

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2023

OR

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

For the transition period from _____ to _____

Commission File Number: 001-41841

URGENT.LY INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
8609 Westwood Center Drive, Suite 810
Vienna, VA

(Address of principal executive offices)

46-2848640
(I.R.S. Employer
Identification No.)

22182
(Zip Code)

Registrant's telephone number, including area code: (571) 350-3600

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

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

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input checked="" type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

As of October 17, 2023, the registrant had 154,791 shares of common stock, \$0.001 par value per share, outstanding.

Table of Contents

	<u>Page</u>	
PART I.	<u>FINANCIAL INFORMATION</u>	
Item 1.	<u>Unaudited Condensed Consolidated Balance Sheets</u>	1
	<u>Unaudited Condensed Consolidated Statements of Operations</u>	2
	<u>Unaudited Condensed Consolidated Statements of Stockholders' Deficit</u>	3
	<u>Unaudited Condensed Consolidated Statements of Cash Flows</u>	5
	<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>	6
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	18
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	29
Item 4.	<u>Controls and Procedures</u>	29
PART II.	<u>OTHER INFORMATION</u>	31
Item 1.	<u>Legal Proceedings</u>	31
Item 1A.	<u>Risk Factors</u>	31
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	33
Item 3.	<u>Defaults Upon Senior Securities</u>	33
Item 4.	<u>Mine Safety Disclosures</u>	33
Item 5.	<u>Other Information</u>	33
Item 6.	<u>Exhibits</u>	35
	<u>Signatures</u>	36

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains or may contain “forward-looking statements” within the meaning of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. Forward-looking terms such as “may,” “will,” “could,” “should,” “would,” “plan,” “potential,” “intend,” “anticipate,” “project,” “target,” “believe,” “estimate” or “expect” or the negative of these words or other words, terms and phrases of similar nature are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements contained in this Quarterly Report on Form 10-Q include statements related to:

- our pending merger with Otonomo Technologies Ltd. (the “Merger”), including our expectations around the timing and completion thereof;
- our ability to raise financing in the future;
- the sufficiency of our cash, cash equivalents and investments to meet our liquidity needs;
- our expectations regarding the length of time that our existing capital resources will be sufficient to enable us to fund our planned operations, including our ability to continue as a going concern;
- our success in retaining or recruiting, or changes required in, our officers, key employees or directors;
- factors relating to our future business, operations and financial performance, including:
 - our ability to effectively compete in the roadside and mobility assistance industries;
 - our ability to comply with laws and regulations applicable to our business; and
 - market conditions and global and economic factors beyond our control, including the disruption of global capital and credit markets and shortages in labor needs;
- expectations regarding Customer Partners’ willingness to expand their use of our platform beyond their current roadside solutions;
- our ability to adequately forecast Consumer demand or otherwise optimize and operate our network of Service Providers successfully;
- our ability to address the service requirements of current and future Consumers;
- our expansion into new roadside assistance solutions, technologies and geographic regions;
- expectations regarding our future prospects in light of our relatively limited operating history;
- our ability to execute our business model, including market acceptance of our services;
- the variability of our sales cycle with regard to Customer Partners;
- our ability to hire and retain highly skilled and other key personnel;
- expectations regarding the impact of weather events, natural disasters or health epidemics, including the COVID-19 pandemic and Hamas’ attack against Israel and the ensuing war, on our business;
- our ability to adequately protect our intellectual property rights; and
- expectations regarding the time during which we will be an emerging growth company under the JOBS Act.

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

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. The outcomes of the events described in these forward-looking statements are subject to risks, uncertainties, and other factors, including those described in the section titled “Risk Factors” in this Quarterly Report on Form 10-Q, in our final prospectus filed with the Securities and Exchange Commission (the “SEC”) pursuant to Rule 424(b) under the Securities Act of 1933, as amended, on September 8, 2023 (the “Final Prospectus”) and in other filings we may make from time to time with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties

that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

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

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

URGENTLY INC.
Condensed Consolidated Balance Sheets
(in thousands, except share and par value data)
(unaudited)

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 11,947	\$ 6,357
Restricted cash	1,050	1,050
Accounts receivable, net of allowance for doubtful accounts of \$85 and \$338 in 2023 and 2022, respectively	28,865	33,966
Prepaid expenses and other current assets	1,073	2,102
Total current assets	42,935	43,475
Right-of-use assets	2,148	2,485
Property and equipment, net of accumulated depreciation of \$1,977 and \$1,843 in 2023 and 2022, respectively	341	414
Intangible assets, net	31	31
Other non-current assets	468	538
Total assets	<u>\$ 45,923</u>	<u>\$ 46,943</u>
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 9,368	\$ 7,536
Accrued expenses	22,624	13,122
Accrued interest	11,049	6,689
Deferred revenue, current	67	349
Current lease liabilities	675	740
Derivative liability	26,566	—
Current portion of long-term debt, net	123,122	—
Total current liabilities	193,471	28,436
Long-term lease liabilities	1,821	2,120
Long-term debt, net	—	99,443
Derivative liability	—	32,765
Warrant liability	9,444	13,957
Other long-term liabilities	39	5,059
Total liabilities	204,775	181,780
Redeemable convertible preferred stock, Series C, par value \$0.001; 160,000 shares authorized, 157,395 issued and outstanding in 2023 and 2022	46,334	46,334
Stockholders' deficit:		
Common stock, par value \$0.001; 600,000,000 shares authorized, 154,786 issued and outstanding in 2023 and 2022	—	—
Additional paid-in capital	48,480	48,327
Accumulated deficit	(253,666)	(229,498)
Total stockholders' deficit	(205,186)	(181,171)
Total liabilities, redeemable convertible preferred stock and stockholders' deficit	<u>\$ 45,923</u>	<u>\$ 46,943</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

URGENTLY INC.
Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue	\$ 43,977	\$ 43,334	\$ 93,555	\$ 83,489
Cost of revenue	34,717	40,079	75,036	77,792
Gross margin	9,260	3,255	18,519	5,697
Operating expenses:				
Research and development	3,668	4,427	7,410	8,399
Sales and marketing	875	1,426	1,947	2,844
Operations and support	6,046	9,666	13,247	18,942
General and administrative	4,757	3,457	12,237	7,363
Depreciation and amortization	62	75	134	144
Total operating expenses	15,408	19,051	34,975	37,692
Operating loss	(6,148)	(15,796)	(16,456)	(31,995)
Other income (expense), net:				
Interest expense	(13,219)	(4,685)	(24,170)	(9,199)
Interest income	—	1	—	3
Change in fair value of derivative liability	7,138	—	7,027	—
Change in fair value of warrant liability	1,927	2,186	5,560	1,772
Warrant expense	(1,047)	(218)	(1,047)	(226)
Gain on debt extinguishment	4,913	—	4,913	—
Foreign exchange loss	16	(1)	5	(63)
Total other expense, net	(272)	(2,717)	(7,712)	(7,713)
Loss before income taxes	(6,420)	(18,513)	(24,168)	(39,708)
Provision for income taxes	—	—	—	—
Net loss	\$ (6,420)	\$ (18,513)	\$ (24,168)	\$ (39,708)
Loss per share, basic and diluted	\$ (41.48)	\$ (347.04)	\$ (156.14)	\$ (744.89)
Weighted average shares outstanding, basic and diluted	154,786	53,346	154,786	53,307

See accompanying notes to the unaudited condensed consolidated financial statements.

URGENTLY INC.
Condensed Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share data)
(unaudited)

	Redeemable Convertible Preferred Stock Series B-1		Redeemable Convertible Preferred Stock Series B		Redeemable Convertible Preferred Stock Series A		Redeemable Convertible Preferred Stock Series Seed	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balance, December 31, 2022	—	\$ —	—	\$ —	—	\$ —	—	\$ —
Stock-based compensation expense	—	—	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	—
Balance, March 31, 2023	—	\$ —	—	\$ —	—	\$ —	—	\$ —
Stock-based compensation expense	—	—	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	—
Balance, June 30, 2023	—	\$ —	—	\$ —	—	\$ —	—	\$ —
Balance, December 31, 2021	62,731	\$ 19,045	30,896	\$ 10,925	60,693	\$ 10,218	12,260	\$ 996
Issuance of common stock	—	—	—	—	—	—	—	—
Accretion of preferred stock to redemption value	—	71	—	6	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	—
Balance, March 31, 2022	62,731	\$ 19,116	30,896	\$ 10,931	60,693	\$ 10,218	12,260	\$ 996
Issuance of common stock	—	—	—	—	—	—	—	—
Accretion of preferred stock to redemption value	—	72	—	6	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	—
Balance, June 30, 2022	62,731	\$ 19,188	30,896	\$ 10,937	60,693	\$ 10,218	12,260	\$ 996

See accompanying notes to the unaudited condensed consolidated financial statements.

URGENTLY INC.
Condensed Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit (continued)
(in thousands, except share data)
(unaudited)

	Redeemable Convertible Preferred Stock Series C		Redeemable Convertible Preferred Stock Series C-1		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, December 31, 2022	157,395	\$ 46,334	—	\$ —	154,786	\$ —	\$ 48,327	\$ (229,498)	\$ (181,171)
Stock-based compensation expense	—	—	—	—	—	—	77	—	77
Net loss	—	—	—	—	—	—	—	(17,748)	(17,748)
Balance, March 31, 2023	157,395	\$ 46,334	—	\$ —	154,786	\$ —	\$ 48,404	\$ (247,246)	\$ (198,842)
Stock-based compensation expense	—	—	—	—	—	—	76	—	76
Net loss	—	—	—	—	—	—	—	(6,420)	(6,420)
Balance, June 30, 2023	157,395	\$ 46,334	—	\$ —	154,786	\$ —	\$ 48,480	\$ (253,666)	\$ (205,186)
Balance, December 31, 2021	42,436	\$ 19,940	49,732	\$ 18,732	53,240	\$ —	\$ 7,161	\$ (127,732)	\$ (120,571)
Issuance of common stock	—	—	—	—	74	—	7	—	7
Accretion of preferred stock to redemption value	—	4	—	—	—	—	(81)	—	(81)
Stock-based compensation expense	—	—	—	—	—	—	155	—	155
Net loss	—	—	—	—	—	—	—	(21,195)	(21,195)
Balance, March 31, 2022	42,436	\$ 19,944	49,732	\$ 18,732	53,314	\$ —	\$ 7,242	\$ (148,927)	\$ (141,685)
Issuance of common stock	—	—	—	—	37	—	5	—	5
Accretion of preferred stock to redemption value	—	4	—	—	—	—	(82)	—	(82)
Stock-based compensation expense	—	—	—	—	—	—	146	—	146
Net loss	—	—	—	—	—	—	—	(18,513)	(18,513)
Balance, June 30, 2022	42,436	\$ 19,948	49,732	\$ 18,732	53,351	\$ —	\$ 7,311	\$ (167,440)	\$ (160,129)

See accompanying notes to the unaudited condensed consolidated financial statements.

URGENTLY INC.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2023	2022
Cash flows from operating activities:		
Net loss	\$ (24,168)	\$ (39,708)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	134	144
Amortization of right-of-use assets	337	329
Amortization of contract costs to obtain	46	283
Amortization of contract costs to fulfill	23	95
Amortization of deferred financing fees	700	680
Stock-based compensation	153	301
Bad debt expense	200	—
Gain on debt extinguishment	(4,913)	—
Change in fair value of derivative and warrant liabilities	(12,587)	(1,772)
Warrant expense	1,047	226
Noncash interest expense	19,477	5,303
Changes in operating assets and liabilities:		
Accounts receivable	4,901	4,044
Prepaid expenses and other current assets	1,029	582
Other assets	1	(3)
Accounts payable	1,832	4,854
Accrued expenses	8,700	447
Deferred revenue	(282)	(52)
Lease liabilities	(364)	(379)
Long-term liabilities	(5,020)	10
Net cash used in operating activities	<u>(8,754)</u>	<u>(24,616)</u>
Cash flows from investing activities:		
Purchases of property, equipment and software	(61)	(197)
Net cash used in investing activities	<u>(61)</u>	<u>(197)</u>
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	10,000	—
Refunds (payments) of deferred financing fees	(291)	629
Proceeds from issuance of convertible notes payable	4,696	—
Proceeds from exercise of stock options	—	12
Net cash provided by financing activities	<u>14,405</u>	<u>641</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	5,590	(24,172)
Cash, cash equivalents and restricted cash, beginning of period	7,407	31,206
Cash, cash equivalents and restricted cash, end of period	<u>\$ 12,997</u>	<u>\$ 7,034</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 3,998</u>	<u>\$ 4,767</u>
Supplemental noncash investing and financing activities:		
Right-of-use assets obtained in exchange for lease obligations	<u>\$ —</u>	<u>\$ 3,160</u>
Derivative liability resulting from term loan amendment	<u>\$ 773</u>	<u>\$ —</u>
Derivative liability resulting from issuance of convertible notes	<u>\$ 55</u>	<u>\$ —</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

URGENTLY INC.
Notes to Unaudited Condensed Consolidated Financial Statements
(in thousands, except share and per share data)

1. Organization

Urgent.ly Inc. (“Urgent.ly” or “the Company”) was incorporated in the State of Delaware in May 2013. Urgent.ly is a leading connected mobility assistance software platform that matches vehicle owners and operators with service professionals who deliver traditional roadside assistance, proactive maintenance and repair services.

Urgent.ly is headquartered in Vienna, Virginia. On September 1, 2017, Roadside Innovation Inc. was incorporated in the State of Delaware as a wholly-owned subsidiary of Urgent.ly (collectively along with other wholly-owned subsidiaries, the “Company”) for the purpose of obtaining and holding motor club licenses in support of certain services provided by Urgent.ly. On July 23, 2020, Roadside Innovation (Arkansas) Inc. was incorporated in the State of Arkansas as a wholly-owned subsidiary of Urgent.ly for the purpose of obtaining and holding motor club licenses in support of certain services provided by Urgent.ly. On September 3, 2020, Urgently Canada Technologies ULC, was incorporated in British Columbia, Canada as a wholly-owned subsidiary of Urgent.ly for the purpose of providing roadside assistance services in Canada.

On July 28, 2023, the Company amended its Certificate of Incorporation to effect a 1-for-90 reverse stock split (the “Reverse Stock Split”) of the Common Stock and Series C Preferred Stock. The Company has adjusted all periods presented for the effects of the stock split. See Note 12 for additional information.

Liquidity risk and going concern

The accompanying unaudited condensed consolidated financial statements have been prepared assuming the Company will continue to operate as a going concern, which contemplates the realization of assets and liabilities and commitments in the normal course of business.

The Company has a history of recurring operating losses and has required debt and equity financing to finance its operations. The Company reported an accumulated deficit of \$253,666 as of June 30, 2023 and an operating loss of \$16,456 for the six months ended June 30, 2023.

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available. The Company has a planning and budgeting process to monitor operating cash requirements including amounts projected for capital expenditures which are adjusted as input variables change. These variables include, but are not limited to, operating cash flows and the availability of other sources of debt and capital. As these variables change, the Company may be required to seek funding through additional equity issuances and/or additional debt financings.

In October and December 2021, the Company entered into a new term loan facility with Structural Capital with proceeds totaling \$17,500 which were used to retire a term loan with a bank and provide additional working capital. Additionally, from March 2021 through December 2021, the Company issued \$39,957 in convertible promissory notes (the “2021 convertible notes”) with new and existing investors. In December 2021, the Company received \$40,000 in connection with a loan and security agreement with Highbridge Capital. And, from July through September 2022, the Company received \$30,000 in convertible promissory notes with new and existing investors. In February 2023, the Company amended each of the existing loan agreements with Structural Capital and Highbridge Capital, which extended the maturity dates of those loans to 2024, at the earliest. In April 2023, the Company issued approximately \$4,700 in convertible notes. In May 2023, the Company received \$10,000 in connection with an amendment of its term loan facility with Structural Capital.

The Company believes that the current cash on hand will not be sufficient to fund operations beyond twelve months from the date of issuance of these condensed consolidated financial statements. This has led management to conclude that substantial doubt about the Company's ability to continue as a going concern exists. In the event the Company is unable to successfully raise additional equity or debt during the next twelve months from the date of issuance of the condensed consolidated financial statements, the Company will not have sufficient cash flows and liquidity to finance its business operations as currently contemplated. The condensed consolidated financial statements do not include any adjustments of the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Summary of significant accounting policies

There have been no material changes to the Company's significant accounting policies from its audited consolidated financial statements for the year ended December 31, 2022 included in its Final Prospectus.

Principles of consolidation

The accompanying condensed consolidated financial statements include the accounts of Urgent.ly Inc. and its wholly-owned subsidiaries Roadside Innovation Inc., Roadside Innovation (Arkansas) Inc., and Urgently Canada Technologies ULC. All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of presentation

The accompanying condensed consolidated balance sheet as of June 30, 2023 and the condensed consolidated statements of operations, redeemable convertible preferred stock and stockholders' deficit for the three and six months ended June 30, 2023 and 2022, and cash flows for the six months ended June 30, 2023 and 2022 are unaudited. These condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information. Accordingly, they do not include all of the financial information and footnotes required by U.S. GAAP for complete financial statements.

In the opinion of the Company's management, the accompanying unaudited condensed consolidated financial statements contain all material adjustments, including normal recurring adjustments, necessary for the fair presentation of its financial position as of June 30, 2023 and its results of operations, changes in redeemable convertible preferred stock and stockholders' deficit for the three and six months ended June 30, 2023 and 2022, and cash flows for the six months ended June 30, 2023 and 2022.

The results for the three and six months ended June 30, 2023 are not necessarily indicative of the results to be expected for any subsequent quarter or for the fiscal year ending December 31, 2023. The condensed consolidated balance sheet at June 30, 2023 was derived from audited financial statements for the year ended December 31, 2022 included in the Final Prospectus but does not contain all of the footnote disclosures from the annual financial statements. The accompanying unaudited condensed consolidated financial statements and related financial information should be read in conjunction with the audited consolidated financial statements and the related notes thereto for the fiscal years ended December 31, 2022 and 2021 included in the Final Prospectus.

Use of estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations of credit risk

Financial instruments that subject the Company to credit risk consist primarily of cash, cash equivalents, restricted cash and accounts receivable. The Company places its cash and cash equivalents in an accredited financial institution and the balances are above federally insured limits. Management monitors the creditworthiness of its customers and believes that it has adequately provided for any exposure to potential credit losses.

During the three months ended June 30, 2023 and 2022, 67% and 71% of revenue was earned from three and four customers, respectively. During the six months ended June 30, 2023 and 2022, 63% and 70% of revenue was earned from three and four customers, respectively. At June 30, 2023 and December 31, 2022, 59% and 34% of accounts receivable was due from three and two customers, respectively.

Modification of debt instruments

Modifications or exchanges of debt, which are not considered a troubled debt restructuring, are considered extinguishments if the terms of the new debt and the original instrument are substantially different. The instruments are considered substantially different when the present value of the cash flows under the terms of the new debt instrument are at least 10% different from the present value of the remaining cash flows under the terms of the original instrument. If the original and new debt instruments are substantially different, the original debt is derecognized and the new debt is initially recorded at fair value, with the difference recognized as an

extinguishment gain or loss. During the six months ended June 30, 2023, the Company amended its term loans and convertible promissory notes (see Note 6).

Segment reporting

The Company has one primary business unit based on how management internally evaluates separate financial information, business activities and management responsibility: Mobility Assistance Services. The Mobility Assistance Services segment includes all products, services and software used to generate revenue under the Company's commercial agreements. As the Company only operates in one segment, it does not separately allocate operating expenses or specific assets.

New accounting pronouncements

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This updated guidance sets forth a current expected credit loss model based on expected losses. Under this model, an entity recognizes an allowance for expected credit losses based on historical experience, current conditions and forecasted information rather than the current methodology of delaying recognition of credit losses until it is probable a loss has been incurred. This guidance becomes effective for the Company beginning in interim periods starting in fiscal year 2023. The Company adopted the new standard effective January 1, 2023, and adoption did not have a material impact on the Company's consolidated financial statements.

3. Revenue

The Company generates substantially all its revenues from roadside assistance services ("RAS") initiated through its software platform primarily in the United States and Canada. The Company's platform enables its customers (Customer Partners) to outsource delivery for all or portions of their roadside assistance programs. The Company manages the RAS process after receiving the initial distress call or web-based request through final disposition. Urgent.ly contracts with original equipment manufacturers ("OEM"), insurance companies, fleet management companies (including car rental companies) and aftermarket companies, which collectively represent the Company's Customer Partners. These Customer Partners, who are our direct customers, in turn, offer roadside assistance plans to their customers – the Consumers.

The Company recognizes revenue when there is evidence of a contract, probable collection of the consideration to which the Company expects to be entitled to receive, and completion of the performance obligations.

Urgent.ly recognizes revenue on a gross basis (as the principal) or net basis (as the agent) depending on the nature of the Company's role with respect to the Customer Partner to deliver roadside assistance services.

Full-service outsourcing - flat rate

Under the full-service outsourcing-flat rate agreements, the Company controls the services prior to the transfer to the Customer Partner. The nature of the Company's promise is to provide a series of distinct services that the Company accounts for as a single performance obligation. As a result, the Company records revenues from flat rate service arrangements on a gross revenue basis and the costs are recorded as part of the cost of service. The Company has applied the right to invoice practical expedient in recognizing these revenues. The Company recognizes these revenues over time.

Full-service outsourcing - claim cost pass-through

Under the claim cost pass-through arrangement, the Company's performance obligation is solely to arrange the dispatch of the roadside assistance services. The Company does not control all roadside assistance services. The Customer Partner controls all other RAS services prior to the transfer to the motorist, the ultimate consumer. The Company acts as an agent in this transaction and, as a result, the Company records only its flat dispatch fee as revenue from its claim cost pass-through arrangements, net of the costs incurred from the subcontract service providers. The Company recognizes these revenues over time.

Membership

The Company also derives revenues from membership offerings for roadside assistance services, for which the Company's performance obligation is to provide roadside assistance services primarily to its Customer Partner's members. The Company applied the right to invoice practical expedient and recognizes these revenues over time as when the related fee is invoiced. The cost of providing services is charged to cost of revenue as incurred.

Software licensing arrangements

The Company occasionally enters into licensing arrangements with Customer Partner, to provide access to its standard software platform. The Company customarily provides the Customer Partner with standard maintenance on licensed software which includes technical support and when-and-if available updates. The Company considers this a service of standing-ready to the customer to provide technical support and upgrades as needed, and unspecified upgrades are provided on a when-and-if available basis for the duration of the maintenance period. The license revenue and the maintenance bundled in the arrangement are considered a single performance obligation that is recognized over the term of the agreement.

Professional services

The Company sells professional services either on a stand-alone basis or as services bundled with software. Professional services include customization and design, integration, training and consulting services. Professional services performed by the Company represent distinct performance obligations, not highly interdependent or highly interrelated with the Company's platform license and SaaS arrangements. The standalone selling prices are determined based on contracted terms on a contract-by-contract basis. Revenue for customization and design services represents the transfer to the customer for the right to access the customized software and therefore is recorded over time. Revenues for integration services, training and consulting services are separate performance obligations recognized over time as these and the SaaS arrangements can be purchased separately from the platform and SaaS arrangements.

Revenue on a disaggregated basis are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Full-service outsourcing—flat rate	\$ 43,815	\$ 42,342	\$ 92,503	\$ 81,638
Full-service outsourcing—claim cost pass-through	1	13	4	21
Membership	76	844	849	1,677
Software licensing arrangements	28	73	129	73
Professional services	57	62	70	80
Total revenue	<u>\$ 43,977</u>	<u>\$ 43,334</u>	<u>\$ 93,555</u>	<u>\$ 83,489</u>

Contract assets

The Company capitalizes costs to obtain contracts with Customer Partners, primarily employee sales commissions. At contract inception, the Company capitalizes such costs that they expect to recover and that would not have been incurred if the contract had not been obtained. Sales commissions earned by the Company's sales team are considered incremental and recoverable costs of obtaining a contract and are deferred as other non-current assets and amortized on a straight-line basis over the initial contract term with an amortization period that exceeds one year. Commission expenses are included in sales and marketing expense on the condensed consolidated statements of operations. The expected period of benefit is determined using the initial contract term.

In connection with certain contracts, the Company capitalizes costs to fulfill contracts with Customer Partners, primarily costs to customize and integrate its platform in support of the contract requirements. Costs to fulfill are considered incremental and recoverable costs and are deferred as other non-current assets and amortized on a straight-line basis over the expected period of benefit for contracts with an amortization period that exceeds one year and included in cost of revenue on the condensed consolidated statements of operations. The expected period of benefit is determined using the initial contract term.

	2023	2022
Contract assets as of January 1	\$ 370	\$ 1,048
Amortization of contract costs to obtain	(46)	(283)
Amortization of contract costs to fulfill	(23)	(95)
Contract assets as of June 30	<u>\$ 301</u>	<u>\$ 670</u>

4. Fair value measurements

The Company measures certain financial assets and liabilities at fair value. Fair value is determined based on the exit price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is estimated by applying the following hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The Company's population of financial assets and liabilities subject to fair value measurements on a recurring basis are as follows:

Recurring fair value measurements	Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
Liabilities:				
Derivative liability	\$ —	\$ —	\$ 26,566	\$ 26,566
Warrant liability	—	—	9,444	9,444
Total liabilities in fair value hierarchy	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 36,010</u>	<u>\$ 36,010</u>

Recurring fair value measurements	Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Liabilities:				
Derivative liability	\$ —	\$ —	\$ 32,765	\$ 32,765
Warrant liability	—	—	13,957	13,957
Total liabilities in fair value hierarchy	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 46,722</u>	<u>\$ 46,722</u>

Level 3 financial liabilities consist of the derivative liability and the warrant liability for which there is no current market for the securities such that the determination of fair value requires significant judgment or estimation. Changes in fair value measurements categorized within Level 3 of the fair value hierarchy are analyzed each period based on changes in estimates or assumptions and recorded as appropriate.

The Company's derivative liability represents embedded share-settled redemption and contingent fee features bifurcated from the underlying convertible notes and term loans and is carried at fair value. The changes in the fair value of the derivative liability are recorded as Change in fair value of derivative liability in the condensed consolidated statements of operations.

Estimating fair values of derivative financial instruments requires the development of significant and subjective estimates that may, and are likely to, change over the duration of the instrument with related changes in internal and external market factors. Since derivative financial instruments are initially and subsequently carried at fair value, the Company's income will reflect the volatility in these estimate and assumption changes.

The fair value of the share-settled redemption derivative liability was estimated based on the present value of the redemption discounts applied to the principal amount of each of the respective convertible promissory notes, adjusted to reflect the weighted probability of exercise. The fair value of the contingent fee derivative liability was estimated based on its total value, adjusted to reflect the weighted probability of the occurrence of the contingent event.

The Company estimates the fair value of the warrant liability using that projected future cash flows and discounting the future amounts to a present value using market-based expectations for interest rates and the contractual terms of the warrants. Changes in the fair value of the warrant liability are recorded as Change in the fair value of the warrant liability in the condensed consolidated statements of operations.

The following table presents a reconciliation of the changes in fair value of the beginning and ending balances for the Company's derivative liability and warrant liability at fair value using inputs classified as Level 3 in the fair value hierarchy:

	Derivative Liability	Warrant Liability	Total
Balance at December 31, 2021	\$ —	\$ 7,084	\$ 7,084
Issuances	—	226	226
Change in fair value	—	(1,772)	(1,772)
Balance at June 30, 2022	<u>\$ —</u>	<u>\$ 5,538</u>	<u>\$ 5,538</u>
Balance at December 31, 2022	\$ 32,765	\$ 13,957	\$ 46,722
Issuances	1,320	1,047	2,367
Extinguishments	(492)	—	(492)
Change in fair value	(7,027)	(5,560)	(12,587)
Balance at June 30, 2023	<u>\$ 26,566</u>	<u>\$ 9,444</u>	<u>\$ 36,010</u>

5. Accrued expenses

Accrued expenses consist of the following as of the periods presented:

	June 30, 2023	December 31, 2022
Accrued service provider costs	\$ 6,482	\$ 5,461
Accrued compensation	730	1,054
Accrued contract labor	1,390	2,400
Credit card liabilities	225	100
Accrued lender fees	5,816	—
Accrued transaction costs	2,258	—
Other accrued liabilities	5,723	4,107
Total accrued expenses	<u>\$ 22,624</u>	<u>\$ 13,122</u>

6. Debt arrangements

The Company's debt arrangements consist of the following:

	June 30, 2023	December 31, 2022
2021 convertible promissory notes with an interest rate of 10.0% per annum maturing June 30, 2024	\$ 39,957	\$ 39,957
Structural Capital term loan with an interest rate at the greater of 14.0% or the prime rate plus 7.5% per annum for the first \$14,000, 13.5% or the prime rate plus 7.0% for the remaining \$13,500; maturing on January 1, 2024 or November 1, 2024 based on the occurrence of certain events	27,500	17,500
Highbridge Capital term loan with an interest rate ranging from 12%-13% per annum maturing on March 31, 2024 or January 31, 2025 based on the occurrence of certain events	40,000	40,000
2022 convertible promissory notes with an interest rate of 15.0% per annum maturing June 30, 2024	30,000	30,000
2023 convertible promissory notes with an interest rate of 15.0% per annum maturing June 30, 2024	4,696	—
	<u>142,153</u>	<u>127,457</u>
Less: current portion	(142,153)	—
Less: debt issuance costs and discounts, long-term	—	(28,014)
Total long-term debt, net	<u>\$ —</u>	<u>\$ 99,443</u>

Structural Capital term loan

On February 9, 2023, the Company executed the First Amendment to the Second Amended and Restated Loan Agreement (the “First Amendment”) with Structural Capital. Borrowings under the First Amendment accrue interest monthly at the greater of 14.0% or 7.5% plus the prime rate (which can be no less than 3.25%) for the first \$14,000 outstanding, and the greater of 13.5% or 7.0% plus the prime rate (which can be no less than 3.25%) for the remaining \$3,500 outstanding. The scheduled maturity is dependent on future events and is scheduled to mature on either January 1, 2024 if certain future events are not met or November 1, 2024 if such future events are met. Upon repayment, the First Amendment requires a final payment fee of \$840, a success fee of \$2,406, a restructuring fee of \$2,232, and an amendment fee of \$1,014. The Company is accreting these fees to interest expense over the term of the loan.

Under the First Amendment, the success fee would be increased by \$656 upon the occurrence of certain contingent events, including a merger transaction. The Company concluded that this feature was not clearly and closely associated with the risk of the debt host instrument and has therefore been bifurcated and separately accounted for as a derivative financial instrument. The fair value of the derivative liability of \$492 was recorded separately from the term loan with an offsetting amount recorded as a debt discount. The debt discount is amortized over the remaining term of the term loan using the effective interest method.

The First Amendment was accounted for as a debt modification and, accordingly, no gain or loss was recognized.

