

## Client License Agreement and Terms of Use

*We know that Agreements are never fun to read, but we have taken the time to draft this so that our Client relationship goes as smoothly as possible with no surprises. Please take the time to read this and reach out to our staff right away if you have questions or concerns. Thank you.*

### 1. Definitions:

**Operator:** Refers to one or more entities operating serviced office or coworking facilities, known collectively as Pacific Workplaces.

**Client:** Refers to a company or an individual who has subscribed to use services and/or access space from Operator. Clients include full time licensees, virtual licensees, coworking licensees, and monthly, multi-day pass licensees.

**Client Summary:** Refers to the attached document which details the specific and variable elements that make this Agreement unique to Client. If purchased online, the Client Summary includes the information contained in the Package Order Receipt and corresponding Invoice.

**Users:** Refers to the individuals identified to use services and access space under the Client's Agreement. Under the terms of this Agreement, Client can purchase plans for additional Users at any of Operator's locations at their then current location rates.

**Premises:** Refers to the entire suite of offices and related support facilities managed by Operator.

**Dedicated Space Subscription:** Refers to Client's plan that includes the licensed use of a dedicated office or desk space.

**Virtual Office and Open Coworking Subscription:** Refers to Client's plan that includes a monthly service package made up of some component of temporary desk or meeting space, telephone answering services and business address use, typically referred to as "Virtual Office" or "Open Coworking" plans.

**Service Plans:** Refers to optional services available for purchase on a per user basis. The Service Plans may include some or all of the following (non-exhaustive list): Internet, Phone Equipment, Call Answering Services, Furniture, Beverage Services, Meeting Room Credits, Copy and Scanning, Administrative and Mail Management Services. Service plans are purchased and run concurrent with the Term of this Agreement.

**Common Areas:** All public space in the building which Operator resides, plus open space in Premises, including but not limited exclusively to: Business Lounge, Reception Area, Bathrooms, Hallways, and Copier space.

**Client License Agreement and Terms of Use:** Refers to the terms of business to which Operator and Client agree. Referred to hereinafter as simply "Agreement."

**Notice:** Refers to the email address or premises address to which Client notification must be given. For Operator, Notice may be given in writing to either address of the location where Client's services are primarily provided, or emailed to the same location at (example email address) [location@PacificWorkplaces.com](mailto:location@PacificWorkplaces.com) or , if unknown, to [info@PacificWorkplaces.com](mailto:info@PacificWorkplaces.com) .

## 2. License:

**License:** Subject to the terms and conditions of this Agreement, Operator grants Client a non-transferable license to occupy and use the Premises (“License”) during the term of this Agreement, and Client accepts such License. This Agreement is the commercial equivalent of an agreement for accommodations in a hotel. The whole of the Premises remains in Operator’s possession and control. CLIENT ACCEPTS THAT THIS AGREEMENT CREATES NO TENANCY INTEREST, LEASEHOLD ESTATE, OR OTHER REAL PROPERTY INTEREST IN CLIENT’S FAVOR WITH RESPECT TO THE ACCOMMODATIONS. Operator is providing Client the right to share with Operator the use of the Premises on these terms and conditions, as supplemented by the House Rules (described in Section 4), so that Operator can provide the services to Client. This Agreement is personal to Client and cannot be transferred to anyone else without the prior written consent of Operator. Operator will not unreasonably withhold consent to assignment to a parent, subsidiary, or affiliate of Client provided that Client and assignee execute Operator’s form of agreement of Client License Agreement and Terms of Use which will require assignee to assume all Client’s obligations under the Agreement. Such assignment will not release Client from its obligations under this Agreement.

## 3. Term of Agreement:

**Initial Term:** This Agreement shall commence on date specified on Client Summary, so shall the number of months agreed to for the initial term. **This Agreement does NOT terminate automatically.** Unless notice, under the timelines detailed in Section 8 below: *Termination of Agreement*, is received by Operator, this Agreement will be automatically extended under the terms and conditions set forth below, for successive periods equal to the initial term. **Regardless of commencement or notice date, this Agreement can only be terminated by Client at the end of a calendar month.**

## 4. House Rules:

**House Rules:** During the term of this Agreement, Client agrees to adhere to all terms, conditions, and policies provided by Operator relating to the use of the Common Areas, Premises, including building security procedures, IT access and use procedures, maximum occupancy limitations, specific state law requirements, and other terms or procedures provided by Operator (“House Rules”). The House Rules, the most recent version which is attached, may be revised and amended by Operator without the prior consent of Client, provided that Operator will provide Client notice of such revisions and/or amendments. In the event of a conflict between the terms of this Agreement and the House Rules, the House Rules shall govern and control.

