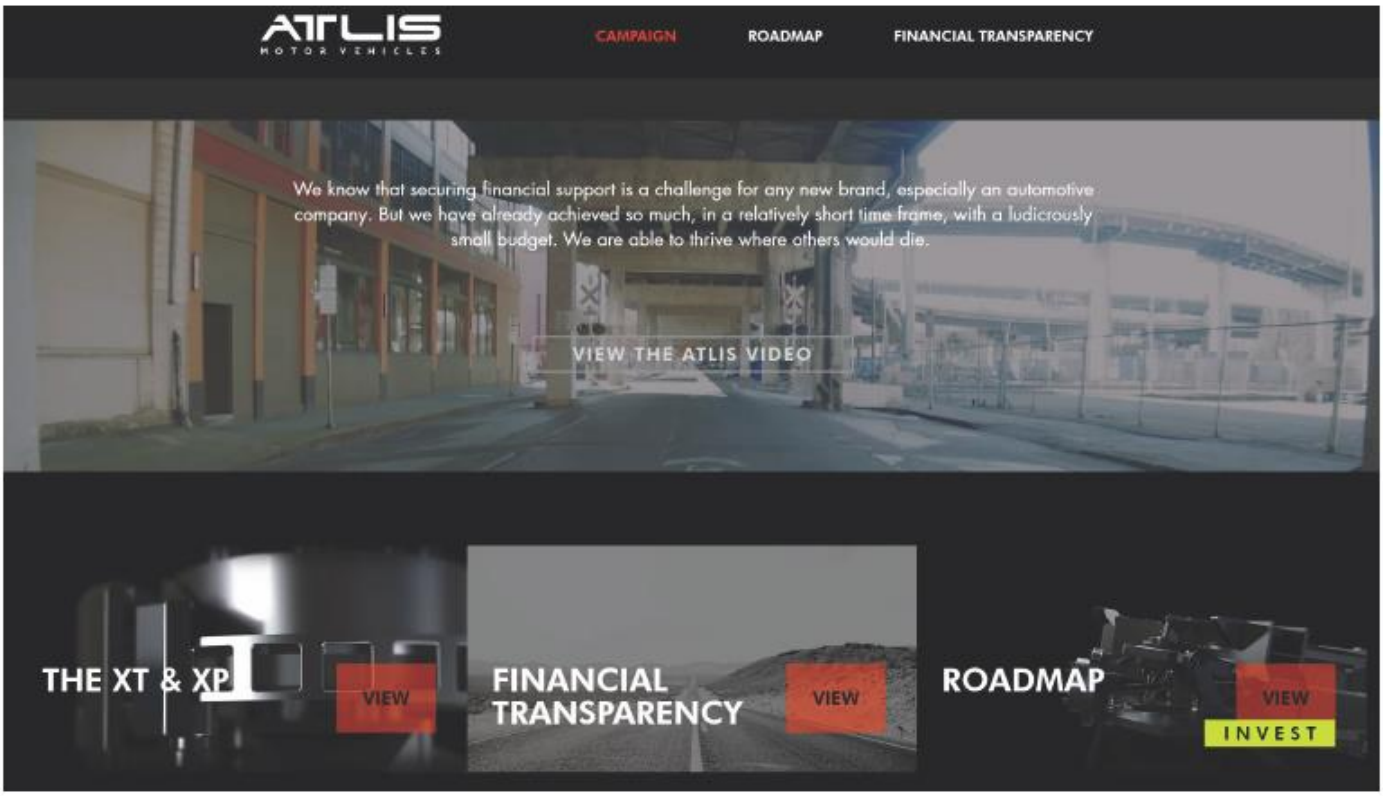

$1 MILLION RAISED
December
2018
We ended the year on a high with the release of our new website and completed our first round of funding - funding the next wave of developments. This was all raised by our community and future customers, further illustrating our ethics of being built for the people, by the people.
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
CoreT7
INVEST