On May 18, 2023, the Company executed the Second Amendment to the Second Amended and Restated Loan Agreement (the “Second Amendment”) which increased the term loan amount by \$10,000 (“Tranche 2”). Tranche 2 borrowings under the Second Amendment accrue interest monthly at the greater of 13.5% or 7.0% plus the prime rate (which can be no less than 3.25%). Upon repayment, the Second Amendment added \$400 to the repayment fee. All other terms remain unchanged from the First Amendment. In connection with the amendment, the \$492 derivative liability resulting from the First Amendment was written off, and a new derivative liability of \$773 was established. The Second Amendment was accounted for as a debt extinguishment and, accordingly, a \$4,913 gain was recognized. The gain resulted from the write-off of accrued lender fees, deferred financing fees, debt discounts, and a derivative liability, all related to the Structural term loan.

In connection with the Second Amendment, the Company issued warrants to purchase common stock in an aggregate amount of \$500 with an exercise price of \$0.90 per share expiring on May 18, 2033. The number of shares issued is based on Warrant Coverage, which is defined as a dollar value divided by the price factor at the time the warrant is exercised, as defined in the agreement. The fair value of these warrants was determined to be de minimis.

Highbridge Capital term loan

On February 9, 2023, the Company executed the Second Amendment to Loan and Security Agreement (the “Second Amendment”) with a consortium led by Highbridge Capital Management, LLC. The Second Amendment limits the commitment amount to \$40,000. Borrowings under the 2023 Amended Highbridge Term Loan accrue interest at a rate of 12.0% through June 2023, increasing to 13.0% through maturity, and payments are made quarterly in arrears. The scheduled maturity is dependent on future events and is scheduled to mature on either March 31, 2024 if certain future events are not met or January 31, 2025 if such events are met. Upon repayment, the loan requires a first amendment fee of \$2,319, a second amendment fee of \$3,000, and a consent fee of \$4,639. The Company is accreting these fees to interest expense over the term of the loan. The Second Amendment was accounted for as a debt modification and, accordingly, no gain or loss was recognized.

On May 18, 2023 the Company executed the Third Amendment to Loan and Security Agreement (the “Third Amendment”) with a consortium led by Highbridge Capital Management, LLC. The Third Amendment amended the definition of “Permitted Indebtedness” as a result of the Second Amendment with Structural Capital and added an amendment fee of \$400.

Convertible promissory notes

On February 9, 2023, the Company executed amendments with twelve holders of the 2022 convertible promissory notes. The amendments include an additional settlement feature that provides for automatic conversion of the notes upon consummation of an approved acquisition and related public listing of the Company’s common stock on a nationally recognized exchange at a price per share equal to 65% of the total equity value, as defined in the amendment, divided by the Company capitalization immediately prior to the acquisition. The amendments were accounted for as a modification and, accordingly, no gain or loss was recognized.

In April and May 2023, the Company issued approximately \$4,700 in convertible promissory notes (“2023 Convertible Notes”). Simple interest accrues on the 2023 Convertible Notes at the rate of 15% per annum, and all principal and unpaid interest is due and payable on June 30, 2024. Prepayment of the notes is only allowed with the consent of the majority of the noteholders.

The 2023 Convertible Notes can settle as follows:

- (i) *Optional conversion into Series C preferred stock.* At any time upon the election of the noteholder, the outstanding principal of the 2023 Convertible Notes and any unpaid accrued interest shall convert into shares of the Company’s Series C convertible preferred stock at a conversion price per share equal to the lesser of \$3.66191, or the Cap Price (defined as \$380,000 divided by the Company’s capitalization).
- (ii) *Optional conversion in an Equity Financing.* If the Company sells shares of preferred stock (“Equity Financing”, as such term is defined in the 2023 Convertible Notes agreement), then the holders have the option to convert the outstanding principal amount and any unpaid accrued interest into shares of the series of convertible preferred stock issued in the Equity Financing at a price per share equal to the lesser of (i) 0.70 multiplied by the per share price paid by the cash investors in the Equity Financing, or (ii) the Cap Price.
- (iii) *Approved Acquisition and Direct Listing.* Upon an Approved Acquisition and a Direct Listing, as defined in the 2023 Convertible Notes agreement, the outstanding principal and interest will automatically convert into common stock at a price per share equal to 80% of the quotient obtained by dividing the (i) Total Equity Value by (ii) the Company capitalization immediately prior to the consummation of the Approved Acquisition. The Total Equity Value means the lesser of (i) \$271,000, plus the Company’s cash and cash equivalents and less certain debt (as defined in the agreement), and (ii) the Aggregate Valuation in the Approved Acquisition, plus the Company’s cash and cash equivalents and less certain debt (as defined in the agreement).
- (iv) *Company Sale.* If the Company consummates a sale of the company while the 2023 Convertible Notes are outstanding, the Company will repay the holders in cash in an amount equal to 300% of the outstanding principal amount of the notes plus any unpaid accrued interest.

The Company concluded that certain settlement features of the 2023 Convertible Notes were determined to not be clearly and closely associated with the risk of the debt host instrument and have therefore been bifurcated and separately accounted for as derivative financial instruments. The Company will remeasure the fair market value of the derivative liability at each balance sheet date and recognize any change in Other income (expense), net in the consolidated statements of operations.

The Company determined the measurement of its derivative liabilities to be a Level 3 fair value measurement based on management’s estimate of the expected future cash flows required to settle the liabilities. The Company determined the fair value of the derivative liability related to the 2023 Convertible Notes to be \$55 upon issuance. The fair value of the derivative liability was recorded separately from the convertible notes with an offsetting amount recorded as a debt discount to be amortized to interest expense using the effective interest method.

7. Stock-based compensation

Equity plans

The Company has a 2013 Equity Incentive Plan (the “Plan”), under which it may grant incentive stock options, non-statutory stock options, restricted stock awards, restricted stock unit awards, and stock appreciation rights to selected employees, directors and consultants. In February 2023, the board of directors of the Company (the “Board of Directors”) approved an increase in the number of shares of common stock reserved for issuance under the Plan by 698,675 shares. The Company has 771,680 shares of common stock reserved for issuance under the Plan as of June 30, 2023. The Plan is administered by the Board of Directors, which determines the terms of options, including exercise price, the number of shares subject to the options, the vesting schedule, and the terms and conditions of the exercise.

On June 16, 2023, the Board of Directors approved the 2023 Equity Incentive Plan (the “2023 Plan”), which will become effective upon the filing of a Form 8-A with the SEC. The 2023 Plan provides for the granting of stock options, restricted stock, restricted stock units, stock appreciation rights, performance units and performance shares to employees, directors and consultants and any of the Company’s future subsidiary corporations’ employees and consultants. 1,383,197 shares of common stock are reserved for issuance pursuant to the 2023 Plan and will be subject to an annual increase.

On June 16, 2023, the Company’s Board of Directors approved the 2023 Employee Stock Purchase Plan (the “ESPP”), which was effective upon approval. The ESPP allows for the sale of 221,311 shares of common stock to eligible employees within established offering periods with certain limitations on participation by individual employees and is subject to an annual increase.

Stock options

There were no stock options granted during the three and six months ended June 30, 2023. As of June 30, 2023, there were 725,185 shares available for future grants under the Plan.

The fair value of stock options is recognized as expense on a straight-line basis over the vesting periods. During the three months ended June 30, 2023 and 2022, the Company recognized compensation expense related to stock options of \$76 and \$146, respectively. During the six months ended June 30, 2023 and 2022, the Company recognized compensation expense related to stock options of \$153 and \$301, respectively.

8. Income taxes

The Company accounts for income taxes as required by FASB ASC Topic No. 740, *Income Taxes*. This Topic clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Topic also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The Topic requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The amount recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. In addition, the Topic permits an entity to recognize interest and penalties related to tax uncertainties as either income tax expense or operating expenses. The Company has chosen to recognize interest and penalties related to tax uncertainties as income tax expense.

The Company assesses whether a valuation allowance should be recorded against its deferred tax assets based on the consideration of all available evidence, using a "more likely than not" realization standard. The four sources of taxable income that must be considered in determining whether deferred tax assets will be realized are: (1) future reversals of existing taxable temporary differences (i.e., offset of gross deferred tax liabilities against gross deferred tax assets); (2) taxable income in prior carryback years, if carryback is permitted under the applicable tax law; (3) tax planning strategies; and (4) future taxable income exclusive of reversing temporary differences and carryforwards.

In assessing whether a valuation allowance is required, significant weight is to be given to evidence that can be objectively verified. A significant factor in the Company's assessment is the Company's three-year cumulative loss. These facts, combined with uncertain near-term market and economic conditions, reduced the Company's ability to rely on projections of future taxable income in assessing the realizability of its deferred tax assets. After a review of the four sources of taxable income as of December 31, 2022, and after consideration of the Company's cumulative loss position as of December 31, 2022, the Company will continue to reserve its U.S.-based deferred tax amounts as of June 30, 2023.

9. Related-party transactions

During 2018, the Company entered into a service agreement with a shareholder to provide scheduled long-distance towing or transport services under a recall program for vehicles not in warranty of the shareholder's roadside assistance program in the United States. In 2019, the Company entered into a separate agreement with the same shareholder to provide emergency roadside assistance for the shareholder's customers related to its four vehicle brands in the United States. Total revenue recognized for the three months ended June 30, 2023 and 2022 amounted to \$7,343 and \$6,402, respectively. Total revenue recognized for the six months ended June 30, 2023 and 2022 amounted to \$14,378 and \$12,238, respectively. As of June 30, 2023 and December 31, 2022, \$4,949 and \$4,151, respectively, of revenue related to these agreements were included in accounts receivable on the accompanying condensed consolidated balance sheets.

During 2018, the Company entered into a service agreement with a shareholder to provide services to its managed fleet maintenance customers. The services include primary towing roadside assistance and non-tow services including jump starts, tire change, lockout services and emergency fuel delivery. For the three months ended June 30, 2023 and 2022, total revenue recognized under the fleet agreement amounted to \$2,895 and \$3,052, respectively. For the six months ended June 30, 2023 and 2022, total revenue recognized under the fleet agreement amounted to \$6,128 and \$5,820, respectively. Also in 2019, the Company entered into a separate service agreement with the same shareholder. Under the terms of the agreement, the Company will provide emergency roadside assistance for the shareholder's customers related to its car rental brands in the United States. Total revenue recognized for the three months ended June 30, 2023 and 2022 under the rental agreement amounted to \$7,100 and \$6,964, respectively. Total revenue recognized for the six months ended June 30, 2023 and 2022 under the rental agreement amounted to \$14,266 and \$12,287, respectively. As of June 30, 2023 and December 31, 2022, \$7,872 and \$5,924, respectively, of revenue related to these agreements were included in accounts receivable on the accompanying condensed consolidated balance sheets.

During 2020, the Company entered into a services agreement with a shareholder. Under the terms of the agreement, the Company will provide emergency roadside assistance for the shareholder's customers related to its two vehicle brands in the United States and Canada. Total revenue recognized for the three months ended June 30, 2023 and 2022 was \$2,152 and \$2,920, respectively. Total revenue recognized for the six months ended June 30, 2023 and 2022 was \$4,765 and \$6,287, respectively. As of June 30, 2023 and December 31, 2022, \$2,318 and \$2,882, respectively, of revenue related to these agreements was included in accounts receivable on the accompanying condensed consolidated balance sheets.

10. Commitments and contingencies

Litigation

The Company from time to time may be involved in various claims and legal proceedings that arise in the ordinary course of business. It is the opinion of management that there are no unresolved claims and litigation in which the Company is currently involved that will materially affect the financial position or operations of the Company.

11. Leases

The Company leases office space, equipment and furniture, and certain office space is subleased. Management determines if a contract is a lease at the inception of the arrangement and reviews all options to extend, terminate, or purchase its right-of-use assets at the inception of the lease and accounts for these options when they are reasonably certain of being exercised.

Leases with an initial term of greater than twelve months are recorded on the condensed consolidated balance sheet. Lease expense is recognized on a straight-line basis over the lease term.

The Company's lease contracts generally do not provide a readily determinable implicit rate. For these contracts, the estimated incremental borrowing rate is based on information available at the inception of the lease.

Operating lease cost consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Lease cost	\$ 292	\$ 305	\$ 588	\$ 590
Sublease income	(68)	(69)	(137)	(118)
Total lease cost	\$ 224	\$ 236	\$ 451	\$ 472

The maturity of operating lease liabilities is presented in the following table as of June 30, 2023:

2023	\$ 477
2024	757
2025	618
2026	635
2027	458
Thereafter	—
Total lease payments	2,945
Less imputed interest	(449)
Present value of lease liabilities	\$ 2,496

Additional information relating to the Company's operating leases follows:

	June 30, 2023	December 31, 2022
Weighted average remaining lease term (years)	3.8	4.2
Weighted average discount rate	8.7%	8.6%

12. Subsequent events

The Company considers events or transactions that occur after the balance sheet date but before the financial statements are issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. The following events were noted:

Pending Merger

On February 9, 2023, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Otonomo Technologies Ltd., a company organized under the laws of the State of Israel (“Otonomo”), and U.O Odyssey Merger Sub Ltd., a company organized under the laws of the State of Israel and direct wholly owned subsidiary of the Company (“Merger Sub”), pursuant to which and subject to the satisfaction or waiver of the terms and conditions specified therein the Merger will occur. On September 18, 2023, Otonomo’s shareholders approved the Merger. If the Merger is consummated, Merger Sub will merge with and into Otonomo in an all stock transaction, with Otonomo surviving as a direct wholly owned subsidiary of the Company that will continue to be governed by Israeli law (the “Combined Company”).

At the time at which the Merger becomes effective pursuant to the terms of the Merger Agreement the (“Effective Time”), upon the terms and subject to the conditions set forth in the Merger Agreement, each outstanding Otonomo ordinary share (excluding shares owned by Otonomo subsidiaries and shares to be canceled pursuant to the terms of the Merger Agreement) will be transferred to the Company and the rights of the holder thereof will automatically convert into and represent the right to receive a number of shares of Common Stock equal to the exchange ratio set forth in the Merger Agreement (the “Exchange Ratio”).

In accordance with the terms of the Merger Agreement, the Exchange Ratio was determined to be 0.51756 shares of Urgently common stock per Otonomo ordinary share as of the closing of the Merger (the “Closing”).

At the Closing, which is expected to occur on October 19, 2023, using the Exchange Ratio formula set forth in the Merger Agreement, on a fully diluted basis, the Company’s stockholders immediately prior to the Effective Time will own approximately 60.3% of the Combined Company on a fully-diluted basis and Otonomo shareholders immediately prior to the Effective Time are currently estimated to own approximately 39.7% of the Combined Company.

Either Urgently or Otonomo may terminate the Merger Agreement under certain circumstances, which would prevent the Merger from being consummated. If the Merger Agreement is terminated under specified circumstances, Otonomo will be required to pay Urgently a termination fee of \$3.0 million or, in a certain circumstance, \$1.5 million.

Warrant Amendments

In connection with the Merger, on October 16, 2023, the Company entered into agreements to amend and restate all outstanding warrants held by Structural Capital. The warrants provided for warrant coverage that was variable based on the occurrence of certain events or calculated as a percentage of the Company’s outstanding capitalization, and each warrant was amended and restated to, among other things, revise the calculations for determining the number of shares exercisable under the warrants to provide for a fixed share count that reflected the Merger and the transactions contemplated thereby.

In addition, on October 18, 2023, the Company entered into agreements to amend and restate all outstanding warrants to purchase shares of the Company’s common stock with the Highbridge Capital consortium. The warrants provided for warrant coverage that was calculated as a percentage of the Company’s outstanding capitalization, and each warrant was amended and restated to, among other things, revise the calculations for determining the number of shares exercisable under the warrants to provide for a fixed share count that reflected the Merger and the transactions contemplated thereby, and to provide for automatic net exercise of the warrants in connection with the closing of the Merger and consummation of the transactions contemplated thereby.

Amendment to Certificate of Incorporation; Reverse Stock Split

On July 28, 2023, the Company amended its Certificate of Incorporation to effect a 1-for-90 reverse stock split (the “Reverse Stock Split”) of the Common Stock and Series C Preferred Stock. At the effective time of the Reverse Stock Split, each 90 outstanding shares of Common Stock and each 90 outstanding shares of Series C Preferred Stock was exchanged and combined into one share of Common Stock and one share of Series C Preferred Stock, respectively. After giving effect to the Reverse Stock Split, the total number of authorized shares of stock is (i) 600,000,000 shares of Common Stock, \$0.001 par value per share, and (ii) 160,000 shares of Preferred Stock, \$0.001 par value per share. All historical share and per share information has been retroactively adjusted to reflect the Reverse Stock Split.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes to those statements included elsewhere in this Quarterly Report on Form 10-Q. As discussed in “Cautionary Note Regarding Forward-Looking Statements,” in addition to historical financial information, the following discussion and analysis may contain forward-looking statements regarding our expectations of future performance, liquidity and capital resources, our plans, estimates, beliefs and expectations that involve risks, uncertainties and assumptions. Our actual results and timing of selected events may differ materially from those anticipated or implied in these forward-looking statements as a result of many factors, including those discussed in “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q, and those risk factors previously disclosed in the Final Prospectus, which is accessible on the SEC’s website at www.sec.gov.

Overview

We are a leading connected mobility assistance software platform, matching vehicle owners and operators with service professionals who deliver traditional roadside assistance, proactive maintenance and repair services. The traditional experience of a vehicle breakdown is often stressful and inconvenient for stranded drivers, compounded by processes that lack transparency and lead to long wait times. We offer an innovative alternative to this traditional experience, leveraging our digitally native software platform that matches supply and demand in our network to deliver exceptional mobility assistance experiences at scale.

We offer a digitally native software platform that combines location-based services, real-time data, AI and machine-to-machine communication to deliver quick, safe and innovative roadside assistance services for leading brands across the automotive and insurance industries, and other transportation-focused verticals. We collect signals from distressed vehicles and match those needs with local roadside assistance professionals to create a connected service network. Our platform enables our partners to deliver exceptional user experiences that drive high customer satisfaction and loyalty. With 58 Customer Partners and more than 66,000 participating Service Provider vehicle drivers in our network as of June 30, 2023, we deliver innovative, transparent and exceptional connected mobility assistance experiences at scale.

We generate the significant majority of our revenue from our Customer Partners, who contract with us to fulfill roadside assistance service requests for Consumers. We connect Consumers with nearby Service Providers, who provides the requested roadside assistance. We enter into multi-year contracts with our Customer Partners, which are typically three years, and we generate revenue on a per-incident basis, including negotiated rates customized for each Customer Partner. We also generate revenue from Customer Partner membership programs, which are typically offered to Consumers through an out-of-warranty vehicle maintenance program or bundled with other subscription membership offerings, on a fixed fee basis. We recognize subscription revenue from our Customer Partner membership programs ratably over the term of service, which is typically one year. We also offer our platform as a SaaS solution to enable certain of our Customer Partners’ roadside assistance services. We anticipate that the Merger and anticipated integration of Otonomo’s Mobility Platform will further enhance the customer service experience for Consumers on our platform by improving data capabilities, features, and data ingest capacity. We recognize revenue from our SaaS offering ratably over the life of the contract, which is typically one to three years. We make payments to our Service Providers on a per-job basis, typically within three weeks from job completion.

Our Sales and Partner Management Department works closely with our Customer Partners to ensure that Consumers receive an exceptional assistance experience, and we have a strong track record in Customer Partner retention, Consumer satisfaction with our platform and the reliability of our service. Prospective Customer Partners typically engage us for a pilot program and enter into a multi-year contract once they are satisfied with our platform’s performance. As Customer Partner contracts expire, we typically undergo a request-for-proposal process for each contract renewal. While we employ a targeted marketing program, many of our new Customer Partners are referred to us by satisfied existing Customer Partners.

Pending Merger

On February 9, 2023, we entered into the Merger Agreement to merge with Otonomo in an all-stock transaction. Upon Closing, holders of Otonomo’s ordinary shares will receive our common stock. Otonomo’s stockholders and other equityholders will own, in the aggregate, approximately 39.7% of the Combined Company on a fully diluted basis, based upon the final Exchange Ratio of 0.51756 shares of Common Stock per one Otonomo ordinary share. On September 18, 2023, Otonomo’s shareholders approved the Merger.

The transaction is expected to close on October 19, 2023, subject to the satisfaction of customary closing conditions.

For further discussion about the Merger and the terms of the Merger Agreement, refer to the section titled “Pending Merger” in Note 12 “*Subsequent events*” of the unaudited condensed consolidated financial statements contained elsewhere in this Quarterly Report on Form 10-Q.

Key Factors Affecting Our Performance

New Customer Partner Acquisition

Our ability to add and retain Customer Partners is a key factor in our ability to generate new revenue, grow existing accounts, improve margins and push towards profitability. We attract enterprises seeking frictionless, digital roadside assistance solutions for Consumers with our emphasis on a well-designed and easy-to-use interface. Due to the relative concentration of the mobility assistance market, new Customer Partner acquisition can result in significant expansion of our footprint within the market.

We believe the continued focus on exceptional Consumer experiences will continue to drive demand for our platform and broaden our number of Customer Partners. Historically, our ability to engage new Customer Partners has been limited primarily by our ability to effectively service the existing demand. However, as our Service Provider network grows and our support capabilities are streamlined and automated, we anticipate that our platform capabilities will also grow to meet the demands of new Customer Partners. We have been successful in retaining our Customer Partners once they have initially adopted our platform.

Continued Investment in Innovation

Our success depends, in part, on our ability to sustain innovation and maintain a competitive advantage in the verticals in which we operate and expand to meet new and evolving needs in roadside and mobility assistance. We believe that the emerging need for mobility assistance is a transformational opportunity that will bridge historically siloed and fragmented industries including insurance, collision, vehicle sales and service, the automotive aftermarket and logistics. These market transformations are creating new opportunities for roadside assistance providers to extend services into adjacent markets to increase revenue opportunities. We believe that our platform is differentiated from other offerings and has broad applicability to a variety of use cases, and we will continue to invest in developing and enhancing platform features and functionality to further extend adoption of our platform. We expect to continue to invest in research and development efforts to broaden the functionality of our platform, improve the value of our offering to our Customer Partners, and incorporate additional offerings. We will also continue to evaluate from time to time, strategic opportunities to acquire or invest in businesses, offerings, technologies or talent that we believe could complement or expand our platform, enhance our technical capabilities, or otherwise provide potential growth opportunities.

Investing in Business Growth

Our ability to support our existing Customer Partners and engage with new Customer Partners is impacted by our ability to rapidly scale and expand. Historically, we have been resource constrained and unable to commit to technology improvements because of our incremental funding history. We are now focused on investing in our proprietary technology, machine learning and data analytics models in order to streamline and digitize the high-touch aspects of our operations. These investments will enable us to optimize our Service Provider supply models, calibrate Service Provider pricing and streamline our operational processes. Our ability to manage expenses, and to effectively invest our resources to enable a better Consumer experience, will impact our operating results and future profitability. While we embarked on an aggressive growth plan in early 2022, as a result of the macro-economic environment we pivoted to a more judicious staffing model. In addition, due to staffing challenges in the United States caused by the pandemic and government stimulus payments coupled with remote work, and to maintain reliable and high-quality service, we migrated portions of our customer support representatives to more cost-effective alternatives (this migration together with our judicious staffing model, the “*Realignment*”). As we maintain our priorities, we expect our operating expenses to decrease in the short term relative to historical periods but increase over the longer term as we continue our targeted investments in growth. Although operating expenses will increase, based on the Realignment actions, we expect leverage with our operating expenses, resulting in a lower operating expense as a percentage of revenue metric.

Seasonality

We experience seasonality in monetization on our platform. Historically, we generate higher levels of roadside assistance service requests during the summer and winter, when a greater proportion of Consumers are traveling for holidays. Particularly as we continue to adjust to the evolving COVID-19 pandemic, such seasonality may be more pronounced in the future or different altogether.

We have also experienced increased roadside assistance service requests during periods of economic downturn. During these times Consumers may be less likely to allocate resources to vehicle maintenance, and we have observed that delaying vehicle maintenance typically increases the likelihood of a vehicle breakdown.

Key Business Metrics

We regularly monitor a number of operating metrics, including the following key metrics, in order to measure our current performance and estimate our future performance.

Consumer Ratings

Exceptional Consumer service is a cornerstone of our business. We measure Consumer sentiment through a variety of surveys but primarily measure completed jobs on a 1-to-5-star scale, with a 5 star being the highest. We have historically averaged 4.5 out of 5 stars. We are proud of how highly Consumers rate their service experiences with us given the fact that no one aspires to have a breakdown. It's often stressful, nearly always unexpected, and often unsafe. Our aspirational goal is 100% Consumer satisfaction. We use Consumer ratings to improve the service experience by improving networks, technology, and training. For the three months ended June 30, 2023 and 2022, our consumer satisfaction score ("CSAT") was 4.5. For the six months ended June 30, 2023 and 2022, our CSAT was 4.5 and 4.6, respectively.

Number of Dispatches

We believe that our ability to increase the number of dispatches is an indicator of our Customer Partner penetration, the growth of our business and potential future business opportunities. We define the number of dispatches as the number of completed service requests in a given period. Number of dispatches has increased over time as we have added new Customer Partners, retained and expanded usage by existing Customer Partners and expanded complimentary product offerings. As our Customer Partner base grows and usage of our platform expands, we do not expect to continue to grow at the same year-over-year rate. Additionally, we expect the number of dispatches to fluctuate as seasonality is reflected on a period-over-period basis, as the summer and winter months typically contain more Consumer travel and roadside assistance events.

For the three months ended June 30, 2023 and 2022, we completed 271,000 dispatches and 312,000 dispatches, respectively. For the six months ended June 30, 2023 and 2022, we completed 590,000 dispatches and 618,000 dispatches, respectively.

Non-GAAP Financial Measures

In addition to our financial information presented in accordance with GAAP, we believe the following non-GAAP financial measures are useful to investors in evaluating our operating performance. We use the following non-GAAP financial measures to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that the non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, may be helpful to investors because they provide consistency and comparability with past financial performance and meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our business, results of operations, or outlook. The non-GAAP financial measures are presented for supplemental informational purposes only, have limitations as analytical tools, and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP and may be different from similarly-titled non-GAAP financial measures used by other companies. In addition, other companies, including companies in our industry, may calculate similarly-titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as a tool for comparison. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliations of the non-GAAP financial measures to our most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business.

Non-GAAP Operating Expenses

We define non-GAAP operating expenses as operating expenses, excluding depreciation and amortization expense, stock-based compensation expense, and non-recurring charges (or income) such as transaction and restructuring costs. We use non-GAAP operating expenses in conjunction with GAAP financial measures as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies, and to communicate with the Board of Directors concerning our financial performance.

The following table provides a reconciliation of non-GAAP operating expenses to the most comparable GAAP measure, operating expenses, for each of the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Operating expenses	\$ 15,408	\$ 19,051	\$ 34,975	\$ 37,692
Less: Depreciation and amortization expense	(62)	(75)	(134)	(144)
Less: Stock-based compensation expense	(76)	(146)	(153)	(301)
Less: Non-recurring transaction costs	(1,756)	(896)	(6,479)	(1,219)
Less: Restructuring costs	(111)	(127)	(136)	(627)
Non-GAAP operating expenses	<u>\$ 13,403</u>	<u>\$ 17,807</u>	<u>\$ 28,073</u>	<u>\$ 35,401</u>

Non-GAAP Operating Loss

We define non-GAAP operating loss as operating loss, excluding depreciation and amortization expense, stock-based compensation expense, and non-recurring charges (or income) such as transaction and restructuring costs. We use non-GAAP operating loss in conjunction with GAAP financial measures as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies, and to communicate with the Board of Directors concerning our financial performance.

The following table provides a reconciliation of non-GAAP operating loss to the most comparable GAAP measure, operating loss, for each of the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Operating loss	\$ (6,148)	\$ (15,796)	\$ (16,456)	\$ (31,995)
Add: Depreciation and amortization expense	62	75	134	144
Add: Stock-based compensation expense	76	146	153	301
Add: Non-recurring transaction costs	1,756	896	6,479	1,219
Add: Restructuring costs	111	127	136	627
Non-GAAP operating loss	<u>\$ (4,143)</u>	<u>\$ (14,552)</u>	<u>\$ (9,554)</u>	<u>\$ (29,704)</u>

Components of Results of Operations

Revenue

We generate substantially all of our revenues from roadside assistance services (“RAS”) initiated through our software platform primarily in the United States and Canada. We contract with Customer Partners to provide the outsourced delivery for all or portions of their roadside assistance plans for Consumers. We manage the entire RAS process after receiving the initial motorist distress call or web-based request through final disposition. We currently operate under two different service models for our Customer Partners: (i) full-service outsourcing RAS-flat rate and (ii) full-service outsourcing RAS-claim cost pass-through.

- *Full-service outsourcing of RAS-flat rate.* In connection with our full-service flat-rate arrangements, we negotiate fixed rates with subcontract Service Providers and charge Customer Partners or Consumers fixed rates based on each service provided (per tow, per jump start, etc.) As a result, we record these revenues on a gross basis and the costs related are recorded as part of cost of service. We recognize these revenues over time.
- *Full-service outsourcing of RAS-claim cost pass-through.* In connection with our full-service claim cost pass-through arrangements, we negotiate a flat dispatch fee directly with our Customer Partners which is combined with the variable cost of subcontracted services. We act as an agent in these transactions and record only the flat dispatch fee as revenue. We recognize these revenues over time.

For additional discussion related to our revenue, see Note 2—Summary of Significant Accounting Policies—Revenue Recognition to our audited consolidated financial statements for the years ended December 31, 2022 and 2021 contained in the Final Prospectus.

Cost of revenue

Cost of revenue, exclusive of depreciation and amortization, consists primarily of fees paid to Service Providers. Other costs included in cost of revenue are specifically the technology hosting and platform-related costs, certain personnel costs related to direct call center support to Consumers as part of platform authentication, and amortization of costs to fulfill.

Gross profit and Gross margin

Gross profit represents revenue less cost of revenue, and gross margin is gross profit expressed as a percentage of revenue. Our gross margin may fluctuate from period to period as our revenue fluctuates and has been and will continue to be affected by various factors, including mix of services provided, Customer Partner pricing and Service Provider costs. We expect our gross profit to increase and our gross margin to increase modestly over the long term due to platform enhancements resulting in more cost effective and competitive Service Provider costs, although our gross margins could fluctuate from period to period depending on the interplay between the factors described above.

Research and development

Research and development expenses primarily consist of compensation expenses, including equity-based compensation, for engineering, product development, product management and design employees, expenses associated with ongoing improvements to, and maintenance of, our platform offerings and other technology. Research and development expense also includes software expenses and technology consulting fees.

Sales and marketing

Sales and marketing expenses primarily consist of compensation expenses, including equity-based compensation, in support of new business capture, partner management and marketing such as commissions, salaries, and related benefits. Sales and marketing expense also includes expenses associated with advertising, promotions of our services, Partner advocacy management and brand-building.

Operations and support

Operations and support expenses primarily consist of compensation expenses, including equity-based compensation, in support of customer support operations such as salaries, related benefits, contractors we use to manage customer support workload and related technology costs to support such operations. Operations and support expenses also include expenses associated with Service Provider network management.

General and administrative

General and administrative expenses primarily consist of compensation expenses, including equity-based compensation and related benefits for our executive, finance, human resources, information technology, legal and other personnel performing administrative functions. General and administrative expense also includes corporate office rent expense, third-party professional fees, public company readiness expenses and any other cost or expense incurred not deemed to be related to cost of revenue, sales and marketing expense, research and development expense, or operations and support expense.