## 5. Office Use, Office Services, & Monthly Fees:

### Office Use:

**Dedicated Space Subscription:** The monthly fee for Clients who have contracted for the specific use of a uniquely identified office or a dedicated desk space includes: a) dedicated use of a desk or office space, b) access to shared center amenities, c) janitorial maintenance, building operating expenses, and taxes, d) utilities and heating and air conditioning (where available) during “normal” business hours, and e) after-hours access to the Premises.

**Virtual Office and Open Coworking Subscription:** The monthly fee for Clients who have contracted for a Virtual Office and Open Coworking Subscription includes: a) access to shared center amenities, b) janitorial maintenance, building operating expenses, and taxes, c) utilities and heating and air conditioning (where available) during “normal” business hours, and e) if plan permits, after-hours access to the Premises.

### Office Services and Administrative Set Up Fees:

**Dedicated Space Subscription:** Clients may choose a Service Plan or avail themselves of services on an a la carte basis. All users will be charged a monthly beverage fee. The Client's Service Plan commitment, which is included on the Client Summary, is part of the fixed monthly package and runs concurrent with the term of this Agreement. Terminations or downgrading of Service Plans may only occur with notice at term.

Client will be charged an up front, per User, non-refundable Administrative/Set Up fee dependent upon the Service plan chosen.

**Virtual Office and Coworking Subscription:** Client may take advantage of additional service offerings on a per User, per month basis. These services can only be terminated or downgraded with notice.

Clients agree to a one-time, per User, non-refundable administrative fee paid upon signing this Agreement.

Where available and where applicable, and at a Client's request, a one-time directory signage set up fee may be charged. The amount charged varies depending on location.

#### **Telephone Service:**

When applicable, Operator will provide personalized phone services dependent on the Client's Service Plan from 8:30 a.m. to 5:00 p.m., Pacific Standard Time, Monday – Friday, holidays excluded (a list of holidays will be published by Operator each year). Client may purchase additional hours via Operator's 'Coast to Coast' add on service. Voicemail is accessible 24-hours per day to Client. Call answering services will only be provided to individual, named Users.

Unless pre-agreed, in writing, all components of the telephone service, including phone numbers and phone equipment issued by Operator but used by Client will remain at all times property of Operator. Client may request, upon commencement of this Agreement, a portable telephone number at an additional monthly fee. Client is not permitted to install any communication equipment, including telephone or network lines for internal or external use without prior written approval of Operator. Local and long distance phone usage will be charged to Client at Operator's then marketed rates *plus applicable taxes*.

#### **Business Address/Mail Service:**

When applicable, Operator will act as an agent for Client in receiving mail and reasonably sized packages when such are delivered to Client in conjunction with services to Client. Depending upon plan, Client may be required to complete and submit to Operator a USPS Form 1583 which will become part of this Agreement and service will NOT commence prior to the completed forms being notarized, returned, and reviewed by Operator's staff. Any violation of USPS laws, rules, and/or regulations by Client may result in immediate termination of services by Operator. Operator will accept mail in Client's name, as detailed in this Agreement, and any additional, pre-agreed upon User names only. Operator is not responsible for mail returned to sender for improper address. Client authorizes Operator to sign for mail and packages deliverable only upon signature and agrees to pick up mail and packages in a timely manner or storage fees may apply. Note: DBA's or additional company names require separate CMRA forms and will incur additional charges for Address/Mail services.

#### **Mail Management Services:**

**Mail Forwarding:** Where forwarding is available and upon written instruction, Operator will forward mail and deliveries to another address by repackaging and posting the contents of Client's mail and deliveries. Mail and packages will not be forwarded to other 3<sup>rd</sup> party agents for delivery addresses. Client agrees to pay for administrative costs, supplies, and postage to accommodate forwarding. Operator is not responsible for any delay or loss of mail during the forwarding process. International forwarding of packages is not available in all cases.