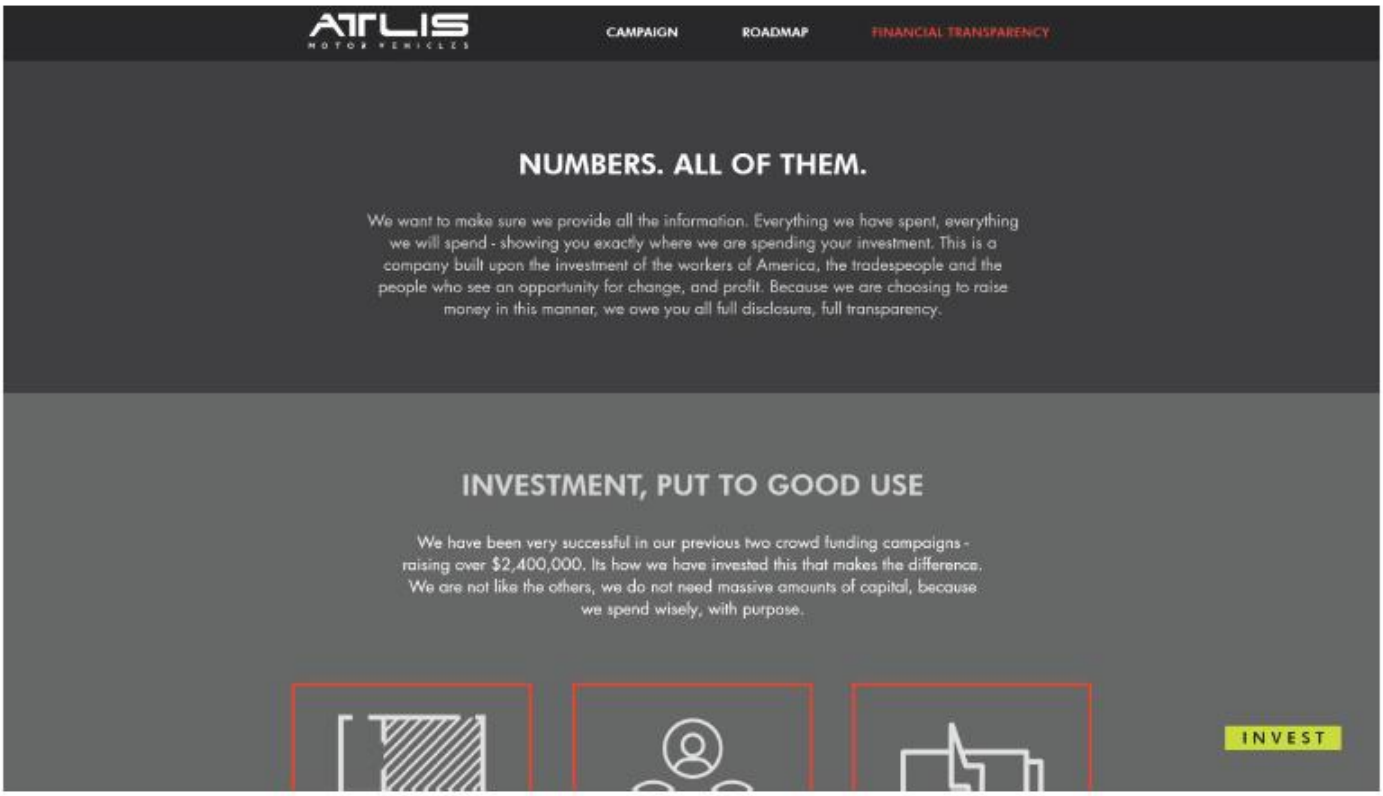

CONCEPT XP
PLATFORM RELEASED
March
2019
We completed the development of our concept XP Platform. This showcased our incredible ground clearance and massive off road terrain capabilities.
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
CARBUZZ
INVEST