Depreciation and amortization

Depreciation and amortization expenses primarily consist of depreciation of capitalized property, equipment and software and amortization of acquired finite-lived intangible assets.

Other income (expense), net

Other income (expense), net primarily includes the following items:

- Interest expense, which consists primarily of interest expense associated with our outstanding debt, including accretion of debt discount and amortization of debt financing costs.
- Interest income, which consists primarily of interest earned on cash equivalents in money market accounts.
- Change in fair value of derivative liability, which represents gains or losses resulting from fluctuations in the fair value of embedded derivative liabilities associated with convertible notes.

- Change in fair value of warrant liability, which represents gains or losses resulting from fluctuations in the fair value of warrant liabilities.
- Warrant expense, which represents the fair value of Urgently Warrants issued during the period for Urgently Warrants classified as liabilities on the consolidated balance sheets.
- Foreign currency exchange gains (losses), net, which relate primarily to the exchange rate differences arising from the settlement of transactions in foreign currencies other than our Canadian subsidiary's functional currency of the U.S. dollar.

Results of Operations

The following table is a summary of our condensed consolidated statements of operations data for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Total revenue	\$ 43,977	\$ 43,334	\$ 93,555	\$ 83,489
Cost of revenue	34,717	40,079	75,036	77,792
Gross profit	9,260	3,255	18,519	5,697
Operating expenses:				
Research and development	3,668	4,427	7,410	8,399
Sales and marketing	875	1,426	1,947	2,844
Operations and support	6,046	9,666	13,247	18,942
General and administrative	4,757	3,457	12,237	7,363
Depreciation and amortization	62	75	134	144
Total operating expenses	15,408	19,051	34,975	37,692
Operating loss	(6,148)	(15,796)	(16,456)	(31,995)
Other expense, net	(272)	(2,717)	(7,712)	(7,713)
Loss before income taxes	(6,420)	(18,513)	(24,168)	(39,708)
Provision for income taxes	—	—	—	—
Net loss	(6,420)	(18,513)	(24,168)	(39,708)

The following table is a summary of our condensed consolidated statements of operations data expressed as a percentage of revenue for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Total Revenue	100 %	100 %	100 %	100 %
Cost of revenue	79 %	92 %	80 %	93 %
Gross margin	21 %	8 %	20 %	7 %
Operating expenses:				
Research and development	8 %	10 %	8 %	10 %
Sales and marketing	2 %	3 %	2 %	3 %
Operations and support	14 %	22 %	14 %	23 %
General and administrative	11 %	8 %	13 %	9 %
Depreciation and amortization	0 %	0 %	0 %	0 %
Total operating expenses	35 %	44 %	37 %	45 %
Operating loss	(14)%	(36)%	(18)%	(38)%
Other expense, net	(1)%	(6)%	(8)%	(9)%
Loss before income taxes	(15)%	(43)%	(26)%	(48)%
Provision for income taxes	—	—	—	—
Net loss	(15)%	(43)%	(26)%	(48)%

Comparison of the Three Months Ended June 30, 2023 and 2022

Revenue

Revenue increased by \$0.6 million, or 1%, to \$44.0 million in the three months ended June 30, 2023 from \$43.3 million in the three months ended June 30, 2022. This increase was primarily driven by an increase in rates charged to existing Customer Partners which

accounted for an increase of \$7.3 million in revenue. Our fleet management (including car rental companies) and auto manufacturer Customer Partners generated both volume and rate increases driven by business growth and higher dispatch allocations. We also added six new Customer Partners in 2022 and 2023, which accounted for an increase of \$2.7 million in revenue during the comparable period. The overall increase in dispatch volume and related revenue was offset by lower Customer Partner dispatch volumes from one auto manufacturer Customer Partner (due to lower sales) and one insurance Customer Partner along with our decision to shift focus away from certain less profitable activity which resulted in a decrease in revenue of \$9.4 million.

Cost of Revenue

Cost of revenue decreased by \$5.4 million, or 13%, to \$34.7 million in the three months ended June 30, 2023 from \$40.1 million in the three months ended June 30, 2022. The decrease was primarily related to an overall decline in dispatch volume resulting in \$4.9 million reduction in Service Provider fees. The decrease in dispatch volume was primarily derived from one insurance Customer Partner and our decision to shift focus away from less profitable activity, offset by increases in dispatch volume from our fleet management and auto manufacturer Customer Partners. In addition, as the business moved away from partnerships that required first call support, first call and platform costs decreased by \$1.9 million. The decrease was offset by an increase in higher average Service Provider fees, consistent with overall inflation and industry experiences.

Our gross profit for the three months ended June 30, 2023 was \$9.3 million, compared to \$3.3 million for the three months ended June 30, 2022. The increase was primarily driven by rate increases applied to Customer Partners, and the decrease in first call costs, resulting in gross profit growth of 184% compared to revenue growth of 1%.

Operating Expenses

Research and Development

Research and development expense decreased by \$0.8 million, or 17%, to \$3.7 million in the three months ended June 30, 2023 from \$4.4 million in the three months ended June 30, 2022. The decrease was primarily driven by a reduction in employee and employee-related expenses of \$0.8 million. Consistent with the Realignment, research and development employees were 77 and 113 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, research and development expense decreased by 2%, to 8% in the three months ended June 30, 2023 from 10% in the three months ended June 30, 2022. The decrease was primarily driven by the Realignment.

Sales and Marketing

Sales and marketing expense decreased by \$0.6 million, or 39%, to \$0.9 million in the three months ended June 30, 2023 from \$1.4 million in the three months ended June 30, 2022. The decrease was primarily driven by a decrease in employee and employee-related expenses of \$0.5 million and a reduction in marketing activities of \$0.1 million. Consistent with the Realignment, sales and marketing employees were 21 and 42 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, sales and marketing expense decreased by 1%, to 2% in the three months ended June 30, 2023 from 3% in the three months ended June 30, 2022, driven by the Realignment.

Operations and Support

Operations and support expense decreased by \$3.6 million, or 37%, to \$6.0 million in the three months ended June 30, 2023 from \$9.7 million in the three months ended June 30, 2022. The decrease was primarily related to the continued migration of a portion of customer support representative resources from the United States to business process organizations located in Central and South America, resulting in a cost reduction of \$2.4 million, a reduction of employee related costs, resulting in a cost reduction of \$0.6 million and overall lower net operating costs due to a focus on the Realignment. Consistent with the Realignment, operations and support employees were 90 and 137 as of June 30, 2023 and 2022, respectively, and customer support representative full-time employees were 699 and 993 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, operations and support expense decreased by 8%, to 14% in the three months ended June 30, 2023 from 22% in the three months ended June 30, 2022. The decrease was primarily driven by customer support center transformation initiatives consistent with the Realignment.

General and Administrative

General and administrative expense increased by \$1.3 million, or 38%, to \$4.8 million in the three months ended June 30, 2023 from \$3.5 million in the three months ended June 30, 2022. The increase was primarily related to an increase in transaction related expenses of \$0.9 million associated with the planned merger with Otonomo, an increase in bad debt expense of \$0.2 million, higher business insurance costs of \$0.1 million based on the external insurance markets and enhanced coverage, offset by lower employee related expenses of \$0.2 million. Consistent with the Realignment, general and administrative employees were 54 and 76 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, general and administrative expense increased by 3%, to 11% in the three months ended June 30, 2023 from 8% in the three months ended June 30, 2022. The increase was primarily driven by transaction related expenses associated with the planned Merger.

Depreciation and amortization

Depreciation and amortization expense remained relatively flat from the three months ended June 30, 2022 to the three months ended June 30, 2023.

Other Expense, net

Other expense, net decreased by \$2.4 million, or 90%, to \$0.3 million in the three months ended June 30, 2023 from \$2.7 million in the three months ended June 30, 2022. An \$8.5 million increase in interest expense was offset by \$6.1 million in net gains resulting from changes in the fair values of derivative and warrant liabilities and a \$4.9 million gain on the extinguishment of the Structural Loan Agreement.

Comparison of the Six Months Ended June 30, 2023 and 2022

Revenue

Revenue increased by \$10.1 million, or 12%, to \$93.6 million in the six months ended June 30, 2023 from \$83.5 million in the six months ended June 30, 2022. This increase was primarily driven by an increase in dispatch volume and rates charged to existing Customer Partners which accounted for an increase of \$14.7 million in revenue. Our fleet management (including car rental companies) and auto manufacturer Customer Partners generated both volume and rate increases driven by business growth and higher dispatch allocations. We also added six new Customer Partners in 2023 and 2022, which accounted for an increase of \$6.2 million in revenue during the comparable period. The overall increase in dispatch volume and related revenue was offset by lower Customer Partner dispatch volumes from one auto manufacturer Customer Partner (due to lower sales) and one insurance Customer Partner along with our decision to shift focus away from certain less profitable activity which resulted in a decrease in revenue of \$10.8 million.

Cost of Revenue

Cost of revenue decreased by \$2.8 million, or 4%, to \$75.0 million in the six months ended June 30, 2023 from \$77.8 million in the six months ended June 30, 2022. The decrease was primarily driven by a reduction in first call and platform costs in the amount of \$2.9 million as the business shifted away from partnerships that required first call support and reduced costs consistent with the Realignment. The decrease was offset by an increase driven by higher average Service Provider fees for the six months ended June 30, 2023. The increase in average Service Provider fees is consistent with overall inflation and industry experiences.

Our gross profit for the six months ended June 30, 2023 was \$18.5 million, compared to \$5.7 million for the six months ended June 30, 2022. The increase was primarily driven by rate increases applied to Customer Partners, and the decrease in first call costs, resulting in gross profit growth of 225% compared to revenue growth of 12%.

Operating Expenses

Research and Development

Research and development expense decreased by \$1.0 million, or 12%, to \$7.4 million in the six months ended June 30, 2023 from \$8.4 million in the six months ended June 30, 2022. The decrease was primarily driven by a reduction in employee and employee-related expenses of \$1.0 million. Consistent with the Realignment, research and development employees were 77 and 113 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, research and development expense decreased by 2%, to 8% in the six months ended June 30, 2023 from 10% in the six months ended June 30, 2022. The decrease was primarily driven by the Realignment.

Sales and Marketing

Sales and marketing expense decreased by \$0.9 million, or 32%, to \$1.9 million in the six months ended June 30, 2023 from \$2.8 million in the six months ended June 30, 2022. The decrease was primarily driven by a decrease in employee and employee-related expenses of \$0.7 million and a reduction in marketing activities of \$0.1 million. Consistent with the Realignment, sales and marketing employees were 21 and 42 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, sales and marketing expense decreased by 1%, to 2% in the six months ended June 30, 2023 from 3% in the six months ended June 30, 2022, driven by the Realignment.

Operations and Support

Operations and support expense decreased by \$5.7 million, or 30%, to \$13.2 million in the six months ended June 30, 2023 from \$18.9 million in the six months ended June 30, 2022. The decrease was primarily related to the continued migration of a portion of customer support representative resources from the United States to business process organizations located in Central and South America, resulting in a cost reduction of \$3.9 million, a reduction of employee related costs, resulting in a cost reduction of \$1.2 million and overall lower net operating costs due to a focus on the Realignment, resulting in cost reductions of \$0.6 million. Consistent with the Realignment, operations and support employees were 90 and 137 as of June 30, 2023 and 2022, respectively, and customer support representative full-time employees were 699 and 993 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, operations and support expense decreased by 9%, to 14% in the six months ended June 30, 2023 from 23% in the six months ended June 30, 2022. The decrease was primarily driven by customer support center transformation initiatives consistent with the Realignment.

General and Administrative

General and administrative expense increased by \$4.9 million, or 66%, to \$12.2 million in the six months ended June 30, 2023 from \$7.4 million in the six months ended June 30, 2022. The increase was primarily related to an increase in transaction related expenses of \$5.3 million associated with the planned merger with Otonomo, higher business insurance costs of \$0.3 million based on the external insurance markets and enhanced coverage, an increase in bad debt expense of \$0.2 million, and an increase in travel of \$0.1 million, offset by lower employee related expenses of \$1.3 million. Consistent with the Realignment, general and administrative employees were 54 and 76 as of June 30, 2023 and 2022, respectively.

As a percentage of total revenue, general and administrative expense increased by 4%, to 13% in the six months ended June 30, 2023 from 9% in the six months ended June 30, 2022. The increase was primarily driven by transaction related expenses associated with the planned Merger.

Depreciation and amortization

Depreciation and amortization expense remained relatively flat from the six months ended June 30, 2022 to the six months ended June 30, 2023.

Other Expense, net

Other expense, net remained flat from the six months ended June 30, 2022 to the six months ended June 30, 2023. A \$15.0 million increase in interest expense was offset by \$10.0 million in net gains resulting from changes in the fair values of derivative and warrant liabilities and a \$4.9 million gain on the extinguishment of the Structural Loan Agreement.

Liquidity and Capital Resources

Due to our history of recurring losses from operations, negative cash flows from operations, and our dependency on debt and equity financing to fund operating shortfalls, management concluded that there was substantial doubt about our ability to continue as a going concern. Refer to Note 1 in our interim condensed consolidated financial statements included in Part I, Item 1 of this filing. In addition, our independent registered public accounting firm has included an explanatory paragraph in their audit report for the year ended December 31, 2022 as to the substantial doubt about our ability to continue as a going concern. Our condensed consolidated

financial statements have been prepared in accordance with GAAP, which contemplates that we will continue to operate as a going concern. Our condensed consolidated financial statements do not contain any adjustments that might result if we are unable to continue as a going concern.

As of June 30, 2023, we had \$13.0 million in cash, cash equivalents and restricted cash. Our principal sources of liquidity have historically consisted of financing activities, including proceeds from the issuance of Preferred Stock, borrowings under debt financing arrangements and credit facilities, and operating activities. As of June 30, 2023, our debt balance totaled \$123.1 million with maturity dates through June 2024.

Since inception, we have consistently maintained a working capital deficit, in which our current liabilities exceed our current assets. This is due to the nature of our business model, in that we pay our Service Providers generally within two to three weeks of performance, but our collection cycle is longer for most of our Customer Partners. Our cash needs vary from period to period primarily based on our growth: in periods of fast growth our cash needs are accelerated as we invest into the operations and servicing of new Customer Partners. Our cash needs can also vary from period to period depending upon the gross margin performance we are able to attain. Our primary liquidity needs are to fund working capital requirements, invest into our growth through spending on technology and people, and fund our debt service obligations. We believe factors that could affect our liquidity include our rate of revenue growth, changes in demand for our services, competitive pricing pressures, the timing and extent of spending on research and development and other growth initiatives, our ability to achieve further reductions in operating expenses, and overall economic conditions.

We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies, our competitive position could weaken, and our business and results of operations could be adversely affected. The incurrence of additional debt financing would result in debt service obligations, and any future instruments governing such debt could provide for operating and financing covenants that could restrict our operations. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that our current liquidity is insufficient to fund future activities, we may need to raise additional funds. In the future, we may attempt to raise additional capital through the sale of equity securities or through debt financing arrangements.

Merger Agreement

The Merger Agreement contains customary covenants regarding the conduct of our business prior to the closing of the Merger and contains certain termination rights for us and Otonomo which require, in certain specified circumstances, Otonomo to pay us a termination fee of \$3.0 million or, in a certain circumstance, \$1.5 million. In addition, pursuant to the Merger Agreement, we have agreed, subject to certain exceptions, not to take, authorize, agree or commit to do certain actions outside of the ordinary course of business. We do not believe that the restrictions in the Merger Agreement will prevent us from meeting our debt obligations, ongoing costs of operations, working capital needs, or capital expenditure requirements.

For further discussion about the Merger and the terms of the Merger Agreement, refer to the section titled “Pending Merger” in Note 12 “Subsequent events” of the unaudited condensed consolidated financial statements contained elsewhere in this Quarterly Report on Form 10-Q.

Cash Flows

The following table shows a summary of our cash flows for the periods presented:

	Six Months Ended June 30,	
	2023	2022
	(in thousands)	
Net cash provided by (used in):		
Operating activities	\$ (8,754)	\$ (24,616)
Investing activities	(61)	(197)
Financing activities	14,405	641
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>\$ 5,590</u>	<u>\$ (24,172)</u>

Operating Activities

Net cash used in operating activities for the six months ended June 30, 2023 was \$8.8 million primarily due to a net loss of \$24.2 million, excluding the impact of non-cash expenses totaling \$4.6 million, a decrease in long-term liabilities of \$5.0 million, a decrease in deferred revenue of \$0.3 million, and a decrease in lease liabilities of \$0.4 million. Sources of cash from operating activities resulted primarily from a decrease in accounts receivable of \$4.9 million, an increase in accounts payable of \$1.8 million, an increase in accrued expenses of \$8.7 million, and a decrease in prepaid expenses and other assets of \$1.0 million.

Net cash used in operating activities for the six months ended June 30, 2022 was \$24.6 million primarily due to a net loss of \$39.7 million, excluding the impact of non-cash expenses totaling \$5.6 million, a decrease in deferred revenue of less than \$0.1 million, and a decrease in lease liabilities of \$0.4 million. Sources of cash from operating activities resulted primarily from a decrease in accounts receivable of \$4.0 million, an increase in accounts payable of \$4.9 million, an increase in accrued expenses of \$0.4 million, and a decrease in prepaid expenses and other assets of \$0.6 million.

Investing Activities

Net cash used in investing activities for the six months ended June 30, 2023 and 2022 was less than \$0.1 million and \$0.2 million, respectively, due to purchases of equipment and software.

Financing Activities

Net cash provided by financing activities for the six months ended June 30, 2023 was \$14.4 million due to \$4.7 million in proceeds from the 2023 Notes and \$10.0 million in proceeds on the Structural Loan Agreement, offset by \$0.3 million in payments of deferred financing fees.

Net cash provided by financing activities for the six months ended June 30, 2022 was \$0.6 million due primarily to \$0.6 million in refunds of deferred financing fees.

Contractual Obligations and Commitments

Our principal commitments consist of contractual cash obligations under our credit facilities, long-term debt, and operating leases. Our obligations under our credit facilities and long-term debt are described in Note 6 “*Debt Arrangements*” and for further information on our leases, see Note 11 “*Leases*” of the condensed consolidated financial statements contained elsewhere in this Quarterly Report on Form 10-Q.

Emerging Growth Company Status

As an “emerging growth company,” the JOBS Act allows us to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. We have elected to use this extended transition period under the JOBS Act. As a result, our interim condensed consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our Common Stock less attractive to investors.

Critical Accounting Estimates

Our management’s discussion and analysis of our financial condition and results of our operations is based on our consolidated financial statements and accompanying notes, which have been prepared in accordance with GAAP. Certain amounts included in or affecting the condensed consolidated financial statements contained elsewhere in this Quarterly Report on Form 10-Q and related disclosure must be estimated, requiring management to make assumptions with respect to values or conditions which cannot be known with certainty at the time the consolidated financial statements are prepared.

Management believes that there are no material changes in the critical accounting estimates set forth in the critical accounting estimates section of the Company’s MD&A contained in the Final Prospectus. A “critical accounting estimate” is one which is both important to the portrayal of our financial condition and results of operations and that involves difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

Management evaluates such estimates on an ongoing basis, based upon historical results and experience, consultation with experts and other methods that management considers reasonable in the particular circumstances under which the judgments and estimates are made, as well as management’s forecasts as to the manner in which such circumstances may change in the future. There have been no

material changes to our critical accounting estimates disclosed in the audited consolidated financial statements as of and for the years ended December 31, 2022 and 2021 contained in the Final Prospectus.

Recent Accounting Pronouncements

See Note 2 “*Summary of significant accounting policies*” of the condensed consolidated financial statements contained elsewhere in this Quarterly Report on Form 10-Q for a description of new accounting standards.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates.

Interest Rate Risk

As of June 30, 2023, we had \$123.1 million in debt. Interest on our borrowings under one of the term loans accrues at a variable rate based on the prime rate and is therefore subject to interest rate risk. A hypothetical 10% relative change in interest rates during any of the periods presented would not have had a material impact on our condensed consolidated financial statements.

Foreign Currency Exchange Risk

Our reporting currency is the U.S. dollar, and the functional currency of our foreign subsidiary is also the U.S. dollar. Transactions denominated in foreign currencies other than the U.S. dollar are recorded at the rates of exchange prevailing at the time of the transaction. Exchange differences arising upon settlement of a transaction are reported as gains or losses and are included in other income or expense in the condensed consolidated statement of operations.

The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. We have experienced and will continue to experience fluctuations in foreign exchange gains and losses related to changes in foreign currency exchange rates. In the event our foreign currency denominated assets, liabilities, revenue, or expenses increase, our results of operations may be more greatly affected by fluctuations in the exchange rates of the currencies in which we do business. We have not engaged in the hedging of foreign currency transactions to date, although we may choose to do so in the future.

A hypothetical 10% change in the relative value of the U.S. dollar to other currencies during any of the periods presented would not have had a material effect on our condensed consolidated financial statements.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act). Based on that evaluation, and as a result of the material weakness in internal control over financial reporting described below, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2023, our disclosure controls and procedures were not effective at the reasonable assurance level. In light of this fact, our management has performed additional analyses, reconciliations, and other post-closing procedures and has concluded that, notwithstanding the material weakness in our internal control over financial reporting, the unaudited condensed consolidated financial statements for the periods covered by and included in this Quarterly Report on Form 10-Q fairly state, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with GAAP.

Material Weakness in Internal Controls over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

In connection with the audit of our financial statements for the years ended December 31, 2021 and 2022, management identified one material weakness in our internal control over financial reporting that has not been remediated as of June 30, 2023. The material weakness is related to inadequate segregation of incompatible duties due to the small size of our accounting and finance team.

Remediation Plan

We have made progress toward remediation of the control deficiencies described above. We are in the process of increasing resources within our finance department, including the expansion of our accounting, control and compliance functions to develop and implement continued improvements and enhancements to address the overall deficiencies that led to the material weakness.

Our management believes that these actions will enable us to address the material weakness that was identified in a timely manner and maintain a properly designed and effective system of internal control over financial reporting and provide appropriate segregation of duties. However, this material weakness cannot be considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

Other than the material weakness remediation efforts underway, there were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended June 30, 2023, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting were designed to provide reasonable assurance of achieving their objectives. However, management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Due to inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Item 1. Legal Proceedings.

From time to time, we may become involved in actions, claims, suits and other legal proceedings arising in the ordinary course of our business, including assertions by third parties relating to breaches of contract, employment-related matters or intellectual property infringement as well as governmental and other regulatory investigations and proceedings. We are not currently a party to any actions, claims, suits or other legal proceedings the outcome of which, if determined adversely, would individually or in the aggregate have a material adverse effect on our business, financial condition or results of operations. Future litigation may be necessary to defend ourselves, our partners, and our customers by determining the scope, enforceability, and validity of third-party proprietary rights, or to establish our proprietary rights. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

Item 1A. Risk Factors.

There have been no material changes to our principal risks that we believe are material to our business, results of operations and financial condition, from the risk factors previously disclosed in our Final Prospectus, except as set forth below.

Risks Related to the Merger

The announcement and pendency of the Merger may have an adverse effect on our business results, and our failure to complete the Merger could have a material adverse effect on our business, financial condition and results of operations.

On February 9, 2023, we entered into the Merger Agreement to merge with Otonomo in an all-stock transaction. Completion of the Merger is subject to the satisfaction of customary closing conditions. There is no assurance that all of the various conditions will be satisfied, or that the Merger will be completed on the proposed terms, within the expected timeframe, or at all.

The Merger may be delayed, and may ultimately not be completed, due to a number of factors, including:

- the failure to obtain regulatory approvals from various governmental entities (or the imposition of any conditions, limitations or restrictions on such approvals);
- potential future stockholder litigation and other legal and regulatory proceedings, which could delay or prevent the Merger; and
- the failure to satisfy the other conditions to the completion of the Merger.

If the Merger does not close, we may suffer other consequences that could adversely affect our business, financial condition and operating results, and our stockholders would be exposed to additional risks, including:

- stockholder litigation could be brought against us, relationships with existing and prospective customers, service providers, investors, lenders and other business partners may be adversely impacted, we may be unable to retain key personnel, and our operating results may be adversely impacted due to costs incurred in connection with the Merger; and
- any disruptions to our business resulting from the announcement and pendency of the Merger, including adverse changes in our relationships with customers, suppliers, partners and employees, may continue or intensify in the event the Merger is not consummated or is significantly delayed.

There can be no assurance that our business, relationships with other parties, liquidity or financial condition will not be adversely affected, as compared to prior to the announcement of the Merger, if the Merger is not consummated. Even if successfully completed, there are certain risks to our stockholders from the Merger, including that we may experience a departure of employees prior to the closing of the Merger.

While the Merger is pending, we are subject to business uncertainties and contractual restrictions that could harm our business relationships, financial condition, operating results, and business.

During the period prior to the closing of the Merger and pursuant to the terms of the Merger Agreement, our business is exposed to certain inherent risks and contractual restrictions that could harm our business relationships, financial condition, operating results, and business, including:

- potential uncertainty in the marketplace, which could lead to the loss of actual or prospective Customer Partners, Service Providers or Consumers;
- difficulties maintaining existing and/or establishing business relationships, including business relationships with significant Customer Partners and Service Providers;
- the possibility of disruption to our business and operations resulting from the announcement and pendency of the Merger, including diversion of management attention and resources;
- the inability to attract and retain key personnel and recruit prospective employees, and the possibility that our current employees could be distracted, and their productivity decline as a result, due to uncertainty regarding the Merger;
- the inability to pursue alternative business opportunities or make changes to our business pending the completion of the Merger, and other restrictions on our ability to conduct our business;
- the amount of the costs, fees, expenses and charges related to the Merger Agreement and the Merger, which may materially and adversely affect our financial condition; and
- other developments beyond our control, including, but not limited to, changes in domestic or global economic conditions that may affect the timing or success of the Merger.

If any of these effects were to occur, it could materially and adversely impact our business, cash flow, financial condition or results of operations and our perceived value, regardless of whether the Merger is completed.

Litigation may arise in connection with the Merger, which could be costly, prevent consummation of the Merger, divert management's attention and otherwise materially harm our business.

Regardless of the outcome of any future litigation related to the Merger, such litigation may be time-consuming and expensive and may distract our management from running the day-to-day operations of our business. The litigation costs and diversion of management's attention and resources to address the claims and counterclaims in any litigation related to the Merger may materially adversely affect our business, financial condition, and results of operations. If the Merger is not consummated for any reason, litigation could be filed in connection with the failure to consummate the Merger. Any litigation related to the Merger may result in negative publicity or an unfavorable impression of us, which could adversely affect the future price of our common stock, impair our ability to recruit or retain employees, damage our relationships with our Customer Partners, Service Providers, Consumers and other business partners, or otherwise materially harm our operations and financial performance.

Risks Related to Our Operations

Weather events, natural disasters and other events beyond our control could adversely affect our business.

Our business and operations, and the business and operations of our Customer Partners and Service Providers, could be materially and adversely affected in the event of earthquakes, floods, fires, inclement weather, other weather events, telecommunications failures, blackouts, or other power losses, break-ins, acts of terrorism, wars and other armed conflicts, including Hamas' attack against Israel and the ensuing war, political or geopolitical crises, public health crises, pandemics or endemics, or other catastrophic events. Our business would be especially adversely impacted if such events were to occur during peak automotive travel periods, particularly if such events were to prevent Service Providers from reaching Consumers.

Weather events have in the past had, and may continue to have, an adverse impact on our business and ability to complete requests for roadside assistance. We consider potential risks related to weather as part of our operations strategy and have business continuity and disaster recovery plans in place. However, they may not adequately protect us from serious disasters and adverse impacts, including the ability of our network of Service Providers to remain operational during such events. In addition, climate change events could have an impact on critical automotive infrastructure in the United States and internationally, which has the potential to disrupt our business, our Service Providers, or the business of our Customer Partners. During weather events we may be unable to maintain full operations in the affected area, and following such events we experience surges in demand that our network of Service Providers may be unable to meet. As a result, we may experience increased out-of-network costs during weather events to complete requests for roadside assistance, and in the future we may incur additional costs to bolster operations in often-impacted areas.

We have operations all over North America, and our operations in California, Texas and Florida have recently been exposed to extreme weather events. For example, in 2021 our network of Service Providers in Texas was unable to meet Consumer demand for roadside assistance during a significant power outage caused by a winter storm. The recent trends in hurricanes over the Gulf Coast has increased the volume of totaled vehicles, and we are often unable to meet the surges in demand for roadside and mobility assistance that follow such extreme weather events. our network of Service Providers in California has also been impacted during

recent historic wildfires, during which Service Providers cannot access Consumers in need of roadside assistance and after which there is a surge in demand relating to abandoned cars.

Further, if floods, fire, inclement weather including extreme rain, wind, heat, or cold, or accidents due to human error were to occur and cause damage to our properties or Service Providers' properties, or if our operations were interrupted by telecommunications failures, blackouts, acts of terrorism, wars and other armed conflicts, political or geopolitical crises, or public health crises, our results of operations would suffer.

We are also limited, from time to time, in our ability to complete Consumer requests as a result of restrictions placed on certain roadways in the United States, which prohibit non-police vehicles from responding to requests for roadside assistance.

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

In May 2023, in connection with an extension of a secured loan facility, we issued warrants to purchase 1,325 shares of common stock to one lender with an exercise price of \$0.01 per share. The warrant coverage is variable based on the occurrence of certain transactions.

The foregoing transaction did not involve any underwriters, underwriting discounts or commissions, or any public offering. We believe the offer, sale and issuance of the above securities were exempt from registration under the Securities Act (or Regulation D or Regulation S promulgated thereunder) by virtue of Section 4(a)(2) of the Securities Act because the issuance of securities to the recipients did not involve a public offering, or in reliance on Rule 701 because the transactions were pursuant to compensatory benefit plans or contracts relating to compensation as provided under such rule. The recipient of the securities in this transaction represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificate issued in this transaction. The recipient had adequate access, through its relationship with us, to information about us. The sale of these securities was made without any general solicitation or advertising.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Amendment to Certificate of Incorporation; Reverse Stock Split

On July 28, 2023, after obtaining approval by our stockholders, we filed with the Secretary of State of the State of Delaware a Certificate of Amendment to our Certificate of Incorporation to effect the Reverse Stock Split of our common stock, par value \$0.001 per share, and our Series C preferred stock, par value \$0.001 per share. At the effective time of the Reverse Stock Split, each 90 outstanding shares of common stock and each 90 outstanding shares of Series C preferred stock was exchanged and combined into one share of common stock and one share of Series C preferred stock, respectively. After giving effect to the Reverse Stock Split, the total number of authorized shares of stock is (i) 600,000,000 shares of common stock, \$0.001 par value per share, and (ii) 160,000 shares of preferred stock, \$0.001 par value per share.