Overnight and express forwarding of packages may require Client's account number, at the discretion of Operator. Operator is not responsible for mail returned to sender for non-payment of service fees.

Client agrees that administrative charges will apply if Client requests, Operator's staff to retrieve, read, or review the contents of Client's mail.

**Scanning Services:** If Client chooses to have Operator open and scan the contents of its mail, Client agrees that, unless specifically requested in writing to discard mail, Operator will forward the accumulated mail, one time per month, at the then published service rates.

#### **Hourly Meeting Room and Day Office Use:**

Client will be required to use Operator's online booking system or submit a request via email to reserve space. Space is available on a first-come, first-served basis. Cancellation of any booking must be made 24 hours prior to commencement or Client will be charged the full amount of the booking or have its credit value deducted. All bookings will be invoiced a minimum of one full hour and then in subsequent full hour increments. An allotment of credits (to be used against hourly use of meeting rooms and open desk coworking) are available for purchase or included in some service plans. Credits are NOT transferable, Client or pre-identified Users must be present at all meetings. Overage may be charged at a discounted rate depending on Client's service plan.

#### **Network and Internet Connectivity:**

Operator will provide Client with access to the internet in the form of a shared fiber gateway. The standard shared fiber connection is available for individual internet access for all Operator's clients using secured VLANs for wired connectivity and standard WPA1/2 encrypted security for wireless. The service does NOT have a firewall, proxy server or other preventative measures against outside intrusions. Client acknowledges that the standard internet access service is provided 'as is'. Operator cannot be held responsible for any security intrusions, damages or faults that occur as a result of this service. The Operator recommends that Client place the following protections on all computers connected to the service: automatic virus scanning software, installation of personal computer firewalls, shutting down computers when not in use for long periods of time, unique ID and password for each computer.

Client may not use this service to publish, post, upload, distribute, or disseminate any inappropriate, profane, defamatory, obscene, indecent or unlawful topic, name, material, or information on or through Operator's servers or bandwidth. Client may not upload any information, including images or photographs, or video/film, software, content or other material protected by intellectual property laws, including, by way of example, but not as limitation, copyright or trademark laws (or by rights of privacy or publicity) unless Client owns or controls the rights thereto or has received all necessary consent to do so. Client may not download any files that Client knows or reasonably should know cannot be legally reproduced, displayed, performed, and/or distributed in such a manner. Client may not use the services in any way to restrict or inhibit other Clients from using and enjoying the Services. Operator is not responsible for any data, business, or other losses that result from interruption to the internet service provided by Operator. Client is responsible for protecting its own computers and data from electrical surges, theft, viruses, other malicious attacks, or network interruptions.

## **6. Monthly Fees**

**Monthly Fees:** As a matter of convenience Operator will produce a monthly invoice, which will include all Client charges as of the first day of each month. Unless agreed to in advance, all clients must have a valid credit card on file or make ACH payment arrangements. Operator will run all credit card transactions on the 1<sup>st</sup> calendar day of

the month. Client agrees that any errors or delays in billing for additional charges may be corrected by Operator at any time. Client will have 30 days to dispute any charge from the date of the first invoice with disputed item. All disputed charges must be submitted to Operator in writing. Client agrees to pay any amount not in dispute by the due date.

**Late Payment of Fees:** Payment not made by close of business on 5<sup>th</sup> calendar day of each month will result in a late fee of \$25.00 or 10% of the monthly fee, whichever is greater.

**Dedicated Space Subscription:** If Client is more than ten (10) calendar days past due, Operator shall have the right to declare Client in default. If after three (3) working days from notification of default, full payment for fixed charges has not been received by Operator, Operator may without further notice terminate all services provided under this Agreement, including, for avoidance of doubt, denying Client access to the Premises and/or Dedicated Space. If any part of the invoice is disputed, Client must pay the amount not in dispute by the due date, or be subject to late fees. Any dispute must be in writing and submitted to Operator within 30-days of the due date indicated on the invoice.

**Virtual Office and Open Coworking Subscription:** If Client has not paid by the 10<sup>th</sup> calendar day of the month, with or without notice, all services will be terminated: mail will be returned to sender, and phone services and access to meeting room space will be discontinued. Once in default, the total balance due must be paid in full and a re-activation fee of \$99.00 will be assessed in order to resume services.