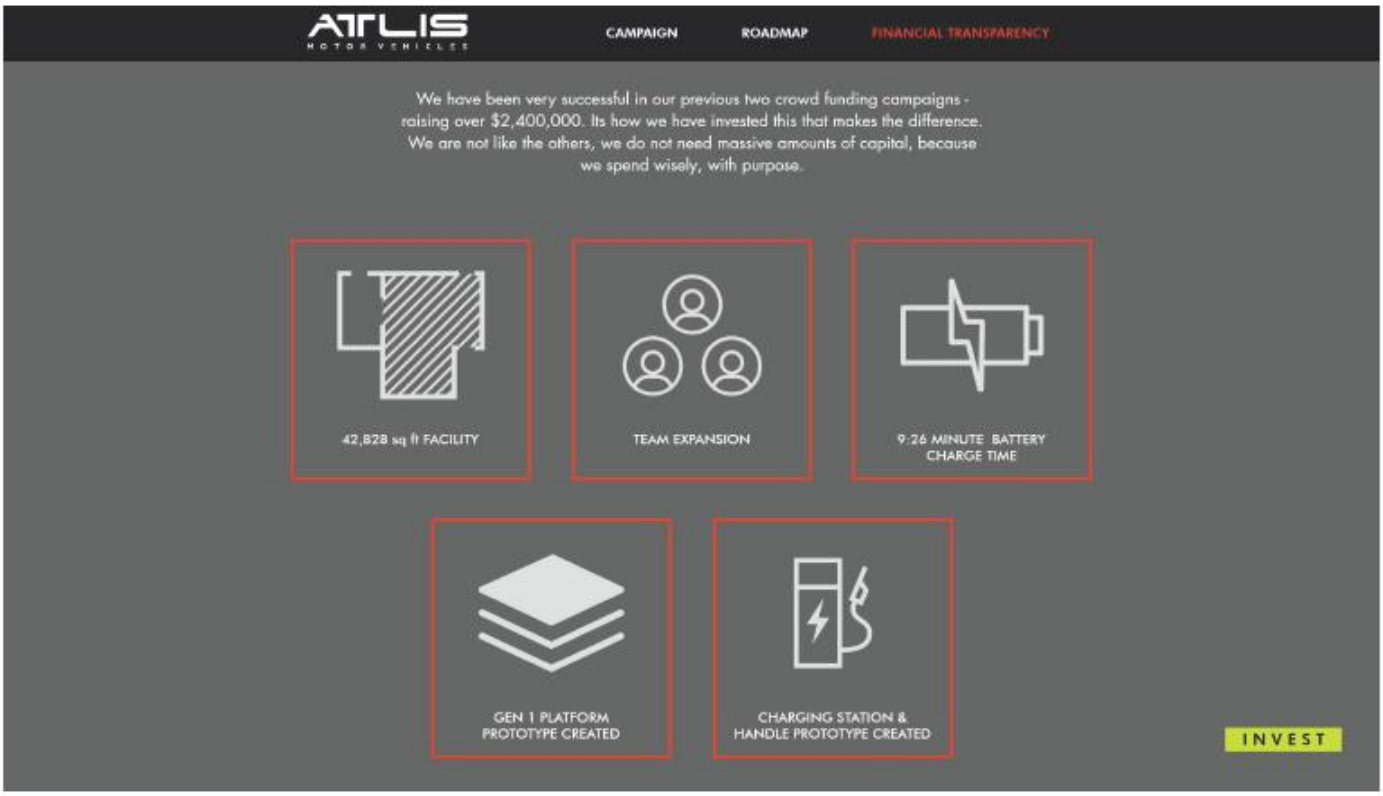

$1 MILLION RAISED
January
2020
After another public campaign begun in December 2018, we reached our initial $750K target in under 24 hours thanks to the massive support of our community. This was then extended for the next month to gather another $250K, completing in January.
ATLIS
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
CoreT7
INVEST