As a result of the Reverse Stock Split, proportionate adjustments were also made to the per share exercise price and number of shares issuable upon the exercise or vesting of all stock options and restricted stock units issued by us and outstanding immediately prior to the effective time of the Reverse Stock Split, which resulted in a proportionate decrease, using the 1-for-90 ratio rounded down to the nearest whole share, in the number of shares of our common stock reserved for issuance upon exercise or vesting of such stock options and restricted stock units, and, in the case of stock options, a proportionate increase, using the 1-for-90 ratio, in the exercise price of all such stock options, rounded up to the nearest whole cent. In addition, the number of shares authorized for future grant under our equity incentive plans immediately prior to the effective time of the Reverse Stock Split were reduced proportionally, using the 1-for-90 ratio rounded down to the nearest whole share.

The Reverse Stock Split also reduced the number of shares of our common stock issuable upon the exercise of our outstanding warrants and convertible notes, and caused a proportionate increase in the exercise price of the warrants. The warrants and convertible

notes were proportionally adjusted as a result of the Reverse Stock Split in accordance with the terms of such warrants and convertible notes, respectively.

Appointment of New Director

On September 22, 2023, Suzie Doran was appointed to our Board of Directors, effective immediately, to serve as a Class II director with a term of office expiring at our annual meeting of stockholders to be held in 2025. Our Board of Directors determined that Ms. Doran meets the requirements for independence under the applicable listing standards of the Nasdaq Stock Market LLC and the Exchange Act.

Concurrent with her appointment to the Board, Ms. Doran was appointed to serve as the chair of the audit committee of the Board. In addition, the Board has determined that Ms. Doran is an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K under the Securities Act of 1933, as amended.

Ms. Doran is a partner at SingerLewak, an accounting firm, where she has served since 2008. Prior to joining SingerLewak, Ms. Doran was a senior manager at Grant Thornton, LLP from 2004 to 2008, and previously worked at PwC from 1997 to 2004. Ms. Doran also currently serves on the executive committee of the board of directors of ACG Global as the chairman of finance. Ms. Doran received a B.A. in English and Economics with an emphasis in accounting from the University of California at Santa Barbara.

In accordance with our Outside Director Compensation Policy, for her service as a non-employee director Ms. Doran will be paid an annual director cash retainer of \$50,000 in addition to any committee fees. Ms. Doran will also be granted restricted stock units with a total value of \$300,000 that vest in equal 1/3 installments with the first installment vesting on the earlier of (i) the one-year anniversary of the date the award is granted or (ii) the day prior to the date of the Company's annual stockholder's meeting next following the date the award is granted (such earlier date, the "Initial Vesting Date"), and the second and third installments vesting on the first and second anniversaries of the Initial Vesting Date, in each case, subject to Ms. Doran's continued service on the Board of Directors of the Company through the applicable vesting date.

There are no arrangements or understandings between Ms. Doran and any other persons pursuant to which Ms. Doran was appointed a director of the Company, and there are no family relationships between Ms. Doran and any other director or executive officer of the Company.

The Company has entered into its standard form of indemnification agreement with Ms. Doran, a copy of which is filed as Exhibit 10.5 to the Company's Registration Statement on Form S-4 filed on June 22, 2023. Other than the indemnification agreement, Ms. Doran does not have any direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K promulgated under the Exchange Act, nor are any such transactions currently proposed.

Warrant Amendments

In connection with the Merger, on October 16, 2023, the Company entered into agreements to amend and restate all outstanding warrants held by Structural Capital. The warrants provided for warrant coverage that was variable based on the occurrence of certain events or calculated as a percentage of the Company's outstanding capitalization, and each warrant was amended and restated to, among other things, revise the calculations for determining the number of shares exercisable under the warrants to provide for a fixed share count that reflected the Merger and the transactions contemplated thereby.

In addition, on October 18, 2023, the Company entered into agreements to amend and restate all outstanding warrants to purchase shares of the Company's common stock with the Highbridge Capital consortium. The warrants provided for warrant coverage that was calculated as a percentage of the Company's outstanding capitalization, and each warrant was amended and restated to, among other things, revise the calculations for determining the number of shares exercisable under the warrants to provide for a fixed share count that reflected the Merger and the transactions contemplated thereby, and to provide for automatic net exercise of the warrants in connection with the closing of the Merger and consummation of the transactions contemplated thereby.

The foregoing description of the amendments to the warrants is subject to, and qualified in its entirety by, the documents attached hereto as Exhibits 4.2, 4.3, 4.5, 4.7, and 4.8, respectively, which are incorporated herein by reference.

Item 6. Exhibits.

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

<u>Exhibit Number</u>	<u>Description</u>
2.1	<u>Agreement and Plan of Merger, dated as of February 9, 2023, by and among Urgent.ly Inc., O.U Odyssey Merger Sub Ltd., and Otonomo Technologies Ltd (incorporated by reference from Exhibit 2.1 to the registrant's Registration Statement on Form S-4 filed on May 15, 2023).</u>
3.1	<u>Amended and Restated Certificate of Incorporation of Urgent.ly Inc., as currently in effect (incorporated by reference from Exhibit 3.1 to the registrant's Post-Effective Amendment to the Registration Statement on Form S-4 filed on August 14, 2023).</u>
3.2	<u>Bylaws of Urgent.ly Inc., as amended, as currently in effect (incorporated by reference from Exhibit 3.2 to the registrant's Registration Statement on Form S-4 filed on May 15, 2023).</u>
4.1†	<u>Amended and Restated Investor Rights Agreement by and among Urgent.ly Inc. and certain of its stockholders, dated July 12, 2022 (incorporated by reference from Exhibit 4.1 to the registrant's Registration Statement on Form S-4 filed on May 15, 2023).</u>
4.2*	<u>Form of 2018 Warrant Agreement between Urgent.ly Inc. and certain affiliates of Structural Capital, as amended.</u>
4.3*	<u>Form of 2019 Warrant Agreement between Urgent.ly Inc. and certain affiliates of Structural Capital, as amended.</u>
4.4	<u>Form of 2019 Convertible Note Warrant between Urgent.ly Inc. and certain investors (incorporated by reference from Exhibit 4.4 to the registrant's Amendment No. 1 to the Registration Statement on Form S-4 filed on June 22, 2023).</u>
4.5*	<u>Form of Warrant Agreement between Urgent.ly Inc. and certain affiliates of Highbridge, as amended.</u>
4.6	<u>Form of Warrant to Purchase Common Stock between Urgent.ly Inc. and Silicon Valley Bank dated May 8, 2020 (incorporated by reference from Exhibit 4.6 to the registrant's Amendment No. 1 to the Registration Statement on Form S-4 filed on June 22, 2023).</u>
4.7*	<u>Form of 2021 Warrant Agreement between Urgent.ly Inc. and certain affiliates of Structural Capital, as amended.</u>
4.8*	<u>Form of 2023 Warrant Agreement between Urgent.ly Inc. and certain affiliates of Structural Capital, as amended.</u>
10.1†	<u>Second Amendment to Second Amended and Restated Loan and Security Agreement, dated as of May 18, 2023, by and among Structural Capital Investments III, LP, Series Structural DCO II series of Structural Capital DCO, LLC and CEOF Holdings LP, Ocean II PLO LLC as administrative and collateral agent, Urgent.ly Inc., and certain subsidiaries of Urgent.ly Inc. party thereto from time to time (incorporated by reference from Exhibit 10.1 to the registrant's Amendment No. 1 to the Registration Statement on Form S-4 filed on June 22, 2023).</u>
10.2†	<u>Third Amendment to Loan and Security Agreement, dated as of May 18, 2023, by and among Urgent.ly Inc., certain subsidiaries of Urgent.ly Inc., Alter Domus (US) LLC as administrative and collateral agent, and each of the lenders from time to time party thereto (incorporated by reference from Exhibit 10.3 to the registrant's Amendment No. 1 to the Registration Statement on Form S-4 filed on June 22, 2023).</u>
31.1*	<u>Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*	<u>Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*	<u>Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

† Certain of the exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Registrant agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

URGENTLY INC.

AMENDED AND RESTATED WARRANT TO PURCHASE STOCK

No. SC-__ Originally Issued May 7, 2018
Amended and Restated October __, 2023

THIS CERTIFIES THAT, for value received, _____ or its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Urgent.ly Inc., a Delaware corporation (the “**Company**”), a number of fully paid and non-assessable shares of Stock equal to the Warrant Coverage, at such times and at the price per share set forth herein.

This Amended and Restated Warrant to Purchase Common Stock (this “**Warrant**”) amends and restates the Warrant to Purchase Stock originally issued on May 7, 2018, as amended October 29, 2018, as further amended July 12, 2022, in connection with that certain Second Amended and Restated Loan and Security Agreement, dated July 12, 2022, by and among the Company, the lenders from time to time party thereto (including the Holder) (the “**Lenders**”) and Ocean II PLO LLC, as administrative and collateral agent for Lenders (as amended through the date hereof or hereafter, the “**Loan Agreement**”).

The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein.

The following is a statement of the rights of Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. Definitions; Number and Price of Shares of Stock. Capitalized terms used but not defined herein shall have the meaning provided in the Loan Agreement.

(a) “**Charter**” shall mean the Company’s certificate of incorporation filed with the Delaware Secretary of State, as amended from time to time.

(b) “**Common Stock**” shall mean the Common Stock of the Company.

(c) “**Company**” shall have the meaning provided in the preamble.

(d) **“Date of Issuance”** shall mean May 7, 2018.

(e) **“Exercise Price”** shall mean as of the date this Warrant is exercised (i) if the Warrant is exercised to purchase Common Stock, \$0.01, and (ii) if the Warrant is exercised to purchase Future Round Stock, the lowest issuance price the Company receives per share of such Future Round Stock (or in the event of conversion of 2022 Convertible Notes, the lower of (y) \$3.66191 per share and (z) the lowest price per share at which the Company issues a share of Series C Preferred Stock (excluding (A) the issuance on or before August 31, 2022 of Series C Preferred Stock in connection with the Recapitalization, (B) the exercise of any warrants to acquire Series C Preferred Stock issued to holders of the 2021 Convertible Notes as contemplated in the Recapitalization, and (C) the exercise of warrants numbered SC-05, SC-06, SC-07 and SC-08 issued by the Company in connection with the Amended and Restated Loan and Security Agreement dated as of December 16, 2021 by and among the Company, Ocean II PLO LLC and the lender parties thereto)), in the case of (ii), as adjusted for stock splits, stock combinations and the like; provided however, that if this Warrant is exercised for Future Round Stock in connection with a Merger Event, SPAC Transaction, Direct Listing or the IPO, the Exercise Price shall be the lower of the amount listed above and 40% of the effective price per share in the Merger Event, SPAC Transaction, Direct Listing or IPO.

(f) **“Fully Diluted Capitalization”** shall mean, as of the time any determination is made, the issued and outstanding capital stock of the Company on an as converted to Common Stock basis after giving effect to (i) the exercise, conversion and exchange of all options, warrants and all other securities convertible into, or exercisable or exchangeable for, shares of Common Stock, and (ii) the issuance of all shares of capital stock reserved under any incentive plan; provided that, in the event that the Warrant is exercised in connection with the Otonomo Acquisition, the Fully Diluted Capitalization shall exclude (x) the conversion of any 2022 Notes (as defined in the Otonomo Merger Agreement) that remain outstanding following the 2022 Note Conversions (as defined in the Otonomo Merger Agreement) and are not being converted in connection with the Otonomo Acquisition and (y) shares of Common Stock reserved, but neither issued nor the subject of outstanding awards, under the Company’s 2023 Equity Incentive Plan and the Company’s 2023 Employee Stock Purchase Plan.

(g) **“Future Round Stock”** shall mean (i) shares of any series of Preferred Stock (including without limitation, the Series C Preferred Stock) sold or issued by the Company in an arms-length financing after August 31, 2022 resulting in gross proceeds of at least \$1,000,000, or (ii) shares of Series C Preferred Stock if at least \$1,000,000 in principal amount of the 2022 Convertible Notes converts into shares of Series C Preferred Stock while this Warrant is outstanding. For the avoidance of doubt, the Series C Preferred Stock that is issued upon conversion or exercise of the 2021 Convertible Notes or any warrants to acquire Series C Preferred Stock issued to holders of the 2021 Convertible Notes as contemplated in the Recapitalization shall not constitute Future Round Stock as a result of such issuance.

(h) **“Holder”** shall have the meaning provided in the preamble.

(i) **“IPO”** shall have the meaning provided in Section 2(b)(i).

(j) **“Loan Agreement”** shall have the meaning provided in the preamble.

(k) **“Merger Event”** shall mean any transaction or series of related transactions involving (i) the consummation of the sale, lease, exclusive license or other transfer of all or substantially all assets of the Company, or (ii) the consummation of any merger, acquisition or consolidation involving the Company in which (A) the Company is not the surviving entity (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), (B) the holders of a majority of the capital stock the Company prior to such transaction are no longer the holders of a majority of the capital stock after such transaction (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), or (C) the

outstanding shares of the Company's capital stock are otherwise converted into or exchanged for shares of preferred stock, other securities or property of another entity.

(l) "**Otonomo Exercise Conditions**" shall mean (i) the consummation of the Otonomo Acquisition pursuant to the Otonomo Merger Agreement and (ii) the completion of the Direct Listing occurring substantially concurrently with the Otonomo Acquisition.

(m) "**Rights Agreement**" shall mean that certain Amended and Restated Investors' Rights Agreement by and among the Company and the Investors named therein dated July 11, 2022.

(n) "**Securities Act**" shall mean the Securities Act of 1933, as amended.

(o) "**Stock**" shall mean, at Holder's written election in connection with the initial exercise of this Warrant, either (i) Common Stock, or (ii) Future Round Stock.

(p) "**Underlying Securities**" shall mean the Stock and the shares of Common Stock or other securities or properties issuable upon conversion thereof.

(q) "**Warrant**" shall have the meaning provided in the preamble.

(r) "**Warrant Coverage**" shall mean (i) if the Otonomo Exercise Conditions have not been satisfied, [_____] % of the Fully Diluted Capitalization of the Company calculated at the time the Warrant is exercised and (ii) if the Otonomo Exercise Conditions have been satisfied, a number of shares of Common Stock equal to [_____] % of the Fully Diluted Capitalization of the Company calculated as of immediately prior to the Otonomo Acquisition.

(s) "**Direct Listing**" means the Company's initial listing of its Common Stock on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale to the general public.

(t) "**Parent**" means that certain SPAC that is organized under the laws of any state of the United States or the District of Columbia (after giving effect any domestication occurring simultaneously with any SPAC Transaction) and which has Equity Interests listed on a nationally recognized stock exchange in the United States which, upon the consummation of a SPAC Transaction, owns, directly or indirectly, 100% of the Equity Interests of the Company.

(u) "**Preferred Stock**" shall mean any class or series of the Company's capital stock other than the class of Common Stock in existence on July 11, 2022.

(v) "**Recapitalization**" shall mean the transactions associated with the Company's July 2022 amendment of credit agreements and associated issuance of the 2022 Convertible Notes (including any stock issuance, warrant issuance or amendment, or subsequent exchange and/or exercise of such warrants).

(w) "**Series C Preferred Stock**" means the Series C Preferred Stock of the Company into which the 2022 Convertible Notes are convertible.

(x) "**SPAC**" means a company with no commercial operations that is formed to raise capital through a public offering for the purpose of acquiring an existing company, which for the avoidance of doubt, is deemed to be a "blank check" company under applicable U.S. securities laws.

(y) “**SPAC Transaction**” means, collectively, (i) a transaction or a series of related transactions (whether by merger, consolidation, reorganization, business combination or otherwise) with a SPAC in which the outstanding shares of capital stock of the Company, a Parent or any Affiliate thereof or successor thereto are exchanged for or otherwise converted into, or otherwise become securities that are publicly listed on a U.S. national securities exchange.

(z) “**2022 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$30,000,000 Series 2022A convertible debt offering.

(aa) “**2021 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$39,957,477 Series 2021A convertible debt offering.

2.Exercise of the Warrant.

(a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of Holder at any time after the Date of Issuance until the end of the period specified in Section 7, in whole or in part, by:

(i)the tender to the Company at its principal office (or such other office or agency as the Company may designate in writing) of (A) a notice of exercise in the form of **Exhibit A** (the “**Notice of Exercise**”), duly completed and executed by or on behalf of Holder, and (B) the surrender of this Warrant; and

(ii)the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of shares of Stock being purchased, by wire transfer, setoff from amounts the Company owes Holder pursuant to the Loan Agreement, or certified cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Net Issue Exercise.** In lieu of exercising this Warrant pursuant to Section 2(a)(ii), if the Fair Market Value per Share (as defined below) is greater than the Exercise Price (at the date of calculation as set forth below), Holder may elect to receive a number of shares of Stock equal to the value of this Warrant (or of any portion of this Warrant being canceled) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate) together with a properly completed and executed Notice of Exercise, in which event the Company shall issue to Holder that number of shares of Stock computed using the following formula:

$$X = \frac{Y (A - B)}{A}$$

Where:

X = The number of shares of Stock to be issued to Holder

Y = The number of shares of Stock purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = The fair market value of one share of Stock (at the date of such calculation)

B = The Exercise Price (at the date of such calculation)

For purposes of the calculation above, the “**Fair Market Value per Share**” as of any date shall mean (i) if the Common Stock is then traded on a nationally recognized securities exchange (a “**Trading Market**”), the closing price or last resale price of a share of Common Stock reported for the trading day immediately before the date on which Holder delivers this Warrant together with this Notice of Exercise to the Company and (ii) if the Common Stock is not then traded on a Trading Market, then an amount per share of Common Stock issued or issuable pursuant to this Warrant equal to the Fair Market Value (as defined below) of the Company as of such date divided by the Fully Diluted Capitalization as of such date.

For purposes of this Section 2(b), the Board of Directors of the Company shall determine the “**Fair Market Value**” in good faith and taking into account the Company’s most recent valuation; provided, however, that in the event that this Warrant is exercised pursuant to this Section 2(b) in connection with the Company’s initial public offering of Common Stock (an “**IPO**”), the Fair Market Value shall be the per share offering price to the public in the IPO multiplied by the Fully Diluted Capitalization as of the date of the IPO; provided, further, that, if the Direct Listing is effectuated in connection with the Otonomo Acquisition, then the Fair Market Value shall be the lesser of (1) \$271,000,000, plus the Company’s cash-on-hand and cash equivalents, minus the aggregate outstanding Indebtedness owed to the Junior Lenders under the Loan Documents, the Lenders under the Loan Agreement, and other outstanding borrowed money indebtedness of the Company incurred outside of the ordinary course of business, in each case, measured immediately prior to the consummation of the Otonomo Acquisition, and (2) the definition of Aggregate Valuation in the Otonomo Merger Agreement; provided, further, that if the Warrant is exercised in connection with a Merger Event, the entirety of the cash and value of the property that could potentially be paid or distributed to the Company’s stockholders (in their capacities as such) in connection with such transaction including any earn outs, holdbacks or other contingent consideration (whether or not actually received) shall be the basis for determining Fair Market Value of the Stock.

(c) **Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Stock issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Stock issuable upon such exercise shall be treated for all purposes as the holder of record of such Stock as of the close of business on such date, and, as promptly as reasonably practicable on or after such date, but in no event greater than ten (10) Business Days if the Stock is not traded on any securities exchange or two (2) Business Days if the Stock is traded on any securities exchange, the Company shall deliver a certificate evidencing such Stock and cause appropriate book entries to be made in its records to reflect the same.

(d) **No Fractional shares of Stock or Scrip.** No fractional shares of Stock shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional share of Stock to which Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(e) **Reservation of shares of Stock.** Company agrees during the term the rights under this Warrant are exercisable to take all reasonable action to reserve and keep available from its authorized and unissued Common Stock (or Future Round Stock, as the case may be) for the purpose of effecting the exercise of this Warrant such number of shares of Stock (and Common Stock for issuance on conversion of Future Round Stock, as applicable) as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued Common Stock, or Future Round Stock, as the case may be (and Common Stock for issuance on conversion of Future Round Stock, as applicable) shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms, without limitation of such other remedies as may be available to Holder, the Company shall increase its authorized and unissued Common Stock or Future Round Stock, as the case may be (and

Common Stock for issuance on conversion of Future Round Stock, if applicable) to a number of shares of Stock as shall be sufficient for such purposes.

(f) **Replacement of the Warrant.** Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. **Transfer of the Warrant.**

(a) **Warrant Register.** The Company shall maintain a register (the “**Warrant Register**”) containing the name and address of Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary, provided however, that the Company shall promptly record the transfer of this Warrant on the Warrant Register upon receipt of written notification of such transfer made as allowed in this Warrant. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the shares of Stock or other securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to the provisions of this Warrant and the Securities Act, this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as Exhibit C (the “**Assignment Form**”)) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act, the Company shall issue to or on the order of Holder a new warrant or warrants of like tenor without charge, in the name of Holder or as Holder (on payment by Holder of any applicable transfer taxes) may direct, for the number of shares of Stock issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Transfer Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable. The Company shall not otherwise charge any fee in connection with any such transfer.

5. **Restrictions on Transfer of the Warrant and shares of Stock; Compliance with Securities Laws.** By acceptance of this Warrant, Holder agrees to comply with the following:

(a) **Restrictions on Transfers of Warrants.** This Warrant may be transferred by Holder in whole or in part to as long as such transfer is made in accordance with the Securities Act upon written notice to the Company, such notice containing the portion of the Warrant being transferred with the name, address and taxpayer identification number of the transferee. By its acceptance of this Warrant, such transferee that becomes a Holder hereby makes to the Company each of the representations and warranties set forth in Section 12 hereof and agrees to be bound by all of the covenants, terms and conditions of this Warrant as if the original Holder hereof. Holder hereby agrees to surrender this Warrant to the Company for reissuance to the transferee(s). Notwithstanding the foregoing, so long as no default shall have occurred and is continuing under the Loan Agreement or this Warrant, Holder shall not assign this Warrant or any portion of this Warrant to any Person who in the reasonable estimation of Holder is a direct competitor of the Company, whether as an operating company or direct or indirect parent with voting control over such operating company or to a “vulture” hedge fund.

(b) **Securities Law Legend.** This Warrant and its underlying securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped, imprinted, or electronically notated with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(c) **Instructions Regarding Transfer Restrictions.** Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(d) **Removal of Legend.** The legend referring to federal and state securities laws identified in Section 5(b) stamped on any certificate evidencing the shares of Stock (and the Common Stock issuable upon conversion thereof) shall be removed and the Company shall issue a certificate without such legend to Holder of such securities (i) in connection with sale of such securities that has been registered under the Securities Act pursuant to an effective registration statement, or (ii) if such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

6. **Adjustments and Related Rights.** The number and kind of shares of Stock purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be Merger Event, then, prior to closing of such Merger Event, lawful provision shall be made so that Holder shall thereafter be entitled to receive at its election, upon exercise of this Warrant, (i) the number of shares of Stock or Underlying Securities that Holder would have received in connection with such Merger Event if Holder had exercised this Warrant immediately prior to the Merger Event, or (ii) the number of shares of stock or other equity

interests Holder would be entitled to receive if the surviving entity in such Merger Event assumed this Warrant. In any such case, appropriate adjustment (as determined in good faith by the Company's Board of Directors and reasonably acceptable to Holder) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of Holder after the Merger Event to the end that the provisions of this Warrant (including adjustments of the Exercise Price, the ability of Holder to elect the class and series of Stock as set forth in the definition thereof, and adjustments to ensure that the provisions of this Section 6 shall thereafter be applicable, as nearly as possible, to the purchase rights under this Warrant in relation to any Underlying Securities thereafter acquirable upon exercise of such purchase rights) shall continue to be applicable in their entirety, as near as reasonably may be. In connection with a Merger Event and upon Holder's written election to the Company, the Company shall cause this Warrant to be exchanged for the consideration that Holder would have received if Holder had chosen to exercise its right to have shares issued pursuant to the Net Issuance provisions of this Warrant without actually exercising such right, acquiring such shares and exchanging such shares for such consideration. The provisions of this Section 6(a) shall similarly apply to successive Merger Events.

(b) **Reclassification of Stock.** Except for Merger Events subject to Section 6(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Warrant immediately prior to such combination, reclassification, exchange, subdivision or other change; provided to the extent the Holder has the right to elect to receive upon exercise either Common Stock or Future Round Stock, the adjustment under this Section (b) shall apply solely to the class and series of Stock that has been so combined, reclassified, exchanged or subdivided and shall not impair Holder's right to elect to exercise the purchase rights for any other class or series of Stock. The provisions of this Section 6(b) shall similarly apply to any successive combination, reclassification, exchange, subdivision or other change.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Common Stock or Future Round Stock, as the case may be, are subdivided (by stock split, by payment of a stock distribution or otherwise) into a greater number of shares of Stock, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding Common Stock or Future Round Stock, as the case may be, are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Adjustments for Diluting Issuances.** Without duplication of any adjustment otherwise provided for in this Section 6, the number of shares of Common Stock or other securities issuable upon conversion of the Stock shall be subject to the anti-dilution adjustment and protective provisions in accordance with the Charter. To the extent permitted under applicable law, the Stock and the Underlying Securities shall not be subject to any "pay-to-play" provisions required under the Charter or otherwise, in order to achieve the benefits of this Section (d). The anti-dilution rights set forth in the Charter shall not be restated, amended or modified in any manner which affects Holder's rights adversely and differently than all other holders of Stock without Holder's consent. The Company shall provide Holder with any restatement, amendment or modification to the Charter promptly after the same has been made.

(e) **Notice of Adjustments.** If: (i) the Company shall declare any dividend or distribution upon its stock, whether in stock, cash, property or other securities or offer for subscription *pro rata* to

holders of its securities any additional securities; (ii) there shall be any Merger Event; (iii) there shall be an IPO; (iii) the Company shall sell, lease, license or otherwise transfer all or substantially all of its assets; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall send to Holder: (A) at least ten (10) days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such event described in (i), (ii) or (iii), above, (specifying the date on which Holders of the Company's securities shall be entitled thereto) or for determining rights to vote in respect of such event or for exchanging shares of stock for securities or other property deliverable upon such event); and (B) in the case of an IPO, the Company shall give Holder at least thirty (30) days' written notice prior to the effective date thereof. Any such notice shall state the event giving rise to the adjustment, including adjustment of the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of Holder, furnish or cause to be furnished to Holder a certificate setting forth (x) such adjustments, (y) the Exercise Price at the time in effect and (z) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

(f) **IPO.** If the Company shall effect an IPO, which results in the conversion of the Stock into Common Stock (or any other class or series of shares) pursuant to the provisions of the Charter in effect immediately prior to or upon such offering, then, effective upon such offering, this Warrant shall change from the right to purchase Stock to the right to purchase Common Stock (or such other class or series of shares, if applicable), and Holder shall thereupon have the right to purchase, at a total price equal to that payable upon the exercise of this Warrant in full, the number of Common Stock (or such other class or series of shares, if applicable) which would have been receivable by Holder upon the exercise of this Warrant for Stock immediately prior to such conversion of such Stock into Common Stock (or such other class or series of shares, if applicable), and in such event appropriate provisions shall be made with respect to the rights and interest of Holder to the end that the provisions hereof (including, without limitation, the provisions for the adjustment of the Exercise Price and of the number of shares of Stock purchasable upon exercise of this Warrant and the provisions relating to the net issue election) shall thereafter be applicable to Common Stock (or such other class or series of shares, if applicable) deliverable upon the exercise hereof.

(g) **Information Rights; Confidentiality.** For as long as Holder holds this Warrant or the Stock issuable upon exercise hereof (including any Underlying Securities), the Company shall deliver Holder the Company's quarterly financial statements and a current capitalization table within 45 days of the end of each quarter or sooner if available, and its annual financial statements within 210 days of the end of each fiscal year or sooner if available; *provided*, in each case, that such Holder shall be subject to the same confidentiality obligations set forth in Section 13.12 of the Loan Agreement. Notwithstanding the foregoing, the Company shall have no separate obligation hereunder to deliver to Holder any information the substantial equivalent of which shall have been provided to Holder pursuant to the Loan Agreement or, after an IPO, available through timely made publicly available filings with the Securities and Exchange Commission.

7.Expiration of the Warrant. This Warrant shall no longer be exercisable upon the later of (i) as of 5:00 p.m., Pacific time, on May 7, 2028, or (ii) the date that is three years following the closing of the IPO.

8.Automatic Cashless Exercise upon Expiration. In the event that, upon the expiration of this Warrant, the fair market value of one share of Stock (or other security issuable upon the exercise hereof) as determined in accordance with Section 2(b) above is greater than the Exercise Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 2(b) above as to all shares of Stock (or such other securities) for which it shall not previously have been exercised at the Exercise Price for the most recently issued class or series of Stock, and the Company shall,

within a reasonable time, but in no event greater than three (3) Business Days, deliver to Holder a certificate representing the shares of Stock (or such other securities) issued upon such exercise.

9. Market Stand-off. Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the initial registration by the Company of shares of its Common Stock in connection with the IPO pursuant to a registration statement on Form S-1, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock (whether such shares or any such securities are then owned by the Holder or are thereafter acquired) or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 9 shall apply only to an IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall be applicable to the Holder only if all officers, directors and stockholders owning one percent (1%) of more of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock) are also subject to the same restrictions and remain subject to such restrictions for the entirety of such market stand-off period. The underwriters in connection with such registration are intended third party beneficiaries of this Section 9 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 9.

10. No Rights as Stockholder. Nothing contained herein shall entitle Holder to any rights as a share of stockholder of the Company or to be deemed Holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon Holder, as such, any right to vote for the election of directors or upon any matter submitted to share of stockholders at any meeting thereof, or to give or withhold consent to any action (whether upon any recapitalization, issuance of shares of Stock, reclassification of shares of Stock, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive distributions or subscription rights or any other rights of a share of stockholder of the Company until the rights under the Warrant shall have been exercised and the shares of Stock purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

11. Representations and Warranties of the Company. Company represents, warrants and covenants to the Company as follows:

(a) **Capitalization: Issuance.** The authorized capital stock of the Company consists of 600,000,000 shares of Common Stock, 154,791 of which are issued and outstanding, and 160,000 shares of Series C Preferred Stock, 154,791 of which are issued and outstanding. The Company has reserved (i) 45,419 shares of Common Stock for issuance upon the exercise of options granted and currently outstanding under the Company's 2013 Equity Incentive Plan (the "**Stock Plan**"); and (ii) 726,261 shares of Common Stock for future issuance to officers, directors, employees and consultants of the Company under the Stock Plan. All issued and outstanding shares of Common Stock and Preferred Stock of the

Company have been duly authorized and validly issued and are fully paid and nonassessable, and were issued in full compliance with all federal and state securities laws.

(b) **Reservation of Stock.** The Common Stock issuable upon exercise of Holder's rights hereunder has been or, in the case of Future Round Stock, will be duly and validly reserved and, when issued in accordance with the provisions of this Warrant, will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Stock issuable pursuant to this Warrant may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to Holder true, correct and complete copies of its Charter and current bylaws.

(c) **Consents and Approvals.** No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Warrant, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) **Due Authority.** The execution and delivery by the Company of this Warrant and the performance of all obligations of the Company hereunder, including the issuance to Holder of the right to acquire the Underlying Securities into which it may be converted, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (i) does not violate the Charter or the Company's current bylaws; (ii) does not contravene any law or governmental rule, regulation or order applicable to the Company; and (iii) does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which the Company is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms.

