

TANDEM DIABETES CARE INC

FORM 8-K (Current report filing)

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Address	11045 ROSELLE STREET SUITE 200 San Diego, CA, 92121
Telephone	858-366-6900
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Industry	Medical Equipment, Supplies & Distribution
Sector	Healthcare
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): December 27, 2017

Tandem Diabetes Care, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36189
(Commission
File Number)

20-4327508
(I.R.S. Employer
Identification No.)

11045 Roselle Street, San Diego, CA
(Address of principal executive offices)

92121
(Zip Code)

Registrant's telephone number, including area code: (858) 366-6900
N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

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

Item 1.01 . Entry Into a Material Definitive Agreement.

Amendment to 2013 Lease

On December 27, 2017, Tandem Diabetes Care, Inc. (the “Company”) entered into a First Amendment to Lease (the “First Amendment”) with ARE-11025/11075 Roselle Street, LLC (the “Landlord”), which amends the terms of that certain Lease Agreement originally entered into by and between the parties on November 5, 2013 (as amended, the “2013 Lease”), pursuant to which the Company leases 41,163 square feet of warehouse and office space in the buildings located at 11065 and 11075 Roselle Street in San Diego, California.

The First Amendment extends the term of the 2013 Lease for an additional 36 months from the previous expiration date for the 2013 Lease, through May 31, 2022. The monthly base rent payments for the period from January 1, 2018 to May 31, 2019 remain unchanged from the current terms of the 2013 Lease, but are subject to automatic annual increases effective as of June 1 each year thereafter.

Pursuant to the First Amendment, the Company may elect to terminate the 2013 Lease effective as of May 31, 2021 upon (i) delivery of written notice to the Landlord no later than June 1, 2020, and (ii) payment to the Landlord of an early termination payment of approximately \$419,000.

Amendment to 2012 Lease

On December 27, 2017, the Company entered into a Fourth Amendment to Lease (the “Fourth Amendment”) with the Landlord, which amends the terms of that certain Lease Agreement originally entered into by and between the parties on March 7, 2012 (as amended, the “2012 Lease”), pursuant to which the Company leases 66,442 square feet of manufacturing, laboratory and office space in the buildings located at 11025, 11035 and 11045 Roselle Street in San Diego, California.

The Fourth Amendment reflects (i) the termination of the lease with respect to the building located at 11045 Roselle Street, which comprises approximately 30,147 of leased space (the “11045 Building”) as of January 31, 2018, and (ii) the extension of the term of the 2012 Lease with respect to the buildings located at 11025 and 11035 Roselle Street for an additional 36 months from the previous expiration date for the 2012 Lease, through May 31, 2022. With respect to the buildings located at 11025 and 11035 Roselle Street, the monthly base rent payments for the period from January 1, 2018 to May 31, 2018 remain unchanged from the current terms of the 2012 Lease under the Fourth Amendment, but are subject to automatic annual increases effective as of June 1 each year thereafter.

The 11045 Building, which primarily housed the Company’s manufacturing and related operations, will largely be replaced by the Company’s new facility located on Barnes Canyon Road in San Diego, California (the “Barnes Canyon Facility”). The Company expects to derive cost savings of approximately \$2.1 million over a period of approximately 16 months as a result of the termination of the lease with respect to the 11045 Building.

Pursuant to the Fourth Amendment, the Company may elect to terminate the 2012 Lease effective as of May 31, 2021 upon (i) delivery of written notice to the Landlord no later than June 1, 2020 and (ii) payment to the Landlord of an early termination payment of approximately \$316,000.

The foregoing summaries of the First Amendment and the Fourth Amendment do not purport to be complete and are qualified in their entirety by reference to the full text of the applicable amendment as set forth in Exhibits 10.1 and 10.2 to this Current Report on Form 8-K (this “Current Report”).

Item 8.01 Other Events.

The Company has obtained regulatory clearance to operate and has commenced full manufacturing operations at the Barnes Canyon Facility. The facility is expected to double the Company’s previous manufacturing capacity for both insulin pumps and cartridges, and expand warehousing for additional infusion set supplies related to the launch of the Company’s new t:lock™ connector. The Barnes Canyon Facility will initially house two pump production lines and four cartridge manufacturing lines, with room for two additional cartridge lines, in addition to warehousing operations and office space. The Company plans to relocate its remaining production equipment and personnel from its existing facilities to the Barnes Canyon Facility over approximately the next 30 days.

On January 3, 2018, the Company issued a press release announcing the commencement of full manufacturing operations at the Barnes Canyon Facility, as well as the execution of the First Amendment and the Fourth Amendment. A copy of the press release is attached hereto as Exhibit 99.1. The press release is being furnished with this Current Report and shall not be deemed “filed” for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>First Amendment to Lease, dated December 27, 2017, by and between Tandem Diabetes Care, Inc. and ARE-11025/11075 Roselle Street, LLC</u>
10.2	<u>Fourth Amendment to Lease, dated December 27, 2017, by and between Tandem Diabetes Care, Inc. and ARE-11025/11075 Roselle Street, LLC</u>
99.1	<u>Press release, dated January 3, 2018, issued by Tandem Diabetes Care, Inc.</u>

Cautionary Note Regarding Forward Looking Statements

This Current Report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that concern matters that involve risks and uncertainties that could cause actual results to differ materially from those anticipated or projected in the forward-looking statements. These forward-looking statements include statements regarding the Company’s expected cost savings associated with terminating the lease with respect to the 11045 Building, the ability of the Company to relocate additional equipment and personnel to the Barnes Canyon Facility during the next 30 days, and the Company’s expectations with respect to achieving increased manufacturing capacity at the Barnes Canyon Facility. The Company’s actual results may differ materially from those indicated in these forward-looking statements due to numerous risks and uncertainties, including: the actual costs and expenses incurred by the Company in connection with, and the actual timing of the completion of, the transition to the Barnes Canyon Facility; and the Company’s ability to increase manufacturing capacity and production efficiency at the Barnes Canyon Facility. In addition, the Company’s results may be impacted by the other risks identified in the Company’s most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, and other documents that the Company files with the Securities and Exchange Commission. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Current Report. The Company undertakes no obligation to update or review any forward-looking statement in this Current Report because of new information, future events or other factors.

SIGNATURES

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

Tandem Diabetes Care, Inc.

By: /s/ David B. Berger
David B. Berger
Executive Vice President, General Counsel
and Secretary

Date: January 3, 2018

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this “ **First Amendment** ”) is made as of December 27, 2017, by and between **ARE-11025/11075 ROSELLE STREET, LLC** , a Delaware limited liability company (“ **Landlord** ”), and **TANDEM DIABETES CARE, INC.** , a Delaware corporation (“ **Tenant** ”).

RECITALS

- A.** Landlord and Tenant entered into that certain Lease Agreement dated as of November 5, 2013 (the “ **Lease** ”). Pursuant to the Lease, Tenant leases certain premises consisting of the 11065 Building comprising approximately 17,227 rentable square feet and the 11075 Building comprising approximately 23,936 rentable square feet (collectively, the “ **Premises** ”), located at 11065 and 11075 Roselle Street, San Diego, California. The Premises are more particularly described in the Lease. Capitalized terms used herein without definition shall have the meanings defined for such terms in the Lease.
- B.** Landlord and Tenant desire, subject to the terms and conditions set forth below, to, among other things, extend the Term of the Lease through May 31, 2022 (the “ **Extended Expiration Date** ”).