ATLIS MOVES TO NEW FACILITY
February
2020
Hiring began in full and our team is expanded to 17, with more coming soon. We then moved into our new facility ready to tackle the construction of the XP Platform, Charging infrastructure and XT Prototype.
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
CoreT7
INVEST


9:26 FAST CHARGE
February
2020
After numerous testing and improvements we were able to attain a charge time of 0-100% in just 9 minutes 26 seconds.
JALOPNIK
TFLTRUCK
INSIDEEVs
uncrate
ROAD/SHOW
CORE77
INVEST


ATLIS
MOTOR VEHICLES
CAMPAIGN
ROADMAP
FINANCIAL TRANSPARENCY
We know that securing financial support is a challenge for any new brand, especially an automotive company. But we have already achieved so much, in a relatively short time frame, with a ludicrously small budget. We are able to thrive where others would die.
VIEW THE ATLIS VIDEO
THE XT & XP
VIEW
FINANCIAL TRANSPARENCY
VIEW
ROADMAP
VIEW
INVEST


ATLIS
MOTOR VEHICLES
CAMPAIGN
ROADMAP
FINANCIAL TRANSPARENCY
NUMBERS. ALL OF THEM.
We want to make sure we provide all the information. Everything we have spent, everything we will spend - showing you exactly where we are spending your investment. This is a company built upon the investment of the workers of America, the tradespeople and the people who see an opportunity for change, and profit. Because we are choosing to raise money in this manner, we owe you all full disclosure, full transparency.
INVESTMENT, PUT TO GOOD USE
We have been very successful in our previous two crowd funding campaigns - raising over $2,400,000. Its how we have invested this that makes the difference. We are not like the others, we do not need massive amounts of capital, because we spend wisely, with purpose.
INVEST


ATLIS
MOTOR VEHICLES
CAMPAIGN
ROADMAP
FINANCIAL TRANSPARENCY
We have been very successful in our previous two crowd funding campaigns - raising over $2,400,000. Its how we have invested this that makes the difference. We are not like the others, we do not need massive amounts of capital, because we spend wisely, with purpose.
42,828 sq ft FACILITY
TEAM EXPANSION
9:26 MINUTE BATTERY CHARGE TIME
GEN 1 PLATFORM PROTOTYPE CREATED
CHARGING STATION & HANDLE PROTOTYPE CREATED
INVEST

SHARED VALUE

With a 74% stake in the company, the Allis team still holds the majority of the company. This is important as we are not controlled by self-serving organisations. The founders' voting rights are particularly important when it comes to upholding and implementing the company's goals and values. Even after the phase of funding is achieved, the team will still own a majority, at around 65%.

The second largest percentage of shares are owned by our thousands of supporters and customers, people who believe in our message and brand. All of this ensures we stay true to our mission and prioritize our customers first.

74% Allis Employees and Founder

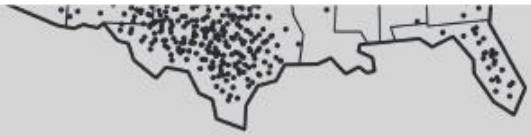
23% Crowdfunding Investors

3% Seed Investors + Other

INVEST

INVEST


INVEST
MADE IN THE USA. BY THE USA.
INVEST



MADE IN THE USA. BY THE USA.

We are made up of investors large and small all over the United States. We are made in America and we are supported by Americans, from all backgrounds, with one shared goal.