**Declined payments:** Any check, credit card transaction, wire-transfer, or other payment method that is declined for insufficient funds or other reasons shall result in a \$25.00 fee per occurrence. Client remains subject to the timing and late fee provisions established above. In the event that Client's credit card is declined due to expiration, Client consents that Operator attempt, per credit card company rules, to add a date extension to the existing credit card data on file and re-run the card.

**Taxes:** Client agrees to pay for all sales, use, and consumption taxes which Operator is required to pay for via local tax regulations.

#### **Renewal Escalations:**

**Dedicated Office Subscription:** In the event of any automatic renewal, Operator reserves the right to raise the rent, up to 10% of the current rate, without notice, to adjust for changes in the market value of Client's office(s).

**Virtual Office, Open Coworking and Dedicated Desk Subscriptions:** Client agrees that an automatic 4% increase will be assessed annually to the monthly plan rate regardless of term or then published, new client pricing and/or discounts.

#### **7. Manner of Use:**

**Manner of Use:** Client may use the facilities and services for legitimate business purposes only. Client shall not conduct any activity on the Premises which is forbidden by law, hazardous, or may invalidate or increase the premium of any insurance policy carried by the Operator or its partners. Client shall not conduct any activity which impairs the character, quiet enjoyment, reputation, appearance or operation of the business. Client agrees to strictly adhere to the reasonable rules and regulations mandated by Operator's landlord and staff. Client is responsible to ensure that its personnel and guests conduct themselves in a business-like and professional manner at all times. Operator may immediately terminate a Client's Agreement in Operator's sole discretion, if Client's employees or guests use vulgar, abusive, violent or insulting language or demonstrates aggressive

behavior directed toward or observed by any of the Operator's staff or takes action to disrupt the business environment of the Premises or if Client's business lawfulness is questioned by local, state or federal policing or regulatory authorities.

**Damages to Premises:** Client agrees to not damage, deface or alter the offices, meeting rooms, common areas, furniture, furnishings, walls, ceilings, floors or equipment or otherwise improperly use the space. If Operator is forced to make repairs due to Client's use of the space either by its employees or guests, Client will reimburse Operator for all costs associated with repair over and above normal wear and tear.

**Sexual Harassment and Discrimination:** Client and its employees, agents, and guests will not engage in legally prohibited acts of sexual harassment to any of Operator's employees. Client and Operator agree to comply with all laws prohibiting discrimination based on a person's sex, age, race, color, national origin, disability and/or religion and similar statues.

**Confidentiality:** Client acknowledges that during its participation in the use of the Premises, Client may be exposed to Confidential Information of Operator and/or other Clients. "Confidential Information" shall mean all information, in whole or in part, that is nonpublic, confidential, or proprietary in nature. Confidential Information includes, without limitation, information about business, sales, operations, know how, trade secrets, technology, products, employees, customers, marketing plans, financial information, services, business affairs, any knowledge gained through examination or observation of or access to the Premises, computer systems, and/or books and records of Operator or any Client, any analyses, compilations studies or other documents prepared by Operator or any Client or otherwise derived in any manner from the Confidential Information and any information that you are obligated to keep confidential or know or have reason to believe should be treated as confidential. Client's license obligates Client to: a) maintain all Confidential Information of Operator or any other Client in strict confidence, b) not disclose Confidential Information to any third parties, including any other Client, and c) not to use Confidential Information in any way directly or indirectly detrimental to Operator or any other Client. Operator shall have no liability arising from Client's disclosure, whether intentional or not, of any Confidential Information shared to third parties in or about the Premises.

## 8. Termination of Agreement:

**Termination of Agreement:** Any notice required or permitted under this Agreement must be in writing addressed to Operator via email (with confirmation from Operator) or delivered to Operator at the Premises. Client agrees Operator's written notice may be delivered via email or delivered to Client's designated mailbox.

**Dedicated Space Subscription:** Either party can terminate or downgrade space and services this Agreement at the end of the initial or subsequent terms within the time specified in the following schedule:

# of offices	Required Written Notice
1/Dedicated Desk(s)	No later than 30-days prior to termination date
2-3	No later than 60-days prior to termination date
4 +	No later than 90-days prior to termination date

In any event, the termination of this Agreement shall be effective on the last calendar day of the month in which the last of required period falls. Failure to notify Operator of Client's intent to terminate shall result in an automatic renewal of this Agreement for subsequent periods equal in length to this Agreement.