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, the mutual promises and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

- 1. Term.** Notwithstanding anything to the contrary contained in the Lease, the Base Term of the Lease is hereby extended through the Extended Expiration Date. Landlord shall have no obligation to provide any tenant improvement allowance or to construct any alterations to the Premises in connection with the extension of the Term through the Extended Expiration Date. The Extended Expiration Date shall not operate to modify Landlord’s or Tenant’s respective repair and maintenance obligations under the Lease with respect to the Premises.
- 2. Base Rent.** Tenant shall continue paying Base Rent as provided in the Lease through May 31, 2019. Base Rent shall be increased on June 1, 2019, and on each subsequent June 1st through the Extended Expiration Date (each, a “ **Extended Term Adjustment Date** ”) by multiplying the Base Rent payable immediately before such Extended Term Adjustment Date by 3% and adding the resulting amount to the Base Rent payable immediately before such Extended Term Adjustment Date.
- 3. Early Termination Right.** Tenant shall have the right, subject to the provisions of this Section 3, to terminate the Lease (“ **Termination Right** ”) with respect to the entire Premises only effective as of May 31, 2021 (“ **Early Termination Date** ”), so long as Tenant delivers to Landlord (a) a written notice (“ **Termination Notice** ”), of its election to exercise its Termination Right not later than June 1, 2020, and (b) within 5 business days after Tenant’s delivery of the Termination Notice to Landlord, an early termination payment of \$419,177.48, which is equal to the Base Rent that would have been payable for the 4 month period following the Early Termination Date (collectively, the “ **Early Termination Payment** ”). If Tenant timely and properly exercises the Termination Right and delivers the Early Termination Payment in accordance with this Section 3, Tenant shall vacate the Premises and deliver possession thereof to Landlord in the condition required by the terms of the Lease on or before the Early Termination Date and Tenant shall have no further obligations under the Lease from and after the Early Termination Date except for those accruing prior to the Early Termination Date and those which, pursuant to the terms of the Lease, survive the expiration or early termination of the Lease. Notwithstanding anything to the contrary contained herein, Tenant may only exercise its Termination Right pursuant to this Section 4 if Tenant concurrently exercises its Termination Right (as defined in the 11025/11035 Lease) pursuant to that certain Lease

Agreement between Landlord and Tenant dated as of March 7, 2012, pertaining to those certain premises more particularly described therein, as amended by that certain First Amendment to Lease dated as of April 24, 2012, as further amended by that certain Second Amendment to Lease dated as of July 31, 2012, as further amended by that certain Third Amendment to Lease dated as of November 5, 2013, and as further amended by that certain Fourth Amendment to Lease of even date herewith (the “ **11025/11035 Lease** ”).

4. **Amenities** . Section 41 of the Lease is hereby deleted and replaced in its entirety with the following:

“41. **The Alexandria Amenities** .

a. **Generally** . ARE-SD Region No. 17, LLC, a Delaware limited liability company (“ **The Alexandria Landlord** ”) has constructed certain amenities at the property owned by The Alexandria Landlord located at 10996 Torreyana Road, San Diego, California (“ **The Alexandria** ”), which include, without limitation, shared conference facilities (“ **Shared Conference Facilities** ”), a fitness center and restaurant (collectively, the “ **Amenities** ”) for non-exclusive use by (a) Tenant, (b) other tenants of the Project, (c) Landlord, (d) the tenants of The Alexandria Landlord, (e) The Alexandria Landlord, (f) other affiliates of Landlord, The Alexandria Landlord and Alexandria Real Estate Equities, Inc. (“ **ARE** ”), (g) the tenants of such other affiliates of Landlord, The Alexandria Landlord and ARE, and (h) any other parties permitted by The Alexandria Landlord (collectively, “ **Users** ”). Landlord, The Alexandria Landlord, ARE, and all affiliates of Landlord, The Alexandria Landlord and ARE may be referred to collectively herein as the “ **ARE Parties** .” The Alexandria Landlord shall have the sole right to determine all matters related to the Amenities including, without limitation, relating to the reconfiguration, relocation, modification or removal of any of the Amenities at The Alexandria and/or to revise, expand or discontinue any of the services (if any) provided in connection with the Amenities.

b. **License** . So long as The Alexandria and the Project continue to be owned by affiliates of ARE, Tenant shall have the non-exclusive right to the use of the available Amenities in common with other Users pursuant to the terms of this Section 41. Tenant shall be entitled to 2.5 passes to the fitness center located at The Alexandria per 1,000 rentable square feet of the Premises for use by employees of Tenant employed at the Premises. If any employee of Tenant to whom a fitness center pass has been issued ceases to be an employee of Tenant at the Premises or any employee to whom an access card (which does not include a fitness center pass) has been issued ceases to be an employee of Tenant at the Premises, Tenant shall within a reasonable period following such employee’s change in status collect such employee’s pass or access card, as applicable, and deliver it to Landlord along with written notice of such employee’s change in status.

Tenant shall pay to Landlord a fixed fee during the Base Term (“ **Amenities Fee** ”), which Amenities Fee shall be payable on the first day of each month during the Term whether or not Tenant elects to use any or all of the Amenities. As of the date of the First Amendment through May 31, 2018, the Amenities Fee shall be equal to \$0.064 per rentable square foot of the Premises per month. For the period commencing on June 1, 2018, through May 31, 2019, the Amenities Fee shall be equal to \$0.066 per rentable square foot of the Premises per month. Commencing on June 1, 2019, the Amenities Fee shall be equal to \$0.12 per rentable square foot of the Premises per month. Thereafter, on each subsequent June 1st during the Term, the Amenities Fee shall be increased by 3%. If the Amenities in their entirety become materially unavailable for use by Tenant (for any reason other than a Default by Tenant under this Lease or the default by Tenant of any agreement(s) relating to the use of the Amenities by Tenant) for a period in excess of 30 consecutive days, then, commencing on the date that the Amenities in their entirety become materially unavailable for use by Tenant and continuing for the period that the Amenities in their entirety remain materially unavailable for use by Tenant, the Amenities Fee then-currently payable by Tenant shall be abated.

Operating Expenses shall not include costs (not including the Amenities Fee payable pursuant to this Section 41(b).) relating to The Alexandria and/or the Amenities, not including the

cost of any ancillary services or items payable by Tenant in connection with its use of The Alexandria or the Amenities. For the avoidance of any doubt, Tenant shall be obligated to pay for all services and items payable by Tenant pursuant to Section 41, any use agreements relating to Tenant's use of The Alexandria and/or the Amenities and any other agreements executed by Tenant in connection with the use of The Alexandria and/or the Amenities, which services and items shall not be considered Operating Expenses.

c. **Shared Conference Facilities** . Use by Tenant of the Shared Conference Facilities and restaurant at The Alexandria shall be in common with other Users with scheduling procedures reasonably determined by The Alexandria Landlord or The Alexandria Landlord's then designated event operator ("**Event Operator** "). Tenant's use of the Shared Conference Facilities shall be subject to the payment by Tenant to The Alexandria Landlord of a fee equal to The Alexandria Landlord's quoted rates for the usage of the Shared Conference Facilities in effect at the time of Tenant's scheduling discounted by 30%. Tenant's use of the conference rooms in the Shared Conference Area shall be subject to availability and The Alexandria Landlord (or, if applicable, Event Operator) reserves the right to exercise its reasonable discretion in the event of conflicting scheduling requests among Users. Tenant hereby acknowledges that (i) Biocom/San Diego, a California non-profit corporation ("**Biocom** ") has the right to reserve the Shared Conference Facilities and any reservable dining area(s) included within the Amenities for up to 50% of the time that such Shared Conference Facilities and reservable dining area(s) are available for use by Users each calendar month, and (ii) Illumina, Inc., a Delaware corporation, has the exclusive use of the main conference room within the Shared Conference Facilities for up to 4 days per calendar month.