Map is a visual representation of investor locations across USA

ACQUISITION OF ENGINEERING EQUIPMENT

ACQUIRE KEY TOOLING

HIRING OF KEY ENGINEERING MEMBERS

FINALIZE DESIGN OF XT PLATFORM AND CHARGING STATION

$10 MILLION RAISED

INVEST


$10 MILLION RAISED
FURTHER HIRING OF ENGINEERING AND OPERATIONS TEAM
ADDITIONAL TOOLING REQUIRED FOR XP PLATFORM
CREATION OF PRODUCTION READY PROTOTYPE OF BATTERY PACK
TESTING OF XP PLATFORM AND CHARGING STATION
QUALITY CONTROL OF CHARGING STATION
PRODUCTION READY PROTOTYPE OF CHARGING STATION
$20 MILLION RAISED
QUALITY CONTROL OF XT PLATFORM
PRODUCTION READY PROTOTYPE OF BATTERY PACK
PLANNING FOR XT PLATFORM COMMERCIALIZATION
BUILD SALES AND SUPPORT ORGANISATION
CONTINUE XT DESIGN
INVEST
$25 MILLION RAISED

TOTAL COST UNTIL PRODUCTION

Clearly the largest percentage of spending goes towards the production of the prototypes themselves. Included in this is the tooling costs and necessary equipment for the preparation of manufacturing and continuation of prototyping.

The second largest percentage of spend is related to hiring the team we need to get to production. We will continue to grow our team of industry experts and radical thinkers to bring Atlis's disruptive products to market on time and in budget.