(e) **Exempt Transaction.** Subject to the accuracy of Holder's representations in Section 11, the issuance of the Stock upon exercise of this Warrant, and the issuance of the Common Stock upon conversion of the Stock, will each constitute a transaction exempt from (i) the registration requirements of Section 5 of the Securities Act, in reliance upon Section 4(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(f) **Compliance with Rule 144.** If Holder proposes to sell Stock issuable upon the exercise of this Warrant, or the Common Stock into which it is convertible, in compliance with Rule 144 promulgated by the SEC, then, upon Holder's written request to the Company, the Company shall furnish to Holder, within five (5) Business Days after receipt of such request, a written statement confirming or denying the Company's compliance with the filing requirements of the SEC as set forth in such Rule, as such Rule may be amended from time to time.

(g) **Registration Rights.** The Company agrees that the shares of Common Stock issued and issuable upon conversion of the Stock issuable upon exercise of this Warrant, and, at all times (if any) when the Stock shall be Common Stock, the Stock issued and issuable upon exercise of this Warrant, shall have the "Piggyback," and S-3 registration rights pursuant to and as set forth in Section 2.1(b) and Section 2.2 of the Rights Agreement on a *pari passu* basis with the stockholders of the Company who are parties thereto. The provisions set forth in the Rights Agreement in effect as of the Effective Date may not be amended, modified or waived without the prior written consent of Holder unless such amendment, modification or waiver affects the rights associated with the shares of Stock issued and issuable upon exercise hereof in the same manner as such amendment, modification, or waiver affects the rights associated with all outstanding shares of Stock whose holders are parties thereto.

12. **Representations and Warranties of Holder.** By acceptance of this Warrant, Holder represents and warrants to the Company as follows:

(a) **No Registration.** Holder understands that this Warrant and the Underlying Securities have not been, and will not be, registered under the Securities Act or qualified under applicable state securities laws by reason of the fact that the issuance of this Warrant is exempt from the registration and qualification provisions thereof, the availability of which exemption depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of Holder's representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** Holder is acquiring this Warrant (and shall, if applicable, acquire the Underlying Securities) for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof in violation of the Securities Act. Holder has no present intention of selling, granting any participation in, or otherwise distributing this Warrant, or the Underlying Securities nor does it have any contract, undertaking, agreement or arrangement for the same. Holder has not been formed for the specific purpose of acquiring this Warrant or the Underlying Securities.

(c) **Investment Experience.** Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold this Warrant and its underlying securities an indefinite period of time and to suffer a complete loss of its investment.

(e) **Access to Data.** Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and the Underlying Securities. Holder further has had an opportunity to ask questions and receive answers regarding the terms and conditions of the offering of this Warrant and the Underlying Securities and to obtain additional information necessary to verify any information furnished to Holder or to which Holder has access.

(f) **Accredited Investor.** Holder is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company.

(g) **Residency.** Holder's principal place of business is correctly set forth on the signature page hereto.

(h) **Restrictions on Resales.** Holder acknowledges that this Warrant and the Underlying Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of securities purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of securities being sold during any three-month period not exceeding specified limitations; the sale being effected through a "broker's transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined

in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time Holder wishes to sell shares of the Stock or the Underlying Securities and that, in such event, Holder may be precluded from selling shares of the Stock or the Underlying Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of shares of Stock or the Underlying Securities. Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(i) **No Public Market.** Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities.

(j) **Brokers and Finders.** Holder has not engaged any brokers, finders or agents in connection with this Warrant, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by Holder, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Warrant or the Underlying Securities.

(k) **Advisors.** Holder has had the opportunity to review this warrant, the exhibits and schedules attached hereto and the transactions contemplated by this Warrant with its own legal counsel and tax advisors. Holder is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by this Warrant. Holder understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Warrant.

(l) **No "Bad Actor" Disqualification.** Neither (i) Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company's voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by Holder is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the acceptance of this Warrant, in writing in reasonable detail to the Company.

13. Miscellaneous.

(a) **Amendments.** Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and Holder.

(b) **Waivers.** No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail or otherwise delivered by hand, messenger or courier service addressed:

(i) if to Holder, to Holder at Holder's address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time, with a copy (which shall not constitute notice) to Steven O. Gasser, Esq. PremierCounsel, LLP, 388 Market Street, Suite 1300, San Francisco, CA 94111;

(ii) if to the Company, to the attention of the Chief Executive Officer of the Company at the Company's address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time, with a copy (which shall not constitute notice) to with a copy (which shall not constitute notice) to Wilson Sonsini Goodrich & Rosati, P.C., One Market Plaza, Spear Tower, Suite 3300, San Francisco, CA 94105, Attention: Robert G. O'Connor, ROConnor@wsgr.com.

Any notice or other communication provided pursuant to this Section 12(c) shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the share of United States mail, addressed and mailed as aforesaid, (iii) if sent via facsimile, upon confirmation of facsimile transfer, or (iv) if sent via electronic mail, upon confirmation of delivery when directed to the electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions of the State of Delaware, or of any other state.

(e) **Jurisdiction and Venue.** Each of Holder and the Company irrevocably consents to the exclusive jurisdiction and venue of any court within San Mateo County, State of California, in connection with any matter based upon or arising out of this Warrant or the matters contemplated herein, and agrees that process may be served upon them in any manner authorized by the laws of the State of California for such persons.

(f) **Waiver of Jury Trial.** THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS WARRANT. WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of San Mateo County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in San Mateo County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the San Mateo County, California Superior Court for such relief.

The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

(d) **Titles and Subtitles.** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(e) **Severability.** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(f) **No Strict Construction.** The parties hereto have participated jointly in the negotiation and drafting of this Warrant. In the event an ambiguity or question of intent or interpretation arises, this Warrant shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(g) **Electronic Execution of Documents.** The words “execution,” “signed,” “signature” and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act

(h) **Counterparts.** This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument

(i) **Entire Agreement.** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(j) **No Impairment of Rights.** The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of Holder against impairment

(k) **Attorney's Fees.** In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

(signature page follows)

The Company and Holder sign this Warrant as of the date stated on the first page.

URGENTLY INC.

By:
Name:
Title:

AGREED AND ACKNOWLEDGED:

HOLDER

By:
Name:
Title:
Address:

EXHIBIT A

NOTICE OF EXERCISE

TO: URGENT.LY INC. (the “Company”)

Attention: Chief Executive Officer

Capitalized terms used but not defined herein shall have the meaning provided in the attached Warrant.

1. **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares of Stock:

Type of security:

2. **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

A cash payment or cancellation of indebtedness, and tenders herewith payment of the purchase price for such shares of Stock in full, together with all applicable transfer taxes, if any.

The net issue exercise provisions of Section 2(b) of the attached warrant.

3. **Certificate.** Please issue a certificate or certificates representing the Stock in the name of:

The undersigned

Other—Name:

Address:

4. **Investment Intent.** The undersigned represents and warrants that the aforesaid shares of Stock are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same.
5. **Consent to Receipt of Electronic Notice.** Subject to the limitations set forth in Delaware General Corporation Law §232(e), the undersigned consents to the delivery of any notice to stockholders given by the Company under the Delaware General Corporation Law or the Company’s certificate of incorporation or bylaws by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company’s records), (ii)

electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission (as defined in the Delaware General Corporation Law) directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company and may be deemed revoked in the circumstances specified in Delaware General Corporation Law §232.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

EXHIBIT B
ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: URGENT.LY INC.

WARRANT: THE WARRANT TO PURCHASE _____ ISSUED ON
[INSERT DATE] (THE "WARRANT")

DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant ("**Assignor**") assigns and transfers to the assignee named below ("**Assignee**") all of the rights of Assignor under the Warrant, with respect to the number of shares of Stock set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of shares of Stock Assigned: __

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Urgent.ly Inc. maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of Stock to be issued upon exercise of the rights thereunder (and any shares of Stock issuable upon conversion thereof) (the "**Securities**") subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 91 of the Warrant are true and correct as to Assignee as of the date hereof.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

URGENT.LY INC.

AMENDED AND RESTATED WARRANT TO PURCHASE STOCK

**No. SC-__ Originally Issued May 6, 2019
Amended and Restated October __, 2023**

THIS CERTIFIES THAT, for value received, _____ or its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Urgent.ly Inc., a Delaware corporation (the “**Company**”), a number of fully paid and non-assessable shares of Stock equal to the Warrant Coverage, at such times and at the price per share set forth herein.

This Amended and Restated Warrant to Purchase Common Stock (this “**Warrant**”) amends and restates the Warrant to Purchase Stock originally issued on May 6, 2019, as amended July 12, 2022, in connection with that certain Second Amended and Restated Loan and Security Agreement, dated July 12, 2022, by and among the Company, the lenders from time to time party thereto (including the Holder) (the “**Lenders**”) and Ocean II PLO LLC, as administrative and collateral agent for Lenders (as amended through the date hereof or hereafter, the “**Loan Agreement**”).

The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein.

The following is a statement of the rights of Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. Definitions; Number and Price of Shares of Stock. Capitalized terms used but not defined herein shall have the meaning provided in the Loan Agreement.

(a) “**Charter**” shall mean the Company’s certificate of incorporation filed with the Delaware Secretary of State, as amended from time to time.

(b) “**Common Stock**” shall mean the Common Stock of the Company.

(c) “**Company**” shall have the meaning provided in the preamble.

(d) “**Date of Issuance**” shall mean May 6, 2019.

(e) “**Exercise Price**” shall mean as of the date this Warrant is exercised (i) if the Warrant is exercised to purchase Common Stock, \$0.01, and (ii) if the Warrant is exercised to purchase Future Round Stock, the lowest issuance price the Company receives per share of such Future Round Stock (or in the event of conversion of 2022 Convertible Notes, the lower of (y) \$3.66191 per share and (z) the lowest price per share at which the Company issues a share of Series C Preferred Stock (excluding (A) the issuance on or before August 31, 2022 of Series C Preferred Stock in connection with the Recapitalization, (B) the exercise of any warrants to acquire Series C Preferred Stock issued to holders of the 2021 Convertible Notes as contemplated in the Recapitalization, and (C) the exercise of warrants numbered SC-05, SC-06, SC-07 and SC-08 issued by the Company in connection with the Amended and Restated Loan and Security Agreement dated as of December 16, 2021 by and among the Company, Ocean II PLO LLC and the lender parties thereto)), in the case of (ii), as adjusted for stock splits, stock combinations and the like; provided however, that if this Warrant is exercised for Future Round Stock in connection with a Merger Event, SPAC Transaction, Direct Listing or the IPO, the Exercise Price shall be the lower of the amount listed above and 40% of the effective price per share in the Merger Event, SPAC Transaction, Direct Listing or IPO.

(f) “**Fully Diluted Capitalization**” shall mean, as of the time any determination is made, the issued and outstanding capital stock of the Company on a fully diluted basis after giving effect to (i) the exercise, conversion and exchange of all options, warrants and all other securities convertible into, or exercisable or exchangeable for, shares of Common Stock, and (ii) the issuance of all shares of capital stock reserved under any incentive plan; provided that, in the event that the Warrant is exercised in connection with the Otonomo Acquisition, the Fully Diluted Capitalization shall be calculated as of immediately prior to the Otonomo Acquisition and shall exclude (x) the conversion of any 2022 Notes (as defined in the Otonomo Merger Agreement) that remain outstanding following the 2022 Note Conversions (as defined in the Otonomo Merger Agreement) and are not being converted in connection with the Otonomo Acquisition and (y) shares of Common Stock reserved, but neither issued nor the subject of outstanding awards, under the Company’s 2023 Equity Incentive Plan and the Company’s 2023 Employee Stock Purchase Plan.

(g) “**Future Round Stock**” shall mean (i) shares of any series of Preferred Stock (including without limitation, the Series C Preferred Stock) sold or issued by the Company in an arms-length financing after August 31, 2022 resulting in gross proceeds of at least \$1,000,000, or (ii) shares of Series C Preferred Stock if at least \$1,000,000 in principal amount of the 2022 Convertible Notes converts into shares of Series C Preferred Stock while this Warrant is outstanding. For the avoidance of doubt, the Series C Preferred Stock that is issued upon conversion or exercise of the 2021 Convertible Notes or any warrants to acquire Series C Preferred Stock issued to holders of the 2021 Convertible Notes as contemplated in the Recapitalization shall not constitute Future Round Stock as a result of such issuance.

- (h) “**Holder**” shall have the meaning provided in the preamble.
- (i) “**IPO**” shall have the meaning provided in Section 2(b)(i).
- (j) “**Loan Agreement**” shall have the meaning provided in the preamble.

(k) “**Merger Event**” shall mean any transaction or series of related transactions involving (i) the consummation of the sale, lease, exclusive license or other transfer of all or substantially all assets of the Company, or (ii) the consummation of any merger, acquisition or consolidation involving the Company in which (A) the Company is not the surviving entity (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), (B) the holders of a majority of the capital stock the Company prior to such transaction are no longer the holders of a majority of the capital stock after such transaction (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), or (C) the outstanding shares of the Company’s capital stock are otherwise converted into or exchanged for shares of preferred stock, other securities or property of another entity.

(l) “**Rights Agreement**” shall mean that certain Amended and Restated Investors’ Rights Agreement by and among the Company and the Investors named therein dated July 11, 2022.

(m) “**Securities Act**” shall mean the Securities Act of 1933, as amended.

(n) “**Common Stock**” shall mean the Common Stock of the Company.

(o) “**Stock**” shall mean, at Holder’s written election in connection with the initial exercise of this Warrant, either (i) Common Stock, or (ii) Future Round Stock.

(p) “**Underlying Securities**” shall mean the Stock and the shares of Common Stock or other securities or properties issuable upon conversion thereof.

(q) “**Warrant**” shall have the meaning provided in the preamble.

(r) “**Warrant Coverage**” shall mean, [_____] divided by the Price Factor at the time the Warrant is exercised.

(r) “**Direct Listing**” means the Company’s initial listing of its Common Stock on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale to the general public.

(s) “**Parent**” means that certain SPAC that is organized under the laws of any state of the United States or the District of Columbia (after giving effect any domestication occurring simultaneously with any SPAC Transaction) and which has Equity Interests listed on a nationally recognized stock exchange in the United States which, upon the consummation of a SPAC Transaction, owns, directly or indirectly, 100% of the Equity Interests of the Company.

(t) “**Preferred Stock**” shall mean any class or series of the Company’s capital stock other than the class of Common Stock in existence on July 11, 2022.

(u) “**Price Factor**” shall mean 40% of the Otonomo Valuation (as defined in Section 2(b), below) divided by the Fully Diluted Capitalization as of the date the Warrant is exercised.

(v) “**Recapitalization**” shall mean the transactions associated with the Company’s July 2022 amendment of credit agreements and associated issuance of the 2022 Convertible Notes (including any stock issuance, warrant issuance or amendment, or subsequent exchange and/or exercise of such warrants).

(w) “**Series C Preferred Stock**” means the Series C Preferred Stock of the Company into which the 2022 Convertible Notes are convertible.

(x) “**SPAC**” means a company with no commercial operations that is formed to raise capital through a public offering for the purpose of acquiring an existing company, which for the avoidance of doubt, is deemed to be a “blank check” company under applicable U.S. securities laws.

(y) “**SPAC Transaction**” means, collectively, (i) a transaction or a series of related transactions (whether by merger, consolidation, reorganization, business combination or otherwise) with a SPAC in which the outstanding shares of capital stock of the Company, a Parent or any Affiliate thereof or successor thereto are exchanged for or otherwise converted into, or otherwise become securities that are publicly listed on a U.S. national securities exchange.

(z) “**2022 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$30,000,000 Series 2022A convertible debt offering.

(aa) “**2021 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$39,957,477 Series 2021A convertible debt offering.

2. Exercise of the Warrant.

(a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of Holder at any time after the Date of Issuance until the end of the period specified in Section 7, in whole or in part, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate in writing) of (A) a notice of exercise in the form of **Exhibit A** (the “**Notice of Exercise**”), duly completed and executed by or on behalf of Holder, and (B) the surrender of this Warrant; and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of shares of Stock being purchased, by wire transfer, setoff from amounts the Company owes Holder pursuant to the Loan Agreement, or certified cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Net Issue Exercise.** In lieu of exercising this Warrant pursuant to Section 2(a)(ii), if the Fair Market Value per Share (as defined below) is greater than the Exercise Price (at the date of calculation as set forth below), Holder may elect to receive a number of shares of Stock equal to the value of this Warrant (or of any portion of this Warrant being canceled) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate) together with a properly completed and executed Notice of Exercise, in which event the Company shall issue to Holder that number of shares of Stock computed using the following formula:

$$X = Y(A-B)A$$

Where:

- X = The number of shares of Stock to be issued to Holder
- Y = The number of shares of Stock purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)
- A = The fair market value of one share of Stock (at the date of such calculation)
- B = The Exercise Price (at the date of such calculation)

For purposes of the calculation above, the “**Fair Market Value per Share**” as of any date shall mean (i) if the Common Stock is then traded on a nationally recognized securities exchange (a “**Trading Market**”), the closing price or last resale price of a share of Common Stock reported for the trading day immediately before the date on which Holder delivers this Warrant together with this Notice of Exercise to the Company and (ii) if the Common Stock is not then traded on a Trading Market, then an amount per share of Common Stock issued or issuable pursuant to this Warrant equal to the Fair Market Value (as defined below) of the Company as of such date divided by the Fully Diluted Capitalization as of such date.

For purposes of this Section 2(b), the Board of Directors of the Company shall determine the “**Fair Market Value**” in good faith and taking into account the Company’s most recent valuation; provided, however, that in the event that this Warrant is exercised pursuant to this Section 2(b) in connection with the Company’s initial public offering of Common Stock (an “**IPO**”), the Fair Market Value shall be the per share offering price to the public in the IPO multiplied by the Fully Diluted Capitalization as of the date of the IPO; provided, further, that, if the Direct Listing is effectuated in connection with the Otonomo Acquisition, then the Fair Market Value shall be the lesser of (1) \$271,000,000, plus the Company’s cash-on-hand and cash equivalents, minus the aggregate outstanding Indebtedness owed to the Junior Lenders under the Loan Documents, the Lenders under the Loan Agreement, and other outstanding borrowed money indebtedness of the Company incurred outside of the ordinary course of business, in each case, measured immediately prior to the consummation of the Otonomo Acquisition, and (2) the definition of Aggregate Valuation in the Otonomo Merger Agreement (the lesser of (1) and (2), the “**Otonomo Valuation**”); provided, further, that if the Warrant is exercised in connection with a Merger Event, the entirety of the cash and value of the property that could potentially be paid or distributed to the

Company's stockholders (in their capacities as such) in connection with such transaction including any earn outs, holdbacks or other contingent consideration (whether or not actually received) shall be the basis for determining Fair Market Value of the Stock.

(c) **Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Stock issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Stock issuable upon such exercise shall be treated for all purposes as the holder of record of such Stock as of the close of business on such date, and, as promptly as reasonably practicable on or after such date, but in no event greater than ten (10) Business Days if the Stock is not traded on any securities exchange or two (2) Business Days if the Stock is traded on any securities exchange, the Company shall deliver a certificate evidencing such Stock and cause appropriate book entries to be made in its records to reflect the same.

(d) **No Fractional shares of Stock or Scrip.** No fractional shares of Stock shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional share of Stock to which Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(e) **Reservation of shares of Stock.** The Company agrees during the term the rights under this Warrant are exercisable to take all reasonable action to reserve and keep available from its authorized and unissued Common Stock (or Future Round Stock, as the case may be) for the purpose of effecting the exercise of this Warrant such number of shares of Stock (and Common Stock for issuance on conversion of Future Round Stock, as applicable) as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued Common Stock, or Future Round Stock, as the case may be (and Common Stock for issuance on conversion of Future Round Stock, as applicable) shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms, without limitation of such other remedies as may be available to Holder, the Company shall increase its authorized and unissued Common Stock or Future Round Stock, as the case may be (and Common Stock for issuance on conversion of Future Round Stock, if applicable) to a number of shares of Stock as shall be sufficient for such purposes.

3. Replacement of the Warrant. Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. Transfer of the Warrant.

(a) **Warrant Register.** The Company shall maintain a register (the "**Warrant Register**") containing the name and address of Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary, provided however, that the Company shall promptly record the transfer of

this Warrant on the Warrant Register upon receipt of written notification of such transfer made as allowed in this Warrant. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the shares of Stock or other securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to the provisions of this Warrant and the Securities Act, this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as **Exhibit B** (the “**Assignment Form**”)) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act, the Company shall issue to or on the order of Holder a new warrant or warrants of like tenor without charge, in the name of Holder or as Holder (on payment by Holder of any applicable transfer taxes) may direct, for the number of shares of Stock issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Transfer Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable. The Company shall not otherwise charge any fee in connection with any such transfer.

5. Restrictions on Transfer of the Warrant and shares of Stock; Compliance with Securities Laws. By acceptance of this Warrant, Holder agrees to comply with the following:

(a) **Restrictions on Transfers of Warrants.** This Warrant may be transferred by Holder in whole or in part to as long as such transfer is made in accordance with the Securities Act upon written notice to the Company, such notice containing the portion of the Warrant being transferred with the name, address and taxpayer identification number of the transferee. By its acceptance of this Warrant, such transferee that becomes a Holder hereby makes to the Company each of the representations and warranties set forth in Section 12 hereof and agrees to be bound by all of the covenants, terms and conditions of this Warrant as if the original Holder hereof. Holder hereby agrees to surrender this Warrant to the Company for reissuance to the transferee(s). Notwithstanding the foregoing, so long as no default shall have occurred and is continuing under the Loan Agreement or this Warrant, Holder shall not assign this Warrant or any portion of this

Warrant to any Person who in the reasonable estimation of Holder is a direct competitor of the Company, whether as an operating company or direct or indirect parent with voting control over such operating company or to a “vulture” hedge fund.

(b) **Securities Law Legend.** This Warrant and its underlying securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped, imprinted, or electronically notated with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(c) **Instructions Regarding Transfer Restrictions.** Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this [Section 5](#).

(d) **Removal of Legend.** The legend referring to federal and state securities laws identified in [Section 5\(b\)](#), stamped on any certificate evidencing the shares of Stock (and the Common Stock issuable upon conversion thereof) shall be removed and the Company shall issue a certificate without such legend to Holder of such securities (i) in connection with sale of such securities that has been registered under the Securities Act pursuant to an effective registration statement, or (ii) if such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

6. Adjustments and Related Rights. The number and kind of shares of Stock purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be Merger Event, then, prior to closing of such Merger Event, lawful provision shall be made so that Holder shall thereafter be entitled to receive at its election, upon exercise of this Warrant, (i) the number of shares of Stock or Underlying Securities that Holder would have received in connection with such Merger Event if Holder had exercised this Warrant immediately prior to the Merger Event, or (ii) the number of shares of stock or other equity interests Holder would be entitled to receive if the

surviving entity in such Merger Event assumed this Warrant. In any such case, appropriate adjustment (as determined in good faith by the Company's Board of Directors and reasonably acceptable to Holder) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of Holder after the Merger Event to the end that the provisions of this Warrant (including adjustments of the Exercise Price, the ability of Holder to elect the class and series of Stock as set forth in the definition thereof, and adjustments to ensure that the provisions of this Section 6 shall thereafter be applicable, as nearly as possible, to the purchase rights under this Warrant in relation to any Underlying Securities thereafter acquirable upon exercise of such purchase rights) shall continue to be applicable in their entirety, as near as reasonably may be. In connection with a Merger Event and upon Holder's written election to the Company, the Company shall cause this Warrant to be exchanged for the consideration that Holder would have received if Holder had chosen to exercise its right to have shares issued pursuant to the Net Issuance provisions of this Warrant without actually exercising such right, acquiring such shares and exchanging such shares for such consideration. The provisions of this Section 6(a) shall similarly apply to successive Merger Events.

(b) **Reclassification of Stock.** Except for Merger Events subject to Section 6(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Warrant immediately prior to such combination, reclassification, exchange, subdivision or other change; provided to the extent the Holder has the right to elect to receive upon exercise either Common Stock or Future Round Stock, the adjustment under this Section (b) shall apply solely to the class and series of Stock that has been so combined, reclassified, exchanged or subdivided and shall not impair Holder's right to elect to exercise the purchase rights for any other class or series of Stock. The provisions of this Section 6(b) shall similarly apply to any successive combination, reclassification, exchange, subdivision or other change.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Common Stock or Future Round Stock, as the case may be, are subdivided (by stock split, by payment of a stock distribution or otherwise) into a greater number of shares of Stock, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding Common Stock or Future Round Stock, as the case may be, are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Adjustments for Diluting Issuances.** Without duplication of any adjustment otherwise provided for in this Section 6, the number of shares of Common Stock or other securities issuable upon conversion of the Stock shall be subject to the anti-dilution adjustment and protective provisions in accordance with the Charter. To the extent permitted under applicable

law, the Stock and the Underlying Securities shall not be subject to any “pay-to-play” provisions required under the Charter or otherwise, in order to achieve the benefits of this Section (d). The anti-dilution rights set forth in the Charter shall not be restated, amended or modified in any manner which affects Holder’s rights adversely and differently than all other holders of Stock without Holder’s consent. The Company shall provide Holder with any restatement, amendment or modification to the Charter promptly after the same has been made.

(e) **Notice of Adjustments.** If: (i) the Company shall declare any dividend or distribution upon its stock, whether in stock, cash, property or other securities or offer for subscription *pro rata* to holders of its securities any additional securities; (ii) there shall be any Merger Event; (iii) there shall be an IPO; (iii) the Company shall sell, lease, license or otherwise transfer all or substantially all of its assets; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall send to Holder: (A) at least ten (10) days’ prior written notice of the date on which the books of the Company shall close or a record shall be taken for such event described in (i), (ii) or (iii), above, (specifying the date on which Holders of the Company’s securities shall be entitled thereto) or for determining rights to vote in respect of such event or for exchanging shares of stock for securities or other property deliverable upon such event); and (B) in the case of an IPO, the Company shall give Holder at least thirty (30) days’ written notice prior to the effective date thereof. Any such notice shall state the event giving rise to the adjustment, including adjustment of the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of Holder, furnish or cause to be furnished to Holder a certificate setting forth (x) such adjustments, (y) the Exercise Price at the time in effect and (z) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

(f) **IPO.** If the Company shall effect an IPO, which results in the conversion of the Stock into Common Stock (or any other class or series of shares) pursuant to the provisions of the Charter in effect immediately prior to or upon such offering, then, effective upon such offering, this Warrant shall change from the right to purchase Stock to the right to purchase Common Stock (or such other class or series of shares, if applicable), and Holder shall thereupon have the right to purchase, at a total price equal to that payable upon the exercise of this Warrant in full, the number of Common Stock (or such other class or series of shares, if applicable) which would have been receivable by Holder upon the exercise of this Warrant for Stock immediately prior to such conversion of such Stock into Common Stock (or such other class or series of shares, if applicable), and in such event appropriate provisions shall be made with respect to the rights and interest of Holder to the end that the provisions hereof (including, without limitation, the provisions for the adjustment of the Exercise Price and of the number of shares of Stock purchasable upon exercise of this Warrant and the provisions relating to the net issue election) shall thereafter be applicable to Common Stock (or such other class or series of shares, if applicable) deliverable upon the exercise hereof.

(g) **Information Rights; Confidentiality.** For as long as Holder holds this Warrant or the Stock issuable upon exercise hereof (including any Underlying Securities), the Company shall deliver Holder the Company’s quarterly financial statements and a current capitalization table within 45 days of the end of each quarter or sooner if available, and its annual

financial statements within 210 days of the end of each fiscal year or sooner if available; *provided*, in each case, that such Holder shall be subject to the same confidentiality obligations set forth in Section 13.12 of the Loan Agreement. Notwithstanding the foregoing, the Company shall have no separate obligation hereunder to deliver to Holder any information the substantial equivalent of which shall have been provided to Holder pursuant to the Loan Agreement or, after an IPO, available through timely made publicly available filings with the Securities and Exchange Commission.

7. Expiration of the Warrant. This Warrant shall no longer be exercisable upon the later of (i) as of 5:00 p.m., Pacific time, on May 1, 2029, or (ii) the date that is three years following the closing of the IPO.

8. Automatic Cashless Exercise upon Expiration. In the event that, upon the expiration of this Warrant, the fair market value of one share of Stock (or other security issuable upon the exercise hereof) as determined in accordance with Section 2(b) above is greater than the Exercise Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 2(b) above as to all shares of Stock (or such other securities) for which it shall not previously have been exercised at the Exercise Price for the most recently issued class or series of Stock, and the Company shall, within a reasonable time, but in no event greater than three (3) Business Days, deliver to Holder a certificate representing the shares of Stock (or such other securities) issued upon such exercise.

9. Market Stand-off. Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the initial registration by the Company of shares of its Common Stock in connection with the IPO pursuant to a registration statement on Form S-1, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock (whether such shares or any such securities are then owned by the Holder or are thereafter acquired) or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 9 shall apply only to an IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall be applicable to the Holder only if all officers, directors and stockholders owning one percent (1%) of more of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock) are also subject to the same restrictions and remain subject to such restrictions for the entirety of such market stand-off period. The underwriters in connection with such registration are intended third party beneficiaries of this Section 9 and shall have the right, power and authority to enforce the provisions hereof as

though they were a party hereto. Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 9.

10.No Rights as Stockholder. Nothing contained herein shall entitle Holder to any rights as a share of stockholder of the Company or to be deemed Holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon Holder, as such, any right to vote for the election of directors or upon any matter submitted to share of stockholders at any meeting thereof, or to give or withhold consent to any action (whether upon any recapitalization, issuance of shares of Stock, reclassification of shares of Stock, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive distributions or subscription rights or any other rights of a share of stockholder of the Company until the rights under the Warrant shall have been exercised and the shares of Stock purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

11.Representations and Warranties of the Company. Company represents, warrants and covenants to the Company as follows:

(a) **Capitalization; Issuance.** The authorized capital stock of the Company consists of 600,000,000 shares of Common Stock, 154,791 of which are issued and outstanding, and 160,000 shares of Preferred Stock, all of which are designated Series C Preferred Stock, all of which are currently issued and outstanding. The Company has reserved (i) 45,419 shares of Common Stock for issuance upon the exercise of options granted and currently outstanding under the Company's 2013 Equity Incentive Plan (the "**Stock Plan**"); and (ii) 726,261 shares of Common Stock for future issuance to officers, directors, employees and consultants of the Company under the Stock Plan. All issued and outstanding shares of Common Stock and Preferred Stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable, and were issued in full compliance with all federal and state securities laws.

(b) **Reservation of Stock.** The Common Stock issuable upon exercise of Holder's rights hereunder has been or, in the case of Future Round Stock, will be duly and validly reserved and, when issued in accordance with the provisions of this Warrant, will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Stock issuable pursuant to this Warrant may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to Holder true, correct and complete copies of its Charter and current bylaws.