Tenant shall be required to use the food service operator designated by The Alexandria Landlord at The Alexandria (the "**Designated Food and Beverage Operator** ") for any food and/or beverage service or catered events held by Tenant in the Shared Conference Facilities. As of the date of the Lease, the Designated Food and Beverage Operator is Farmer and Seahorse. The Alexandria Landlord has the right, in its sole and absolute discretion, to change the Designated Food and Beverage Operator at any time. Tenant may not use any vendors other than the Designated Food and Beverage Operator nor may Tenant supply its own food and/or beverages in connection with any food and/or beverage service or catered events held by Tenant in the Shared Conference Facilities.

Tenant shall, at Tenant's sole cost and expense, (i) be responsible for the set-up of the Shared Conference Facilities in connection with Tenant's use (including, without limitation ensuring that Tenant has a sufficient number of chairs and tables and the appropriate equipment), and (ii) surrender the Shared Conference Facilities after each time that Tenant uses the Shared Conference Facilities free of Tenant's personal property, in substantially the same set up and same condition as received, subject to casualty, and free of any debris and trash. If Tenant fails to restore and surrender the Shared Conference Facilities as required by sub-section (ii) of the immediately preceding sentence, such failure shall constitute a "**Shared Facilities Default** ." Each time that Landlord reasonably determines that Tenant has committed a Shared Facilities Default, Tenant shall be required to pay Landlord a penalty within 5 days after notice from Landlord of such Shared Facilities Default. The penalty payable by Tenant in connection with the first Shared Facilities Default shall be \$200. The penalty payable shall increase by \$50 for each subsequent Shared Facilities Default (for the avoidance of doubt, the penalty shall be \$250 for the second Shared Facilities Default, shall be \$300 for the third Shared Facilities Default, etc.). In addition to the foregoing, Tenant shall be responsible for reimbursing The Alexandria Landlord or Landlord, as applicable, for all costs expended by The Alexandria Landlord or Landlord, as applicable, in repairing any damage to the Shared Conference Facilities, the Amenities, or The Alexandria caused by Tenant or any Tenant Party. The provisions of this Section 41(c) shall survive the expiration or earlier termination of the Lease.

d. **Restaurant** . Tenant's employees that have been issued an access card to The Alexandria shall have the right, along with other Users, to access and use the restaurant located at The Alexandria. The operator of the restaurant has agreed to provide Tenant's employees possessing

an access card with a 20% discount on certain food items (not including alcohol) purchased at the restaurant (on an individual basis and not with respect to entire tables or checks), which discount shall not be transferrable.

e. **Rules and Regulations** . Tenant shall be solely responsible for paying for any and all ancillary services (e.g., audio visual equipment) provided to Tenant, all food services operators and any other third party vendors providing services to Tenant at The Alexandria. Tenant shall use the Amenities (including, without limitation, the Shared Conference Facilities) in compliance with all applicable Legal Requirements and any rules and regulations imposed by The Alexandria Landlord or Landlord from time to time and in a manner that will not interfere with the rights of other Users. The use of Amenities other than the Shared Conference Facilities by employees of Tenant shall be in accordance with the terms and conditions of the standard licenses, indemnification and waiver agreement required by The Alexandria Landlord or the operator of the Amenities to be executed by all persons wishing to use such Amenities. Neither The Alexandria Landlord nor Landlord (nor, if applicable, any other affiliate of Landlord) shall have any liability or obligation for the breach of any rules or regulations by other Users with respect to the Amenities. Tenant shall not make any alterations, additions, or improvements of any kind to the Shared Conference Facilities, the Amenities or The Alexandria.

Tenant acknowledges and agrees that The Alexandria Landlord shall have the right at any time and from time to time to reconfigure, relocate, modify or remove any of the Amenities at The Alexandria and/or to revise, expand or discontinue any of the services (if any) provided in connection with the Amenities.

f. **Waiver of Liability and Indemnification** . Tenant warrants that it will use reasonable care to prevent damage to property and injury to persons while on The Alexandria. Tenant waives any claims it or any Tenant Parties may have against any ARE Parties relating to, arising out of or in connection with the Amenities and any entry by Tenant and/or any Tenant Parties onto The Alexandria, and Tenant releases and exculpates all ARE Parties from any liability relating to, arising out of or in connection with the Amenities and any entry by Tenant and/or any Tenant Parties onto The Alexandria. Tenant hereby agrees to indemnify, defend, and hold harmless the ARE Parties from any claim of damage to property or injury to person relating to, arising out of or in connection with (i) the use of the Amenities by Tenant or any Tenant Parties, and (ii) any entry by Tenant and/or any Tenant Parties onto The Alexandria, except to the extent caused by the gross negligence or willful misconduct of any ARE Parties. The provisions of this Section 41 shall survive the expiration or earlier termination of the Lease.

g. **Insurance** . As of date of the Amenities Commencement Date, Tenant shall cause The Alexandria Landlord to be named as an additional insured under the commercial general liability policy of insurance that Tenant is required to maintain pursuant to Article 17 of the Lease.”

5. **Maintenance** . Notwithstanding anything to the contrary contained in the Lease, as of the date of this First Amendment, the maintenance and repair obligations for the Premises shall be allocated between Landlord and Tenant as set forth on **Exhibit A** attached hereto. The maintenance obligations allocated to Tenant pursuant to **Exhibit A** (the “ **Tenant Maintenance Obligations** ”) shall be performed by Tenant at Tenant’s sole cost and expense. The Tenant Maintenance Obligations shall include the procurement and maintenance of contracts, in form and substance reasonably satisfactory to Landlord , with copies to Landlord upon Landlord’s written request, for and with contractors reasonably acceptable to Landlord specializing and experienced in the respective Tenant Maintenance Obligations . Notwithstanding anything to the contrary contained herein, the scope of work of any such contracts entered into by Tenant pursuant to this paragraph shall, at a minimum, comply with manufacturer’s recommended maintenance procedures for the optimal performance of the applicable equipment. Landlord shall, notwithstanding anything to the contrary contained in the Lease, have no obligation to perform any Tenant Maintenance Obligations . The Tenant Maintenance Obligations shall not include the right or obligation on the part of Tenant to make any structural and/or capital repairs or improvements to the Premises, and

Landlord shall, during any period that Tenant is responsible for the Tenant Maintenance Obligations, continue, as part of Operating Expenses, to be responsible, as provided in Section 13 of the Lease, for capital repairs and replacements required to be made to the Project. If Tenant fails to maintain any portion of the Premises for which Tenant is responsible as part of the Tenant Maintenance Obligations in a manner reasonably acceptable to Landlord within the requirements of the Lease, Landlord shall have the right, but not the obligation, to provide Tenant with written notice thereof and to assume the Tenant Maintenance Obligations if Tenant does not cure Tenant's failure within 15 days after receipt of such notice.