54% Equipment & Machinery

33.5% Research & Development

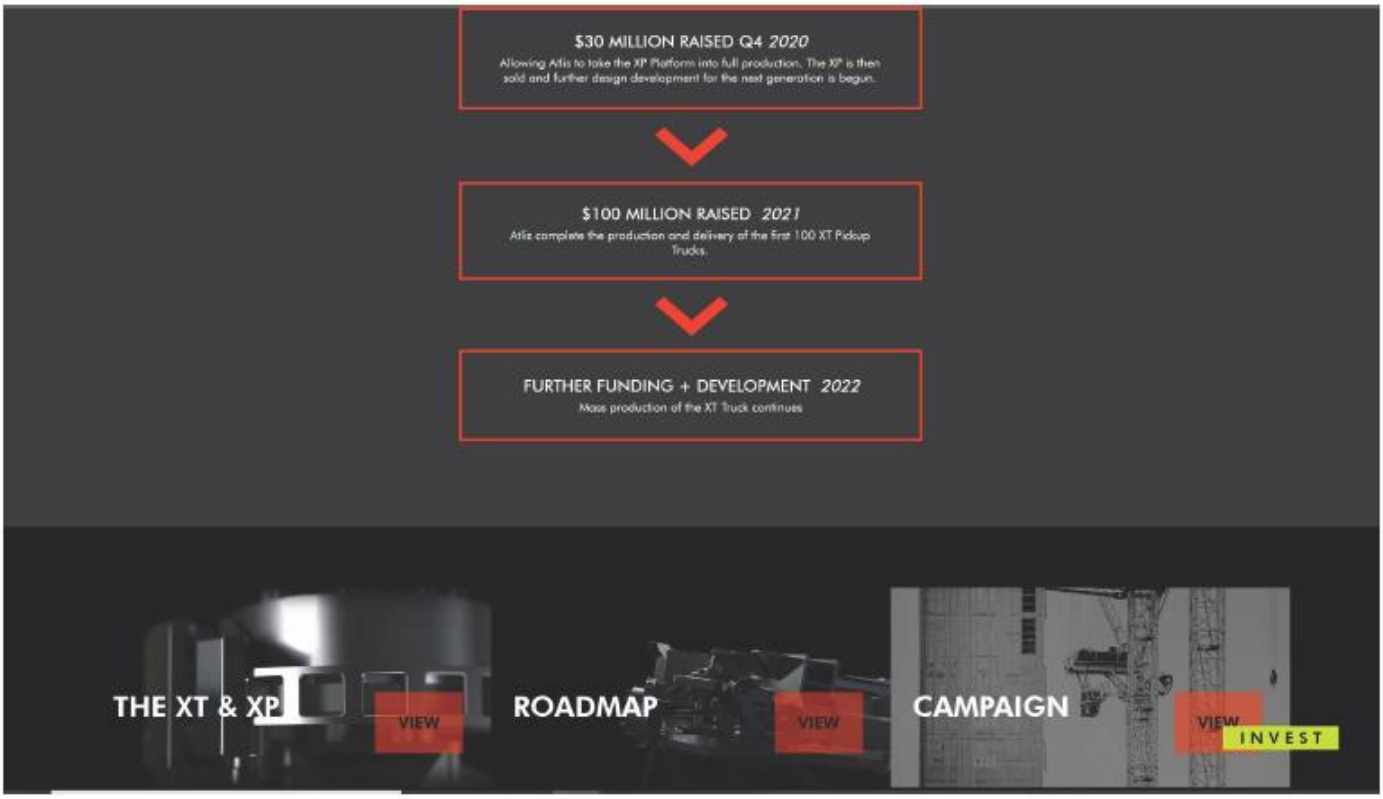
7% SG&A

4.5% Facilities

1% Other OpEx

INVEST


3,328
INVESTORS
IT'S JUST THE START.
WHAT HAPPENS AFTER WE RAISE $25M?
$30 MILLION RAISED Q4 2020
Allowing Atlis to take the XP Platform into full production. The XP is then sold and further design development for the next generation is begun.
INVEST


$30 MILLION RAISED Q4 2020
Allowing Atlis to take the XP Platform into full production. The XP is then sold and further design development for the next generation is begun.
$100 MILLION RAISED 2021
Atlis complete the production and delivery of the first 100 XT Pickup Trucks.
FURTHER FUNDING + DEVELOPMENT 2022
Mass production of the XT Truck continues
THE XT & XP
VIEW
ROADMAP
VIEW
CAMPAIGN
VIEW
INVEST

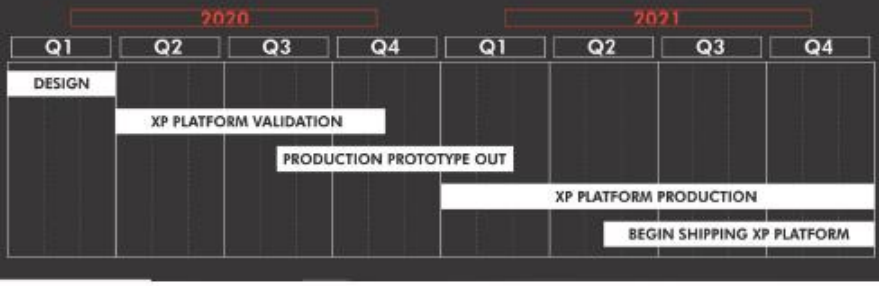

ATLIS
MOTOR VEHICLES
CAMPAIGN
ROADMAP
FINANCIAL TRANSPARENCY
THE ROAD AHEAD IS LONG AND
FULL OF OPPORTUNITY
INVEST

THE IMMEDIATE NEXT STEPS

We have so much to accomplish and we are working on many of those projects right now, but when can you expect to see something released? Beneath are graphs giving you a more in depth look on what our exact process is and what the time scales for these processes will be.

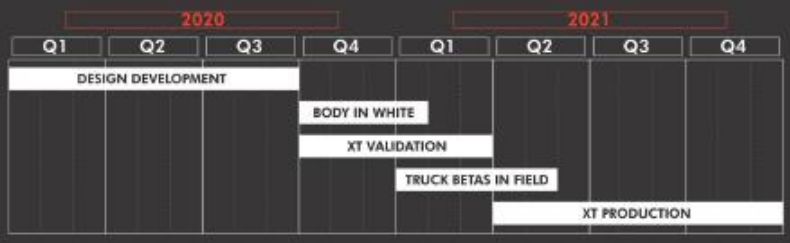
The XP Platform, XT Prototype, Charging and Battery technology will all be complete and nearing finalisation or sale by the end of Q4 2021. These are exciting times and we are just getting started.