(c) **Consents and Approvals.** No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Warrant, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) **Due Authority.** The execution and delivery by the Company of this Warrant and the performance of all obligations of the Company hereunder, including the issuance to Holder

of the right to acquire the Underlying Securities into which it may be converted, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (i) does not violate the Charter or the Company's current bylaws; (ii) does not contravene any law or governmental rule, regulation or order applicable to the Company; and (iii) does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which the Company is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms.

(e) **Exempt Transaction.** Subject to the accuracy of Holder's representations in Section 11, the issuance of the Stock upon exercise of this Warrant, and the issuance of the Common Stock upon conversion of the Stock, will each constitute a transaction exempt from (i) the registration requirements of Section 5 of the Securities Act, in reliance upon Section 4(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(f) **Compliance with Rule 144.** If Holder proposes to sell Stock issuable upon the exercise of this Warrant, or the Common Stock into which it is convertible, in compliance with Rule 144 promulgated by the SEC, then, upon Holder's written request to the Company, the Company shall furnish to Holder, within five (5) Business Days after receipt of such request, a written statement confirming or denying the Company's compliance with the filing requirements of the SEC as set forth in such Rule, as such Rule may be amended from time to time.

(g) **Registration Rights.** The Company agrees that the shares of Common Stock issued and issuable upon conversion of the Stock issuable upon exercise of this Warrant, and, at all times (if any) when the Stock shall be Common Stock, the Stock issued and issuable upon exercise of this Warrant, shall have the "Piggyback," and S-3 registration rights pursuant to and as set forth in Section 2.1(b) and Section 2.2 of the Rights Agreement on a *pari passu* basis with the stockholders of the Company who are parties thereto. The provisions set forth in the Rights Agreement in effect as of the Effective Date may not be amended, modified or waived without the prior written consent of Holder unless such amendment, modification or waiver affects the rights associated with the shares of Stock issued and issuable upon exercise hereof in the same manner as such amendment, modification, or waiver affects the rights associated with all outstanding shares of Stock whose holders are parties thereto.

12. Representations and Warranties of Holder. By acceptance of this Warrant, Holder represents and warrants to the Company as follows:

(a) **No Registration.** Holder understands that this Warrant and the Underlying Securities have not been, and will not be, registered under the Securities Act or qualified under applicable state securities laws by reason of the fact that the issuance of this Warrant is exempt from the registration and qualification provisions thereof, the availability of which exemption depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of Holder's representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** Holder is acquiring this Warrant (and shall, if applicable, acquire the Underlying Securities) for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof in violation of the

Securities Act. Holder has no present intention of selling, granting any participation in, or otherwise distributing this Warrant, or the Underlying Securities nor does it have any contract, undertaking, agreement or arrangement for the same. Holder has not been formed for the specific purpose of acquiring this Warrant or the Underlying Securities.

(c) **Investment Experience.** Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold this Warrant and its underlying securities an indefinite period of time and to suffer a complete loss of its investment.

(e) **Access to Data.** Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and the Underlying Securities. Holder further has had an opportunity to ask questions and receive answers regarding the terms and conditions of the offering of this Warrant and the Underlying Securities and to obtain additional information necessary to verify any information furnished to Holder or to which Holder has access.

(f) **Accredited Investor.** Holder is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company.

(g) **Residency.** Holder's principal place of business is correctly set forth on the signature page hereto.

(h) **Restrictions on Resales.** Holder acknowledges that this Warrant and the Underlying Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of securities purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of securities being sold during any three-month period not exceeding specified limitations; the sale being effected through a "broker's transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time Holder wishes to sell shares of the Stock or the Underlying Securities and that, in such event, Holder may be precluded from selling shares of the Stock or the Underlying

Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of shares of Stock or the Underlying Securities. Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(i) **No Public Market.** Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities.

(j) **Brokers and Finders.** Holder has not engaged any brokers, finders or agents in connection with this Warrant, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by Holder, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Warrant or the Underlying Securities.

(k) **Advisors.** Holder has had the opportunity to review this warrant, the exhibits and schedules attached hereto and the transactions contemplated by this Warrant with its own legal counsel and tax advisors. Holder is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by this Warrant. Holder understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Warrant.

(l) **No "Bad Actor" Disqualification.** Neither (i) Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company's voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by Holder is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1) (i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d) (3) under the Securities Act and disclosed, reasonably in advance of the acceptance of this Warrant, in writing in reasonable detail to the Company.

13. Miscellaneous.

(a) **Amendments.** Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and Holder.

(b) **Waivers.** No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid,

sent by facsimile or electronic mail or otherwise delivered by hand, messenger or courier service addressed:

(i) if to Holder, to Holder at Holder's address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time, with a copy (which shall not constitute notice) to Steven O. Gasser, Esq. PremierCounsel, LLP, 388 Market Street, Suite 1300, San Francisco, CA 94111;

(ii) if to the Company, to the attention of the Chief Executive Officer of the Company at the Company's address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time, with a copy (which shall not constitute notice) to with a copy (which shall not constitute notice) to Wilson Sonsini Goodrich & Rosati, P.C., One Market Plaza, Spear Tower, Suite 3300, San Francisco, CA 94105, Attention: Robert G. O'Connor, ROConnor@wsgr.com.

Any notice or other communication provided pursuant to this Section 12(c) shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the share of United States mail, addressed and mailed as aforesaid, (iii) if sent via facsimile, upon confirmation of facsimile transfer, or (iv) if sent via electronic mail, upon confirmation of delivery when directed to the electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions of the State of Delaware, or of any other state.

(e) **Jurisdiction and Venue.** Each of Holder and the Company irrevocably consents to the exclusive jurisdiction and venue of any court within San Mateo County, State of California, in connection with any matter based upon or arising out of this Warrant or the matters contemplated herein, and agrees that process may be served upon them in any manner authorized by the laws of the State of California for such persons.

(f) **Waiver of Jury Trial.** THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS WARRANT. WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of San Mateo County, California Superior Court) appointed

in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in San Mateo County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the San Mateo County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

(g) **Titles and Subtitles.** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(h) **Severability.** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(i) **No Strict Construction.** The parties hereto have participated jointly in the negotiation and drafting of this Warrant. In the event an ambiguity or question of intent or interpretation arises, this Warrant shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(j) **Electronic Execution of Documents.** The words “execution,” “signed,” “signature” and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based

recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act

(k) **Counterparts.** This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument

(l) **Entire Agreement.** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(m) **No Impairment of Rights.** The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of Holder against impairment

(n) **Attorney's Fees.** In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

(signature page follows)

The Company and Holder sign this Warrant as of the date stated on the first page.

URGENTLY INC.

By:
Name:
Title:

HOLDER

By:
Name:
Title:
Address:

EXHIBIT A

NOTICE OF EXERCISE

TO: URGENTLY INC. (the “Company”)

Attention: Chief Executive Officer

Capitalized terms used but not defined herein shall have the meaning provided in the attached Warrant.

- (1) **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares of Stock:

Type of security:

- (2) **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

A cash payment or cancellation of indebtedness, and tenders herewith payment of the purchase price for such shares of Stock in full, together with all applicable transfer taxes, if any.

The net issue exercise provisions of Section 2(b) of the attached warrant.

- (3) **Certificate.** Please issue a certificate or certificates representing the Stock in the name of:

The undersigned

Other—Name:

Address:

- (4) **Investment Intent.** The undersigned represents and warrants that the aforesaid shares of Stock are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same.

- (5) **Consent to Receipt of Electronic Notice.** Subject to the limitations set forth in Delaware General Corporation Law §232(e), the undersigned consents to the delivery of any notice to stockholders given by the Company under the Delaware General Corporation Law or the Company’s certificate of incorporation or bylaws by (i) facsimile telecommunication

to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company's records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission (as defined in the Delaware General Corporation Law) directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company and may be deemed revoked in the circumstances specified in Delaware General Corporation Law §232.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

EXHIBIT B
ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: URGENT.LY INC.

WARRANT: THE WARRANT TO PURCHASE _____ ISSUED ON
[INSERT DATE] (THE "**WARRANT**")

DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant ("**Assignor**") assigns and transfers to the assignee named below ("**Assignee**") all of the rights of Assignor under the Warrant, with respect to the number of shares of Stock set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of shares of Stock Assigned: __

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Urgent.ly Inc. maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of Stock to be issued upon exercise of the rights thereunder (and any shares of Stock issuable upon conversion thereof) (the "**Securities**") subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 91 of the Warrant are true and correct as to Assignee as of the date hereof.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

ASSIGNEE

(Print name of Assignor)

(Print name of Assignee)

(Signature of Assignor)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

Address:

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR UNLESS OFFERED, SOLD, PLEDGED OR HYPOTHECATED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND THE COMPANY RECEIVES AN OPINION OF COUNSEL FOR THE HOLDER OF THESE SECURITIES REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH OFFER, SALE, PLEDGE OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

URGENT.LY INC.

AMENDED AND RESTATED WARRANT TO PURCHASE COMMON STOCK

No. CSW-[] Originally Issued December 16, 2021
Amended and Restated October [], 2023

Void After December 16, 2031

THIS CERTIFIES THAT, for value received, [] or its assigns (the "**Holder**"), is entitled to subscribe for and purchase at the Exercise Price (as defined below) from URGENT.LY INC., a Delaware corporation, with its principal office at 8609 Westwood Center Drive, Suite 475, Vienna, VA 22182 (the "**Company**") a number of fully paid and non-assessable shares of Common Stock (as defined below) equal to the Warrant Coverage (as defined below), subject to adjustment pursuant to the terms herein, including but not limited to adjustment pursuant to Section 6 below.

This Amended and Restated Warrant to Purchase Common Stock (this "**Warrant**") amends and restates the Warrant to Purchase Common Stock originally issued on December 16, 2021, as amended July 12, 2022, pursuant to the terms of that certain Loan and Security Agreement, dated December 16, 2021, by and among the Company, the lenders from time to time party thereto (including the Holder) (the "**Lenders**") and Alter Domus (US) LLC, as administrative and collateral agent for Lenders (as amended through the date hereof, the "**Agreement**"). This Warrant amends and restated the original warrant to make certain revisions in connection with the Otonomo Acquisition. Each capitalized term used but not defined in this Warrant has the meaning given to such term in the Agreement.

1. DEFINITIONS. As used herein, the following terms shall have the following respective meanings:

(a) "**Certificate of Incorporation**" shall mean the Company's Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on July 12, 2022.

(b) "**Commission**" shall mean the United States Securities and Exchange Commission.

(c) “**Exercise Period**” shall mean the period commencing December 16, 2021 and ending December 16, 2031, unless sooner terminated as provided below.

(d) “**Exercise Price**” shall mean \$0.01 per share, subject to adjustment pursuant to Section 6 below.

(e) “**Fully Diluted Capitalization**” shall mean, as of the time any determination is made, the issued and outstanding capital stock of the Company on a fully diluted basis after giving effect to (i) the exercise, conversion and exchange of all options, warrants and all other securities convertible into, or exercisable or exchangeable for, shares of Common Stock, and (ii) the issuance of all shares of capital stock reserved under any incentive plan; *provided* that, in the event that the Warrant is exercised pursuant to the application of Section 8.2, the Fully Diluted Capitalization shall exclude (x) the conversion of any 2022 Notes (as defined in the Otonomo Acquisition Agreement) that remain outstanding following the 2022 Note Conversions (as defined in the Otonomo Acquisition Agreement) and are not being converted in connection with the Otonomo Acquisition and (y) shares of Common Stock reserved, but neither issued nor the subject of outstanding awards, under the Company’s 2023 Equity Incentive Plan and the Company’s 2023 Employee Stock Purchase Plan.

(f) “**Warrant Coverage**” shall mean (i) if the Otonomo Exercise Conditions have not been satisfied, [_____] % of the Fully Diluted Capitalization of the Company calculated at the time the Warrant is exercised and (ii) if the Otonomo Exercise Conditions have been satisfied, a number of shares of Common Stock equal to [_____] % of the Fully Diluted Capitalization of the Company calculated as of immediately prior to the last to occur of the Otonomo Exercise Conditions (but, to avoid doubt, after giving effect to the Note Conversions (as defined in the Otonomo Acquisition Agreement)), and without including any shares of Common Stock issued to stockholders of Otonomo in the Otonomo Acquisition.

2. EXERCISE OF WARRANT.

2.1 Cash Exercise. The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following to the Company at its address set forth above (or at such other address as it may designate by notice in writing to the Holder):

(a) An executed Notice of Exercise in the form attached hereto;

(b) Payment of the Exercise Price either (i) in cash, by check or by wire transfer of immediately available funds, or (ii) by cancellation of indebtedness; and

(c) This Warrant.

Upon the exercise of the rights represented by this Warrant, a certificate or certificates for the Common Stock so purchased, registered in the name of the Holder or persons affiliated with the Holder, if the Holder so designates, shall be issued and delivered to the Holder as soon as practicable and in any event within two (2) business days after the rights represented by this Warrant shall have been so exercised. In the event that this Warrant is being exercised for less than all of the then-current number of shares of Common Stock purchasable hereunder, the Company shall, concurrently with the issuance by the Company of the number of shares of Common Stock for which this Warrant is then being exercised, issue a new Warrant exercisable for the remaining number of shares of Common Stock purchasable hereunder.

The person in whose name any certificate or certificates for Common Stock are to be issued upon exercise of this Warrant shall be deemed to have become the holder of record of such shares on the date on which this Warrant was surrendered and (in the case of exercises pursuant to Section 2.1) payment of the Exercise Price was made, irrespective of the date of delivery of such certificate or certificates, except that, if the date of such surrender and any such payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

2.2 Net Exercise. Notwithstanding any provisions herein to the contrary, if the Fair Market Value per Share (as defined below) is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) in exchange for the surrender of this Warrant at the principal office of the Company together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of shares of Common Stock computed using the following formula:

$$X = \frac{Y \times (A-B)}{A}$$

Where X = the number of shares of Common Stock to be issued to the Holder

Y = the number of shares of Common Stock purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = the Fair Market Value per Share (at the date of such calculation)

B = Exercise Price (as adjusted to the date of such calculation)

For purposes of Section 2.2, the “**Fair Market Value per Share**” as of any date shall mean (i) if the Common Stock is then traded on a nationally recognized securities exchange (a “**Trading Market**”), the closing price or last sale price of a share of the Common Stock reported for the trading day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company and (ii) if the Common Stock is not then traded on a Trading Market, an amount per share of Common Stock issued or issuable pursuant to this Warrant equal to the Fair Market Value (as defined below) of the Company as of such date divided by the Fully Diluted Capitalization as of such date.

For purposes of this Section 2.2, the Board of Directors of the Company shall determine the “**Fair Market Value**” in good faith and taking into account the Company’s most recent valuation; provided, however, that in the event that this Warrant is exercised pursuant to this Section 2.2 in connection with the Company’s IPO, the Fair Market Value shall be the per share offering price to the public in the IPO multiplied by the Fully Diluted Capitalization as of the date of the IPO; provided, further, that, if the Direct Listing is effectuated in connection with the Otonomo Acquisition, then the Fair Market Value shall be the lesser of (1) \$271,000,000, plus the Company’s cash-on-hand and cash equivalents, minus the aggregate outstanding Indebtedness owed to the Structural Lenders under the Structural Loan Documents, the Lenders under the Loan Agreement, and other outstanding borrowed money indebtedness of the Company incurred outside of the ordinary course of business, in each case, measured immediately prior to the consummation of the Otonomo Acquisition, and (2) the definition of Aggregate Valuation in the Otonomo Acquisition Agreement.

2.3 Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (including any investment vehicle, including, any funds, feeder funds or managed accounts, currently, or from time to time after the date hereof, directly or indirectly managed or advised by the Holder's investment manager or any of its affiliates or principals (such Persons, "**Attribution Parties**")), would beneficially own in excess of the Beneficial Ownership Limitation (defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2.3, beneficial ownership shall be calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2.3 applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2.3, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent of the Company setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within one trading day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "**Beneficial Ownership Limitation**" shall be 9.90% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2.3, provided that the Beneficial Ownership Limitation in no event exceeds 9.90% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2.3 shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2.3 to correct this paragraph (or any portion

hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

3. COVENANTS OF THE COMPANY.

3.1 Covenants as to Common Stock. The Company covenants and agrees that all Common Stock that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the Exercise Period, have authorized and reserved, free from preemptive rights, a sufficient number of shares of Common Stock to provide for the exercise of the rights represented by this Warrant. If at any time during the Exercise Period the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

3.2 Notices.

(a)In the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, the Company shall mail to the Holder, at least ten (10) business days prior to the date specified herein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution.

(b)The Company shall provide written notice to the Holder at least ten (10) business days prior to (i) the date of filing of a registration statement for an IPO or (ii) the date that the Company proposes to consummate an Acquisition (defined below), which notice shall, in each case, contain: (A) a brief description of the proposed transaction; and (B) the date upon which such proposed transaction is to take place.

3.3 Taxes. No charge shall be made to the Holder for any exercise or registration of transfer of this Warrant, and the Company shall pay all costs and expenses in connection with, and all documentary, recordation or registration or similar taxes that may be imposed with respect to the delivery, execution or performance of this Warrant or the issuance of Common Stock upon exercise of this Warrant.

4. REPRESENTATIONS OF THE COMPANY

4.1 Due Organization and Qualification. The Company is a Delaware corporation duly formed and existing under the laws of its state of formation and qualified and licensed to do business in any state in which the conduct of its business or its ownership of property requires that it be so qualified, except where the failure to do so could not reasonably be expected to cause a Material Adverse Effect.

4.2 Authority. The execution, delivery, and performance of this Warrant is within the Company's powers, has been duly authorized, and is not in conflict with nor constitute a breach of any provision of the Company's certificate of incorporation. All corporate action required to be taken by the Company's Board of Directors and stockholders to authorize the issuance of the Common Stock upon exercise of the Warrants, has been taken.

4.3 Valid Issuance of Common Stock. The Common Stock issuable upon exercise of this Warrant have been duly reserved for issuance, and upon issuance in accordance with the terms of the

Certificate of Incorporation, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under applicable federal and state securities laws. The Common Stock issuable upon exercise of this Warrant will be issued in compliance with all applicable federal and state securities laws.

4.4 Capitalization. The authorized capital stock of the Company consists of: (i) 600,000,000 shares of common stock, \$0.001 par value per share (the “**Common Stock**”), 154,791 shares of which are issued and outstanding; and (ii) 160,000 shares of preferred stock, \$0.001 par value per share (the “**Preferred Stock**”), all of which are issued and outstanding. All of the outstanding shares of Common Stock and Preferred Stock have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities laws and are not subject to any preemptive or similar rights. The rights, privileges and preferences of the Preferred Stock are as stated in the Certificate of Incorporation and as provided by the Delaware General Corporation Law. All of the issued shares of capital stock, partnership interests or membership interests, as applicable, of each Subsidiary have been duly and validly authorized and issued, are fully paid and nonassessable and are owned directly or indirectly by the Company, free and clear of all Liens.

4.5 Stock Plans. 771,680 shares of Common Stock have been reserved for issuance to officers, directors, employees and consultants of the Company pursuant to its 2013 Equity Incentive Plan duly adopted by the Board of Directors and approved by the Company stockholders (the “**Stock Plan**”). Of such reserved shares of Common Stock, 1,506 shares have been issued pursuant to the exercise of stock options and not repurchased, options to purchase 43,913 shares have been granted and are currently outstanding, and 726,261 shares of Common Stock remain available for issuance to officers, directors, employees and consultants pursuant to the Stock Plan. No other compensatory plans providing for the issuance of Common Stock or Preferred Stock have been authorized or approved by the Board of Directors of the Company as of the date hereof.

4.6 Conflict with Other Instruments, etc. Neither the execution and delivery of this Warrant nor the consummation of the transactions herein contemplated nor compliance with the terms, conditions and provisions hereof will (a) conflict with or result in a breach of any material law or any material regulation, order, writ, injunction or decree of any court or governmental instrumentality or (b) result in the creation or imposition of any Lien on any assets of the Company or any Subsidiary, other than Permitted Liens and Liens granted to Agent under the Agreement.

4.7 Enforceability. This Warrant has been duly executed and delivered by the Company, and constitute legal, valid and binding obligations of the Company, enforceable in accordance with its terms, except as the enforceability hereof may be limited by bankruptcy, insolvency or other similar laws of general application relating to or affecting the enforcement of creditors’ rights or by general principles of equity.

5. REPRESENTATIONS OF HOLDER.

5.1 Acquisition of Warrant for Personal Account. The Holder confirms, that this Warrant and the Common Stock issuable upon exercise of this Warrant have been and will be, as the case may be, acquired for investment for the Holder’s own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Holder further represents that the Holder does not presently have any contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to this Warrant or the Common Stock issuable upon exercise of this Warrant.

5.2 Securities Are Not Registered.

(a) The Holder understands that this Warrant and the Common Stock issuable upon exercise of this Warrant have not been registered under the Securities Act of 1933, as amended (the “Act”) in reliance upon Section 4(a)(2) of the Act.

(b) The Holder recognizes that the Warrant and the Common Stock issuable upon exercise of this Warrant must be held indefinitely unless they are subsequently registered under the Act or an exemption from registration is available. The Holder recognizes that the Company has no obligation to register the Warrant or the Common Stock issuable upon exercise of this Warrant, or to facilitate any subsequent exemption from such registration.

(c) The Holder is aware that neither the Warrant nor the Common Stock issuable upon exercise of this Warrant may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the availability of certain current public information about the Company and the required holding period under Rule 144 being satisfied. Holder is aware that any such sale made in reliance on Rule 144, if Rule 144 is available, may be made only in accordance with the terms of Rule 144.

5.3 Disposition of Warrant and Common Stock.

(a) The Holder further agrees not to make any disposition of all or any part of the Warrant or Common Stock issuable upon exercise of this Warrant unless:

(i) The Company shall have received a letter secured by the Holder from the Commission stating that no action will be recommended to the Commission with respect to the proposed disposition;

(ii) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with said registration statement; or

(iii) The Holder effects a sale or other disposition pursuant to a transaction not requiring registration under the Act.

(b) Except as set forth in Section 8.2, the Holder understands and agrees that all certificates evidencing the Common Stock issuable upon exercise of this Warrant may bear the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR UNLESS OFFERED, SOLD, PLEDGED OR HYPOTHECATED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND THE COMPANY RECEIVES AN OPINION OF COUNSEL FOR THE HOLDER OF THESE SECURITIES REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH OFFER, SALE, PLEDGE OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

(c) At the Holder's request, the Company shall promptly remove any such legend from certificates evidencing the Common Stock upon being advised by the Holder that it intends to sell or dispose of all or any part of the Warrant or Common Stock issuable upon exercise of this Warrant pursuant to a transaction not requiring registration under the Act; provided that, if reasonably requested by the Company, the Holder shall furnish the Company with an opinion of counsel, reasonably satisfactory to the Company, to the effect that such offer, sale or other disposition may be effected without registration under the Act.

6. ADJUSTMENT OF COMMON STOCK AND PRICE.

6.1 Reclassification or Merger. In case of any reclassification, change or conversion of securities in the class issuable upon exercise of this Warrant (other than a transaction resulting in early termination of this warrant pursuant to Section 8, or a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), or in case of any merger of the Company with or into another corporation (other than a merger with another corporation in which the Company is a continuing corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or in case of any sale or transfer of all or substantially all of the assets of the Company, unless this Warrant shall have been exercised or terminated in accordance with its terms, Holder of this Warrant shall have the right to exercise this Warrant and upon such exercise to receive, in lieu of the shares of Common Stock theretofore issuable upon exercise of this Warrant, the kind and amount of consideration, including but not limited to shares of stock, other securities, money and property receivable upon such reclassification, change, conversion, merger, sale or transfer as would have been received if this Warrant had been exercised in full immediately prior to such event. The provisions of this subparagraph shall similarly apply to successive reclassifications, changes, conversions, mergers, sales or transfers.

6.2 Subdivisions or Combination of Shares. If at any time while this Warrant remains outstanding and unexpired the Company shall subdivide or combine its Common Stock, the Exercise Price and the number of shares of Common Stock issuable upon exercise hereof shall be proportionately adjusted; provided that no adjustment hereunder shall be made on account of any reverse stock split consummated prior to the satisfaction of the Otonomo Exercise Conditions.

6.3 Stock Dividends. If at any time while this Warrant is outstanding and unexpired the Company shall pay a dividend payable in shares of Common Stock (except any distribution specifically provided for in the foregoing subparagraphs 6.1 and 6.2), then the Exercise Price shall be adjusted, from and after the date of determination of stockholders entitled to receive such dividend or distribution, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (a) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (b) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution and the number of shares of Common Stock subject to this Warrant shall be proportionately adjusted.

6.4 Notice of Adjustments. Whenever the Exercise Price shall be adjusted pursuant to the provisions hereof, the Company shall within ten (10) calendar days of such adjustment deliver a certificate signed by its chief financial officer to Holder setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the number of shares of Common Stock subject to this Warrant and the Exercise Price therefor, as applicable, after giving effect to such adjustment.

7. FRACTIONAL SHARES. No fractional shares Common Stock shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Common Stock (including

fractions) to be issued upon exercise of this Warrant shall be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then current Fair Market Value per Share by such fraction.

8. EARLY TERMINATION / EXERCISE.

8.1 Early Exercise Upon IPO, Deemed Liquidation Event or SPAC Transaction.

In the event that, at any time during the Exercise Period, the Company proposes to enter into, and delivers a notice to the Holder, pursuant to [Section 3.2\(b\)](#), of (a) an IPO, (b) a Deemed Liquidation Event (defined in the Company's Certificate of Incorporation) or (c) a SPAC Transaction (each of the transactions described in clauses (b) and (c), an "**Acquisition**"), then the Holder may exercise its right during the period beginning on the date of Holder's receipt of such notice and ending on the date that is two (2) business days prior to the date upon which such proposed IPO or Acquisition is to take place (the "**Early Termination Period**"), if the Fair Market Value per Share is then greater than the Exercise Price, to exercise its right, in accordance with all applicable conditions of exercise set forth in this Warrant, subject to the provisions of [Section 2.3](#), to purchase all of the shares of Common Stock that Holder is entitled to purchase hereunder. If Holder fails to so exercise such right to purchase the shares of Common Stock hereunder, then this Warrant shall be deemed exercised under [Section 2.2](#) immediately prior to closing of the IPO or Acquisition if the Fair Market Value per Share (as defined in [Section 2.2](#) and calculated based on the consummation of the IPO or Acquisition) is then greater than the Exercise Price, subject to the provisions of [Section 2.3](#). In the event of an Acquisition in which the Fair Market Value per Share is determined to be less than the Exercise Price (at the date of calculation as set forth in [Section 2.2](#)), this Warrant shall terminate immediately prior to the consummation of such Acquisition. In no event will the Otonomo Acquisition be treated as an IPO or Acquisition for purposes of this [Section 8.1](#).

8.2 Early Exercise in connection with the Otonomo Acquisition. Immediately prior to, but subject to the completion of, the last to occur of (i) the consummation of the Otonomo Acquisition pursuant to the Otonomo Acquisition Agreement on or prior to October 31, 2023 and without any amendment, restated supplement, waiver or modification of any provision contained in the Otonomo Acquisition Agreement that is adverse to the Holder in any respect on or prior to the consummation of the Otonomo Acquisition and (ii) the completion of the Direct Listing occurring substantially concurrently with the Otonomo Acquisition (collectively, the "**Otonomo Exercise Conditions**"), and assuming the Fair Market Value per Share (determined as set forth below) is greater than the Exercise Price, this Warrant shall be deemed exercised under [Section 2.2](#). Notwithstanding anything in this Warrant to the contrary, all shares of Common Stock issued upon a deemed exercise under [Section 2.2](#) pursuant to the application of this Section 8.2 shall be issued without restrictive legend or other limitation on transfer (and without any requirement for the delivery of a legal opinion in connection therewith) and shall be freely transferrable by the Holder pursuant to either (1) one or more effective registration statements registering the resale of such shares of Common Stock by the Holder (and having plan of distribution disclosure reasonably acceptable to the Holder) or (2) Rule 144 without regard to the limitations on the manner of sale, filing of notices, volume limitations or current public information specified therein. Any exercise of this Warrant pursuant to the application of this [Section 8.2](#) shall be subject to the provisions of [Section 2.3](#).

9. PIGGYBACK REGISTRATION RIGHTS. In the event of: (a) an IPO, the Holder shall have the right, but not the obligation, to participate as a selling stockholder and include all or any portion of the Common Stock issuable upon exercise of this Warrant in the IPO registration statement and any subsequent registration statements on a *pari passu* basis with the Company; (b) a SPAC Transaction where the Holder receives SPAC securities in exchange for Common Stock, the Holder shall have the right, but not the obligation, to participate as a selling stockholder and include all or any portion of such SPAC securities in

any subsequent registration statements filed by the SPAC on a *pari passu* basis with the SPAC (including, for the avoidance of doubt, participating as a selling securityholder in any registration statement filed with respect to any private placement of equity securities consummated in connection with the SPAC Transaction); and (c) a Direct Listing, the Holder shall have the right, but not the obligation, to participate as a selling stockholder and include all or any portion of the Common Stock issuable upon exercise of this Warrant in the initial registration statement filed in connection with the Direct Listing and any subsequent registration statements on a *pari passu* basis with all other Company stockholders including shares of capital stock in such registration statement. This Section 9 shall survive any exercise of this Warrant.

10.No STOCKHOLDER RIGHTS. This Warrant in and of itself shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company.

11.TRANSFER OF WARRANT. Subject to applicable laws, and the restriction on transfer set forth on the first page of this Warrant, this Warrant and all rights hereunder are transferable, by the Holder in person or by duly authorized attorney, upon delivery of this Warrant and the form of assignment attached hereto to any transferee designated by Holder.

12.LOST, STOLEN, MUTILATED OR DESTROYED WARRANT. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

13.NOTICES. All notices required or permitted hereunder shall be given in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed email or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) business days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the address of the respective party listed on the signature page of this Warrant or at such other address as the Company or Holder may designate by ten (10) business days' advance written notice to the other party.

14.ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

15.AMENDMENT. Any term of this Warrant may only be amended or waived by the written consent of the Company and the Holder.

16.GOVERNING LAW. This Warrant shall be governed as to validity, interpretation, construction, effect and all other respects by the laws of the State of Delaware without regard to the principals and conflict of laws.

[Signature Page(s) Follow]

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of the date first set forth above.

URGENT.LY INC.

By: _

Name: __

Title: ____

Address: _

IN WITNESS WHEREOF, the Holder has caused this Warrant to be executed by its duly authorized officer as of the date first set forth above.

HOLDER

By: _

Name: __

Title: ____

Address: _

NOTICE OF EXERCISE

TO: URGENT.LY INC.

(1) The undersigned hereby elects to purchase _____ shares of the Common Stock of URGENT.LY INC. (the “*Company*”) pursuant to the terms of the attached Warrant.

The undersigned hereby elects to purchase _____ shares of the Common Stock of URGENT.LY INC. (the “*Company*”) pursuant to the terms of the net exercise provisions set forth in Section 2.2 of the attached Warrant.