6. **Brokers**. Landlord and Tenant each represents and warrants that it has not dealt with any broker, agent or other person (collectively, " **Broker** ") in connection with the transaction reflected in this First Amendment and that no Broker brought about this transaction, other than Hughes Marino and Cushman & Wakefield. Landlord and Tenant each hereby agrees to indemnify and hold the other harmless from and against any claims by any Broker, other than Hughes Marino and Cushman & Wakefield, claiming a commission or other form of compensation by virtue of having dealt with Tenant or Landlord, as applicable, with regard to this First Amendment. Landlord shall be responsible for all commissions due to Hughes Marino and Cushman & Wakefield arising out of the execution of this First Amendment in accordance with the terms of a separate written agreement between Landlord, on the one hand, and Hughes Marino and Cushman & Wakefield, on the other hand.
7. **OFAC**. Tenant and, to the actual knowledge of Tenant, all beneficial owners of Tenant are currently (a) in compliance with and shall at all times during the Term of the Lease remain in compliance with the regulations of the Office of Foreign Assets Control (" **OFAC** ") of the U.S. Department of Treasury and any statute, executive order, or regulation relating thereto (collectively, the " **OFAC Rules** "), (b) not listed on, and shall not during the term of the Lease be listed on, the Specially Designated Nationals and Blocked Persons List, Foreign Sanctions Evaders List, or the Sectoral Sanctions Identification List, which are all maintained by OFAC and/or on any other similar list maintained by OFAC or other governmental authority pursuant to any authorizing statute, executive order, or regulation, and (c) not a person or entity with whom a U.S. person is prohibited from conducting business under the OFAC Rules.
8. **California Accessibility Disclosure**. For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Project has not undergone inspection by a Certified Access Specialist (CASp). In addition, the following notice is hereby provided pursuant to Section 1938(e) of the California Civil Code: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of and in connection with such notice: (i) Tenant, having read such notice and understanding Tenant's right to request and obtain a CASp inspection, hereby elects not to obtain such CASp inspection and forever waives its rights to obtain a CASp inspection with respect to the Premises, Building and/or Project to the extent permitted by Legal Requirements; and (ii) if the waiver set forth in clause (i) hereinabove is not enforceable pursuant to Legal Requirements, then Landlord and Tenant hereby agree as follows (which constitute the mutual agreement of the parties as to the matters described in the last sentence of the foregoing notice): (A) Tenant shall have the one-time right to request for and obtain a CASp inspection, which request must be made, if at all, in a written notice delivered by Tenant to Landlord; (B) any CASp inspection timely requested by Tenant shall be conducted (1) at a time mutually agreed to by Landlord and Tenant, (2) in a professional manner by a CASp designated by Tenant and reasonably acceptable to Landlord and without any testing that would damage the Premises,

Building or Project in any way, and (3) at Tenant's sole cost and expense, including, without limitation, Tenant's payment of the fee for such CASp inspection, the fee for any reports prepared by the CASp in connection with such CASp inspection (collectively, the "CASp Reports") and all other costs and expenses in connection therewith; (C) the CASp Reports shall be delivered by the CASp simultaneously to Landlord and Tenant; (D) Tenant, at its sole cost and expense, shall be responsible for making any improvements, alterations, modifications and/or repairs to or within the Premises to correct violations of construction-related accessibility standards including, without limitation, any violations disclosed by such CASp inspection; and (E) if such CASp inspection identifies any improvements, alterations, modifications and/or repairs necessary to correct violations of construction-related accessibility standards relating to those items of the Building and Project located outside the Premises that are Landlord's obligation to repair as set forth in the Lease, then Landlord shall perform such improvements, alterations, modifications and/or repairs as and to the extent required by Legal Requirements to correct such violations, and Tenant shall reimburse Landlord for the cost of such improvements, alterations, modifications and/or repairs within 30 days after Tenant's receipt of a detailed invoice therefor from Landlord.

9. Miscellaneous

a. This First Amendment is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This First Amendment may be amended only by an agreement in writing, signed by the parties hereto.

b. This First Amendment is binding upon and shall inure to the benefit of the parties hereto, their respective agents, employees, representatives, officers, directors, divisions, subsidiaries, affiliates, assigns, heirs, successors in interest and shareholders.

c. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this First Amendment attached thereto.

d. Except as amended and/or modified by this First Amendment, the Lease is hereby ratified and confirmed and all other terms of the Lease shall remain in full force and effect, unaltered and unchanged by this First Amendment. In the event of any conflict between the provisions of this First Amendment and the provisions of the Lease, the provisions of this First Amendment shall prevail. Whether or not specifically amended by this First Amendment, all of the terms and provisions of the Lease are hereby amended to the extent necessary to give effect to the purpose and intent of this First Amendment.

[Signatures are on the next page.]

IN WITNESS WHEREOF , the parties hereto have executed this First Amendment as of the day and year first above written.

TENANT:

TANDEM DIABETES CARE, INC. ,
a Delaware corporation

By: /s/ John Cajigas
Its: Chief Financial Officer

LANDLORD:

ARE-11025/11075 ROSELLE STREET, LLC ,
a Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P.,
a Delaware limited partnership,
managing member

By: ARE-QRS CORP.,
a Maryland corporation,
general partner

By: /s/ Eric S. Johnson
Its: Senior Vice President RE Legal Affairs

EXHIBIT A

Maintenance Responsibilities	Tandem	ARE
Utilities		
Water - domestic & irrigation		✓
Gas	✓	
Electric - interior & exterior	✓	
Exterior / Site		
Landscaping		✓
Pest control - exterior	✓	
Parking lot sweeping		✓
Project security (nightly rounds)		✓
Parking lot lighting		✓
Exterior monument and footpath lighting		✓
Landscape irrigation		✓
Exterior window washing		✓
Roof inspections		✓
Domestic backflow preventor certification - Industrial / Domestic		✓
Domestic backflow preventor certification - Fire		✓
Building Interior		
Cold Rooms	✓	
Autoclaves	✓	
Glassware washers	✓	
RO/DI laboratory water systems	✓	
Air compressors	✓	
Vacuum pumps	✓	
Laboratory gas distribution systems	✓	
Emergency eyewash and shower stations	✓	
Internal UPS units	✓	
Fire extinguisher inspection / certification	✓	
Fire sprinkler system	✓	
Fire alarm system (and phone lines)	✓	
Building HVAC equipment	✓	
Smoke fire dampers	✓	
Security	✓	
Access controls	✓	
CCTV (if applicable)	✓	
Janitorial - interior	✓	
I/R Testing of electrical systems	✓	
Emergency Generator	✓	
Environmental Monitoring	✓	
Trash & Recycling		✓

Tenant Maintenance Obligations

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE (this “**Fourth Amendment**”) is made as of December 27, 2017, by and between **ARE-11025/11075 ROSELLE STREET, LLC**, a Delaware limited liability company (“**Landlord**”), and **TANDEM DIABETES CARE, INC.**, a Delaware corporation (“**Tenant**”).

RECITALS

A. Landlord and Tenant entered into that certain Lease Agreement dated as of March 7, 2012, as amended by that certain First Amendment to Lease dated as of April 24, 2012, as further amended by that certain Second Amendment to Lease dated as of July 31, 2012, and as further amended by that certain Third Amendment to Lease dated as of November 5, 2013 (“**Third Amendment**”) (as amended, the “**Lease**”). Pursuant to the Lease, Tenant leases those certain premises consisting of approximately 66,442 rentable square feet in those certain buildings located at 11025, 11035 and 11045 Roselle Street, San Diego, California (“**Premises**”). The Premises are more particularly described in the Lease. Capitalized terms used herein without definition shall have the meanings defined for such terms in the Lease.

B. Landlord and Tenant desire, subject to the terms and conditions set forth below, to, among other things, (i) reflect the surrender of a portion of the Premises consisting of the entire 11045 Building (the “**Surrender Premises**”) as of January 31, 2018 (as may be extended as provided in Section 1 below) the “**Surrender Date**”), and (ii) provide for the extension of the Base Term of the Lease with respect to the remaining portion of the Premises (the “**Remaining Premises**”) through May 31, 2022 (the “**Extended Expiration Date**”).

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, the mutual promises and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. **Surrender of Surrender Premises.** The Lease with respect to the Surrender Premises shall terminate as provided for in the Lease on the Surrender Date. Tenant shall voluntarily surrender the Surrender Premises on such date in accordance with all surrender requirements contained in the Lease and in the condition in which Tenant is required to surrender the Premises as of the expiration of the Lease. From and after the Surrender Date, Tenant shall have no further rights of any kind with respect to the Surrender Premises. Notwithstanding the foregoing, those provisions of the Lease which, by their terms, survive the termination of the Lease shall survive the surrender of the Surrender Premises and termination of the Lease with respect to the Surrender Premises as provided for herein. Nothing herein shall excuse Tenant from its obligations under the Lease with respect to the Surrender Premises prior to the Surrender Date.
2. **Definition of Premises.** Commencing on the day immediately following the Surrender Date, the defined terms “**Premises**” and “**Rentable Area of Premises**” on Page 1 of the Lease, respectively, are deleted in their entirety and replaced with the following:

“**Premises:** That certain portion of the Project, consisting of (i) a building containing approximately 18,705 rentable square feet (“**11025 Building**”), and (ii) a building containing approximately 17,590 rentable square feet (“**11035 Building**”). The 11025 Building and the 11035 Building are both shown on **Exhibit A**. The 11025 Building and the 11035 Building are collectively referred to herein as the “**Buildings**.”