**Virtual Office and Open Coworking Subscription:** Unless specified otherwise, Client must give at least 30 days' written notice to discontinue or downgrade service prior to the end of the initial term. **Regardless of commencement or notice date, this Agreement can only be terminated on the last day of the calendar month.**

**Holding Over:** If Client does not surrender possession of the Dedicated Space(s) promptly upon termination of this Agreement and does not have written permission of Operator, Client shall pay Operator for each day of such possession one-fifteenth (1/15<sup>th</sup>) of the amount of the monthly office fee plus all costs, expenses and damages sustained by Operator as a result of such possession and Client will continue to be bound by all the other terms and conditions of this Agreement.

**Telephone Number and Mail Forward:** Client acknowledges that the U.S. Postal Service will NOT accept a "Change of Address" request for any of Operator's Clients. Therefore, for ninety (90) days after termination of this Agreement, Operator will automatically invoice Client a fee of \$99.00 for transitional services. During this period, Operator will hold or forward mail once per week, supplies and postage included and will re-direct callers to Client's new telephone number and address via voicemail instruction. One additional 90 day forwarding period may be purchased for \$99.00, if the Client chooses. In the event that Client does not pay the invoice and adequate deposits are not available, the length of this transitional service will be pro-rated based upon available funds. Client further understands that at the expiration of the transition term, irrespective of length, all mail will be marked "Return to Sender" and the phone number, which is the property of Operator, will be assigned to another user.

**Client's Personal Property:** Upon vacating the Premises, client is expected to remove all personal property. Any personal property remaining on the Premises will be disposed of and costs of dispossession will be charged to Client. If dispossession includes the sale of said property, Operator has no obligation to the Client for any of the proceeds of the sale.

#### **Closing Fees:**

**Dedicated Office Subscription:** (Note, this applies to Dedicated Office Subscriptions only.) Upon termination of this Agreement, Client will return the Dedicated Space(s) and furniture in as good a condition as when client commenced use, normal wear and tear excepted. Client agrees to vacate the premises promptly and to leave the Dedicated Space in at least "broom clean" condition. Client will be invoiced for painting at a cost of \$225.00 per Dedicated Space, plus repairs, if required. Client will be invoiced for cleaning at a cost \$99.00 per User. In addition, a charge of \$89.00 will be assessed to disconnect each User with either/or telephone/network connections.

#### **9. Service Deposits:**

**Service Deposits - Dedicated Office Subscriptions:** Client agrees to deposit with Operator funds equivalent to the first full month's Monthly Fee, to Operator for advances made on Client's behalf for: a) all of its obligations, including: services and rents, b) as security for full performance by Client of the terms set forth in this Agreement, c) for the repair or correction of damage to client's office, furnishings, and/or equipment beyond normal wear and tear. **Under no circumstances may Client use the Service Deposit in lieu of the last monthly payment of fixed or variable charges.**

**Service Deposits - Virtual Office and Open Coworking Subscription and Dedicated Desk Subscribers:** Operator may waive Service Deposit fees so long as payment is made via Credit Card. If Client's credit card is declined for any reason and Client does not make alternative payment arrangements in order to insure timely payment, in

accordance with 'Payment of Fees' provision above, Client will be in default. If such default occurs, Operator may request a refundable deposit to hold on account, interest-free, until such time as this Agreement is terminated and Client has paid Operator in full.

**Keys:** Where applicable, Clients will be given the number of keys (including, if required, fobs, mail keys, and access keys) according to the number of prescribed Users. Any key which is lost or stolen must be reported to Operator immediately and Client must pay the cost of replacement and re-keying, if necessary. Client shall not copy any key or allow anyone else to use them without Operator's written consent. Client agrees to deposit with Operator \$50.00 for each set of keys assigned to Users.

**Return of Deposit:** Subject to Operator's rights under the preceding paragraph, the entire deposit, or any balance thereof after final Closing Fees and outstanding balances are assessed, shall be returned to Client within sixty (60) days after Client has terminated this Agreement, and, if applicable, completely vacated the premises and/or surrendered all keys.