(2) Please issue a certificate or certificates representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below:

(Name)

(Address)

(3) The undersigned represents that (i) the aforesaid shares of Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares in violation of the Securities Act of 1933, as amended (the “*Securities Act*”); (ii) the undersigned is aware of the Company’s business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned’s own interests; (iv) the undersigned understands that the shares of Common Stock issuable upon exercise of this Warrant have not been registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Common Stock may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met, including, among other things, the availability of certain current public information about the Company and the required holding period under Rule 144 being satisfied; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Common Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or in a transaction exempt from the registration requirements of the Securities Act.

(Date)

(Signature)

(Print name)

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Dated: _____, 20__

Holder's
Signature: ____

Holder's
Address: ____

NOTE: The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

URGENT.LY INC.

AMENDED AND RESTATED WARRANT TO PURCHASE STOCK

No. SC-__ **Originally Issued December 16, 2021**
Amended and Restated October __, 2023

THIS CERTIFIES THAT, for value received, _____ or its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Urgent.ly Inc., a Delaware corporation (the “**Company**”), a number of fully paid and non-assessable shares of Stock equal to the Warrant Coverage, at such times and at the price per share set forth herein.

This Amended and Restated Warrant to Purchase Common Stock (this “**Warrant**”) amends and restates the Warrant to Purchase Stock originally issued on December 16, 2021, as amended July 12, 2022, in connection with that certain Second Amended and Restated Loan and Security Agreement, dated July 12, 2022, by and among the Company, the lenders from time to time party thereto (including the Holder) (the “**Lenders**”) and Ocean II PLO LLC, as administrative and collateral agent for Lenders (as amended through the date hereof or hereafter, the “**Loan Agreement**”).

The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein.

The following is a statement of the rights of Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. Definitions; Number and Price of Shares of Stock. Capitalized terms used but not defined herein shall have the meaning provided in the Loan Agreement.

(a) “**Charter**” shall mean the Company’s certificate of incorporation filed with the Delaware Secretary of State, as amended from time to time.

- (b) “**Common Stock**” shall mean the Common Stock of the Company.
- (c) “**Company**” shall have the meaning provided in the preamble.
- (d) “**Date of Issuance**” shall mean December 16, 2021.
- (e) “**Exercise Price**” shall mean \$0.01 per share.

(a) “**Fully Diluted Capitalization**” shall mean, as of the time any determination is made, the issued and outstanding capital stock of the Company on a fully diluted basis after giving effect to (i) the exercise, conversion and exchange of all options, warrants and all other securities convertible into, or exercisable or exchangeable for, shares of Common Stock, and (ii) the issuance of all shares of capital stock reserved under any incentive plan; *provided* that, in the event that the Warrant is exercised in connection with the Otonomo Acquisition, the Fully Diluted Capitalization shall be calculated as of immediately prior to the Otonomo Acquisition and shall exclude (x) the conversion of any 2022 Notes (as defined in the Otonomo Merger Agreement) that remain outstanding following the 2022 Note Conversions (as defined in the Otonomo Merger Agreement) and are not being converted in connection with the Otonomo Acquisition and (y) shares of Common Stock reserved, but neither issued nor the subject of outstanding awards, under the Company’s 2023 Equity Incentive Plan and the Company’s 2023 Employee Stock Purchase Plan.

(f) “**Future Round Stock**” shall mean (i) shares of any series of Preferred Stock (including without limitation, the Series C Preferred Stock) sold or issued by the Company in an arms-length financing after August 31, 2022 resulting in gross proceeds of at least \$1,000,000, or (ii) shares of Series C Preferred Stock if at least \$1,000,000 in principal amount of the 2022 Convertible Notes converts into shares of Series C Preferred Stock while this Warrant is outstanding. For the avoidance of doubt, the Series C Preferred Stock that is issued upon conversion or exercise of the 2021 Convertible Notes or any warrants to acquire Series C Preferred Stock issued to holders of the 2021 Convertible Notes as contemplated in the Recapitalization shall not constitute Future Round Stock as a result of such issuance.

- (g) “**Holder**” shall have the meaning provided in the preamble.
- (h) “**IPO**” shall have the meaning provided in Section 2(b)(i).
- (i) “**Loan Agreement**” shall have the meaning provided in the preamble.

(j) “**Merger Event**” shall mean any transaction or series of related transactions involving (i) the consummation of the sale, lease, exclusive license or other transfer of all or substantially all assets of the Company, or (ii) the consummation of any merger, acquisition or consolidation involving the Company in which (A) the Company is not the surviving entity (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), (B) the holders of a majority of the capital stock the Company prior to such transaction are no longer the holders of a majority of the capital stock after such transaction (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), or (C) the outstanding shares of the Company’s capital stock are otherwise converted into or exchanged for shares of preferred stock, other securities or property of another entity.

(k) “**Rights Agreement**” shall mean that certain Amended and Restated Investors’ Rights Agreement by and among the Company and the Investors named therein dated July 11, 2022.

(l) “**Securities Act**” shall mean the Securities Act of 1933, as amended.

(m) “**SPAC**” means a company with no commercial operations that is formed to raise capital through a public offering for the purpose of acquiring an existing company, which for the avoidance of doubt, is deemed to be a “blank check” company under applicable U.S. securities laws.

(n) “**SPAC Transaction**” means a transaction or a series of related transactions (whether by merger, consolidation, reorganization, business combination, direct private investment, or Permitted Convertible Debt) with a SPAC which results in the Company, a Successor Borrower or Parent being listed on a U.S. national securities exchange or market.

(o) “**Stock**” shall mean, at Holder’s written election in connection with the initial exercise of this Warrant, either (i) Common Stock, or (ii) Future Round Stock.

(p) “**Underlying Securities**” shall mean the Stock and the shares of Common Stock or other securities or properties issuable upon conversion thereof.

(q) “**Warrant**” shall have the meaning provided in the preamble.

(r) “**Warrant Coverage**” shall mean, [_____] divided by the Price Factor at the time the Warrant is exercised.

(s) “**Direct Listing**” means the Company’s initial listing of its Common Stock on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale to the general public.

(t) “**Parent**” means that certain SPAC that is organized under the laws of any state of the United States or the District of Columbia (after giving effect any domestication occurring simultaneously with any SPAC Transaction) and which has Equity Interests listed on a nationally recognized stock exchange in the United States which, upon the consummation of a SPAC Transaction, owns, directly or indirectly, 100% of the Equity Interests of the Company.

(u) “**Preferred Stock**” shall mean any class or series of the Company’s capital stock other than the class of Common Stock in existence on July 11, 2022.

(v) “**Price Factor**” shall mean 40% of the Otonomo Valuation (as defined in Section 2(b), below) divided by the Fully Diluted Capitalization as of the date the Warrant is exercised.

(w) “**Recapitalization**” shall mean the transactions associated with the Company’s July 2022 amendment of credit agreements and associated issuance of the 2022 Convertible Notes

(including any stock issuance, warrant issuance or amendment, or subsequent exchange and/or exercise of such warrants).

(x) “**Series C Preferred Stock**” means the Series C Preferred Stock of the Company into which the 2022 Convertible Notes are convertible.

(y) “**SPAC**” means a company with no commercial operations that is formed to raise capital through a public offering for the purpose of acquiring an existing company, which for the avoidance of doubt, is deemed to be a “blank check” company under applicable U.S. securities laws.

(z) “**SPAC Transaction**” means, collectively, (i) a transaction or a series of related transactions (whether by merger, consolidation, reorganization, business combination or otherwise) with a SPAC in which the outstanding shares of capital stock of the Company, a Parent or any Affiliate thereof or successor thereto are exchanged for or otherwise converted into, or otherwise become securities that are publicly listed on a U.S. national securities exchange.

(aa) “**2022 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$30,000,000 Series 2022A convertible debt offering.

(bb) “**2021 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$39,957,477 Series 2021A convertible debt offering.

2. Exercise of the Warrant.

(a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of Holder at any time after the Date of Issuance until the end of the period specified in Section Z, in whole or in part, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate in writing) of (A) a notice of exercise in the form of Exhibit A (the “**Notice of Exercise**”), duly completed and executed by or on behalf of Holder, and (B) the surrender of this Warrant; and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of shares of Stock being purchased, by wire transfer, setoff from amounts the Company owes Holder pursuant to the Loan Agreement, or certified cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Net Issue Exercise.** In lieu of exercising this Warrant pursuant to Section 2(a)(ii), if the Fair Market Value per Share (as defined below) is greater than the Exercise Price (at the date of calculation as set forth below), Holder may elect to receive a number of shares of Stock equal to the value of this Warrant (or of any portion of this Warrant being canceled) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate) together with a properly completed and executed Notice of Exercise, in which event the Company shall issue to Holder that number of shares of Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

- X = The number of shares of Stock to be issued to Holder
- Y = The number of shares of Stock purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)
- A = The fair market value of one share of Stock (at the date of such calculation)
- B = The Exercise Price (at the date of such calculation)

For purposes of the calculation above, the “**Fair Market Value per Share**” as of any date shall mean (i) if the Common Stock is then traded on a nationally recognized securities exchange (a “**Trading Market**”), the closing price or last resale price of a share of Common Stock reported for the trading day immediately before the date on which Holder delivers this Warrant together with this Notice of Exercise to the Company and (ii) if the Common Stock is not then traded on a Trading Market, then an amount per share of Common Stock issued or issuable pursuant to this Warrant equal to the Fair Market Value (as defined below) of the Company as of such date divided by the Fully Diluted Capitalization as of such date.

For purposes of this Section 2(b), the Board of Directors of the Company shall determine the “**Fair Market Value**” in good faith and taking into account the Company’s most recent valuation; provided, however, that in the event that this Warrant is exercised pursuant to this Section 2(b) in connection with the Company’s initial public offering of Common Stock (an “**IPO**”), the Fair Market Value shall be the per share offering price to the public in the IPO multiplied by the Fully Diluted Capitalization as of the date of the IPO; provided, further, that, if the Direct Listing is effectuated in connection with the Otonomo Acquisition, then the Fair Market Value shall be the lesser of (1) \$271,000,000, plus the Company’s cash-on-hand and cash equivalents, minus the aggregate outstanding Indebtedness owed to the Junior Lenders under the Loan Documents, the Lenders under the Loan Agreement, and other outstanding borrowed money indebtedness of the Company incurred outside of the ordinary course of business, in each case, measured immediately prior to the consummation of the Otonomo Acquisition, and (2) the definition of Aggregate Valuation in the Otonomo Merger Agreement (the lesser of (1) and (2), the “**Otonomo Valuation**”); provided, further, that if the Warrant is exercised in connection with a Merger Event, the entirety of the cash and value of the property that could potentially be paid or distributed to the Company’s stockholders (in their capacities as such) in connection with such transaction including any earn outs, holdbacks or other contingent consideration (whether or not actually received) shall be the basis for determining Fair Market Value of the Stock.

(c) **Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Stock issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Stock issuable upon such exercise shall be treated

for all purposes as the holder of record of such Stock as of the close of business on such date, and, as promptly as reasonably practicable on or after such date, but in no event greater than ten (10) Business Days if the Stock is not traded on any securities exchange or two (2) Business Days if the Stock is traded on any securities exchange, the Company shall deliver a certificate evidencing such Stock and cause appropriate book entries to be made in its records to reflect the same.

(d) **No Fractional shares of Stock or Scrip.** No fractional shares of Stock shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional share of Stock to which Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(e) **Reservation of shares of Stock.** The Company agrees during the term the rights under this Warrant are exercisable to take all reasonable action to reserve and keep available from its authorized and unissued Common Stock (or Future Round Stock, as the case may be) for the purpose of effecting the exercise of this Warrant such number of shares of Stock (and Common Stock for issuance on conversion of Future Round Stock, as applicable) as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued Common Stock, or Future Round Stock, as the case may be (and Common Stock for issuance on conversion of Future Round Stock, as applicable) shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms, without limitation of such other remedies as may be available to Holder, the Company shall increase its authorized and unissued Common Stock or Future Round Stock, as the case may be (and Common Stock for issuance on conversion of Future Round Stock, if applicable) to a number of shares of Stock as shall be sufficient for such purposes.

3. Replacement of the Warrant. Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. Transfer of the Warrant.

(a) **Warrant Register.** The Company shall maintain a register (the "**Warrant Register**") containing the name and address of Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary, provided however, that the Company shall promptly record the transfer of this Warrant on the Warrant Register upon receipt of written notification of such transfer made as allowed in this Warrant. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the shares of Stock or other

securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to the provisions of this Warrant and the Securities Act, this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as **Exhibit B** (the “**Assignment Form**”)) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act, the Company shall issue to or on the order of Holder a new warrant or warrants of like tenor without charge, in the name of Holder or as Holder (on payment by Holder of any applicable transfer taxes) may direct, for the number of shares of Stock issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Transfer Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable. The Company shall not otherwise charge any fee in connection with any such transfer.

5. Restrictions on Transfer of the Warrant and shares of Stock; Compliance with Securities Laws. By acceptance of this Warrant, Holder agrees to comply with the following:

(a) **Restrictions on Transfers of Warrants.** This Warrant may be transferred by Holder in whole or in part to as long as such transfer is made in accordance with the Securities Act upon written notice to the Company, such notice containing the portion of the Warrant being transferred with the name, address and taxpayer identification number of the transferee. By its acceptance of this Warrant, such transferee that becomes a Holder hereby makes to the Company each of the representations and warranties set forth in **Section 11** hereof and agrees to be bound by all of the covenants, terms and conditions of this Warrant as if the original Holder hereof. Holder hereby agrees to surrender this Warrant to the Company for reissuance to the transferee(s). Notwithstanding the foregoing, so long as no default shall have occurred and is continuing under the Loan Agreement or this Warrant, Holder shall not assign this Warrant or any portion of this Warrant to any Person who in the reasonable estimation of Holder is a direct competitor of the Company, whether as an operating company or direct or indirect parent with voting control over such operating company or to a “vulture” hedge fund.

(b) **Securities Law Legend.** This Warrant and its underlying securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped, imprinted, or

electronically notated with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(c) **Instructions Regarding Transfer Restrictions.** Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(d) **Removal of Legend.** The legend referring to federal and state securities laws identified in Section 5(b), stamped on any certificate evidencing the shares of Stock (and the Common Stock issuable upon conversion thereof) shall be removed and the Company shall issue a certificate without such legend to Holder of such securities (i) in connection with sale of such securities that has been registered under the Securities Act pursuant to an effective registration statement, or (ii) if such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

6. Adjustments and Related Rights. The number and kind of shares of Stock purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be Merger Event, then, prior to closing of such Merger Event, lawful provision shall be made so that Holder shall thereafter be entitled to receive at its election, upon exercise of this Warrant, (i) the number of shares of Stock or Underlying Securities that Holder would have received in connection with such Merger Event if Holder had exercised this Warrant immediately prior to the Merger Event, or (ii) the number of shares of stock or other equity interests Holder would be entitled to receive if the surviving entity in such Merger Event assumed this Warrant. In any such case, appropriate adjustment (as determined in good faith by the Company’s Board of Directors and reasonably acceptable to Holder) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of Holder after the Merger Event to the end that the provisions of this Warrant (including adjustments of the Exercise Price, the ability of Holder to elect the class and series of Stock as set forth in the definition thereof, and adjustments to ensure that the provisions

of this Section 6 shall thereafter be applicable, as nearly as possible, to the purchase rights under this Warrant in relation to any Underlying Securities thereafter acquirable upon exercise of such purchase rights) shall continue to be applicable in their entirety, as near as reasonably may be. In connection with a Merger Event and upon Holder's written election to the Company, the Company shall cause this Warrant to be exchanged for the consideration that Holder would have received if Holder had chosen to exercise its right to have shares issued pursuant to the Net Issuance provisions of this Warrant without actually exercising such right, acquiring such shares and exchanging such shares for such consideration. The provisions of this Section 6(a) shall similarly apply to successive Merger Events.

(b) **Reclassification of Stock.** Except for Merger Events subject to Section 6(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Warrant immediately prior to such combination, reclassification, exchange, subdivision or other change; provided to the extent the Holder has the right to elect to receive upon exercise either Common Stock or Future Round Stock, the adjustment under this Section (b) shall apply solely to the class and series of Stock that has been so combined, reclassified, exchanged or subdivided and shall not impair Holder's right to elect to exercise the purchase rights for any other class or series of Stock. The provisions of this Section 6(b) shall similarly apply to any successive combination, reclassification, exchange, subdivision or other change.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Common Stock or Future Round Stock, as the case may be, are subdivided (by stock split, by payment of a stock distribution or otherwise) into a greater number of shares of Stock, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding Common Stock or Future Round Stock, as the case may be, are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Adjustments for Diluting Issuances.** Without duplication of any adjustment otherwise provided for in this Section 6, the number of shares of Common Stock or other securities issuable upon conversion of the Stock shall be subject to the anti-dilution adjustment and protective provisions in accordance with the Charter. To the extent permitted under applicable law, the Stock and the Underlying Securities shall not be subject to any "pay-to-play" provisions required under the Charter or otherwise, in order to achieve the benefits of this Section (d). The anti-dilution rights set forth in the Charter shall not be restated, amended or modified in any manner which affects Holder's rights adversely and differently than all other holders of Stock without Holder's consent. The Company shall provide Holder with any restatement, amendment or modification to the Charter promptly after the same has been made.

(e) **Notice of Adjustments.** If: (i) the Company shall declare any dividend or distribution upon its stock, whether in stock, cash, property or other securities or offer for subscription *pro rata* to holders of its securities any additional securities; (ii) there shall be any Merger Event, Direct Listing or SPAC Transaction; (iii) there shall be an IPO; (iii) the Company shall sell, lease, license or otherwise transfer all or substantially all of its assets; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall send to Holder: (A) at least ten (10) days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such event described in (i), (ii) or (iii), above, (specifying the date on which Holders of the Company's securities shall be entitled thereto) or for determining rights to vote in respect of such event or for exchanging shares of stock for securities or other property deliverable upon such event); and (B) in the case of an IPO, Merger Event, Direct Listing or SPAC Transaction, the Company shall give Holder at least thirty (30) days' written notice prior to the effective date thereof. Any such notice shall state the event giving rise to the adjustment, including adjustment of the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of Holder, furnish or cause to be furnished to Holder a certificate setting forth (x) such adjustments, (y) the Exercise Price at the time in effect and (z) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

(f) **IPO.** If the Company shall effect an IPO, which results in the conversion of the Stock into Common Stock (or any other class or series of shares) pursuant to the provisions of the Charter in effect immediately prior to or upon such offering, then, effective upon such offering, this Warrant shall change from the right to purchase Stock to the right to purchase Common Stock (or such other class or series of shares, if applicable), and Holder shall thereupon have the right to purchase, at a total price equal to that payable upon the exercise of this Warrant in full, the number of Common Stock (or such other class or series of shares, if applicable) which would have been receivable by Holder upon the exercise of this Warrant for Stock immediately prior to such conversion of such Stock into Common Stock (or such other class or series of shares, if applicable), and in such event appropriate provisions shall be made with respect to the rights and interest of Holder to the end that the provisions hereof (including, without limitation, the provisions for the adjustment of the Exercise Price and of the number of shares of Stock purchasable upon exercise of this Warrant and the provisions relating to the net issue election) shall thereafter be applicable to Common Stock (or such other class or series of shares, if applicable) deliverable upon the exercise hereof.

(g) **Information Rights; Confidentiality.** For as long as Holder holds this Warrant or the Stock issuable upon exercise hereof (including any Underlying Securities), the Company shall deliver Holder the Company's quarterly financial statements and a current capitalization table within 45 days of the end of each quarter or sooner if available, and its annual financial statements within 210 days of the end of each fiscal year or sooner if available; *provided*, in each case, that such Holder shall be subject to the same confidentiality obligations set forth in Section 13.12 of the Loan Agreement. Notwithstanding the foregoing, the Company shall have no separate obligation hereunder to deliver to Holder any information the substantial equivalent of which shall have been provided to Holder pursuant to the Loan Agreement or, after an IPO,

available through timely made publicly available filings with the Securities and Exchange Commission.

(h) ***Merger Event; SPAC Transaction; Direct Listing; IPO.*** In the event of (i) a Merger Event, (ii) a SPAC Transaction, (iii) a Direct Listing, or (iv) the consummation of the IPO, this Warrant shall be automatically exchanged for a number of shares of Company's securities, such number of shares being equal to the maximum number of shares then issuable pursuant to the terms hereof (after taking into account all adjustments described herein) had Holder elected to exercise this Warrant immediately prior to the closing of such Merger Event, SPAC Transaction, Direct Listing or IPO and purchased all such shares pursuant to the cashless exercise provision set forth in Section 1.2 hereof.

7. Expiration of the Warrant. This Warrant shall no longer be exercisable as of 5:00 p.m., Pacific time, on December 16, 2031.

8. Automatic Cashless Exercise upon Expiration. In the event that, upon the expiration of this Warrant, the fair market value of one share of Stock (or other security issuable upon the exercise hereof) as determined in accordance with Section 2(b) above is greater than the Exercise Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 2(b) above as to all shares of Stock (or such other securities) for which it shall not previously have been exercised at the Exercise Price for the most recently issued class or series of Stock, and the Company shall, within a reasonable time, but in no event greater than three (3) Business Days, deliver to Holder a certificate representing the shares of Stock (or such other securities) issued upon such exercise.

9. No Rights as Stockholder. Nothing contained herein shall entitle Holder to any rights as a share of stockholder of the Company or to be deemed Holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon Holder, as such, any right to vote for the election of directors or upon any matter submitted to share of stockholders at any meeting thereof, or to give or withhold consent to any action (whether upon any recapitalization, issuance of shares of Stock, reclassification of shares of Stock, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive distributions or subscription rights or any other rights of a share of stockholder of the Company until the rights under the Warrant shall have been exercised and the shares of Stock purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

10. Representations and Warranties of the Company. Company represents, warrants and covenants to the Company as follows:

(a) ***Capitalization; Issuance.*** The authorized capital stock of the Company consists of 600,000,000 shares of Common Stock, 154,791 of which are issued and outstanding, and 160,000 shares of Preferred Stock, all of which are designated Series C Preferred Stock, all of which are currently issued and outstanding. The Company has reserved (i) 771,680 shares of Common Stock for issuance upon the exercise of options granted and currently outstanding under the Company's 2013 Equity Incentive Plan (the "***Stock Plan***"), of which 726,261 remain available for issuance. All issued and outstanding shares of Common Stock and Preferred Stock of the

Company have been duly authorized and validly issued and are fully paid and nonassessable, and were issued in full compliance with all federal and state securities laws.

(b) **Reservation of Stock.** The Common Stock issuable upon exercise of Holder's rights hereunder has been or, in the case of Future Round Stock, will be duly and validly reserved and, when issued in accordance with the provisions of this Warrant, will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Stock issuable pursuant to this Warrant may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to Holder true, correct and complete copies of its Charter and current bylaws.

(c) **Consents and Approvals.** No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Warrant, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) **Due Authority.** The execution and delivery by the Company of this Warrant and the performance of all obligations of the Company hereunder, including the issuance to Holder of the right to acquire the Underlying Securities into which it may be converted, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (i) does not violate the Charter or the Company's current bylaws; (ii) does not contravene any law or governmental rule, regulation or order applicable to the Company; and (iii) does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which the Company is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms.

(e) **Exempt Transaction.** Subject to the accuracy of Holder's representations in Section 10, the issuance of the Stock upon exercise of this Warrant, and the issuance of the Common Stock upon conversion of the Stock, will each constitute a transaction exempt from (i) the registration requirements of Section 5 of the Securities Act, in reliance upon Section 4(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(f) **Compliance with Rule 144.** If Holder proposes to sell Stock issuable upon the exercise of this Warrant, or the Common Stock into which it is convertible, in compliance with Rule 144 promulgated by the SEC, then, upon Holder's written request to the Company, the Company shall furnish to Holder, within five (5) Business Days after receipt of such request, a written statement confirming or denying the Company's compliance with the filing requirements of the SEC as set forth in such Rule, as such Rule may be amended from time to time.

(g) **Registration Rights.** The Company agrees that the shares of Common Stock issued and issuable upon conversion of the Stock issuable upon exercise of this Warrant, and, at all times (if any) when the Stock shall be Common Stock, the Stock issued and issuable upon exercise of this Warrant, shall have the "Piggyback," and S-3 registration rights pursuant to and as set forth in Section 2.1(b) and Section 2.2 of the Rights Agreement on a *pari passu* basis with the

stockholders of the Company who are parties thereto. The provisions set forth in the Rights Agreement in effect as of the Effective Date may not be amended, modified or waived without the prior written consent of Holder unless such amendment, modification or waiver affects the rights associated with the shares of Stock issued and issuable upon exercise hereof in the same manner as such amendment, modification, or waiver affects the rights associated with all outstanding shares of Stock whose holders are parties thereto.

11. Representations and Warranties of Holder. By acceptance of this Warrant, Holder represents and warrants to the Company as follows:

(a) **No Registration.** Holder understands that this Warrant and the Underlying Securities have not been, and will not be, registered under the Securities Act or qualified under applicable state securities laws by reason of the fact that the issuance of this Warrant is exempt from the registration and qualification provisions thereof, the availability of which exemption depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of Holder's representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** Holder is acquiring this Warrant (and shall, if applicable, acquire the Underlying Securities) for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof in violation of the Securities Act. Holder has no present intention of selling, granting any participation in, or otherwise distributing this Warrant, or the Underlying Securities nor does it have any contract, undertaking, agreement or arrangement for the same. Holder has not been formed for the specific purpose of acquiring this Warrant or the Underlying Securities.

(c) **Investment Experience.** Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold this Warrant and its underlying securities an indefinite period of time and to suffer a complete loss of its investment.

(e) **Access to Data.** Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and the Underlying Securities. Holder further has had an opportunity to ask questions and receive answers regarding the terms and conditions of the offering of this Warrant and the Underlying Securities and to obtain additional information necessary to verify any information furnished to Holder or to which Holder has access.

(f) **Accredited Investor.** Holder is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and

agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company.

(g) **Residency.** Holder's principal place of business is correctly set forth on the signature page hereto.

(h) **Restrictions on Resales.** Holder acknowledges that this Warrant and the Underlying Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of securities purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of securities being sold during any three-month period not exceeding specified limitations; the sale being effected through a "broker's transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time Holder wishes to sell shares of the Stock or the Underlying Securities and that, in such event, Holder may be precluded from selling shares of the Stock or the Underlying Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of shares of Stock or the Underlying Securities. Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(i) **No Public Market.** Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities.

(j) **Brokers and Finders.** Holder has not engaged any brokers, finders or agents in connection with this Warrant, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by Holder, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Warrant or the Underlying Securities.

(k) **Advisors.** Holder has had the opportunity to review this warrant, the exhibits and schedules attached hereto and the transactions contemplated by this Warrant with its own legal counsel and tax advisors. Holder is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by this Warrant. Holder understands that it (and not the Company) shall be

responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Warrant.

(l) *No “Bad Actor” Disqualification.* Neither (i) Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company’s voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by Holder is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1) (i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d) (3) under the Securities Act and disclosed, reasonably in advance of the acceptance of this Warrant, in writing in reasonable detail to the Company.

12. Miscellaneous.

(a) *Amendments.* Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and Holder.

(b) *Waivers.* No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) *Notices.* All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail or otherwise delivered by hand, messenger or courier service addressed:

(i) if to Holder, to Holder at Holder’s address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time, with a copy (which shall not constitute notice) to Steven O. Gasser, Esq., PremierCounsel, LLP, 201 Spear Street, Suite 1100, San Francisco, CA 94105, e-mail: sgasser@premiercounsel.com;

(ii) if to the Company, to the attention of the Chief Executive Officer of the Company at the Company’s address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time, with a copy (which shall not constitute notice) to Wilson Sonsini Goodrich & Rosati, P.C., One Market Plaza, Spear Tower, Suite 3300, San Francisco, CA 94105, Attention: Robert G. O’Connor, ROConnor@wsgr.com.

Any notice or other communication provided pursuant to this Section 12(c) shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the share of United States mail, addressed and mailed as aforesaid, (iii) if sent via facsimile, upon confirmation of facsimile

transfer, or (iv) if sent via electronic mail, upon confirmation of delivery when directed to the electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions of the State of Delaware, or of any other state.

(e) **Jurisdiction and Venue.** Each of Holder and the Company irrevocably consents to the exclusive jurisdiction and venue of any court within San Mateo County, State of California, in connection with any matter based upon or arising out of this Warrant or the matters contemplated herein, and agrees that process may be served upon them in any manner authorized by the laws of the State of California for such persons.

(f) **Waiver of Jury Trial.** THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS WARRANT. WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of San Mateo County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in San Mateo County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the San Mateo County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

(g) **Titles and Subtitles.** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(h) **Severability.** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(i) **No Strict Construction.** The parties hereto have participated jointly in the negotiation and drafting of this Warrant. In the event an ambiguity or question of intent or interpretation arises, this Warrant shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(j) **Electronic Execution of Documents.** The words “execution,” “signed,” “signature” and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act

(k) **Counterparts.** This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument

(l) **Entire Agreement.** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(m) **No Impairment of Rights.** The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of Holder against impairment

(n) **Attorney’s Fees.** In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys’ fees.

(signature page follows)

The Company and Holder sign this Warrant as of the date stated on the first page.

URGENTLY INC.

By:_
Name:
Title:

HOLDER

By:
Name:
Title:
Address:

EXHIBIT A

NOTICE OF EXERCISE

TO: URGENT.LY INC. (the “Company”)

Attention: Chief Executive Officer

Capitalized terms used but not defined herein shall have the meaning provided in the attached Warrant.

- (1) **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares of Stock: __

Type of security: __

- (2) **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

A cash payment or cancellation of indebtedness, and tenders herewith payment of the purchase price for such shares of Stock in full, together with all applicable transfer taxes, if any.

The net issue exercise provisions of Section 2(b) of the attached warrant.

- (3) **Certificate.** Please issue a certificate or certificates representing the Stock in the name of:

The undersigned

Other—Name: ____

Address: _

- (4) **Investment Intent.** The undersigned represents and warrants that the aforesaid shares of Stock are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same.

- (5) **Consent to Receipt of Electronic Notice.** Subject to the limitations set forth in Delaware General Corporation Law §232(e), the undersigned consents to the delivery of any notice to stockholders given by the Company under the Delaware General Corporation Law or the Company’s certificate of incorporation or bylaws by (i) facsimile telecommunication
-

to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company's records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission (as defined in the Delaware General Corporation Law) directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company and may be deemed revoked in the circumstances specified in Delaware General Corporation Law §232.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

EXHIBIT B

ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: URGENT.LY INC.

WARRANT: THE WARRANT TO PURCHASE _____ ISSUED ON
[INSERT DATE] (THE "WARRANT")

DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant ("**Assignor**") assigns and transfers to the assignee named below ("**Assignee**") all of the rights of Assignor under the Warrant, with respect to the number of shares of Stock set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of shares of Stock Assigned: __

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Urgent.ly Inc. maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of Stock to be issued upon exercise of the rights thereunder (and any shares of Stock issuable upon conversion thereof) (the "**Securities**") subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 91 of the Warrant are true and correct as to Assignee as of the date hereof.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

ASSIGNEE

(Print name of Assignor)

(Print name of Assignee)

(Signature of Assignor)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

Address:

(Print title of signatory, if applicable) Address:

Warrant – Urgent.ly Inc. – Structural Capital Investments III, LP

- 1 -

(Print title of signatory, if applicable) Address:

Warrant – Urgent.ly Inc. – Structural Capital Investments III, LP

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

URGENT.LY INC.