“**Rentable Area of Premises** : 36,295 sq. ft.”

Commencing on the day immediately following the Surrender Date, **Exhibit A** of the Lease shall be amended to delete the Surrender Premises.

3. **Term**. Notwithstanding anything to the contrary contained in the Lease, other than with respect to the Surrender Premises, the Base Term of the Lease is hereby extended through the Extended Expiration Date. Landlord shall have no obligation to provide any tenant improvement allowance or to construct any alterations to the 11025 Building or the 11035 Building in connection with the extension of the Term through the Extended Expiration Date. The Extended Expiration Date shall not operate to modify Landlord's or Tenant's respective repair and maintenance obligations under the Lease with respect to the Premises.

4. **Base Rent**. Tenant shall continue to pay Base Rent for the entire Premises (including the Surrender Premises) as provided for in the Lease through the Surrender Date. Commencing on the day immediately following the Surrender Date, (a) Tenant shall continue paying Base Rent with respect to the 11025 Building and the 11035 Building as provided in the Lease through May 31, 2019, and (b) Tenant shall no longer be required to pay Base Rent with respect to the Surrender Premises.

Base Rent payable with respect to the Remaining Premises shall be increased on June 1, 2019, and on each subsequent June 1st through the Extended Expiration Date (each, a "**Extended Term Adjustment Date**") by multiplying the Base Rent payable with respect to the Remaining Premises immediately before such Extended Term Adjustment Date by 3% and adding the resulting amount to the Base Rent payable with respect to the Remaining Premises immediately before such Extended Term Adjustment Date.

5. **Operating Expenses**. Commencing the day immediately following the Surrender Date, the defined term "**Tenant's Share of Operating Expenses**" on page 1 of the Lease is hereby deleted in its entirety and replaced with the following:

" **Tenant's Share of Operating Expenses:** 54.63%"

6. **Parking**. Commencing on the day immediately following the Surrender Date, Section 10 of the Lease is hereby deleted in its entirety and replaced with the following:

"Subject to all matters of record, Force Majeure, a Taking (as defined in Section 19 below) and the exercise by Landlord of its rights hereunder, Tenant shall have the right, at no additional cost to Tenant through the Extended Expiration Date, to use 110 parking spaces in the parking areas of the Project adjacent to the 11025 Building and the 11035 Building, subject in each case to Landlord's rules and regulations. Tenant shall have no right to use any of the parking spaces on the side of demarcation line shown on **Exhibit A** attached to the Fourth Amendment closest to the Surrender Premises (i.e., 11045 Roselle). Landlord shall not be responsible for enforcing Tenant's parking rights against third parties, including other tenants of the Project."

7. **The Alexandria Amenities**.

a. **Generally**. ARE-SD Region No. 17, LLC, a Delaware limited liability company ("**The Alexandria Landlord**") has constructed certain amenities at the property owned by The Alexandria Landlord located at 10996 Torreyana Road, San Diego, California ("**The Alexandria**"), which include, without limitation, shared conference facilities ("**Shared Conference Facilities**"), a fitness center and restaurant (collectively, the "**Amenities**") for non-exclusive use by (a) Tenant, (b) other tenants of the Project, (c) Landlord, (d) the tenants of The Alexandria Landlord, (e) The Alexandria Landlord, (f) other affiliates of Landlord, The Alexandria Landlord and Alexandria Real Estate Equities, Inc. ("**ARE**"), (g) the tenants of such other affiliates of Landlord, The Alexandria Landlord and ARE, and (h) any other parties permitted by The Alexandria Landlord (collectively, "**Users**"). Landlord, The Alexandria Landlord, ARE, and all affiliates of Landlord, The Alexandria Landlord

and ARE may be referred to collectively herein as the “ **ARE Parties** .” The Alexandria Landlord shall have the sole right to determine all matters related to the Amenities including, without limitation, relating to the reconfiguration, relocation, modification or removal of any of the Amenities at The Alexandria and/or to revise, expand or discontinue any of the services (if any) provided in connection with the Amenities.

b. **License** . Commencing on June 1, 2019 (the “ **Amenities Commencement Date** ”), through the Extended Expiration Date, so long as The Alexandria and the Project continue to be owned by affiliates of ARE, Tenant shall have the non-exclusive right to the use of the available Amenities in common with other Users pursuant to the terms of this Section 7 . Tenant shall be entitled to 2.5 passes to the fitness center located at The Alexandria per 1,000 rentable square feet of the Premises for use by employees of Tenant employed at the Premises. If any employee of Tenant to whom a fitness center pass has been issued ceases to be an employee of Tenant at the Premises or any employee to whom an access card (which does not include a fitness center pass) has been issued ceases to be an employee of Tenant at the Premises, Tenant shall within a reasonable period following such employee’s change in status collect such employee’s pass or access card, as applicable, and deliver it to Landlord along with written notice of such employee’s change in status.

Commencing on the Amenities Commencement Date, Tenant shall pay to Landlord a fixed fee during the Base Term equal to \$0.12 per rentable square foot of the Premises per month (“ **Amenities Fee** ”), which Amenities Fee shall be payable on the first day of each month during the Term whether or not Tenant elects to use any or all of the Amenities. The Amenities Fee shall be increased annually on each anniversary of the Amenities Commencement Date by 3%. If the Amenities in their entirety become materially unavailable for use by Tenant (for any reason other than a Default by Tenant under the Lease or the default by Tenant of any agreement(s) relating to the use of the Amenities by Tenant) for a period in excess of 30 consecutive days, then, commencing on the date that the Amenities in their entirety become materially unavailable for use by Tenant and continuing for the period that the Amenities in their entirety remain materially unavailable for use by Tenant, the Amenities Fee then-currently payable by Tenant shall be abated.

Operating Expenses shall not include costs (not including the Amenities Fee payable pursuant to this Section 7(b)) relating to The Alexandria and/or the Amenities, not including the cost of any ancillary services or items payable by Tenant in connection with its use of The Alexandria or the Amenities. For the avoidance of any doubt, Tenant shall be obligated to pay for all services and items payable by Tenant pursuant to Section 7 , any use agreements relating to Tenant’s use of The Alexandria and/or the Amenities and any other agreements executed by Tenant in connection with the use of The Alexandria and/or the Amenities, which services and items shall not be considered Operating Expenses.

c. **Shared Conference Facilities** . Use by Tenant of the Shared Conference Facilities and restaurant at The Alexandria shall be in common with other Users with scheduling procedures reasonably determined by The Alexandria Landlord or The Alexandria Landlord’s then designated event operator (“ **Event Operator** ”). Tenant’s use of the Shared Conference Facilities shall be subject to the payment by Tenant to The Alexandria Landlord of a fee equal to The Alexandria Landlord’s quoted rates for the usage of the Shared Conference Facilities in effect at the time of Tenant’s scheduling discounted by 30%. Tenant’s use of the conference rooms in the Shared Conference Area shall be subject to availability and The Alexandria Landlord (or, if applicable, Event Operator) reserves the right to exercise its reasonable discretion in the event of conflicting scheduling requests among Users. Tenant hereby acknowledges that (i) Biocom/San Diego, a California non-profit corporation (“ **Biocom** ”) has the right to reserve the Shared Conference Facilities and any reservable dining area(s) included within the Amenities for up to 50% of the time that such Shared Conference Facilities and reservable dining area(s) are available for use by Users each calendar month, and (ii) Illumina, Inc., a Delaware corporation, has the exclusive use of the main conference room within the Shared Conference Facilities for up to 4 days per calendar month.