**Remedies Upon Client's Default:** On default, Operator may choose any or all of the following remedies: a) terminate this Agreement, b) accelerate all rent payments payable under this Agreement, c) demand security deposit or additional deposits, d) take any action authorized by law to recover office space and Operator's property from Client, e) Operator may immediately cease providing Client with any or all services, including telecommunications and network/IT services. Client agrees that the withholding of services without the compliance with the provisions of any applicable unlawful detainer or eviction statute which only governs the physical occupancy of the office(s) and is inapplicable to other services such as telecommunications, reception services, network access, conference rooms, parking, etc. Client agrees that Operator is incapable of mitigating damages for breach of this Service Agreement.

## 10. Miscellaneous Provisions

**Occupancy:** If occupancy cannot be provided by Operator for any reason by the commencement date stated above, Operator shall not be liable for any damages, but rent shall not accrue until occupancy can be provided.

**Relocation:** Dedicated Space Clients agree that upon 30 days' written notice Operator may require that you relocate to another office/desk space within the premises. Operator will make space available of approximate equal size (or larger) and similar configuration for the remainder of the term at a rate no greater than Client's current Monthly Fees for the same number of users.

**Insurance:** Client understands that Operator does not provide any insurance for Client's benefit. Client agrees to insure, at its own expense, its personal property from all perils and assumes all risk of loss with respect to its property and that of its employees, agents and guests. Client agrees to endorse Operator as additional named insured on its policy.

**Media Consent:** From time to time Operator takes videos and photos of the space, particularly during community events. These videos and photos may be posted to Operator's website and social media accounts. Users of the space expressly consent to the use of any photos or video which include their likeness on Operator's website or social media postings.

**Waiver:** Client acknowledges that due to the imperfect nature of verbal, written, and electronic communications and equipment, Operator shall not be responsible for damages, direct or consequential, which may result from the failure of Operator to furnish any service, including but not limited to the service of conveying messages, communications, and other utility or services described under this Agreement or agreed by Operator. This



indemnification of liability includes any perceived loss of business, profits, or anticipated earnings that rises out of or in connection with the Client's use of Operator's services including telephone, voicemail, phone answering, mail delivery or mail forwarding, internet and computer services. Client's sole remedy and Operator's sole obligation for any failure to render any service, any error or omission or any delay or interruption with respect thereto, is limited to an adjustment to Client's billing in an amount equal to the charge for such service for the period during which the failure, delay, interruption occurs or continues. Nonetheless, Client may terminate this Agreement by providing Operator with five (5) days advance written notice if Operator's services substantially cease to function for five (5) consecutive business days during the term of this Agreement unless Client is in default of this Agreement. Further, except for loss or damage to Client's property intentionally caused by Operator's agents or employees, Client, as a material consideration of this Agreement waives all claims against Operator for loss or damage to the Client's property caused by fire, water, theft or otherwise.

**Indemnify and Hold Harmless:** Due to the imperfect nature of technology and verbal, written, mailed, or electronic communication, as well as mistakes by employees or associates, or due to strike, Force Majeure, or other unforeseen occurrence, Client agrees that Operator is free from all liability for claims for damages by any reason barring willful misconduct on behalf of Operator. This indemnification of liability includes any perceived loss of business, profits, or anticipated earnings that arises out of or is in connection with Client's use of Operator's services including: telephone, voicemail, phone answering, mail delivery or mail forwarding, internet and computer services, or center specific services. Client agrees that Operator is to be free from all liability for claims for damages by reason of injury to any person or loss or damage to any property from any cause while in, upon, or in any way connected with the facilities of Operator. Client agrees to hold Operator harmless from all liability, loss, cost, or obligations arising out of any such injuries or losses, however occurring.

**Limitation of Liability:** Operator shall not be liable for any direct, indirect, incidental, punitive, special, multiple, or consequential damages resulting from Client's use or inability to use the Services or for cost of procurement or substitute goods and services or resulting from any products or services purchased or obtained through the site including loss of profits, use, data or intangible property, even if Operator has been advised of the possibility of such damages. The entire liability of Operator, and Client's exclusive remedy with respect to the use of the site and Services, are limited to the lesser of: 1) the amount actually paid by Client for the Services during the three (3) months preceding the date of any claim made by Client; or 2) \$500.00 (US), whichever is less. By acceptance of this Agreement, Client hereby releases Operator from any obligations, liabilities and/or claims in excess of this limitation.