AMENDED AND RESTATED WARRANT TO PURCHASE STOCK

No. SC-__ Originally Issued May 18, 2023
Amended and Restated October __, 2023

THIS CERTIFIES THAT, for value received, _____ its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Urgent.ly Inc., a Delaware corporation (the “**Company**”), a number of fully paid and non-assessable shares of Stock equal to the Warrant Coverage, at such times and at the price per share set forth herein.

This Amended and Restated Warrant to Purchase Common Stock (this “**Warrant**”) amends and restates the Warrant to Purchase Stock originally issued on May 18, 2023, in connection with that certain Second Amended and Restated Loan and Security Agreement, dated July 12, 2022, by and among the Company, the lenders from time to time party thereto (including the Holder) (the “**Lenders**”) and Ocean II PLO LLC, as administrative and collateral agent for Lenders (as amended through the date hereof or hereafter, the “**Loan Agreement**”).

The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein.

The following is a statement of the rights of Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. **Definitions; Number and Price of Shares of Stock.** Capitalized terms used but not defined herein shall have the meaning provided in the Loan Agreement.

- (a) “**Charter**” shall mean the Company’s certificate of incorporation filed with the Delaware Secretary of State, as amended from time to time.
- (b) “**Common Stock**” shall mean the Common Stock of the Company.
- (c) “**Company**” shall have the meaning provided in the preamble.

(d) “**Date of Issuance**” shall mean May 18, 2023.

(e) “**Direct Listing**” means the Company’s initial listing of its Common Stock on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale to the general public.

(f) “**Exercise Price**” shall mean \$0.01 per share.

(g) “**Fully Diluted Capitalization**” shall mean, as of the time any determination is made, the issued and outstanding capital stock of the Company on a fully diluted basis after giving effect to (i) the exercise, conversion and exchange of all options, warrants and all other securities convertible into, or exercisable or exchangeable for, shares of Common Stock, and (ii) the issuance of all shares of capital stock reserved under any incentive plan; provided that, in the event that the Warrant is exercised in connection with the Otonomo Acquisition, the Fully Diluted Capitalization shall be calculated as of immediately prior to the Otonomo Acquisition and shall exclude (x) the conversion of any 2022 Notes (as defined in the Otonomo Merger Agreement) that remain outstanding following the 2022 Note Conversions (as defined in the Otonomo Merger Agreement) and are not being converted in connection with the Otonomo Acquisition and (y) shares of Common Stock reserved, but neither issued nor the subject of outstanding awards, under the Company’s 2023 Equity Incentive Plan and the Company’s 2023 Employee Stock Purchase Plan.

(h) “**Future Round Stock**” shall mean (i) shares of any series of Preferred Stock (including without limitation, the Series C Preferred Stock) sold or issued by the Company in an arms-length financing after August 31, 2022 resulting in gross proceeds of at least \$1,000,000, or (ii) shares of Series C Preferred Stock if at least \$1,000,000 in principal amount of the 2022 Convertible Notes converts into shares of Series C Preferred Stock while this Warrant is outstanding. For the avoidance of doubt, the Series C Preferred Stock that is issued upon conversion or exercise of the 2021 Convertible Notes or any warrants to acquire Series C Preferred Stock issued to holders of the 2021 Convertible Notes as contemplated in the Recapitalization shall not constitute Future Round Stock as a result of such issuance.

(i) “**Holder**” shall have the meaning provided in the preamble.

(j) “**IPO**” shall have the meaning provided in Section 2(b)(i).

(k) “**Loan Agreement**” shall have the meaning provided in the preamble.

(l) “**Merger Event**” shall mean any transaction or series of related transactions involving (i) the consummation of the sale, lease, exclusive license or other transfer of all or substantially all assets of the Company, or (ii) the consummation of any merger, acquisition or consolidation involving the Company in which (A) the Company is not the surviving entity (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), (B) the holders of a majority of the capital stock the Company prior to such transaction are no longer the holders of a majority of the capital stock after such transaction (excluding in all instances a merger or consolidation effected exclusively to change the Company’s jurisdiction of or type of entity), or (C) the outstanding shares of the Company’s capital stock are otherwise converted into or exchanged for shares of preferred stock, other securities or property of another entity.

(m) “**Parent**” means that certain SPAC that is organized under the laws of any state of the United States or the District of Columbia (after giving effect any domestication occurring simultaneously with any SPAC Transaction) and which has Equity Interests listed on a nationally recognized stock exchange in the United States which, upon the consummation of a SPAC Transaction, owns, directly or indirectly, 100% of the Equity Interests of the Company.

- (n) “**Preferred Stock**” shall mean any class or series of the Company’s capital stock other than the class of Common Stock in existence on July 11, 2022.
- (o) “**Price Factor**” shall mean 40% of the Otonomo Valuation (as defined in Section 2(b), below) divided by the Fully Diluted Capitalization as of the date the Warrant is exercised.
- (p) “**Recapitalization**” shall mean the transactions associated with the Company’s July 2022 amendment of credit agreements and associated issuance of the 2022 Convertible Notes (including any stock issuance, warrant issuance or amendment, or subsequent exchange and/or exercise of such warrants).
- (q) “**Rights Agreement**” shall mean that certain Amended and Restated Investors’ Rights Agreement by and among the Company and the Investors named therein dated July 11, 2022.
- (r) “**Securities Act**” shall mean the Securities Act of 1933, as amended.
- (s) “**Series C Preferred Stock**” means the Series C Preferred Stock of the Company into which the 2022 Convertible Notes are convertible.
- (t) “**SPAC**” means a company with no commercial operations that is formed to raise capital through a public offering for the purpose of acquiring an existing company, which for the avoidance of doubt, is deemed to be a “blank check” company under applicable U.S. securities laws.
- (u) “**SPAC Transaction**” means, collectively, (i) a transaction or a series of related transactions (whether by merger, consolidation, reorganization, business combination or otherwise) with a SPAC in which the outstanding shares of capital stock of the Company, a Parent or any Affiliate thereof or successor thereto are exchanged for or otherwise converted into, or otherwise become securities that are publicly listed on a U.S. national securities exchange.
- (v) “**Stock**” shall mean, at Holder’s written election in connection with the initial exercise of this Warrant, either (i) Common Stock, or (ii) Future Round Stock.
- (w) “**Underlying Securities**” shall mean the Stock and the shares of Common Stock or other securities or properties issuable upon conversion thereof.
- (x) “**Warrant**” shall have the meaning provided in the preamble.
- (y) “**Warrant Coverage**” shall mean [_____] divided by the Price Factor at the time the Warrant is exercised.
- (z) “**2022 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$30,000,000 Series 2022A convertible debt offering.
- (aa) “**2021 Convertible Notes**” means the convertible promissory notes issued pursuant to the Company’s \$39,957,477 Series 2021A convertible debt offering.

2. Exercise of the Warrant.

- (a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of Holder at any time after the Date of Issuance until the end of the period specified in [Section 7](#), in whole or in part, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate in writing) of (A) a notice of exercise in the form of **Exhibit A** (the “**Notice of Exercise**”), duly completed and executed by or on behalf of Holder, and (B) the surrender of this Warrant; and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of shares of Stock being purchased, by wire transfer, setoff from amounts the Company owes Holder pursuant to the Loan Agreement, or certified cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Net Issue Exercise.** In lieu of exercising this Warrant pursuant to Section 2(a)(ii), if the Fair Market Value per Share (as defined below) is greater than the Exercise Price (at the date of calculation as set forth below), Holder may elect to receive a number of shares of Stock equal to the value of this Warrant (or of any portion of this Warrant being canceled) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate) together with a properly completed and executed Notice of Exercise, in which event the Company shall issue to Holder that number of shares of Stock computed using the following formula:

$$\underline{X} = \frac{Y(A - B)}{A}$$

Where:

- X = The number of shares of Stock to be issued to Holder
- Y = The number of shares of Stock purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)
- A = The fair market value of one share of Stock (at the date of such calculation)
- B = The Exercise Price (at the date of such calculation)

For purposes of the calculation above, the “**Fair Market Value per Share**” as of any date shall mean (i) if the Common Stock is then traded on a nationally recognized securities exchange (a “**Trading Market**”), the closing price or last resale price of a share of Common Stock reported for the trading day immediately before the date on which Holder delivers this Warrant together with this Notice of Exercise to the Company and (ii) if the Common Stock is not then traded on a Trading Market, then an amount per share of Common Stock issued or issuable pursuant to this Warrant equal to the Fair Market Value (as defined below) of the Company as of such date divided by the Fully Diluted Capitalization as of such date.

For purposes of this Section 2(b), the Board of Directors of the Company shall determine the “**Fair Market Value**” in good faith and taking into account the Company’s most recent valuation; provided, however, that in the event that this Warrant is exercised pursuant to this Section 2(b) in connection with the Company’s initial public offering of Common Stock (an “**IPO**”), the Fair Market Value shall be the per share offering price to the public in the IPO multiplied by the Fully Diluted Capitalization as of the date of the IPO; provided, further, that, if the Direct Listing is effectuated in connection with the Otonomo Acquisition, then the Fair Market Value shall be the lesser of (1) \$271,000,000, plus the Company’s cash-on-hand and cash equivalents, minus the aggregate outstanding Indebtedness owed to the Junior Lenders under the Loan Documents, the Lenders under the Loan Agreement, and other outstanding borrowed money indebtedness of the Company incurred outside of

the ordinary course of business, in each case, measured immediately prior to the consummation of the Otonomo Acquisition, and (2) the definition of Aggregate Valuation in the Otonomo Merger Agreement (the lesser of (1) and (2), the “**Otonomo Valuation**”); provided, further, that if the Warrant is exercised in connection with a Merger Event, the entirety of the cash and value of the property that could potentially be paid or distributed to the Company’s stockholders (in their capacities as such) in connection with such transaction including any earn outs, holdbacks or other contingent consideration (whether or not actually received) shall be the basis for determining Fair Market Value of the Stock.

(c) **Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Stock issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Stock issuable upon such exercise shall be treated for all purposes as the holder of record of such Stock as of the close of business on such date, and, as promptly as reasonably practicable on or after such date, but in no event greater than ten (10) Business Days if the Stock is not traded on any securities exchange or two (2) Business Days if the Stock is traded on any securities exchange, the Company shall deliver a certificate evidencing such Stock and cause appropriate book entries to be made in its records to reflect the same.

(d) **No Fractional shares of Stock or Scrip.** No fractional shares of Stock shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional share of Stock to which Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(e) **Reservation of shares of Stock.** The Company agrees during the term the rights under this Warrant are exercisable to take all reasonable action to reserve and keep available from its authorized and unissued Common Stock (or Future Round Stock, as the case may be) for the purpose of effecting the exercise of this Warrant such number of shares of Stock (and Common Stock for issuance on conversion of Future Round Stock, as applicable) as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued Common Stock, or Future Round Stock, as the case may be (and Common Stock for issuance on conversion of Future Round Stock, as applicable) shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms, without limitation of such other remedies as may be available to Holder, the Company shall increase its authorized and unissued Common Stock or Future Round Stock, as the case may be (and Common Stock for issuance on conversion of Future Round Stock, if applicable) to a number of shares of Stock as shall be sufficient for such purposes.

3. **Replacement of the Warrant.** Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. **Transfer of the Warrant.**

(a) **Warrant Register.** The Company shall maintain a register (the “**Warrant Register**”) containing the name and address of Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary, provided however, that the Company shall promptly record the transfer of this Warrant on the Warrant Register upon receipt of written notification of such transfer made as allowed in this Warrant. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the shares of Stock or other securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to the provisions of this Warrant and the Securities Act, this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as **Exhibit B** (the “**Assignment Form**”)) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act, the Company shall issue to or on the order of Holder a new warrant or warrants of like tenor without charge, in the name of Holder or as Holder (on payment by Holder of any applicable transfer taxes) may direct, for the number of shares of Stock issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Transfer Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable. The Company shall not otherwise charge any fee in connection with any such transfer.

5. Restrictions on Transfer of the Warrant and shares of Stock; Compliance with Securities Laws. By acceptance of this Warrant, Holder agrees to comply with the following:

(a) **Restrictions on Transfers of Warrants.** This Warrant may be transferred by Holder in whole or in part to as long as such transfer is made in accordance with the Securities Act upon written notice to the Company, such notice containing the portion of the Warrant being transferred with the name, address and taxpayer identification number of the transferee. By its acceptance of this Warrant, such transferee that becomes a Holder hereby makes to the Company each of the representations and warranties set forth in Section 11 hereof and agrees to be bound by all of the covenants, terms and conditions of this Warrant as if the original Holder hereof. Holder hereby agrees to surrender this Warrant to the Company for reissuance to the transferee(s). Notwithstanding the foregoing, so long as no default shall have occurred and is continuing under the Loan Agreement or this Warrant, Holder shall not assign this Warrant or any portion of this Warrant to any Person who in the reasonable estimation of Holder is a direct competitor of the Company, whether as an operating company or direct or indirect parent with voting control over such operating company or to a “vulture” hedge fund.

(b) **Securities Law Legend.** This Warrant and its underlying securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped, imprinted, or electronically notated with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE

ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(c) **Instructions Regarding Transfer Restrictions.** Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(d) **Removal of Legend.** The legend referring to federal and state securities laws identified in Section 5(b) stamped on any certificate evidencing the shares of Stock (and the Common Stock issuable upon conversion thereof) shall be removed and the Company shall issue a certificate without such legend to Holder of such securities (i) in connection with sale of such securities that has been registered under the Securities Act pursuant to an effective registration statement, or (ii) if such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

6. **Adjustments and Related Rights.** The number and kind of shares of Stock purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be Merger Event, then, prior to closing of such Merger Event, lawful provision shall be made so that Holder shall thereafter be entitled to receive at its election, upon exercise of this Warrant, (i) the number of shares of Stock or Underlying Securities that Holder would have received in connection with such Merger Event if Holder had exercised this Warrant immediately prior to the Merger Event, or (ii) the number of shares of stock or other equity interests Holder would be entitled to receive if the surviving entity in such Merger Event assumed this Warrant. In any such case, appropriate adjustment (as determined in good faith by the Company's Board of Directors and reasonably acceptable to Holder) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of Holder after the Merger Event to the end that the provisions of this Warrant (including adjustments of the Exercise Price, the ability of Holder to elect the class and series of Stock as set forth in the definition thereof, and adjustments to ensure that the provisions of this Section 6 shall thereafter be applicable, as nearly as possible, to the purchase rights under this Warrant in relation to any Underlying Securities thereafter acquirable upon exercise of such purchase rights) shall continue to be applicable in their entirety, as near as reasonably may be. In connection with a Merger Event and upon Holder's written election to the Company, the Company shall cause this Warrant to be exchanged for the consideration that Holder would have received if Holder had chosen to exercise its right to have shares issued pursuant to the Net Issuance provisions of this Warrant without actually exercising such right, acquiring such shares and exchanging such shares for such consideration. The provisions of this Section 6(a) shall similarly apply to successive Merger Events.

(b) **Reclassification of Stock.** Except for Merger Events subject to Section 6(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Warrant immediately prior to such combination, reclassification, exchange, subdivision or other change; provided to the extent the Holder has the right to elect

to receive upon exercise either Common Stock or Future Round Stock, the adjustment under this Section (b) shall apply solely to the class and series of Stock that has been so combined, reclassified, exchanged or subdivided and shall not impair Holder's right to elect to exercise the purchase rights for any other class or series of Stock. The provisions of this Section 6(b) shall similarly apply to any successive combination, reclassification, exchange, subdivision or other change.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Common Stock or Future Round Stock, as the case may be, are subdivided (by stock split, by payment of a stock distribution or otherwise) into a greater number of shares of Stock, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding Common Stock or Future Round Stock, as the case may be, are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of shares of Stock issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Adjustments for Diluting Issuances.** Without duplication of any adjustment otherwise provided for in this Section 6, the number of shares of Common Stock or other securities issuable upon conversion of the Stock shall be subject to the anti-dilution adjustment and protective provisions in accordance with the Charter. To the extent permitted under applicable law, the Stock and the Underlying Securities shall not be subject to any "pay-to-play" provisions required under the Charter or otherwise, in order to achieve the benefits of this Section (d). The anti-dilution rights set forth in the Charter shall not be restated, amended or modified in any manner which affects Holder's rights adversely and differently than all other holders of Stock without Holder's consent. The Company shall provide Holder with any restatement, amendment or modification to the Charter promptly after the same has been made.

(e) **Notice of Adjustments.** If: (i) the Company shall declare any dividend or distribution upon its stock, whether in stock, cash, property or other securities or offer for subscription *pro rata* to holders of its securities any additional securities; (ii) there shall be any Merger Event, Direct Listing or SPAC Transaction; (iii) there shall be an IPO; (iii) the Company shall sell, lease, license or otherwise transfer all or substantially all of its assets; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall send to Holder: (A) at least ten (10) days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such event described in (i), (ii) or (iii), above, (specifying the date on which Holders of the Company's securities shall be entitled thereto) or for determining rights to vote in respect of such event or for exchanging shares of stock for securities or other property deliverable upon such event); and (B) in the case of an IPO, Merger Event, Direct Listing or SPAC Transaction, the Company shall give Holder at least thirty (30) days' written notice prior to the effective date thereof. Any such notice shall state the event giving rise to the adjustment, including adjustment of the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of Holder, furnish or cause to be furnished to Holder a certificate setting forth (x) such adjustments, (y) the Exercise Price at the time in effect and (z) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

(f) **IPO.** If the Company shall effect an IPO, which results in the conversion of the Stock into Common Stock (or any other class or series of shares) pursuant to the provisions of the Charter in effect immediately prior to or upon such offering, then, effective upon such offering, this Warrant shall change from the right to purchase Stock to the right to purchase Common Stock (or such other class or series of shares, if applicable), and Holder shall thereupon have the right to purchase, at a total price equal to that payable upon

the exercise of this Warrant in full, the number of Common Stock (or such other class or series of shares, if applicable) which would have been receivable by Holder upon the exercise of this Warrant for Stock immediately prior to such conversion of such Stock into Common Stock (or such other class or series of shares, if applicable), and in such event appropriate provisions shall be made with respect to the rights and interest of Holder to the end that the provisions hereof (including, without limitation, the provisions for the adjustment of the Exercise Price and of the number of shares of Stock purchasable upon exercise of this Warrant and the provisions relating to the net issue election) shall thereafter be applicable to Common Stock (or such other class or series of shares, if applicable) deliverable upon the exercise hereof.

(g) ***Information Rights; Confidentiality.*** For as long as Holder holds this Warrant or the Stock issuable upon exercise hereof (including any Underlying Securities), the Company shall deliver Holder the Company's quarterly financial statements and a current capitalization table within 45 days of the end of each quarter or sooner if available, and its annual financial statements within 210 days of the end of each fiscal year or sooner if available; *provided*, in each case, that such Holder shall be subject to the same confidentiality obligations set forth in Section 13.12 of the Loan Agreement. Notwithstanding the foregoing, the Company shall have no separate obligation hereunder to deliver to Holder any information the substantial equivalent of which shall have been provided to Holder pursuant to the Loan Agreement or, after an IPO, available through timely made publicly available filings with the Securities and Exchange Commission.

(h) ***Merger Event; SPAC Transaction; Direct Listing; IPO.*** In the event of (i) a Merger Event, (ii) a SPAC Transaction, (iii) a Direct Listing, or (iv) the consummation of the IPO, this Warrant shall be automatically exchanged for a number of shares of Company's securities, such number of shares being equal to the maximum number of shares then issuable pursuant to the terms hereof (after taking into account all adjustments described herein) had Holder elected to exercise this Warrant immediately prior to the closing of such Merger Event, SPAC Transaction, Direct Listing or IPO and purchased all such shares pursuant to the cashless exercise provision set forth in Section 2(b) hereof.

7. **Expiration of the Warrant.** This Warrant shall no longer be exercisable as of 5:00 p.m., Pacific time, on May 18, 2033.

8. **Automatic Cashless Exercise upon Expiration.** In the event that, upon the expiration of this Warrant, the fair market value of one share of Stock (or other security issuable upon the exercise hereof) as determined in accordance with Section 2(b) above is greater than the Exercise Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 2(b) above as to all shares of Stock (or such other securities) for which it shall not previously have been exercised at the Exercise Price for the most recently issued class or series of Stock, and the Company shall, within a reasonable time, but in no event greater than three (3) Business Days, deliver to Holder a certificate representing the shares of Stock (or such other securities) issued upon such exercise.

9. **No Rights as Stockholder.** Nothing contained herein shall entitle Holder to any rights as a share of stockholder of the Company or to be deemed Holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon Holder, as such, any right to vote for the election of directors or upon any matter submitted to share of stockholders at any meeting thereof, or to give or withhold consent to any action (whether upon any recapitalization, issuance of shares of Stock, reclassification of shares of Stock, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive distributions or subscription rights or any other rights of a share of stockholder of the Company until the rights under the Warrant shall have been exercised and the shares of Stock purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

10. Representations and Warranties of the Company. Company represents, warrants and covenants to the Company as follows:

(a) **Capitalization; Issuance.** The authorized capital stock of the Company consists of 600,000,000 shares of Common Stock, 154,791 of which are issued and outstanding, and 160,000 shares of Series C Preferred Stock, 154,791 of which are currently issued and outstanding. The Company has reserved 771,680 shares of Common Stock for issuance upon the exercise of options granted and currently outstanding under the Company's 2013 Equity Incentive Plan (the "Stock Plan"), of which 726,261 remain available for issuance. All issued and outstanding shares of Common Stock and Preferred Stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable, and were issued in full compliance with all federal and state securities laws.

(b) **Reservation of Stock.** The Common Stock issuable upon exercise of Holder's rights hereunder has been or, in the case of Future Round Stock, will be duly and validly reserved and, when issued in accordance with the provisions of this Warrant, will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Stock issuable pursuant to this Warrant may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to Holder true, correct and complete copies of its Charter and current bylaws.

(c) **Consents and Approvals.** No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Warrant, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) **Due Authority.** The execution and delivery by the Company of this Warrant and the performance of all obligations of the Company hereunder, including the issuance to Holder of the right to acquire the Underlying Securities into which it may be converted, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (i) does not violate the Charter or the Company's current bylaws; (ii) does not contravene any law or governmental rule, regulation or order applicable to the Company; and (iii) does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which the Company is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms.

(e) **Exempt Transaction.** Subject to the accuracy of Holder's representations in Section 10, the issuance of the Stock upon exercise of this Warrant, and the issuance of the Common Stock upon conversion of the Stock, will each constitute a transaction exempt from (i) the registration requirements of Section 5 of the Securities Act, in reliance upon Section 4(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(f) **Compliance with Rule 144.** If Holder proposes to sell Stock issuable upon the exercise of this Warrant, or the Common Stock into which it is convertible, in compliance with Rule 144 promulgated by the SEC, then, upon Holder's written request to the Company, the Company shall furnish to Holder, within five (5) Business Days after receipt of such request, a written statement confirming or denying the Company's compliance with the filing requirements of the SEC as set forth in such Rule, as such Rule may be amended from time to time.

(g) **Registration Rights.** The Company agrees that the shares of Common Stock issued and issuable upon conversion of the Stock issuable upon exercise of this Warrant, and, at all times (if any) when the Stock shall be Common Stock, the Stock issued and issuable upon exercise of this Warrant, shall have the

“Piggyback,” and S-3 registration rights pursuant to and as set forth in Section 2.1(b) and Section 2.2 of the Rights Agreement on a *pari passu* basis with the stockholders of the Company who are parties thereto. The provisions set forth in the Rights Agreement in effect as of the Effective Date may not be amended, modified or waived without the prior written consent of Holder unless such amendment, modification or waiver affects the rights associated with the shares of Stock issued and issuable upon exercise hereof in the same manner as such amendment, modification, or waiver affects the rights associated with all outstanding shares of Stock whose holders are parties thereto.

11. Representations and Warranties of Holder. By acceptance of this Warrant, Holder represents and warrants to the Company as follows:

(a) **No Registration.** Holder understands that this Warrant and the Underlying Securities have not been, and will not be, registered under the Securities Act or qualified under applicable state securities laws by reason of the fact that the issuance of this Warrant is exempt from the registration and qualification provisions thereof, the availability of which exemption depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of Holder’s representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** Holder is acquiring this Warrant (and shall, if applicable, acquire the Underlying Securities) for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof in violation of the Securities Act. Holder has no present intention of selling, granting any participation in, or otherwise distributing this Warrant, or the Underlying Securities nor does it have any contract, undertaking, agreement or arrangement for the same. Holder has not been formed for the specific purpose of acquiring this Warrant or the Underlying Securities.

(c) **Investment Experience.** Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold this Warrant and its underlying securities an indefinite period of time and to suffer a complete loss of its investment.

(e) **Access to Data.** Holder is aware of the Company’s business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and the Underlying Securities. Holder further has had an opportunity to ask questions and receive answers regarding the terms and conditions of the offering of this Warrant and the Underlying Securities and to obtain additional information necessary to verify any information furnished to Holder or to which Holder has access.

(f) **Accredited Investor.** Holder is an “accredited investor” within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company.

(g) **Residency.** Holder’s principal place of business is correctly set forth on the signature page hereto.

(h) **Restrictions on Resales.** Holder acknowledges that this Warrant and the Underlying Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption

from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of securities purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of securities being sold during any three-month period not exceeding specified limitations; the sale being effected through a “broker’s transaction,” a transaction directly with a “market maker” or a “riskless principal transaction” (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time Holder wishes to sell shares of the Stock or the Underlying Securities and that, in such event, Holder may be precluded from selling shares of the Stock or the Underlying Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of shares of Stock or the Underlying Securities. Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(i) **No Public Market.** Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company’s securities.

(j) **Brokers and Finders.** Holder has not engaged any brokers, finders or agents in connection with this Warrant, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by Holder, any liability for brokerage or finders’ fees or agents’ commissions or any similar charges in connection with this Warrant or the Underlying Securities.

(k) **Advisors.** Holder has had the opportunity to review this warrant, the exhibits and schedules attached hereto and the transactions contemplated by this Warrant with its own legal counsel and tax advisors. Holder is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by this Warrant. Holder understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Warrant.

(l) **No “Bad Actor” Disqualification.** Neither (i) Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company’s voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by Holder is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the acceptance of this Warrant, in writing in reasonable detail to the Company.

12. Miscellaneous.

(a) **Amendments.** Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and Holder.

(b) **Waivers.** No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail or otherwise delivered by hand, messenger or courier service addressed:

(i) if to Holder, to Holder at Holder's address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time;

(ii) if to the Company, to the attention of the Chief Executive Officer of the Company at the Company's address, facsimile number or electronic mail address as shown on the signature page hereto, or at such other current address, facsimile number or electronic mail address as the Company shall have furnished to Holder from time to time, with a copy (which shall not constitute notice) to with a copy (which shall not constitute notice) to Wilson Sonsini Goodrich & Rosati, P.C., One Market Plaza, Spear Tower, Suite 3300, San Francisco, CA 94105, Attention: Robert G. O'Connor, ROConnor@wsgr.com.

Any notice or other communication provided pursuant to this Section 12(c) shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the share of United States mail, addressed and mailed as aforesaid, (iii) if sent via facsimile, upon confirmation of facsimile transfer, or (iv) if sent via electronic mail, upon confirmation of delivery when directed to the electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions of the State of Delaware, or of any other state.

(e) **Jurisdiction and Venue.** Each of Holder and the Company irrevocably consents to the exclusive jurisdiction and venue of any court within San Mateo County, State of California, in connection with any matter based upon or arising out of this Warrant or the matters contemplated herein, and agrees that process may be served upon them in any manner authorized by the laws of the State of California for such persons.

(f) **Waiver of Jury Trial.** THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS WARRANT. WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of San Mateo County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in San Mateo County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed

to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the San Mateo County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

(g) **Titles and Subtitles.** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(h) **Severability.** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(i) **No Strict Construction.** The parties hereto have participated jointly in the negotiation and drafting of this Warrant. In the event an ambiguity or question of intent or interpretation arises, this Warrant shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(j) **Electronic Execution of Documents.** The words “execution,” “signed,” “signature” and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act

(k) **Counterparts.** This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument

(l) **Entire Agreement.** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(m) **No Impairment of Rights.** The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this

Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of Holder against impairment

(n) **Attorney's Fees.** In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

(signature page follows)

The Company and Holder sign this Warrant as of the date stated on the first page.

URGENT.LY INC.

By: _____
Name: _____
Title: _____

AGREED AND ACKNOWLEDGED:

By: _____
Name: _____
Title: _____
Address: _____

EXHIBIT A

NOTICE OF EXERCISE

TO: URGENTLY INC. (the “Company”)

Attention: Chief Executive Officer

Capitalized terms used but not defined herein shall have the meaning provided in the attached Warrant.

- (1) **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares of Stock: _

Type of security: ____

- (2) **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

A cash payment or cancellation of indebtedness, and tenders herewith payment of the purchase price for such shares of Stock in full, together with all applicable transfer taxes, if any.

The net issue exercise provisions of Section 2(b) of the attached warrant.

- (3) **Certificate.** Please issue a certificate or certificates representing the Stock in the name of:

The undersigned

Other—Name: ____

Address: ____

- (4) **Investment Intent.** The undersigned represents and warrants that the aforesaid shares of Stock are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same.

- (5) **Consent to Receipt of Electronic Notice.** Subject to the limitations set forth in Delaware General Corporation Law §232(e), the undersigned consents to the delivery of any notice to stockholders given by the Company under the Delaware General Corporation Law or the Company’s certificate of incorporation or bylaws by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company’s records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company’s records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission (as defined in the Delaware General Corporation Law) directed to the undersigned. This consent may be

revoked by the undersigned by written notice to the Company and may be deemed revoked in the circumstances specified in Delaware General Corporation Law §232.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

EXHIBIT B

ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: URGENT.LY INC.

WARRANT: THE WARRANT TO PURCHASE _____ ISSUED ON
[INSERT DATE] (THE "WARRANT")

DATE: _____

- (6) **Assignment.** The undersigned registered holder of the Warrant ("**Assignor**") assigns and transfers to the assignee named below ("**Assignee**") all of the rights of Assignor under the Warrant, with respect to the number of shares of Stock set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of shares of Stock Assigned: __

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Urgent.ly Inc. maintained for the purpose, with full power of substitution in the premises.

- (7) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of Stock to be issued upon exercise of the rights thereunder (and any shares of Stock issuable upon conversion thereof) (the "**Securities**") subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (8) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof in violation of the Securities Act of 1933, as amended, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares of Stock in violation of the Securities Act of 1933, as amended, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 91 of the Warrant are true and correct as to Assignee as of the date hereof.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

ASSIGNEE

(Print name of Assignor)

(Print name of Assignee)

(Signature of Assignor)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

Address:

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Urgent.ly Inc. (the "Company") on Form 10-Q for the period ending June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 18, 2023

By: _____
/s/ Matthew Booth
Matthew Booth
Chief Executive Officer
(Principal Executive Officer)