Tenant shall be required to use the food service operator designated by The Alexandria Landlord at The Alexandria (the “**Designated Food and Beverage Operator**”) for any food and/or beverage service or catered events held by Tenant in the Shared Conference Facilities. As of the date of the Lease, the Designated Food and Beverage Operator is Farmer and Seahorse. The Alexandria Landlord has the right, in its sole and absolute discretion, to change the Designated Food and Beverage Operator at any time. Tenant may not use any vendors other than the Designated Food and Beverage Operator nor may Tenant supply its own food and/or beverages in connection with any food and/or beverage service or catered events held by Tenant in the Shared Conference Facilities.

Tenant shall, at Tenant’s sole cost and expense, (i) be responsible for the set-up of the Shared Conference Facilities in connection with Tenant’s use (including, without limitation ensuring that Tenant has a sufficient number of chairs and tables and the appropriate equipment), and (ii) surrender the Shared Conference Facilities after each time that Tenant uses the Shared Conference Facilities free of Tenant’s personal property, in substantially the same set up and same condition as received, subject to casualty, and free of any debris and trash. If Tenant fails to restore and surrender the Shared Conference Facilities as required by sub-section (ii) of the immediately preceding sentence, such failure shall constitute a “**Shared Facilities Default**.” Each time that Landlord reasonably determines that Tenant has committed a Shared Facilities Default, Tenant shall be required to pay Landlord a penalty within 5 days after notice from Landlord of such Shared Facilities Default. The penalty payable by Tenant in connection with the first Shared Facilities Default shall be \$200. The penalty payable shall increase by \$50 for each subsequent Shared Facilities Default (for the avoidance of doubt, the penalty shall be \$250 for the second Shared Facilities Default, shall be \$300 for the third Shared Facilities Default, etc.). In addition to the foregoing, Tenant shall be responsible for reimbursing The Alexandria Landlord or Landlord, as applicable, for all costs expended by The Alexandria Landlord or Landlord, as applicable, in repairing any damage to the Shared Conference Facilities, the Amenities, or The Alexandria caused by Tenant or any Tenant Party. The provisions of this Section 7(c) shall survive the expiration or earlier termination of the Lease.

d. **Restaurant** . Tenant’s employees that have been issued an access card to The Alexandria shall have the right, along with other Users, to access and use the restaurant located at The Alexandria. The operator of the restaurant has agreed to provide Tenant’s employees possessing an access card with a 20% discount on certain food items (not including alcohol) purchased at the restaurant (on an individual basis and not with respect to entire tables or checks), which discount shall not be transferrable.

e. **Rules and Regulations** . Tenant shall be solely responsible for paying for any and all ancillary services (e.g., audio visual equipment) provided to Tenant, all food services operators and any other third party vendors providing services to Tenant at The Alexandria. Tenant shall use the Amenities (including, without limitation, the Shared Conference Facilities) in compliance with all applicable Legal Requirements and any rules and regulations imposed by The Alexandria Landlord or Landlord from time to time and in a manner that will not interfere with the rights of other Users. The use of Amenities other than the Shared Conference Facilities by employees of Tenant shall be in accordance with the terms and conditions of the standard licenses, indemnification and waiver agreement required by The Alexandria Landlord or the operator of the Amenities to be executed by all persons wishing to use such Amenities. Neither The Alexandria Landlord nor Landlord (nor, if applicable, any other affiliate of Landlord) shall have any liability or obligation for the breach of any rules or regulations by other Users with respect to the Amenities. Tenant shall not make any alterations, additions, or improvements of any kind to the Shared Conference Facilities, the Amenities or The Alexandria.

Tenant acknowledges and agrees that The Alexandria Landlord shall have the right at any time and from time to time to reconfigure, relocate, modify or remove any of the Amenities at The Alexandria and/or to revise, expand or discontinue any of the services (if any) provided in connection with the Amenities.

f. **Waiver of Liability and Indemnification** . Tenant warrants that it will use reasonable care to prevent damage to property and injury to persons while on The Alexandria. Tenant waives any claims it or any Tenant Parties may have against any ARE Parties relating to, arising out of or in connection with the Amenities and any entry by Tenant and/or any Tenant Parties onto The Alexandria, and Tenant releases and exculpates all ARE Parties from any liability relating to, arising out of or in connection with the Amenities and any entry by Tenant and/or any Tenant Parties onto The Alexandria. Tenant hereby agrees to indemnify, defend, and hold harmless the ARE Parties from any claim of damage to property or injury to person relating to, arising out of or in connection with (i) the use of the Amenities by Tenant or any Tenant Parties, and (ii) any entry by Tenant and/or any Tenant Parties onto The Alexandria, except to the extent caused by the gross negligence or willful misconduct of any ARE Parties. The provisions of this Section 7 shall survive the expiration or earlier termination of the Lease.

g. **Insurance** . As of date of the Amenities Commencement Date, Tenant shall cause The Alexandria Landlord to be named as an additional insured under the commercial general liability policy of insurance that Tenant is required to maintain pursuant to Article 17 of the Lease.

8. **Early Termination Right** . Tenant shall have the right, subject to the provisions of this Section 8 , to terminate the Lease (“ **Termination Right** ”) with respect to the entire Premises only effective as of May 31, 2021 (“ **Early Termination Date** ”), so long as Tenant delivers to Landlord (a) a written notice (“ **Termination Notice** ”), of its election to exercise its Termination Right not later than June 1, 2020, and (b) within 5 business days after Tenant’s delivery of the Termination Notice to Landlord, an early termination payment of \$316,408.84, which is equal to the Base Rent that would have been payable for the 4 month period following the Early Termination Date (collectively, the “ **Early Termination Payment** ”). If Tenant timely and properly exercises the Termination Right and delivers the Early Termination Payment in accordance with this Section 8 , Tenant shall vacate the Premises and deliver possession thereof to Landlord in the condition required by the terms of the Lease on or before the Early Termination Date and Tenant shall have no further obligations under the Lease from and after the Early Termination Date except for those accruing prior to the Early Termination Date and those which, pursuant to the terms of the Lease, survive the expiration or early termination of the Lease. Tenant may only exercise its Termination Right pursuant to this Section 8 if Tenant concurrently exercises its Termination Right (as defined in the 11065/11075 Lease (as defined in the Third Amendment)) under the 11065/11075 Lease.

9. **Maintenance** . Notwithstanding anything to the contrary contained in the Lease, as of the date of this Fourth Amendment, the maintenance and repair obligations for the Premises shall be allocated between Landlord and Tenant as set forth on **Exhibit B** attached hereto. The maintenance obligations allocated to Tenant pursuant to **Exhibit B** (the “ **Tenant Maintenance Obligations** ”) shall be performed by Tenant at Tenant’s sole cost and expense. The Tenant Maintenance Obligations shall include the procurement and maintenance of contracts, in form and substance reasonably satisfactory to Landlord, with copies to Landlord upon Landlord’s written request, for and with contractors reasonably acceptable to Landlord specializing and experienced in the respective Tenant Maintenance Obligations. Notwithstanding anything to the contrary contained herein, the scope of work of any such contracts entered into by Tenant pursuant to this paragraph shall, at a minimum, comply with manufacturer’s recommended maintenance procedures for the optimal performance of the applicable equipment. Landlord shall, notwithstanding anything to the contrary contained in the Lease, have no obligation to perform any Tenant Maintenance Obligations. The Tenant Maintenance Obligations shall not include the right or obligation on the part of Tenant to make any structural and/or capital repairs or improvements to the Premises, and Landlord shall, during any period that Tenant is responsible for the Tenant Maintenance Obligations, continue, as part of Operating Expenses, to be responsible, as provided in Section 13 of the Lease, for capital repairs and replacements required to be made to the Project. If Tenant fails to maintain any portion of the Premises for which Tenant is responsible as part of the Tenant Maintenance Obligations in a manner reasonably acceptable to Landlord within the requirements of the Lease, Landlord shall have the right, but not the obligation, to provide Tenant with written

notice thereof and to assume the Tenant Maintenance Obligations if Tenant does not cure Tenant's failure within 15 days after receipt of such notice.