**Attorney's Fees:** If either party breaches any term, covenant or condition of this Agreement, the breaching party shall pay the other party's reasonable expenses, including attorney's fees, incurred in enforcing its rights under this Agreement.

**Operator's Employees:** Client agrees that during the term of this Agreement and for Six (6) months after termination, neither Client nor any affiliate of Client shall solicit for hire anyone who is or has been an employee of Operator during the term of term of Client's Agreement or accept compensation in connection with the employment of Operator's employees. Client may recruit generally in the media and may hire an Employee who answers an advertisement without having been personally solicited or recruited by the Client. Upon breach of this provision, Client agrees to pay the Operator ten thousand dollars (\$10,000) as compensation and agrees that this provision for liquidated damages is reasonable and that the actual damage which would be sustained by the Operator as a result would be difficult to fix.

**Right of Entry:** Operator shall have the right to enter Client's Dedicated Space(s) in the following circumstances: a) in the case of emergency, b) upon reasonable advanced notice to Client for cleaning, to make repairs or to exhibit the office(s) to potential Clients, and c) to supply services requested by Client.

**Rules and Regulations:** Client agrees to comply with the normal rules and regulations imposed upon Operator by the Master Lease or by norms dictated by the use of the space, for which amendments may be required from time to time, for which Client will be notified in writing. Documented Rules and Regulations are available on Premises. If applicable and required by Master Lease, Client agrees to accept and sign acknowledgement of specific Premises-based Rules and Regulations.

**Master Lease:** This Agreement shall be subject and subordinate to the Lease under which the Operator holds possession of the Premises. Upon termination of such Lease, for any reason, this Agreement shall terminate and Client shall promptly surrender Client's office. If applicable, Client may be asked to accept location specific provisions mandated. Any required Addendum will be submitted to Client, for review and signature, as an attachment to this Agreement prior to Commencement.

**Partnership Agreement:** This Agreement might be subject and subordinate to a Partnership Agreement under which, if applicable, 3<sup>rd</sup> party dedicated office, subscription or day use services are provided to Client on behalf of Operator.

**Management Contract:** This Agreement might be subject to and subordinate to a Management Contract under which, if applicable, dedicated office, subscription or day use services are provided.

**Assignment and Subletting:** Client's interest under this Agreement may not be encumbered or assigned, in whole or part, either by act of Client or by operation of law without the express written consent of Operator. In the absence of written consent, any purported encumbrance, assignment or sublease by Client shall not be binding on Operator.

**Time is of the Essence:** The timing provisions contained in this Agreement constitute a material part of the Agreement.

**Applicable Law:** The Agreement shall be governed and construed in accordance with the laws of the State of California. This instrument and all documents incorporated by reference contains the entire Agreement of the parties. No representation or promise relating to and no amendment of this Agreement shall be binding unless it is in writing and signed by both parties. If any provision of this Agreement is held to be unenforceable, this Agreement shall be construed without such provision. The captions are not part of the Agreement.

## House Rules

**Conference Room Usage:** (If applicable) Client will receive account information to access the Operator's meeting room booking portal for the purposes of scheduling, on a first-come, first-served basis day office or meeting room space. Contracted credits are to be used by the last billing day of the month and will not be carried over. Credit use over the contracted amounts will be billed at then Operator's hourly rates. Client agrees to adhere to Operator's cancellation and other pertinent policies regarding use as posted on the Client Services Portal. Pre-purchased Credit plans will be tracked and overage fees, when applicable, will be applied on a mid-month to mid-month schedule. Usage will be tracked from the 16<sup>th</sup> of the month to the 15<sup>th</sup> of the next. Fees will appear on the invoice due on the 1<sup>st</sup> day of the following month.

**Alterations:** Client may not make any physical alterations to Client's office(s) or dedicated space without the prior written consent of Operator. Exceptions are: a) hanging light-weight pictures, b) adding furniture that doesn't interfere with the space (moving regulations must be adhered to), and c) installing business equipment that does not interfere with the interior surfaces or existing electrical, cabling or telephonic systems.