XP PLATFORM TIME FRAME

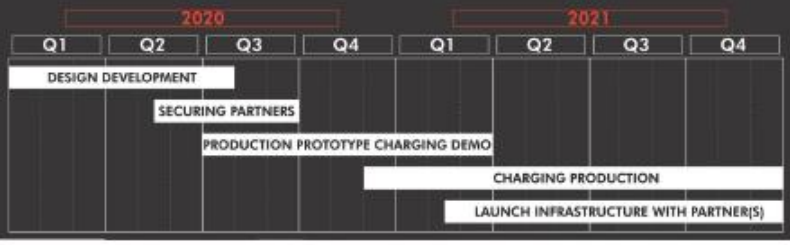


INVEST

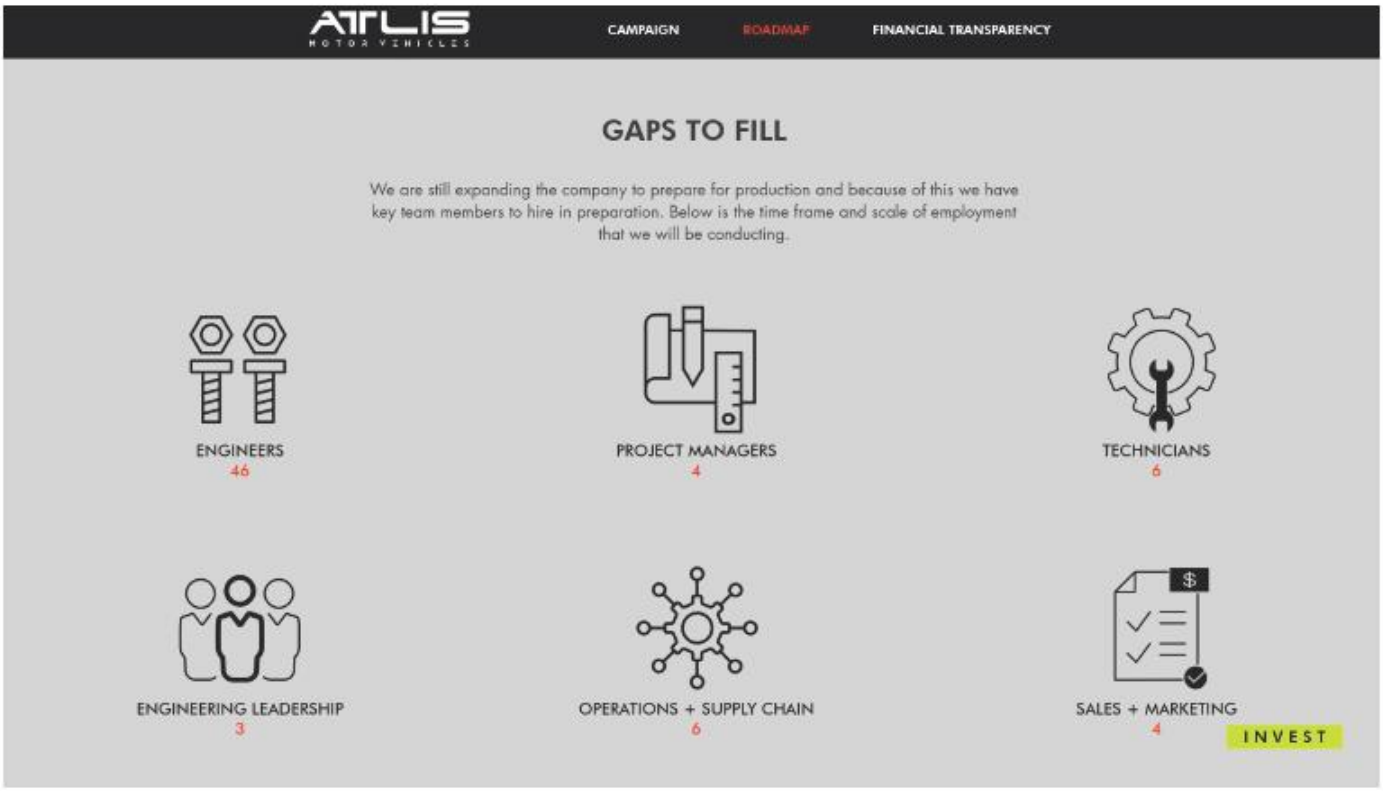
XT TRUCK TIME FRAME



ATLIS CHARGING INFRASTRUCTURE



INVEST


ATLIS
MOTOR VEHICLES
CAMPAIGN
ROADMAP
FINANCIAL TRANSPARENCY
GAPS TO FILL
We are still expanding the company to prepare for production and because of this we have key team members to hire in preparation. Below is the time frame and scale of employment that we will be conducting.
ENGINEERS
46
PROJECT MANAGERS
4
TECHNICIANS
6
ENGINEERING LEADERSHIP
3
OPERATIONS + SUPPLY CHAIN
6
SALES + MARKETING
4
INVEST

ALL HIRING COMPLETED WITHIN **9 MONTHS**

THE ROAD AHEAD

The XP, XT and battery technology is not where our road ends. We have many more products - some in development now - coming in the near future. Once our current projects are complete and out in the market, we will begin to turn our attention more towards the work space, making sure we are able to deliver products at every level. All the while maintaining market leading charge times, range and reliability.

BUCK INVEST

BUCK

The Atlis Buck is a project we are currently working on in the stages between the XP Platform and XT truck development. It is a simple frame on design that will allow us to drive an XP Platform prototype and provide as a showcase for charging, off road capabilities and more.

This Buck also serves as a segue into the new era of design for Atlis Motors. One focused around the Always work ethos. Future designs and products will revolve around this style philosophy.

INVEST

INVEST

Exhibit 1A-15

August 27, 2020

JUMPSTART SECURITIES, LLC
3455 Peachtree Road NE 5FL
Atlanta, GA 30326

Attn: Jonathan Self

Re: No Objections Letter
FINRA Filing ID: 2020-05-06-4771335
Atlis Motor Vehicles, Inc.
CIK #: 0001722969
SEC Reg. #: 024-11207

Dear Sir/Madam:

In connection with the above-referenced filing, the Corporate Financing Department (Department) has reviewed the information and documents submitted through FINRA's public offering filing system.

This letter confirms that based on such information and documents, the Department raises no objections with respect to the fairness and reasonableness of the proposed underwriting terms and arrangements.

You should note that the Department also requires to be filed on a timely basis for review: (1) any amendments to documents, (2) changes in the public offering price or number of shares prior to or at the time of pricing, and (3) a copy of the final prospectus. If such changes indicate a modification of the terms and arrangements of the proposed offering, further review may result in a change in the Department's no objections decision.

The Department's decision to raise no objections is based on the information as presented to FINRA in connection with this offering and should not be deemed a precedent with respect to the fairness and reasonableness of the underwriting terms and arrangements of any other offering. Please be advised that, in raising no objections, FINRA has neither approved nor disapproved of the issuer's public offering and neither this letter nor any communication from FINRA should be construed or represented as FINRA approval. In addition, this letter does not constitute any approval or disapproval regarding the issuer that is the subject of the above-referenced submission, including the legality of such issuer's activities. This decision to raise no objections relates solely to the FINRA rules governing underwriting terms and arrangements and does not purport to express any determination of compliance with any federal or state laws, or other regulatory or self-regulatory requirements.

If you have questions regarding this letter, please call the undersigned at (240) 386-4623.

Regards,

Shayna Vereen
Reviewer

Corporate Financing Department Letter Preview