10. **Brokers**. Landlord and Tenant each represents and warrants that it has not dealt with any broker, agent or other person (collectively, "**Broker**") in connection with the transaction reflected in this First Amendment and that no Broker brought about this transaction, other than Hughes Marino and Cushman & Wakefield. Landlord and Tenant each hereby agrees to indemnify and hold the other harmless from and against any claims by any Broker, other than Hughes Marino and Cushman & Wakefield, claiming a commission or other form of compensation by virtue of having dealt with Tenant or Landlord, as applicable, with regard to this Fourth Amendment. Landlord shall be responsible for all commissions due to Hughes Marino and Cushman & Wakefield arising out of the execution of this Fourth Amendment in accordance with the terms of a separate written agreement between Landlord, on the one hand, and Hughes Marino and Cushman & Wakefield, on the other hand.
11. **OFAC**. Tenant and, to the actual knowledge of Tenant, all beneficial owners of Tenant are currently (a) in compliance with and shall at all times during the Term of the Lease remain in compliance with the regulations of the Office of Foreign Assets Control ("**OFAC**") of the U.S. Department of Treasury and any statute, executive order, or regulation relating thereto (collectively, the "**OFAC Rules**"), (b) not listed on, and shall not during the term of the Lease be listed on, the Specially Designated Nationals and Blocked Persons List, Foreign Sanctions Evaders List, or the Sectoral Sanctions Identification List, which are all maintained by OFAC and/or on any other similar list maintained by OFAC or other governmental authority pursuant to any authorizing statute, executive order, or regulation, and (c) not a person or entity with whom a U.S. person is prohibited from conducting business under the OFAC Rules.
12. **California Accessibility Disclosure**. For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Project has not undergone inspection by a Certified Access Specialist (CASp). In addition, the following notice is hereby provided pursuant to Section 1938(e) of the California Civil Code: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of and in connection with such notice: (i) Tenant, having read such notice and understanding Tenant's right to request and obtain a CASp inspection, hereby elects not to obtain such CASp inspection and forever waives its rights to obtain a CASp inspection with respect to the Premises, Building and/or Project to the extent permitted by Legal Requirements; and (ii) if the waiver set forth in clause (i) hereinabove is not enforceable pursuant to Legal Requirements, then Landlord and Tenant hereby agree as follows (which constitute the mutual agreement of the parties as to the matters described in the last sentence of the foregoing notice): (A) Tenant shall have the one-time right to request for and obtain a CASp inspection, which request must be made, if at all, in a written notice delivered by Tenant to Landlord; (B) any CASp inspection timely requested by Tenant shall be conducted (1) at a time mutually agreed to by Landlord and Tenant, (2) in a professional manner by a CASp designated by Tenant and reasonably acceptable to Landlord and without any testing that would damage the Premises, Building or Project in any way, and (3) at Tenant's sole cost and expense, including, without limitation, Tenant's payment of the fee for such CASp inspection, the fee for any reports prepared by the CASp in connection with such CASp inspection (collectively, the "**CASp Reports**") and all other costs and expenses in connection therewith; (C) the CASp Reports shall be delivered by the CASp simultaneously to Landlord and Tenant; (D) Tenant, at its sole cost and expense, shall be responsible for making any improvements, alterations, modifications and/or repairs to or within the

Premises to correct violations of construction-related accessibility standards including, without limitation, any violations disclosed by such CASp inspection; and (E) if such CASp inspection identifies any improvements, alterations, modifications and/or repairs necessary to correct violations of construction-related accessibility standards relating to those items of the Building and Project located outside the Premises that are Landlord's obligation to repair as set forth in the Lease, then Landlord shall perform such improvements, alterations, modifications and/or repairs as and to the extent required by Legal Requirements to correct such violations, and Tenant shall reimburse Landlord for the cost of such improvements, alterations, modifications and/or repairs within 30 days after Tenant's receipt of a detailed invoice therefor from Landlord.

13. Miscellaneous .

a. This Fourth Amendment is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This Fourth Amendment may be amended only by an agreement in writing, signed by the parties hereto.

b. This Fourth Amendment is binding upon and shall inure to the benefit of the parties hereto, their respective agents, employees, representatives, officers, directors, divisions, subsidiaries, affiliates, assigns, heirs, successors in interest and shareholders.

c. This Fourth Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Fourth Amendment attached thereto.

d. Except as amended and/or modified by this Fourth Amendment, the Lease is hereby ratified and confirmed and all other terms of the Lease shall remain in full force and effect, unaltered and unchanged by this Fourth Amendment. In the event of any conflict between the provisions of this Fourth Amendment and the provisions of the Lease, the provisions of this Fourth Amendment shall prevail. Whether or not specifically amended by this Fourth Amendment, all of the terms and provisions of the Lease are hereby amended to the extent necessary to give effect to the purpose and intent of this Fourth Amendment.

[Signatures are on the next page.]

IN WITNESS WHEREOF , the parties hereto have executed this Fourth Amendment as of the day and year first above written.

TENANT:

TANDEM DIABETES CARE, INC. ,
a Delaware corporation

By: /s/ John Cajigas
Its: Chief Financial Officer

LANDLORD:

ARE-11025/11075 ROSELLE STREET, LLC ,
a Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P.,
a Delaware limited partnership,
managing member