**Corridor and Exit Doors:** Client will not prop open any corridor doors, exit doors or doors connected to corridors during or after business hours.

**Chair Mats:** Where applicable, Client agrees to use chair mats for any rolling desk chair. Repair of carpet damage will be the responsibility of Client.

**Service Animals:** No animals, except those assisting the disabled, may be brought in or kept in or about the Premises or Building.

**Smoking:** Smoking, including vape and e-cigarettes, is prohibited in the Premises at all times. Individual building rules regarding smoking restrictions must be followed by Client and its employees and guests.

**Signage:** No sign, placard, picture, advertisement, name, or notice shall be inscribed, displayed, or printed, or affixed on or to any part of the outside or inside of the Building without the written consent of Operator. Operator shall have the right to remove same without notice to and at the expense of Client.

**Common Areas:** The sidewalks, halls, passages, exits, entrances, elevators, and stairways shall not be obstructed by any use of the Client or used for any purpose other than for ingress and egress from their respective office(s) or Premise.

**Quiet Enjoyment:** Client will not interfere with the quiet enjoyment of any of Operator's other clients.

**Door Locks:** Client shall not alter any lock or install any new or additional locks or any bolts on any doors or windows of the Premises.

**Restrooms:** The building restrooms, urinals, wash bowls, and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind shall be thrown therein and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by the Client who, or whose agents, officers, employees, invitees or guests, shall have caused it.

**Office Safe/Heavy Equipment:** Client must inform Operator of safes or other heavy equipment intended for placement in the office(s). Operator shall have the right to prescribe the weight, size, and position of all safes and other heavy equipment and also the time and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Operator, stand on supports of such thickness as necessary to properly distribute the weight. Operator will not be responsible for loss of or damage to said property from any cause. The repair of damage done to the Premises or building by moving or maintaining any such equipment shall be at the expense of Client.

**Moving:** Any moving company or contractor retained by Client to undertake moving activities, including but not limited to furniture, freight and other large equipment, to or from the Premises must first be pre-approved by Operator, in Operator's sole but reasonable discretion; and obtain Operator's approval of the timing and manner of the moving activities and schedule.

**Use:** Other than use of the microwave and coffee machine, no other cooking shall be done or permitted by any Client on the Premises, nor shall the Premises be used for the storage of merchandise, for washing clothes, for lodging, or for any improper, objectionable, or immoral purpose.

**No Flammable or Toxic Materials:** Client shall not use or keep in the Premises **any** flammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied by Operator (small office fans excluded). Client shall not use, keep, or permit to be used or kept, any foul or noxious gas or substance in the Premises.

**Telephone/Cabling Installation:** Operator will direct electricians as to where and how telephone and data cabling of any kind are to be installed. No boring or cutting for the wires and cable will be allowed without the consent of the Operator. The location of telephones, call boxes, and other office equipment affixed to the Premises shall be subject to the approval of Operator. Operator may, at its sole discretion, reallocate phone lines available on the floor in which the Premises are located at any time during the term of this Agreement.

**Access to Building and Premises:** On Weekends and legal holidays, and on other days between the hours of 5:00 p.m. and 8:30 a.m. the following day, access to the Premises, building, elevators and stairways may be refused unless the person seeking access is known to the person or employee of the Building and has access "keys." The Operator shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Premises or building of any person. In case of invasion, mob, riot, public excitement, or other commotion, access to the Building and/or Premises may be denied by closing of the doors or otherwise, for the safety and protection of the suite and building's Clients and property. Operator reserves the right to exclude or expel from the Premises and building any person who, in the judgment of the Operator, is intoxicated or under the influence of liquor or drugs, or who shall in any manner appear likely to act in violation of any of the rules of the Premises or Building.

**Common Area Operations:** Operator shall have the right to control and operate the public portions of the Building, and the public facilities, and heating and air conditioning, as well as facilities furnished for the common use of the Clients, in such manner as it deems best for the benefit of the Clients generally.

**Enforcement:** Client agrees that compliance with these House Rules is a material component of the Client License Agreement and Terms of Use between Client and Operator. Client agrees to abide by all such rules and regulations and any written amendments or modifications to same. Operator shall have no responsibility to Client for any violation or non-performance of these House Rules by any of Operator's other Clients or Clients of the building.