By: ARE-QRS CORP.,
a Maryland corporation,
general partner

By: /s/ Eric S. Johnson
Its: Senior Vice President RE Legal Affairs

EXHIBIT A

Excluded Parking

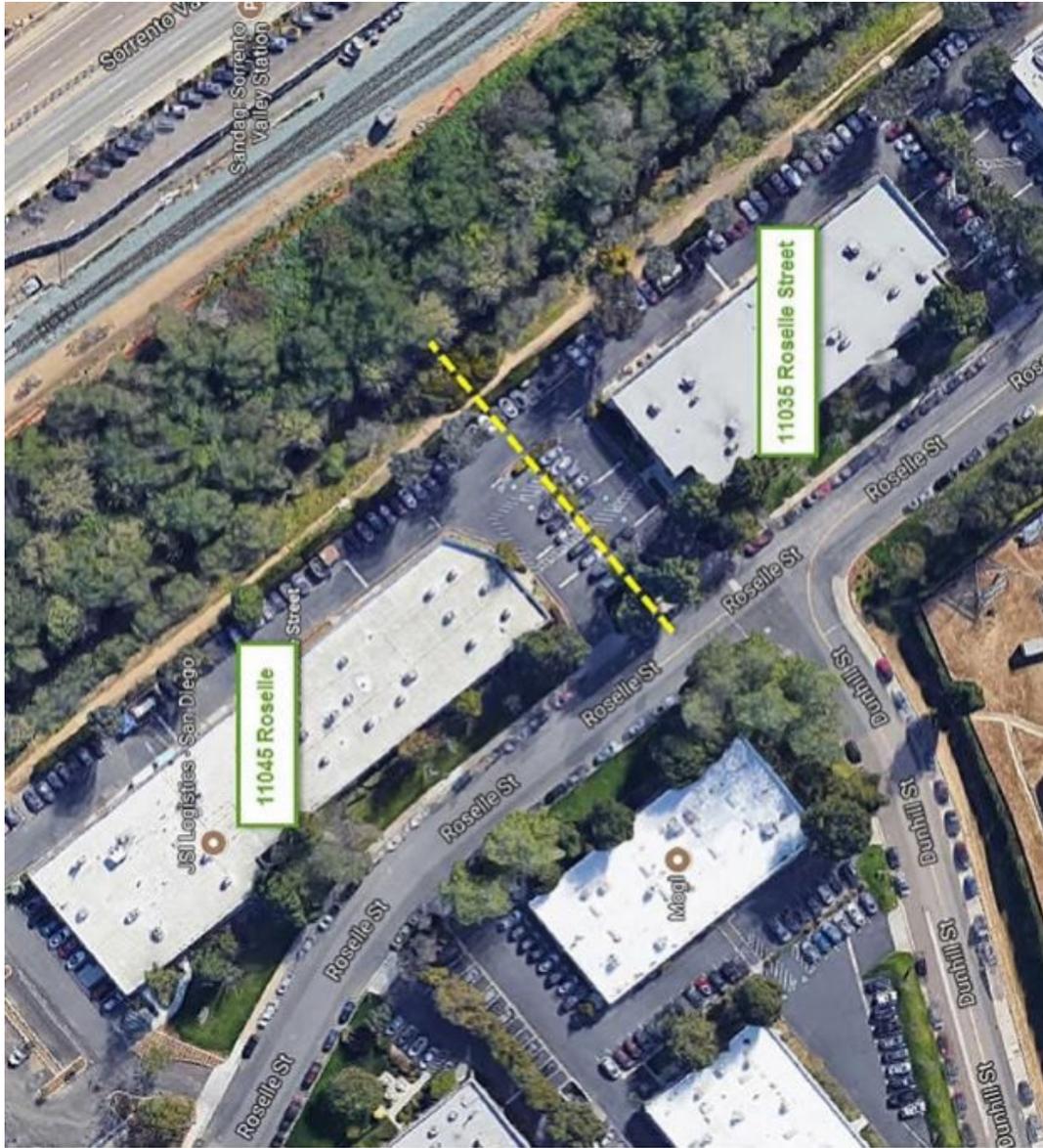


EXHIBIT B

Tenant Maintenance Obligations

Maintenance Responsibilities	Tandem	ARE
Utilities		
Water - domestic & irrigation		✓
Gas	✓	
Electric - interior & exterior	✓	
Exterior / Site		
Landscaping		✓
Pest control - exterior	✓	
Parking lot sweeping		✓
Project security (nightly rounds)		✓
Parking lot lighting		✓
Exterior monument and footpath lighting		✓
Landscape irrigation		✓
Exterior window washing		✓
Roof inspections		✓
Domestic backflow preventor certification - Industrial / Domestic		✓
Domestic backflow preventor certification - Fire		✓
Building Interior		
Cold Rooms	✓	
Autoclaves	✓	
Glassware washers	✓	
RO/DI laboratory water systems	✓	
Air compressors	✓	
Vacuum pumps	✓	
Laboratory gas distribution systems	✓	
Emergency eyewash and shower stations	✓	
Internal UPS units	✓	
Fire extinguisher inspection / certification	✓	
Fire sprinkler system	✓	
Fire alarm system (and phone lines)	✓	
Building HVAC equipment	✓	
Smoke fire dampers	✓	
Security	✓	
Access controls	✓	
CCTV (if applicable)	✓	
Janitorial - interior	✓	
I/R Testing of electrical systems	✓	
Emergency Generator	✓	
Environmental Monitoring	✓	
Trash & Recycling		✓

**Media Contact:**

Steve Sabicer

714-907-6264

ssabicer@thesabicergroup.com**Investor Contact:**

Susan Morrison

858-366-6900 x7005

smorrison@tandemdiabetes.com**FOR IMMEDIATE RELEASE****Tandem Diabetes Care Commences Full Manufacturing Operations At New San Diego Facility**

San Diego, January 3, 2018 – Tandem Diabetes Care®, Inc. (NASDAQ: TNDM), a medical device company and manufacturer of the only touchscreen insulin pumps available in the United States, today announced the commencement of full manufacturing operations at its new facility located on Barnes Canyon Road in San Diego. In support of the Company’s growing operations, the 50,000 square foot Barnes Canyon facility doubles its previous manufacturing capacity for both insulin pumps and cartridges and expands warehousing for additional infusion set supplies related to the launch of the Company’s new t:lock™ connector.

“The expanded production and operational capabilities of our new facility are strategically important to ensure we meet the increasing demand for our insulin pumps and supplies, particularly with a growing installed base of customers and new products on the horizon,” said Kim Blickenstaff, president and CEO of Tandem Diabetes Care.

“Our new facility is also designed to optimize our manufacturing processes and allow for greater operational efficiencies, which positions us well to achieve our long-term gross margin targets.”

Site inspections by the United States Food and Drug Administration and the California State Food and Drug branch, were completed in the fourth quarter of 2017. The new Barnes Canyon facility will initially house two pump production lines and four cartridge manufacturing lines, with room for two additional cartridge lines, in addition to warehousing operations and office space. To further improve operational efficiencies, the Company plans to relocate its remaining production equipment and personnel from its existing facilities located on Roselle Street in San Diego to the new manufacturing facility over the next 30 days.

Strategically, in conjunction with the commencement of full-scale operations at its Barnes Canyon facility, the Company negotiated and recently entered into amendments to its current leases for its Roselle Street facilities. The Company is reducing its Roselle Street leased area by approximately 30,000 square feet effective as of February 1, 2018, and extending the period of its leases for the remaining Roselle Street facilities, comprising approximately 77,500 square feet, through May 31, 2022. This series of transactions, together with the Barnes Canyon facility coming online, provides the Company with increased manufacturing square footage, while lowering its rent and related lease obligations over the next two years.

About Tandem Diabetes Care, Inc.

Tandem Diabetes Care, Inc. (www.tandemdiabetes.com) is a medical device company dedicated to improving the lives of people with diabetes through relentless innovation and revolutionary customer experience. The Company takes an innovative, user-centric approach to the design, development and commercialization of products for people with diabetes who use insulin. Tandem manufactures and sells the t:slim X2™ Insulin Pump, the only pump capable of remote feature updates using a personal computer, which is now available with Dexcom G5® Mobile continuous glucose monitoring (CGM) integration, and the t:flex® Insulin Pump, the first pump designed for people with greater insulin requirements. Tandem is based in San Diego, California.

t:flex and Tandem Diabetes Care are registered trademarks, and t:slim X2 and t:lock are trademarks of Tandem Diabetes Care, Inc. Dexcom G5 is a registered trademark of Dexcom, Inc.

Forward Looking Statement

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that concern matters that involve risks and uncertainties that could cause actual results to differ materially from those anticipated or projected in the forward-looking statements. These forward-looking statements include statements regarding the Company’s expectations that there will be increasing demand for its insulin pumps and supplies, that the Company will achieve greater operational efficiencies and achieve its long-term gross margin targets, that the Company will relocate additional equipment and personnel to the new facility during the next 30 days, and that the Company will derive cost savings as a result of the recent lease amendments. The Company’s actual results may differ materially from those indicated in these forward-looking statements due to numerous risks and uncertainties, including: market acceptance of the Company’s products; the potential that newer products that compete with the Company’s products, or other technological breakthroughs for the monitoring, treatment or prevention of diabetes, may render the Company’s products obsolete or less desirable; the Company’s ability to achieve operational efficiencies by manufacturing products at the Barnes Canyon facility; the Company’s ability to successfully complete clinical trials for products under development when anticipated (or at all); and, the Company’s ability to obtain regulatory approvals for future products and product features generally. In addition, the Company’s results may be impacted by the other risks identified in the Company’s most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, and other documents that the Company files with the Securities and Exchange Commission. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Tandem undertakes no obligation to update or review any forward-looking statement in this press release because of new information, future events or other factors.

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